Section 2 - Frame Relay Digital Service (Vintage Aug 2004)

AT&T TEXAS/1/

ADVANCED SERVICES (Vintage I)

This Guidebook ("Guidebook") applies to Advanced telecommunications Data services furnished by AT&T Texas ("Company").

Effective August 20, 2004, services contained within this Section of the guidebook are grandfathered and no longer available for new subscribers.

/1/ Services provided in this Section of the guidebook were formerly provided by AT&T Corp. d/b/a AT&T Advanced Solutions under the Texas General Tariff No. 1. These services are obsolete and are only provided to customers who subscribed to them prior to August 24, 2004.

AT&T TEXAS ADVANCED SERVICES GUIDEBOOK

ADVANCED SERVICES (Vintage I)

CHECK PAGE

The pages of this Guidebook are effective as of the date shown at the top of the respective page. Original and revised pages as named below comprise all changes from the original Guidebook.

<u>PAGE</u>	REVISION	<u>PAGE</u>	REVISION	<u>PAGE</u>	<u>REVISION</u>
1	Original	36	Original	71	Original
2	Original	37	Original	72	Original
3	Original	38	Original	73	Original
4	Original	39	Original	74	Original
5	Original	40	Original	75	Original
6	Original	41	Original	76	Original
7	Original	42	Original	77	Original
8	Original	43	Original	78	Original
9	Original	44	Original	79	Original
10	Original	45	Original	80	Original
11	Original	46	Original	81	Original
12	Original	47	Original	82	Original
13	Original	48	Original	83	Original
14	Original	49	Original	84	Original
15	Original	50	Original	85	Original
16	Original	51	Original	86	Original
17	Original	52	Original	87	Original
18	Original	53	Original	88	Original
19	Original	54	Original	89	Original
20	Original	55	Original	90	Original
21	Original	56	Original	91	Original
22	Original	57	Original	92	Original
23	Original	58	Original	93	Original
24	Original	59	Original	94	Original
25	Original	60	Original		-
26	Original	61	Original		
27	Original	62	Original		
28	Original	63	Original		
29	Original	64	Original		
30	Original	65	Original		
31	Original	66	Original		
32	Original	67	Original		
33	Original	68	Original		
34	Original	69	Original		
35	Original	70	Original		
	-		-		

* New or Revised Page

ADVANCED SERVICES (Vintage I)

TABLE OF CONTENTS

Page

CHEC TABL APPL EXPL	PAGE K PAGE E OF CONTENTS ICATION OF GUIDEBOOK ANATION OF SYMBOLS EBOOK FORMAT	.2 .3 .5 .6
1.	DEFINITIONS	. 8
	REGULATIONS	• •
2.1 2.2	Regulations Applying to all Customer's Contracts	
2.2 2.3	Application for Service	
2.3	Use of Service and Facilities	
2.4	Payments for Service	
2.5	Obligations of Customers and Rights of the Company	
2.7	Liability of the Company	
2.8	Transfers of Contracts	
2.9	Termination of Contracts	
2.10		
2.11		
2.12	5	
2.13		
2.14		
2.15	5 Special Construction	12
	APPLICATION OF RATES	
3.1 3.2	Business Rates	
3.2	Residence Rates	14
4.	SERVICE CONNECTION CHARGES	
4.1	General	
4.2	Service Charges	16
5.	FRAME RELAY DIGITAL SERVICE	
5.1	Descriptive Summary	10
5.2	Definitions	
5.3	General Regulations	
5.4	Service Availability	
5.5	Limitations	
5.6	Responsibility of the Customer	
5.7	Responsibility of the Company	
5.8	Application of Rates	
5.9	Rates and Charges	57
5.10	Volume Pricing	59

ADVANCED SERVICES (Vintage I)

TABLE OF CONTENTS (Continued)

		Page
6. CL	JSTOMER SPECIFIC PRICING	•
6.1	Scope	
6.2	Liability	
6.3	Obligations of Customers	
6.4	Rights of the Company	
6.5	Use	
6.6	Payment Arrangements and Credit Allowances	
6.7	Public Utility Commission Notification	
6.8	Payment Options	
6.9	Distance Learning	
6.10	Educational Percentage Discount Rates (E-Rates)	
6.11	High Capacity Network Services	
6.12	Customized Services	71
	RIVATE NETWORK SERVICES	
7.1	Descriptive Summary	
7.2	Provision of Service	
7.3	Definitions	
7.4	Reserved for future use	
7.5	Native LAN Interconnection and Channel Extension Services	0.4
7.0	(NLIS/CES)	
7.6	Other Private Network Services	85
0 10		
8. AD 8.1	DITIONAL ENGINEERING, ADDITIONAL LABOR AND MAINTENANCE OF SER	
0.1 8.2	Additional Engineering	
0.2 8.3	Additional Maintenance	
	Maintenance of Service	
8.4	Rates and Charges	
9. TE	LECOMMUNICATIONS SERVICE PRIORITY (TSP)	
9. IE 9.1	General	00
9.1	Regulations	
9.2 9.3	Definitions	
9.3 9.4	Availability of Service	
9.4 9.5	Provision of Service	
9.5 9.6	Application of Rates	
9.6 9.7	Rates and Charges	
9.7	nales and unalyes	94

ADVANCED SERVICES (Vintage I)

APPLICATION OF GUIDEBOOK

- A. This Guidebook contains the description, regulations, and rates applicable to Services offered by the Company. Services are furnished subject to the availability on a continuing basis of all the necessary facilities as set forth in this Guidebook. The Company will provide Advanced Data Services, including but not limited to: ADSL, IDSL, xDSL, Frame Relay, Cell Relay, and VPOP-Dial Access Service which relies upon packetized technology and has the capability of supporting transmission speeds of at least 56 kilobits per second in both the transmit and receive direction.
- B. The rates and regulations contained in this Guidebook apply only to the Services furnished by Company and do not apply, unless otherwise specified, to the lines, facilities, or services provided by a Local Exchange Carrier or other common Carrier for use in accessing the Services of Company.
- C. The Company shall not be deemed to have waived or impaired any right, power, requirement or option reserved by this Guidebook (including, but not limited to, the right to demand exact compliance with every term and condition herein), by virtue of any custom or practice of the Company at variance with the terms hereof, or any failure, refusal or neglect of Company to exercise any right under this Guidebook or to insist upon exact compliance with its terms, or any waiver, forbearance, delay, failure or omission by Company to exercise any right, power or option hereunder.
- D. The provision of Services are subject to existing regulations and terms and conditions specified in this Guidebook and may be revised, added to or supplemented by superseding Guidebooks.
- E. The Company reserves the right to offer its Customers a variety of Services as deemed appropriate by the Company.
- F. The Company will provide Services requested by Customers which are not included in this Guidebook, depending on equipment and facility availability and economic considerations. Pricing for these Services will be accomplished on an Individual Case Basis (ICB) or a Customer specific contract.
- G. This guidebook is applicable to Business and Residential Customers.

Section 2 - Frame Relay Digital Service (Vintage Aug 2004)

ADVANCED SERVICES (Vintage I)

EXPLANATION OF SYMBOLS

The following symbols will be used in the right-hand margins of each guidebook sheet to indicate changes made on the sheets:

- (C) Indicates a Change in Regulation
- (D) Indicates Discontinued Rate or Regulation
- (E) Indicates Correction of an Error Made During a Revision
- (I) Indicates Rate Increase
- (M) Indicates a Move of Text but no Change in Text, Rate or Regulation
- (N) Indicates a New Rate or Regulation
- (R) Indicates a Rate Reduction
- (T) Indicates a Change in Text but no Change in Rate or Regulation

GUIDEBOOK FORMAT

- A. **Page Numbering** Page numbers appear in the upper right hand corner of each page. Pages are numbered sequentially. However, new pages are added to the Guidebook from time to time. When a new page is added between pages already in effect, a decimal is added. For example, a new page added between pages 14 and 15 would be 14. 1.
- B. **Page Revision Numbers** Revision numbers also appear in the upper right hand 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 14 cancels the 3rd revised page 14.
- C. **Paragraph Numbering Sequence** There are six (6) levels of paragraph coding. Each level of coding is subservient to its next higher level:
 - 2 2.1 2.1.1 2.1.1.A 2.1.1.A.1 2.1.1.A.1.(a) 2.1.1.A.1.(a).I
- D. Check Pages When a Guidebook filing is made with the Commission, an updated check page accompanies the Guidebook filing. The check page lists the pages contained in the Guidebook with a cross-reference to the current revision number. When new pages are added, the check page is changed to reflect the revision. An asterisk (*) designates all revisions made in a given filing. There will be no other symbols used on this page if these are the only changes made to it. The Guidebook user should refer to the latest check page to find out if a particular page is the most current.

1. DEFINITIONS

Certain terms used generally throughout this Guidebook are defined below:

<u>ALTERNATING CURRENT SUPPLY</u>: Electrical energy which is used for the operation of bells and signal devices.

<u>AUTOMATIC DIALING-ANNOUNCING DEVICE</u>: An automatic dialing-announcing device is any automatic equipment used for solicitation which incorporates the following features: storage capability of multiple numbers to be called or a random or sequential number generator that produces numbers to be called; and has the capability, working alone or in conjunction with other equipment, of disseminating a prerecorded message to the number called.

BATTERY: (See Direct Current Supply).

CANCELLATION CHARGE: (See Termination Charge.)

<u>CENTRAL OFFICE</u>: A central office is a local exchange switching unit which is used to interconnect an Exchange Access Arrangement or telephone within a specified area.

<u>CENTRAL OFFICE DISTRICT</u>: A central office district is the specific district normally served by a central office. A central office district may be served in several ways, namely: By a single-unit central office.

By a multiple-unit central office.

By a theoretical central office established for the purpose of development, in which case the switching is done on the switchboard of a central office already established and located in the central office district, a part of which will subsequently become the new central office district. Such a theoretical central office district is termed "Potential Central Office District."

<u>COMMUNICATIONS SYSTEMS</u>: Channels and other facilities which are capable, when not connected to the telecommunications network, of two-way communications between terminal equipment.

<u>COMPOSITE DATA SERVICE</u>: The combined use of terminal and data switching equipment provided by a Composite Data Service Vendor with the use of telecommunications services of the Company to perform data switching for others.

<u>COMPOSITE DATA SERVICE VENDOR</u>: A customer that has been certificated by the proper state or municipal regulatory body, and/or the Federal Communications Commission pursuant to section 214 of the Communications Act of 1934, as amended, to acquire and operate facilities to perform data switching for others. A customer shall be classified as a Composite Data Service Vendor only with respect to use of those exchange services which are utilized for the provision of composite data service.

1. DEFINITIONS (Cont'd)

<u>CONNECTING COMPANY</u>: A corporation, association, firm or individual, owning and operating one or more central offices and with whom traffic is interchanged.

<u>CONSTRUCTION CHARGE</u>: A separate initial charge made for construction of pole lines, circuits, facilities, etc., in excess of that contemplated under the rates quoted in the guidebooks of the Company.

<u>COVERED PUBLIC MALL</u>: A covered public area, originally intended for, or formerly used as, a public street or alley running between two or more buildings.

<u>CUSTOMER</u>: The person, firm or corporation which orders service and is responsible for the payment of charges and compliance with the regulation of the Company.

CUSTOMER PREMISES INSIDE WIRE:

Simple All wiring on the customer's side of the demarcation point which is not complex wiring. Complex Complex wiring, also called intrasystem wiring, includes all cable and wire and its associated components (e.g., connecting blocks, terminal boxes, conduit between buildings on the same customer's premises, etc.) located on the customer's side of the demarcation point, which connect station components to each other and to the common equipment of a Private Branch Exchange (PBX) or key system.

<u>CUSTOMER-PROVIDED TEST EQUIPMENT</u>: Denotes test equipment located at the premises of the customer that is used by the customer for the detection and/or isolation of a communications service fault.

<u>DATA SWITCHING</u>: When used in connection with enhanced services, denotes the switching of data (non-voice) messages by the interchange, and the controlling and routing of data messages via communications facilities where the information content of the message remains unaltered.

<u>DIRECT CURRENT SUPPLY</u>: Electrical energy for talking and signaling purposes, other than ringing, except in the case of intercommunicating systems, when direct current may be used in ringing the station bells.

<u>DIRECT ELECTRICAL CONNECTION</u>: A physical connection of the electrical conductors in the communications path.

<u>DISTANCE LEARNING</u>: Instruction, learning, and training that is transmitted from one site to one or more sites by telecommunications services that are used predominantly for such instruction, learning, or training, including video, data, voice, and electronic information.

1. DEFINITIONS (Cont'd)

EDUCATIONAL INSTITUTION: Accredited primary or secondary schools owned or operated by state and local government entities or by private entities; institutions of higher education as defined by the Education Code, §61.003(13); the Central Education Agency, its successors and assigns; regional education service centers established and operated pursuant to the Education Code, §11.32 and §11.33; and the Texas Higher Education Coordinating Board, its successors and assigns.

<u>DEMARCATION POINT</u>: The point of interconnection between the Company communications facilities and wiring the Customer's premises.

<u>INSTALLATION CHARGE</u>: An initial and nonrecurring charge made under certain conditions covering the cost or portion of the cost of the work of connecting and furnishing service. (See *Construction Charge* and *Service Connection Charge*)

<u>INTERACTIVE MULTIMEDIA COMMUNICATIONS</u>: Real-time, two way, interactive voice, video, and data communications conducted over networks that link geographically dispersed locations. This definition includes interactive communications within or between buildings on the same campus.

<u>JURISDICTION</u>: A geographic area meeting each of the following conditions: (1) Presided over by the same regulatory body, (2) Within the boundary of a single state, (3) An area in which the Company is authorized to provide service.

<u>LATA</u>: Local Access and Transport Area (LATA) denotes a geographic area established for the administration of telecommunications service. It encompasses designated local operating telephone company exchanges which are grouped to serve common social, economic and miscellaneous purposes.

<u>LIBRARY</u>: Public library or regional library system as defined by Government Code, §441.122, or a library operated by an institution of higher education or a school district.

<u>MOVE</u>: A change in the location on the same premises of the customer's equipment, which does not involve a change in the class or grade of service, the rate charged for service furnished, or a break in the continuity of the contract under which the service is furnished.

<u>OTHER COMMON CARRIER</u>: The term Other Common Carrier denotes specialized common carriers, domestic and international record carriers and domestic satellite carriers engaged in providing telecommunications services as such carriers may be authorized by the Federal Communications Commission to provide.

1. DEFINITIONS (Cont'd)

PREMISES:

All portions of the same building occupied by the same customer, provided that:

- (A) All portions are not separated from each other by intervening offices, rooms or suites not occupied by the customer.
- (B) The portions on different floors are contiguous and that the portion on the upper floor is directly above the portion occupied on the lower floor.

All of the buildings occupied by the same customer, provided that all of the buildings are located on the same continuous property, which is owned and/or leased by the same customer, and are not separated by a public highway.

<u>REGISTERED</u>: The term registered denotes equipment which complies with and has been approved within the registration provisions of Part 68 of the Federal Communications Commission's Rules and Regulations.

<u>SERVICE CONNECTION CHARGE</u>: A charge made to a customer for the purpose of reimbursing the Company for the cost involved in connecting, disconnecting, or rearranging facilities upon customer's premises.

<u>SERVICE CONNECTION, MOVES AND CHANGES</u>: Refers to charges made to customers for the purpose of reimbursing the Company for the cost involved in connecting, moving, changing, and disconnecting facilities.

<u>SERVICE POINT</u>: When used in connection with communications channels or systems denotes the demarcation point on the customer's premises where channels provided by or furnished to the customer are terminated for communications with stations or terminal equipment located on the premises.

SUBSCRIBER: (See Customer)

<u>SUPPLEMENTAL CONTRACT</u>: A contract: A contract for service, equipment or facilities in addition to that provided for under the original contract.

<u>SUSPENSION OF SERVICE</u>: An arrangement made at the request of the customer or at the initiative of the Company for temporarily discontinuing service without terminating the contract or removing equipment from the customer's premises.

<u>TELECOMMUNICATIONS NETWORK</u>: All facilities of the Company that are used to provide its service.

<u>TERMINATION CHARGE</u>: A charge made to a customer if the contract is terminated prior to the expiration of the contract period.

THE COMPANY: AT&T Texas

<u>UNLIMITED SERVICE</u>: (See Flat Rate Service.)

2. REGULATIONS

- 2.1 Regulations Applying to All Customers' Contracts
 - 2.1.1 General Regulations

The regulations specified herein are in addition to the regulations contained in other sections of this Guidebook. Failure on the part of the customers to observe these regulations of the Company automatically gives the Company the right to cancel the contract and discontinue the furnishing of service.

The Company's obligation to furnish service or to continue to furnish service is dependent on its ability to obtain, retain and maintain suitable rights and facilities, and to provide for the installation of those facilities required incident to the furnishing and maintenance of that service.

Regulations covering connection of equipment, accessories or facilities provided and maintained by the customer are contained in other sections of this guidebook.

The Company shall not knowingly permit an automatic dialing-announcing device used for solicitation purposes to the public which cannot be terminated at will from the called station to be operated over its network.

2.1.2 Regulations Applying to Customer Complaints

The Company shall, upon receiving a complaint by a customer at the Company business office, either by letter or by telephone, promptly conduct an investigation of such complaint and advise the complainant of the results thereof. In the event the complainant is dissatisfied with the Company's report, the Company shall advise the complainant of the Public Utility Commission of Texas complaint process. The Company shall provide the customer with the address and telephone number of the Consumer Affairs Division of the Commission and if applicable, the Commission's TTY number for the deaf and hearing impaired.

2. REGULATIONS (Cont'd)

2.2 Application for Service

Application for service, or requests from customers for additional service equipment or changes in the grade or class of service become contracts when received by the Company and are subject to the minimum contract term. The Company reserves the right to require application for service to be made in writing on forms supplied by it.

The Company, upon request for service by a residential applicant or for a transfer of service by a residential customer, shall inform the applicant or customer of the lowest-priced alternative service available at the customer's location. The Company shall provide this information beginning with the lowest priced alternative and giving full consideration to applicable equipment options and installation charges.

The terms and conditions of all contracts are subject to the regulations in this Guidebook.

Any general change in rates or regulations shall act as a modification of the contract to that extent, without further notice except that in case rates are increased the customer may cancel his contract upon reasonable written notice and upon payment for all service, equipment and any contractual liability.

Unless otherwise specified, the minimum term for which service will be furnished is one month.

The Company may decline to serve an applicant until such applicant has complied with the state and municipal regulations and approved regulations of the Company on file with the Commission governing the service applied for or for the following reasons;

- (A) Applicant's facilities inadequate: If the applicant's installation or equipment is known to be hazardous or of such character that satisfactory service cannot be given; or
- (B) For indebtedness: If the applicant is indebted to the Company for the same kind of service as that applied for; provided however, that in the event the indebtedness of the applicant for service in dispute, the applicant shall be served upon complying with deposit requirements.
- (C) Refusal to make deposit: For refusal to make a deposit if applicant is required to make a deposit.

2. REGULATIONS (Cont'd)

2.2 Application for Service (Cont'd)

The Company shall not refuse service to a present customer or applicant for the following reasons:

- (A) delinquency in payment for service by a previous occupant of the premises to be served;
- (B) failure to pay for merchandise purchased from the Company;
- (C) failure to pay a bill to correct previous underbilling due to misapplication of rates of more than six months prior to the date of application;
- (D) violation of the Company's rules pertaining to operation of nonstandard equipment or unauthorized attachments which interferes with the service of others, or other services such as communication services, unless the customer has first been notified and been afforded reasonable opportunity to comply with the said rules;
- (E) failure to pay a bill of another customer as guarantor thereof, unless the guarantee was made in writing to the Company as a condition precedent to service.
- (F) failure to pay the bill of another customer at the same address except where the change of customer identity is made to avoid or evade payment of a bill. A customer may request a supervisory review if the Company determines that evasion has occurred and refuses to provide service.

In instances where a customer is converting their service from a Competitive Local Exchange Carrier (CLEC) reselling the Company provided service to the Company service at the same service location, a conversion charge, as found in Section 4 of this Guidebook may apply in lieu of standard installation and service connection charges.

In the event the Company refuses to serve an applicant, the Company must inform the applicant of the basis of its refusal and that the applicant may file a complaint with the Commission thereon.

2. REGULATIONS (Cont'd)

- 2.3 Advance Payments and Deposits
 - 2.3.1 Advance Payments

When making applications for service, the applicant may be required to pay at the time the application is accepted, the service connection charge, if applicable, and the first month's charges. This provision will not be applied if a deposit is collected. The provisions of this paragraph affect the initial payment only and not the subsequent billing and collecting practices as elsewhere provided in this guidebook.

The amount of the advance payment (not including the service connection charge) is credited to the customer's account and applied against any indebtedness under the contract.

If it is deemed necessary by the Company in safeguarding its interests, applicants for service or present customers may be required to make a deposit. Such deposit may be required to be made within 10 days after issuance of written termination notice and required deposit. In lieu of initial deposit, the customer may elect to pay the current bill by the due date of the bill, provided the customer has not exercised this option in the previous twelve months. The customer may furnish in writing a satisfactory guarantee to secure payment of bills in lieu of cash deposit. Compounded interest set annually by the Commission at the rate of not less than six percent per annum or greater than twelve percent per annum will be paid on deposits.^{/1/} Payment of the interest to the customer shall be 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. The Company will not pay interest on deposits held 30 days or less. Payment of interest will be made retroactive to the date of deposit for deposits held more than 30 days. An applicant is defined as a person who applied for service for the first time or reapplies at a new or existing location after discontinuance of service. Customer is defined as someone who is currently receiving service.

^{/1/} The rates of interest to be paid on customer deposits in accordance with Tex. Rev. Civ. Stat. Ann. art. 1440a (Vernon 1989) and overbillings or underbillings are established annually on December 1 for the subsequent calendar year by the Commission.

2. REGULATIONS (Cont'd)

- 2.3 Advance Payments and Deposits (Cont'd)
 - 2.3.1 Advance Payments (Cont'd)

At the time a deposit is required, the Company shall provide applicants for, and customers of, commercial, industrial, or residential service written information about deposits including:

- (A) the circumstances under which the Company may require a deposit or an additional deposit;
- (B) how a deposit is calculated;
- (C) the amount of interest paid on a deposit and how this interest is calculated; and
- (D) the time frame and requirement for return of the deposit to the customer.

An initial deposit may not be required from residential customers unless the customer has more than one occasion during the last 12 consecutive months of service in which a bill for a utility service was paid after becoming delinquent or if the customer's service was disconnected for nonpayment.

If the residential applicant has been a customer of any utility for the same kind of service within the last two years and is not delinquent in payment of any such utility service account, and during the last 12 consecutive months of service did not have more than one occasion in which a bill for such utility service was paid after becoming delinquent and never had service disconnected for nonpayment; applicants are encouraged to obtain a letter of credit history from their previous utility, and utilities are encouraged to provide such information with final bills. Credit history shall be applied equally for a reasonable period of time to a spouse or former spouse who shared the service, without modification and without additional qualifications required of either the customer or spouse/formers spouse.

All applicants for permanent residential service who are sixty-five (65) years of age or older will be considered as having established credit if such applicant does not have an outstanding account balance with the Company or a local exchange company (LEC) for the same service which accrued within the last two years. No cash deposit shall be required of such applicant under these conditions.

2. REGULATIONS (Cont'd)

- 2.3 Advance Payments and Deposits (Cont'd)
 - 2.3.1 Advance Payments (Cont'd)

A residential applicant shall not be required to pay a deposit, if the applicant demonstrates a satisfactory credit rating by appropriate means, including, but not limited to, the production of generally acceptable credit cards, letters of credit reference, the names of credit references which may be quickly and inexpensively contacted by the Company, or ownership of substantial equity.

In the case of commercial or industrial service, if the credit of an applicant for service has not been established satisfactorily, the applicant may be required to make a deposit.

An applicant for service, or a present customer, may satisfy a deposit requirement by providing a Contract of Guaranty in an amount not less than the requested deposit, from a present customer acceptable to the Company. The guaranty contract shall be on a form provided by the Company which shall include the Company' right to transfer charges from a defaulted bill to the customer, from whom a deposit or a Contract of Guaranty was required, to the Guarantor's account or accounts and the further right to suspend the Guarantor's service pursuant to Section 2.5.1, Payments for Service, of this Guidebook. Unless otherwise agreed to by the guarantor, the guarantee shall be for the amount of deposit the Company would normally seek on the applicant's account.

The fact that a deposit has been made or a Guaranty provided, shall in no way relieve the customer from complying with the Company's regulations as to the prompt payment of bills, nor constitute a waiver or modification of the regular practices of the Company providing for the temporary suspension of service or the termination of the service contract for nonpayment of bills.

Service may be discontinued for failure to comply with deposit or guarantee arrangements or to furnish a suitable deposit when conditions appear to require the Company to have such credit protection. Initial deposits may be required of applicants or existing customers. When a deposit is required on an existing account, the following rules apply.

- 2. REGULATIONS (Cont'd)
 - 2.3 Advance Payments and Deposits (Cont'd)
 - 2.3.1 Advance Payments (Cont'd)

Deposit Requirements Based on Billing:

(A) Commercial

Actual billings of a commercial customer must be at least twice the amount of the estimated billings and a suspension notice has been issued on a bill within the previous 12-month period, before a new deposit can be requested. If a deposit is requested, the customer may be required to pay the new deposit within 15 days after issuance of written notice of termination and requested deposit, or, in lieu of the deposit, the customer may elect to pay the current bill by the due date of the bill, provided the customer has not exercised this option in the previous 12 months.

(B) Residential

Actual billings of a residential customer must be at least twice the amount of the estimated billings after two billing periods and a suspension notice has been issued on a bill within the previous 12-month period, before a new deposit can be requested. If a deposit is requested, the customer may be required to pay the new deposit within 15 days after issuance of written notice of termination and requested deposit, or, in lieu of the deposit, the customer may elect to pay the current bill by the due date of the bill, provided the customer has not exercised this option in the previous 12 months.

If service is not connected or after disconnection of service, the Company shall promptly and automatically refund the customer's deposit plus accrued interest or the balance, if any, in excess of the unpaid bills for service furnished. A transfer of service from one premises to another within the service area of the Company shall not be deemed a disconnection within the meaning of these rules, and no additional deposit may be demanded unless permitted by these rules.

- 2. REGULATIONS (Cont'd)
 - 2.3 Advance Payments and Deposits (Cont'd)
 - 2.3.1 Advance Payments (Cont'd)

When the customer has paid bills for service for 12 consecutive residential billings or for 24 consecutive commercial or industrial billings without having service disconnected for nonpayment of bill and without having more than two occasions in which a bill was delinquent, and when the customer is not delinquent in the payment of the current bills, the Company 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 contract of guaranty or any related document and return such document(s) to the guarantor.

The Company will keep records of deposits as follows:

- (A) the name and address of each depositor;
- (B) the amount and date of deposit; and
- (C) each transaction concerning the deposit.

The Company will issue a receipt of deposit to each depositor and will provide an appropriate means to establish claim if the receipt is lost. The Company will make a reasonable effort to return unclaimed deposits and will retain a record of such deposits for a minimum of four years.

- 2.4 Use of Service and Facilities
 - 2.4.1 Use of Customer Service

The customer is responsible for payment of all charges incurred, regardless of whether such charges are associated with his usage or that of any of his authorized users.

2.4.2 Transmitting Messages

The Company does not transmit messages but offers the use of its facilities for communications between its customers.

- 2. REGULATIONS (Cont'd)
 - 2.4 Use of Service and Facilities (Cont'd)
 - 2.4.3 Use of Lines of Other Telecommunication Providers

When suitable arrangements can be made, lines of other telecommunication providers may be used in establishing connections to points not reached by the Company' lines. In establishing connections with the lines of other telecommunication providers, the Company is not responsible or liable for any action of the connecting telecommunication providers.

2.4.4 Unauthorized Attachments or Connections

No equipment, accessory, apparatus, circuit or device shall be attached to or connected with the facilities furnished except as provided in this guidebook; i.e., such attachments or connections may not be made to the Company facilities on the network side of the minimum point of entry.

In case any such unauthorized attachment or connection is made, the Company shall have the right to remove or disconnect the same; or to suspend the service during the continuance of said attachment or connection; or to terminate the service.

- 2.4.5 Except as otherwise provided in this guidebook, nothing herein shall be construed to permit the use of a device to interconnect any line or channel of the Company with any other communication line or channel of the Company or of any other person.
- 2.4.6 Provision of Equipment

Any equipment offered herein which has grandfathered status under the Federal Communications Commission's (FCC) Registration Program is offered and provided only to the extent of available stock.

2. REGULATIONS (Cont'd)

2.5 Payments for Service

2.5.1 Payment for Service

The customer is responsible for payment of all charges for services and equipment furnished the customer, including charges for service originated, or charges accepted at the customer's station and including any charges transferred to the customer's account pursuant to 2.3.2, Deposits, where the customer has executed a Contract or Guaranty for an applicant or present customer.

The due date of the bill shall not be less than 16 days after issuance. If the due date of the bill falls on a holiday or weekend, the due date for payment purposes shall be the next work day after the due date. If the bill is not paid by the due date, the Company may discontinue service after 10 days written notice to the customer. Proper notice consists of separate mailing or hand delivery at least 10 days prior to a stated date of disconnection, with the words "termination notice" or similar language prominently displayed on the notice. If the 10th day after written notice falls on a holiday or weekend, the cut-off day for discontinuance of service will be the next working day after the 10th day. Payment at the Company's authorized payment agency is considered payment to the Customer earlier than the first day the bill becomes delinquent, so that a reasonable length of time is allowed to ascertain receipt of payment by mail or a the Company's authorized payment agency.

Installment Billing is an alternative arrangement between the Company and a customer in which an outstanding bill will be paid in installments that extend beyond the due date of the next bill.

The Company will offer, at no charge, upon request, installment billing to any residential customer who has expressed an inability to pay all of his or her bill, if that customer has not been issued more than two disconnection notices at any time during the preceding twelve months. For purposes of determining reasonableness of installment payments, the Company will consider:

- (A) size of the delinquent account;
- (B) customer's ability to pay;
- (C) customer's payment history;
- (D) time that the debt has been outstanding;
- (E) reasons why debt has been outstanding;
- (F) any other relevant factors concerning the circumstances of the customer.

- 2. REGULATIONS (Cont'd)
 - 2.5 Payments for Service (Cont'd)
 - 2.5.1 Payment for Service (Cont'd)

The Company may assess a 5% penalty for late payment.

If a customer has not fulfilled the terms of installment billing arrangement, the Company shall have the right to disconnect service. However, the Company may not disconnect service until a disconnect notice has been issued to the customer indicating the customer has not met the terms of the plan. Such notice and disconnection shall conform with the disconnection rules of the Commission's Substantive Rules.

An installment billing arrangement may be made by visiting the Company' business office or contacting the Company by telephone. If the customer visits the Company' business office, the Company may ask the customer to sign the deferred payment plan. The Company will provide the customer with a copy of the signed plan regardless which procedure is used.

The Company is not required to enter into an installment billing arrangement with any customer who is lacking sufficient credit or a satisfactory history of payment of previous service when that customer has had service from the Company for not more than three months.

The Company will also offer installment billing to residential customers who have not expressed an inability to pay all of his or her bill. This installment billing offer allows these residential customers to negotiate payment of nonrecurring charges in equal monthly installments over additional periods. The Company offers installment billing for a total of up to six (6) months. This service will only be applicable to those products and services not specified for deferred payment in other sections of this guidebook. A service handling charge of five dollars (\$5.00) will be applied to the first monthly payment. When multiple service orders are issued for the same due date, for the same premises and for the same customer, the service handling charge will be applied only once.

Installment billing for business customers will allow the payment of nonrecurring charges over a period of up to four months for a one-time charge of ten dollars (\$10.00). When multiple service orders are issued for the same due date, for the same premises and for the same customer, the onetime charge will be applied only once. This arrangement is not an option when a guidebook includes specific provisions for the deferred payment of charges associated with a particular service offering such as Construction Charges.

AT&T TEXAS ADVANCED SERVICES GUIDEBOOK

ADVANCED SERVICES (VINTAGE I)

- 2. REGULATIONS (Cont'd)
 - 2.5 Payments for Service (Cont'd)
 - 2.5.1 Payment for Service (Cont'd)

Except for federal agencies, one-time penalty of five percent (5%) will be applicable on commercial or industrial bills (business), not received by the Company or at the Company's authorized payment agency by the next bill date. For purposes of applying the penalty, the due date should be extended to the first following business day if it would otherwise fall on a weekend or holiday. In the case of federal agencies, the Company will assume that a federal agency has actually received the bill no later than 10 days after the bill date stated on the bill. That date will trigger a 30-day time period that the federal agency has to pay the bill before late payment charges are assessed. This one-time penalty should not be applied to amounts owed by State Agencies. The 5% penalty on commercial or industrial bills shall not be applied to any balance to which the penalty was applied in a previous billing. A one-time penalty of \$2.95 will be applicable on all residence bills if charges greater than \$10.00 are carried over to the next bill. The one-time penalty shall only apply on undisputed amounts or if the dispute is resolved in favor of the Company.

Texas' Prompt Payment Act (PPA) applies to service provided by the Company to governmental entities of the State of Texas and establishes requirements related to purchases by a governmental entity, including the time for payment, the accrual and payment of interest on overdue payments, and disputed payments. Governmental entities should contact AT&T to advise AT&T of their PPA eligibility.

2.5.2 If billing for the Company's utility services are found to differ from the Company's guidebook rates, or if the Company fails to bill the customer for such services, a billing adjustment will be calculated by the Company. If an underbilling is for \$25 or more, the Company will offer the customer an installment payment arrangement option for the same length of time as that of the underbilling. If the customer is due a refund, an adjustment shall be made for the entire period of the overcharges. If an overcharge is adjusted by the Company within three billing cycles of the bill in error, interest is not applicable. However, if an overcharge is not adjusted by the Company within three billing cycles of the bill be applied to the amount of the overcharge.

- 2. REGULATIONS (Cont'd)
 - 2.5 Payments for Service (Cont'd)
 - 2.5.3 Any applicant or one for whom an application is made, owing the Company for service furnished under a former contract, shall pay or make satisfactory arrangements for paying any bill outstanding and unpaid for such service, before any additional service will be furnished. The Company will provide proof of past indebtedness, which includes copies of billing records and related documentation, verification of guidebook rates used and documentation of all other elements of any bill required to be paid as a condition of service restoration.
 - 2.5.4 An administrative charge of \$25.00 will apply whenever a check or draft presented for payment for service is not accepted by the institution on which it is written because of being postdated or because of insufficient funds, account closed, no account, account frozen, or uncollected funds.
 - 2.5.5 Rates for Fractional Periods ~ If the period of use exceeds one month, the charges for the fractional part of a month following and consecutive with a full month will be a proportionate part of the monthly charges based on the actual number of days the facilities are furnished. For the purpose of administering this regulation with respect to the determination of charges for a fractional part of a month, every month is considered to have thirty days.

When rates are on a "per day" basis, the minimum charge for each day or fraction thereof, will be the charge for one day.

2.5.6 In the event of a dispute between a customer and the Company regarding any bill for service, the Company shall make an investigation as required by the particular case, and report the results to the customer. In the event the dispute is not resolved, the Company shall inform the customer of the complaint procedures of the Commission.

Notwithstanding any other section of the Company's guidebooks or the Commission's Substantive Rules, customer's service shall not be subject to discontinuance for nonpayment of that portion of a bill under dispute pending the completion of the determination of the dispute, but in no event to exceed 60 days. The customer is obligated to pay any billings not disputed.

- 2. REGULATIONS (Cont'd)
 - 2.5 Payments for Service (Cont'd)
 - 2.5.7 Gift Certificate Plan This plan provides for the offering by the Company to its customers, or to nonsubscribers, the option to make advance payments via gift certificates purchased from the Company to any LEC participating in the plan. The individual who makes the advance payment by purchasing the gift certificate is the donor and the individual who presents the certificate for payment is the recipient.

The purchase price of the gift certificates may be paid for by direct payment in cash, check or money order, or the amount may be billed on the donor's service account if the donor is a customer of the Company.

The gift certificate cannot be redeemed for cash and when presented by the recipient, applies toward the payment of services or any portion of the recipient's bill. Any portion of the gift certificates presented to the Company and not applied as a payment will be included as a credit balance on the recipient's next bill.

2.5.8 Electronic Data Interchange Billing (EDIB) - EDIB provides the customer with their monthly bill as a stream of electronic data in place of a paper bill. The data will be formatted in the American National Standards Institute (ANSI) format.

EDIB is available only to business customers.

Customers subscribing to EDIB will no longer be provided with a copy of their bill in a paper format, except as noted below. If the EDIB subscriber requests a paper copy of their bill in addition to EDIB, the appropriate charge associated with providing a duplicate paper bill will apply.

For the first two billing cycles after subscribing to EDIB, the customer will receive a complete paper copy of their bill at no charge.

At the option of the customer, a paper bill return statement and return envelope will be provided each month.

- 2. REGULATIONS (Cont'd)
 - 2.5 Payments for Service (Cont'd)
 - 2.5.8 Electronic Data Interchange Billing (EDIB) (Cont'd)

Customers subscribing to EDIB will be responsible for providing the software for interpreting the EDIB data. EDIB does not include any software for interpreting the EDIB data.

EDIB will be established and/or discontinued effective with the next billing date following the customer's request.

EDIB may be provided to any business customer of the Company whose billing is performed by the CRIS billing system. EDIB is not available to customers whose billing is performed by the CABS billing system.

The Company will be responsible for delivering the EDIB data to an electronic mailbox that is mutually agreed upon by the Company and the customer. The customer will be responsible for any charges associated with maintaining their electronic mailbox, and for any charges associated with retrieving the EDIB data from their electronic mailbox.

There is no charge for EDIB.

- 2.6 Obligations of Customers and Rights of the Company
 - 2.6.1 Obligations of Customers
 - (A) Alteration

The customer agrees to notify the Company promptly in writing whenever alterations or new construction on premises owned or leased by him will necessitate changes in the Company's facilities. Construction charges may be applicable to facility moves.

(B) Inside Wire

The installation and maintenance of inside wire and premises cable on the customer's side of the demarcation point is the responsibility of the customer.

AT&T TEXAS ADVANCED SERVICES GUIDEBOOK

ADVANCED SERVICES (VINTAGE I)

- 2. REGULATIONS (Cont'd)
 - 2.6 Obligations of Customers and Rights of the Company (Cont'd)
 - 2.6.1 Obligations of Customers (Cont'd)
 - (C) Maintenance and Repairs

All ordinary expense of maintenance and repair of regulated facilities and services on the Company's side of the demarcation point, unless otherwise specified in this guidebook, is borne by the Company. The customer agrees to take good care of the equipment and facilities connected therewith. In case of damage to or destruction of any of the Company's equipment and facilities, not due to ordinary wear and tear, the customer is held responsible for the cost of replacing the equipment destroyed or for the cost of restoring the equipment to its original condition, except where such damage is not occasioned by the negligence of the customer.

(D) Rearrangements and Installation of Equipment

Customers may not install, rearrange, disconnect or remove or permit others to install, rearrange, disconnect or remove any apparatus associated with the Company facilities, except:

- (1) In accordance with the provisions of Para. 2.4.6 of this guidebook, or;
- (2) Upon the written consent of the Company; or
- (3) When a burglar alarm company licensed with the Texas Private Investigators and Private Security Agencies Board to conduct sales, installation and repairs of alarms provides and installs a RJ3 1X jack on the telecommunication network line of the Company to install a dialer alarm. This waiver is made in response to the Commission's Final Order in Docket No. 4545.

In case any such unauthorized rearrangement, removal, or connection is made, the Company may rearrange the network interfaces to a demarcation point at the minimum point of entry. The charges specified in the "Service Connections, Moves and Changes" section of this guidebook may apply.

(E) Use of Commercial Power for Operation of Equipment or Facilities

Unless specifically provided otherwise in this guidebook, when commercial power is used for the operation of Company equipment or facilities, the customer will provide the necessary power wiring, power outlets and commercial power. The customer assumes all responsibility for the safe condition of the power wiring, power outlets and commercial power.

- 2. REGULATIONS (Cont'd)
 - 2.6 Obligations of Customers and Rights of the Company (Cont'd)
 - 2.6.1 Obligations of Customers (Cont'd)
 - (F) Protective Equipment
 - (1) When a hazardous electrical environment is present at a customer's premises, protective equipment is required when the estimated rise in ground potential is sufficient to cause damage to Company facilities or to endanger the safety of its employees or customers. The customer may elect to provide his own protective equipment subject to Company specifications, or such protective equipment can be provided in accordance with the "Special Assemblies of Equipment" section of this guidebook, and special charges will apply.
 - (2) Neutralizing transformers, isolating transformers, drainage coils and other special protective equipment for use in providing service to customer's premises where there are high ground potentials, even though not required by the preceding paragraph, may be provided by the customer, subject to Company specifications, or in accordance with the "Special Assemblies of Equipment" section of this guidebook and special charges will apply.
 - (G) Electrical Bonding and Grounding

The customer shall be responsible for bonding and/or grounding a mobile premises or any mobile structure in which service is to be provided or used (e.g., boats, RVs and mobile homes), as well as any equipment and associated wiring on the customer's side of the demarcation point at any premises, whether fixed or mobile. The Company shall in no way be liable for any harm or any damages arising in connection with any failure by the customer to properly bond or ground a mobile premises or any mobile structure in which service is to be provided (e.g., boats, RVs and mobile homes), as well as equipment and associated wiring located on the customer's side of the demarcation point at any premises, whether fixed or mobile.

- 2.6.2 Rights of the Company
 - (A) Work Performed on an Overtime Basis

The charges specified in this guidebook do not contemplate work being performed by the Company employees involved at a time when overtime wages apply due to the request of the customer. If the customer requests that overtime labor be performed, an additional charge, based on the additional costs involved, applies.

AT&T TEXAS ADVANCED SERVICES GUIDEBOOK

ADVANCED SERVICES (VINTAGE I)

- 2. REGULATIONS (Cont'd)
 - 2.6 Obligations of Customers and Rights of the Company (Cont'd)
 - 2.6.2 Rights of the Company (Cont'd)
 - (B) Work Interruption

The charges specified in this guidebook do not contemplate work once begun being interrupted by the customer. If the customer interrupts work once begun, an additional charge, based on the additional costs involved, applies.

(C) Ownership

Equipment and lines on customers' premises furnished by the Company, shall be and remain the property of the Company, whose agents and employees have the right to enter said premises at any reasonable hour for the purpose of installing, inspecting, maintaining or repairing the equipment and lines or for the purpose of making collections from coin boxes and, upon termination of the service, for the purpose of removing such equipment and lines.

(D) Customers' Use of Equipment for Display Purposes

The Company reserves all rights with respect to use of items furnished or owned by it for display of advertising and the customer shall not so display advertising or permit such display except upon the approval of the Company.

(E) Impairment of Service

When service to the public is impaired by a customer's use of the service, or service directly incident thereto, the Company shall have the right to require the customer to contract with the Company for such additional facilities, equipment and rearrangement, and/or to require the customer to attend properly the equipment and facilities, as may be necessary in the judgment of the Company, to remove the cause of said impairment, or if the requirement is refused or will not remedy the situation, to discontinue service completely.

(F) Abandonment of Service

The Company may discontinue service which has been abandoned.

AT&T TEXAS ADVANCED SERVICES GUIDEBOOK

ADVANCED SERVICES (VINTAGE I)

- 2. REGULATIONS (Cont'd)
 - 2.6 Obligations of Customers and Rights of the Company (Cont'd)
 - 2.6.2 Rights of the Company (Cont'd)
 - (G) Abuse of Service

The Company may discontinue service which is used:

- (1) In such a way that interferes with the service of other users, the Company may discontinue service after proper notice. The Company will make a reasonable attempt to notify the customer and allow the customer a reasonable opportunity to remedy the situation;
- (2) For any purpose other than a means of communication;
- (3) or profane or obscene communication;
- (4) For a communication or communications, anonymous or otherwise, if made in a manner which reasonably could be expected to frighten, abuse, torment or harass another;
- (5) In any fraudulent or unlawful manner; or
- (6) In a manner which violates any of the lawful regulations of the Company
- (H) Unauthorized Attachments or Connections

Where the customer uses unauthorized equipment, accessories, apparatus, circuit or device, he will be held responsible for the cost of correcting any impairment of service caused by the use of such attachment or connection and will be billed the amount specified in Section 31 of the General Exchange Guidebook for each service call made to his premises or the premises of any other customer by reason of the use of such attachment or connection with facilities of the Company.

- 2.7 Liability of the Company
 - 2.7.1 General

In view of the fact that the customer has exclusive control of his communications over the facilities furnished him by the Company, and of the other uses for which facilities may be furnished him by the Company, and because of unavoidableness of errors incident to the services and to the use of such facilities of the Company, the services and facilities furnished by the Company are subject to the regulations and limitations herein specified.

2. REGULATIONS (Cont'd)

- 2.7 Liability of the Company (Cont'd)
 - 2.7.2 Facilities

The Company's failure to provide or maintain facilities under this guidebook shall be excused by labor difficulties, governmental orders, civil commotions, acts of God and other circumstances beyond the Company's reasonable control, subject to the interruption allowance provisions by this guidebook.

2.7.3 Defacement of Premises

No liability shall attach to the Company by reason of any defacement or damage to the customer's premises resulting from the existence of the Company's equipment, facilities on such premises, or by the installation or removal thereof, when such defacement or damage is not the result of the negligence of the Company or its employees.

2.7.4 Errors

The Company's liability, if any, for its gross negligence or willful misconduct is not limited by this guidebook.

2.7.5 Interruptions of Service

In the event a customer's service is interrupted other than by the negligence or willful act of the customer, and it remains out of order for 24 hours or longer after access to the premises is made available and after being reported to be out of order, appropriate adjustments or refunds shall be made to the customer. The amount of adjustment or refund shall be determined on the basis or the known period of interruption, generally beginning from the time the service interruption is first reported. The refund to the customer shall be the pro rata part of the month's flat-rate charges for the period of days and that portion of the service facilities rendered useless or inoperative. The refund may be accomplished by a credit on a subsequent bill for service. Except as specifically set forth in this Guidebook Paragraph 2.7.8, no other liability shall in any case attach to the Company in consideration of such interruptions.

AT&T TEXAS ADVANCED SERVICES GUIDEBOOK

ADVANCED SERVICES (VINTAGE I)

- 2. REGULATIONS (Cont'd)
 - 2.7 Liability of the Company (Cont'd)
 - 2.7.6 Indemnification

The Company's liability, if any, for its gross negligence or willful misconduct is not limited by this guidebook. With respect to any other claim or suit, by a customer or by any others, the customer indemnifies and saves harmless the Company against claims, losses or suits for injury to or death of any person, or damage to any property which arises from the use, placement or presence of the Company's equipment, facilities and associated wiring on the customer's premises and further the customer indemnifies and saves harmless the Company against claims for libel, slander, or the infringement of copyright arising directly or indirectly from the material transmitted over the facilities of the Company or the use thereof by the customer; against claims for infringement of patents arising from combining with or using in connection with, facilities furnished by the Company and apparatus, equipment and systems provided by the customer; and against all other claims arising out of any act or omission of the customer in connection with the services or facilities provided by the Company.

2.7.7 Gross Negligence or Willful Misconduct

The Company's liability, if any, for its gross negligence or willful misconduct is not limited by this guidebook. With respect to any other claim or suit, by a customer or any others, for damages arising out of mistakes, omissions, interruptions, delays or errors, or defects in transmission occurring in the course of furnishing service hereunder, The Company's liability, if any, shall not exceed an amount equivalent to the proportionate charge to the customer for the period of service during which such mistake, omission, interruption, delay, error, or defect in transmission or service occurs and continues. This liability shall be in addition to any amounts that may otherwise be due to the customer under this guidebook as an allowance for interruptions. However, any such mistakes, omissions, interruptions, delays, errors, or defects in transmission or service which are caused or contributed to by the negligence or willful act of the customer, or authorized user, or joint user, or which arise from the use of customer-provided facilities or equipment shall not result in the imposition of any liability whatsoever upon the Company.

2. REGULATIONS (Cont'd)

- 2.7 Liability of the Company (Cont'd)
 - 2.7.8 Service Guarantee

If a customer requests installation or restoral of service and the installation or restoral of service is not performed in accordance with the Company's commitment to the customer, the customer is eligible to receive a \$25.00 credit on their bill.

- (A) The following Company service guidebooks are included in the Service Guarantee: Advanced Services Guidebook (Vintage I)
- (B) Conditions

Each credit shall be limited to \$25.00 for all of the lines associated with the service to be installed or restored and for all services associated with such lines in any given service order.

Credit will be provided in accordance with the above conditions at the request of the customer.

For purposes of this guidebook, service order means all service requests made for a particular billing account in any 24 hour period.

The Company reserves the right to refuse a credit when it appears that the request for a credit may be based upon fraud or dishonesty.

The Company's failure to install or repair service under this guidebook shall be excused by customer negligence or willful destruction, failures in customer provided equipment or wire, labor difficulties, governmental orders, civil commotions, natural disasters and other circumstances beyond the Company's reasonable control. Except as may be additionally provided under Paragraph 2.7.5, no other compensation for consequential or other damages will be provided or allowed

2.8 Transfer of Contracts

A customer may, upon written request, transfer his contracts to another party at the same location when there is no reason to question the responsibility of the other party, and when the new party willingly assumes all the obligations of the former customer and pays any additional charges that are applicable. A new contract endorsed "Transfer" is signed by him and bills are rendered the new party without any adjustment. Such contract is terminable under the same conditions as was the original contract.

- 2. REGULATIONS (Cont'd)
 - 2.9 Termination of Contracts
 - 2.9.1 Cancellation of Application for Services
 - (A) Where the applicant cancels an application for service prior to the start of installation or special construction of facilities, no charge applies.
 - (B) Where installation of facilities, other than those provided by special construction, has been started prior to the cancellation, the charge specified below, which is lower, applies.
 - (1) A charge equal to the estimated costs incurred in such installation, less estimated net salvage.
 - (2) The charge for the minimum period of the service ordered by the customer as provided in this guidebook plus the full amount of any termination charges applicable.
 - (C) Where special construction of facilities has been started prior to the cancellation and there is another requirement for the specially constructed facilities, in place, no charge applies.
 - (D) Where special construction of facilities has been started prior to the cancellation, and there is no other requirement for the specially constructed facilities, a charge equal to the costs incurred in the special construction, less net salvage, applies except that, where one or more, but not all, of the services involved in the special construction are cancelled, a charge equal to the cost, less net salvage, incurred for the discontinued services applies instead. Net salvage is determined based on the value of reusable material, less cost of removal. In determining the charge, each cancelled service is treated as discontinued as of the date on which it was to have been placed in service.
 - (E) Installation or special construction of facilities for a customer is considered to have started when the Company incurs any expense in connection therewith or in preparation therefore which would not otherwise have been incurred; provided, the customer had advised the Company to proceed with the installation or special construction.

- 2. REGULATIONS (Cont'd)
 - 2.9 Termination of Contracts (Cont'd)
 - 2.9.2 Termination of Contracts During Minimum Terms

Contracts may be terminated before expiration of the minimum terms, under the following conditions:

- (A) On payment of all charges for service rendered:
 - (1) In case of abandonment of the premises because of condemnation or damage from causes beyond the control of the customer, or
 - (2) In case of death of the customer, or death necessitating the breaking up of the firm or household, or
 - (3) In case service is furnished at "employees' discounted rates."
- (B) On payment of all charges for service for the minimum contractual period.
- 2.9.3 Termination of Contracts After Expiration of Minimum Term

Contracts, unless otherwise specified, may be terminated by either the customer or the Company, after the expiration of the minimum term, upon reasonable written notice from either party to the other.

2.9.4 Contractual Agreements

The basic termination charge and the minimum contract period referred to in this guidebook are to be applied to the same customer at the same location. An assumption of an existing contract by a new customer as provided for in this section of the guidebook is to be considered as a continuation of the same contract.

- 2.9.5 General Provisions
 - (A) A failure to make payments in accordance with the regulations prescribed by the Company is regarded by the Company as a voluntary termination of the contract by the customer.
 - (B) The service is furnished subject to the condition that it will not be used for an unlawful purpose. Service will not be furnished if any law enforcement agency, acting within its jurisdiction, advises that such service is being used or will be used in violation of law, or if the Company receives other evidence convincing to it that such service is being or will be so used.

- 2. REGULATIONS (Cont'd)
 - 2.9 Termination of Contracts (Cont'd)
 - 2.9.5 General Provisions (Cont'd)
 - (C) Abandonment of equipment or service by a customer is regarded by the Company as a voluntary termination of the contract.
 - (D) If it is deemed necessary by the Company, customers may be required to provide security satisfactory to the Company in the amount sufficient to guarantee payment of the termination charge. If a cash deposit is made, simple interest set annually by the Commission at the rate of not less than six percent per annum or greater than twelve percent per annum will be paid on deposits held thirty days or more.
 - 2.10 Special Charges, Fees and Taxes
 - 2.10.1 Municipal Taxing Body Municipal Authority

There shall be added to the customer's bill for service, an additional charge equal to the pro rata share of any occupation, franchise, business, license, excise privilege or other similar charge or tax, now or hereafter imposed upon the gross receipts or revenue of the Company by any municipal taxing body or municipal authority whether by statute, ordinance, law or otherwise, and whether presently due or to hereafter become due.

The charge applicable to each customer will appear separately on the customer's regular monthly bill and shall be determined on a basis equal to the tax levied by each municipal taxing body or municipal authority. The amount of charge to the customer shall be computed by dividing the tax expressed as a percentage by 100% minus the tax expressed as a percentage and multiplying the decimal thus obtained by the customer's service charges to which such tax applies as reflected by the following formula:

Tax% x Service Charges Subject to Tax = Amount of Charge

100% - Tax% to Customer

The amount of charge to the customer will be rounded to the nearest cent.

AT&T TEXAS ADVANCED SERVICES GUIDEBOOK

ADVANCED SERVICES (VINTAGE I)

- 2. REGULATIONS (Cont'd)
 - 2.10 Special Charges, Fees and Taxes (Cont'd)
 - 2.10.2 Texas Universal Service Fund (TUSF) Surcharge
 - (A) The purpose of the Texas Universal Service Fund (TUSF) is to implement a competitively neutral mechanism that enables all residents of Texas to obtain basic telecommunications services. Because targeted financial support may be needed in order to provide and price basic telecommunications services in a manner to allow accessibility by consumers, the TUSF will assist local exchange companies (LECs) in providing these services at reasonable rates in high cost rural areas. In addition, the Texas Universal Service Fund will reimburse the following entities: qualifying local exchange companies for revenues lost as a result of providing Lifeline and Tel-Assistance services to qualifying low-income consumers under the Public Utility Regulatory Act: telecommunications carriers providing statewide telecommunications relay service; gualified vendors providing specialized telecommunications device distribution service for the hearing-impaired and speech-impaired; and the Texas Department of Human Services, the Texas Department for the Deaf and Hard of Hearing, the Texas Universal Service Fund administrator, and the Public Utility Commission for the costs incurred in implementing the provisions of the Public Utility Regulatory Chapter 56 (relating to Telecommunications Assistance and Universal Service Fund).
 - (B) The TUSF Surcharge is intended to flow through the Company's TUSF assessment. The Company's TUSF Surcharge percentage will change periodically due to changes in the Company's TUSF assessment or as necessary to ensure revenue neutrality.
 - (C) The surcharge will be identified on the retail customer's bill as "TX USF Charge"
 - 2.11 Distance Learning

Upon submission of an affidavit that complies with the requirements of Public Utility Commission of Texas Substantive Rule §26.141, 16 T.A.C. 23.93, an educational institution (as defined in Texas Education Code, Sections 11.32, 11.33 and 61.003), library (as defined in Section 441.122 of the Government Code) or a library operated by an institution of higher education or school district may obtain a 25% discount on the guidebook rate for any guidebook service, except customer-specific contracts, that is used predominantly for distance learning purposes. Services qualifying under the provisions of Substantive Rule §26.141 will receive the 25% discount on each guidebook rate.

- 2. REGULATIONS (Cont'd)
 - 2.12 Educational Percentage Discount Rate (E-Rate)

The percentage discount rates available pursuant to 47 Code of Federal Regulations Part 54, subpart F to eligible schools libraries, and consortia as defined by 47 Code of Federal Regulations part 54, subpart F shall apply to the guidebook rates contained herein. Schools, libraries, and consortia eligible for E-Rates pursuant to 47 Code of Federal Regulations Part 54, subpart F shall comply with the provisions of 47 Code of Federal Regulations part 54, subpart F in order to receive the intrastate E-Rates.

- 2.13 Customer Access to the Network
 - 2.13.1 Allowed Use
 - (A) Customers are allowed to connect, through direct attachment, simple customer premises wiring to Company-installed wiring at points up to and on the customer's side of the demarcation point. Complex premises wiring must be attached to the network through a Company-installed jack.
 - (B) Customers are allowed to reconfigure, rearrange, and remove Companyinstalled wiring on the customer's side of the demarcation point. Customers may not attach to, or otherwise directly access, a Company protector.
 - (C) Property owners are allowed to connect, through direct attachment, simple customer premises wiring to Company-installed wiring at points up to and on the property owner's side of the demarcation point. Complex premises wiring must be attached to the network through a Company-installed jack.
 - (D) Property owners are allowed to reconfigure, rearrange, and remove Company-installed wiring on the property owner's side of the demarcation point. Property owners may not attach to, or otherwise directly access, a Company protector.
 - 2.13.2 Limitation of Liability
 - (A) After a demarcation point is established at a minimum point of entry, Company-installed house and riser cable on the customer or property owner side of that demarcation point is subject to "allowed use" in accordance with 2.13.1.

- 2. REGULATIONS (Cont'd)
 - 2.13 Customer Access to the Network (Cont'd)
 - 2.13.2 Limitation of Liability (Cont'd)
 - (B) The Company shall in no way be liable for any harm, damage, service outage or degradation of service, whether intentional or inadvertent, as a result of customer, property owner, or other third-party access to or use of Company-installed house and riser cable on the customer or property owner side of a demarcation point. The Company's liability, if any, for gross negligence or willful misconduct is not limited by this guidebook.
 - 2.13.3 Conditions on Allowed Use
 - (A) Company cable and facilities qualify for "allowed use" by a property owner in either single or multiunit installations if the following conditions are satisfied:
 - (1) There are no other customers (other than those located in the multiunit installation subject to the allowed use) served by pairs in the same cable sheaths serving the property owner.^{/1/}
 - (2) There are no services within the cable sheath that require network equipment; however, an agreement by the property owner to pay for the relocation of the network equipment to a minimum point of entry will satisfy this condition.
 - (3) There are no other cables in the same duct or buried along the same easement that the property owner wishes to use that cross rights-ofway to serve other Company customers. (See 2.12.3(B) regarding right-of-way.)
 - (4) There are no other cables on the same pole that the property owner wishes to use that cross rights-of-way to serve other Company customers; however, the property owner's agreement to a pole attachment will satisfy this condition. (See 2.13.3(B) regarding right-ofway.)

/1/ The Company recognizes sharing among state agencies and other political subdivisions as a single unit installation for demarcation purposes. Such sharing is subject to the Joint User provisions of this guidebook. The Company will recognize a multiunit installation consisting solely of state agencies (not other political subdivisions) as a single unit installation for demarcation purposes. Where facility rearrangements are necessary to establish a single demarcation point, the Company will cooperate with the sharing state agencies and local political subdivisions to determine the lowest rearrangement costs.

- 2. REGULATIONS (Cont'd)
 - 2.13 Customer Access to the Network (Cont'd)
 - 2.13.3 Conditions on Allowed Use (Cont'd)
 - (B) As the Company cannot transfer its right-of-way authority, the property owner must obtain the necessary right-of-way from the appropriate authority under the circumstances in 2.13.3(A)(1) and (3).
 - (C) In the event of shared tenant service (STS) or other shared service arrangements pursuant to the Joint User provisions of this guidebook in a multiunit installation, as a condition for "allowed use", the STS or other joint use provider agrees to allow tenants reasonable access to the facilities on the non-network side of the demarcation point as necessary to subscribe to service directly from the Company.
 - (D) Company cable and facilities that do not qualify for "allowed use" in either single or multiunit installations under the provisions of 2.13.3 will not be made available for "allowed use" and the Company will continue to provide service to customers served by the cable and facilities. However, the property owner may request the Company to rearrange its service and facilities to qualify them for "allowed use". The property owner will be responsible for all such costs.
 - (E) New multiunit installations (i.e., those established after June 9, 1994) may elect to have the "allowed use" of Company installed cable and facilities at any time nine years after the Company's latest cable reinforcement in that installation. "Allowed use" of Company-installed cable and facilities in new multiunit installations will not be available until that time.
 - (F) "Allowed use" does not convey title to Company-owned cable and facilities. Cable and facilities subject to "allowed use" remain the property of the Company. Cable and facilities subject to "allowed use" will not be retired until purchased or removed.

- 2. REGULATIONS (Cont'd)
 - 2.14 Suspension of Service
 - 2.14.1 Service may be suspended for the nonpayment of a suitable deposit after ten days proper written notice has been served or mailed to the customer in accordance with the Commission's Substantive Rules.

Service may be discontinued for failure to comply with deposit or guarantee arrangements or to furnish a suitable deposit, when conditions appear to require the Company to have such credit protection. Initial deposits may be required of applicants or existing customers. When a deposit is required on an existing account, the following time frames apply:

Deposit Requirements Based on Billing:

Commercial - Actual billings of a commercial customer must be at least twice the amount of the estimated billings, and a suspension notice has been issued on a bill within the previous 12-month period, before a new deposit can be requested. If a deposit is requested, the customer may be required to pay the new deposit within 15 days after issuance of written notice of termination and requested deposit, or, in lieu of the deposit, the customer may elect to pay the current bill by the due date of the bill, provided the customer has not exercised this option in the previous 12 months.

Residential - Actual billings of a residential customer must be at least twice the amount of the estimated billings after two billing periods, and a suspension notice has been issued on a bill within the previous 12-month period before a new deposit can be requested. If a deposit is requested, the customer may be required to pay the new deposit within 15 days after issuance of written notice of termination and requested deposit, or, in lieu of the deposit, the customer may elect to pay the current bill by the due date of the bill, provided the customer has not exercised this option in the previous 12 months.

- 2.14.2 Service may be suspended without notice for abuse or fraudulent use of service. Where reasonable, given the nature of a hazardous condition, a written statement providing notice of and reason for disconnection will be posted at the common entry or front door of each affected residential unit as soon as possible after service has been disconnected.
- 2.14.3 Service may be suspended for failure on the part of the customer to remove or disconnect unauthorized attachments or connections to the Company facilities after being furnished written notice.

- 2. REGULATIONS (Cont'd)
 - 2.14 Suspension of Service (Cont'd)
 - 2.14.4 Service may not be disconnected for any of the following reasons:
 - (A) delinquency in payment for service by a previous occupant of the premises;
 - (B) failure to pay for merchandise provided by the Company;
 - (C) failure to pay for a different type of class of service unless fee for such service is included on the same bill;
 - (D) failure to pay the account of another customer as guarantor thereof, unless the Company has in writing the guarantee as a condition precedent to service;
 - (E) failure to pay charges arising from an underbilling occurring due to any misapplication of rates more than six months prior to the current billing.
 - 2.14.5 Unless a dangerous condition exists or unless the customer requests disconnection, service will not be disconnected on a day, or on a day immediately preceding a day, when Company personnel are not available to the public for the purpose of making collections and reconnecting service.
 - 2.15 Special Construction
 - 2.15.1 When a special type of construction is furnished to a customer, either inside or outside the base rate area, a charge is made equal to the difference between the estimated cost of labor and materials of the special type of construction and the estimated cost of labor and materials of standard construction. The customer is required to bear unusual maintenance costs for the special construction.
 - 2.15.2 Where either underground or aerial construction of facilities is required, other than by choice of the Company, an additional charge shall be made if the estimated cost of the type of construction required, underground or aerial, exceeds the estimated cost of the other type of construction. This charge shall be the difference in the cost of labor and materials between the two.

AT&T TEXAS ADVANCED SERVICES GUIDEBOOK

ADVANCED SERVICES (VINTAGE I)

3. APPLICATION OF RATES

3.1 Business Rates

Business rates apply at the following locations:

In offices, stores, factories and all places of strictly business nature.

In boarding houses (except as noted below), offices of hotels, halls and offices of apartment buildings, quarters occupied by clubs or lodges, public, private or parochial schools or colleges, hospitals, libraries, churches and other similar institutions, except in churches and lodges as specified below.

At residence locations when the customer has no regular business telephone and the use of the service either by himself, members of his household or his guests, or parties calling him can be considered as more of a business than of a residence nature, which fact might be indicated by advertising, either by business cards, newspapers, handbills, billboards, circulars, motion picture screens, or other advertising matter, such as on vehicles, etc., or when such business use is not such as commonly arises and passes over residence telephones during the intervals when, in compliance with the law or established custom, business places are ordinarily closed.

At residence locations where the service is located in a shop, office or other place of business.

In college fraternity houses where the members lodge within the house.

At any location where the listing of service at that location indicates a business, trade or profession, except as specified in 3.2, following.

3. APPLICATION OF RATES (Cont'd)

3.2 Residence Rates

Residence rates apply at the following locations:

In private residences where business listings are not provided.

In private apartments of hotels, rooming houses or boarding houses where service is confined to the customer's use and elsewhere in rooming and boarding houses which are not advertised as a place of business or which have less than five rooms for roomers or which furnish meals to less than ten boarders, provided business listings are not furnished.

In the place of residence of a clergyman, physician, dentist, veterinary surgeon, other medical practitioner, Christian Science practitioner, nurse, midwife, or in their office, provided the office is located in their residence and is not a part of an office building. In any such cases the listing may indicate the customer's profession, but only in connection with an individual name. If listings of firms or partnerships, etc., or additional listings of persons not residing in the same household are desired, business rates apply.

In a private stable or garage when strictly a part of a domestic establishment.

In churches where the service is not accessible for public patronage, as in pastor's studies.

In lodges where there is only occasional use of the service.

4. SERVICE CONNECTION CHARGES

- 4.1 General
 - 4.1.1 The charges specified in this section for the connection, move or change of service contemplate work being performed by Company employees involved at a time when overtime wages do not apply.
 - 4.1.2 If the customer requests that overtime labor be performed at hours of the day or days of the week other than normal work hours or days, or on holidays, or interrupts work once begun, an additional charge based on the additional costs involved applies.
 - 4.1.3 Definition of Service Charges

The term "Service Charge" represents one of the following work functions necessary to perform a service connection, inside move or change for a business or residence class of service customer:

- (A) Service Ordering Charge receiving, recording and processing information in connection with a customer request for service. One Service Ordering Charge is applicable per customer request, per due date, per account. However, when multiple service orders are required for Company reasons, only one Service Ordering Charge applies.
- (B) Trip Charge when it is necessary to travel to the customer's premises, one Trip Charge is applicable per customer request, per due date, per premises. When more than one trip to the customer's premises is necessary for Company reasons, only one Trip Charge is applicable.
- (C) Central Office Access Charge work associated with the line extending from the serving central office to the customer's premises. It includes, but is not limited to, central office connections, cable cross-connections, and connecting or moving the drop wire or protector block.
- (D) Definitions (Applicable to this guidebook section only) Account - a customer's record relating to his service or equipment. Service may be all on one premises or extending to other premises as long as it is billed to the main billing number.

4. SERVICE CONNECTION CHARGES (Cont'd)

- 4.1 General (Cont'd)
 - 4.1.4 No distinction is made between a "New Installation or Connection" and an "Outside Move." All changes in location of customer's equipment or service from one premises to another, except as otherwise provided in this section, are treated as new service connections with service charges applying. For a definition of the term "Premises," see Section 1 of this guidebook.
 - 4.1.5 Service charges are in addition to other rates and charges normally applying under the guidebooks. They apply in addition to construction charges made because of unusual costs in establishing service and are not in lieu of mileage charges.
 - 4.1.6 For regulations covering the payment of service charges, see Section 2.5 of this guidebook.
 - 4.1.7 A maintenance of service charge will apply in those instances where the Company makes a repair visit to the customer's premises and the service difficulty or trouble is not on the Company's side of the demarcation point.

4.2 Service Charges

-	<u>Residence</u>	<u>Business</u>
Service Ordering Charge ^{/1,2/} Primary	\$22.00	\$36.00
Secondary	16.65	16.65
Trip Charge ^{/2/}	14.60	14.60
Central Office Access Charge ^{/2/}	16.35	21.30

/1/ Service Ordering Charge

- (a) Primary primary charges apply on New Connect (N), Change of Address (T) and Number Change (C) type order activity of the billing telephone number, or the bill on telephone number.
- (b) Secondary secondary charges apply on all other order activity (if appropriate).
- /2/ Standard Service Order, Central Office Access and Trip Charges apply to activity on network access lines terminating in customer provided equipment.

4. SERVICE CONNECTION CHARGES (Cont'd)

- 4.2 Service Charges (Cont'd)
 - (A) Service Ordering Charge
 - (1) Where existing service is reconnected without change and a trip to the customer's premises is not required, one Service Ordering Charge is applicable for the entire system. No other service charges are applicable.
 - (2) Apply a Service Ordering Charge per request, per due date, per account, for the temporary suspension of service at the customer's request.
 - (3) Apply a Service Ordering Charge for a transfer of contract where there is a change of name and interest.
 - (4) Apply one Service Ordering Charge per request, per due date, per account, when work is required at the customer's premises.
 - (5) Apply one Service Ordering Charge to orders involving transfers of service from one premises to another, or from one location to another on the same premises.
 - (6) Apply a Service Ordering Charge per request, per due date, per account, to arrange for the connection of or change to customer provided equipment.
 - (B) Trip Charge
 - (1) Apply one Trip Charge per request, per due date, per premises, when work is required at the customer's premises.
 - (2) Apply one Trip Charge to orders involving transfers of service from one premises to another, or from one location to another on the same premises.
 - (3) Apply one Trip Charge per request, per due date, per premises, to arrange for the connection of or change to customer provided equipment.

Service Charges Do Not Apply as follows:

- (A) Exchange access lines, for which no basic exchange rates apply, including public telephones.
- (B) Service reestablished, within the same exchange, after the destruction or partial destruction of the customer's premises by means beyond the control of the customer whether at the same or another location. However, if service is established at a new location and the customer later moves back to the old location, the Service Charges are applied in connection with the reestablishment of service at the old location.
- (C) Moves or changes required for the proper maintenance of Service.
- (D) Changing grade of service when customers are upgraded after having to take a lower grade of service initially due to facilities not being available.

Section 2 - Frame Relay Digital Service (Vintage Aug 2004)

ADVANCED SERVICES (VINTAGE I)

5. FRAME RELAY DIGITAL SERVICE^{/1/}

/1/ Effective January 1, 2003, Frame Relay Service offered in this Guidebook ("Obsolete Service") is no longer available to Customers who on that date are not subscribers of the Obsolete Service. Customers who on January 1, 2003 are subscribers of the Obsolete Service provided under a volume pricing contract or on a month-to-month basis retain all existing rights with respect to those services under the terms of this section (e.g., customers may add or rearrange PVCs).

- 5. FRAME RELAY DIGITAL SERVICE (Cont'd)
 - 5.1 Descriptive Summary
 - 5.1.1 Frame Relay (FRS) is a transport service that facilitates the exchange of variable length information units (frames) between end user connections by way of assigned virtual connections. Based on ANSI (American National Standards Institute) and CCITT (Committee Consultat de International Telegraphique et Telephonique) standards for Frame Relay, each frame is passed to the Frame Relay network with an address that specifies the virtual connection.
 - 5.1.2 Variable frame length capability is useful in communications between asynchronous Local Area Networks (LAN) and for transport of synchronous data traffic. Frame Relay is capable of handling the requirements of bursty data sources because of the ability of the service to allocate additional bandwidth when not in use by other sources.
 - 5.1.3 The major components of the FRS are: 1) the Network Interface, which is the point of interconnection between the Company communications facilities and the customer terminal equipment; 2) the Site Link, consisting of the physical entry points into the FRS Network and the facility that provides access to the FRS Network via a connection from the customer's network interface; 3) the Logical Link, which is the permanent virtual circuit that establishes the connection from one Site Link to another; 4) the Link Extension, which is the facility from the Company meet-point to the ILEC central office in those locations within the same LATA where the ILEC does not provide a frame relay network.
 - 5.1.4 The Company does not undertake to originate data, but offers the use of its service components, where available, to customers for the purpose of transporting customer originated data.
 - 5.2 Definitions

Link Extension

A customer served by an office located outside of an established Primary Market Area (PMA), but within the same LATA, will be required to order a Link Extension. The Link Extension will consist of interoffice transport between the Site Link at the customer's serving central office and the nearest central office within the PMA.

Logical Link

The permanent virtual circuit between two customer Site Links establishing a two-way connection which allows user data to flow. Includes the Site Links, Frame Relay switch(es) and the trunking between switches.

5. FRAME RELAY DIGITAL SERVICE (Cont'd)

5.2 Definitions (Cont'd)

Network Link

A facility used to connect two PMAs within the same LATA.

Primary Market Area (PMA)

The geographic area in which Frame Relay Service is offered which consists of an exchange area suitably equipped for Frame Relay Service. Service is available outside the PMA (but within the LATA) by subscribing to a distance sensitive Link Extension.

Site Link

The physical connection between the customer's network interface and the FRS network.

Virtual Connection (or Virtual Circuit)

A communications link that appears to be a dedicated point-to-point circuit but is actually established only on demand, thereby allowing shared use of part or all of the facility.

- 5.3 General Regulations
 - 5.3.1 The following rules and regulations are in addition to other rules and regulations as stated in this or other Company guidebooks.
 - (A) Provision of this service (or provision of any specific element associated with this guidebook) is subject to the availability and operational limitations of the equipment and associated facilities.
 - (B) A variety of equipment and facilities may be used to provide this service, and the Company reserves the right to determine which shall be used and to modify and change such equipment at its option.
 - (C) No credit allowance will be made for interruptions due to the negligence and/or failure of equipment provided by the customer or user. Furthermore, interruptions of service during any period in which the Company is not afforded access to the premises at which this service is terminated will not receive a credit allowance.
 - (D) The minimum billing period for this service is one month. If service is discontinued, after the first month, during a fractional part of a month all appropriate charges will be based on the actual number of days the service is furnished. For the purpose of administering this regulation with respect to the determination of charges for a fractional part of a month, every month is considered to have 30 days.

- 5. FRAME RELAY DIGITAL SERVICE (Cont'd)
 - 5.3 General Regulations (Cont'd)
 - 5.3.1 (Cont'd)
 - (E) This service requires the use of customer provided equipment which must be compatible with the Company's equipment and facilities and must conform to industry standards for Frame Relay and specifications provided in Technical Publication TP 76642.
 - (F) Service furnished to one customer may be assumed by a new customer upon due notice of cancellation or abandonment, provided there is no lapse in service and the service is assumed exactly as provided to the previous customer. The new customer must assume all the obligations of the previous customer. Such transfers are subject to any applicable transfer of contract charges specified in Section 4 of this Guidebook.
 - (G) The Company shall be authorized to discontinue service upon notice from any official charged with the enforcement of the law stating that such service is being used as an instrumentality to violate the law. The customer will be notified immediately by the Company, but such discontinuance of service will not be considered a service interruption for the purpose of credit allowance. Applicable charges will continue to accrue until service is disconnected at the customer's request.
 - (H) This service requires the use of customer provided equipment which must be compatible with the Company's equipment and facilities and must conform to industry standards for Frame Relay and specifications provided in Technical Publication TP 76642.
 - 5.4 Service Availability
 - 5.4.1 Frame Relay is available within the following Primary Market Areas (PMAs): Austin, Dallas, Ft. Worth, Houston and San Antonio. Frame Relay will be available within 120 days of a firm order in the Beaumont and El Paso PMAs. Service outside the PMA (but within the same LATA) is made possible by the distance sensitive Link Extension. One or more PMAs may be located within a LATA. Extended Area Service (EAS) does not apply nor is an Optional EAS arrangement (including Extended Area Calling Service and Extended Measured Service) available for this service.

- 5. FRAME RELAY DIGITAL SERVICE (Cont'd)
 - 5.4 Service Availability (Cont'd)
 - 5.4.2 A customer's premises or serving central office need not be in the PMA to subscribe to Frame Relay Service. If the customer is served by an office outside the PMA (but within the same LATA), the customer will be required to subscribe to a Link Extension which will include distance sensitive charges based on the airline mileage (V-H) from the customer's serving central office to the closest central office that is within the PMA.
 - 5.4.3 The Company will install Frame Relay service when a firm order is received in an exchange or zone not included within existing Frame Relay PMAs, or in a LATA with no existing Frame Relay PMA. The Company reserves the right to not deploy Frame Relay at the guidebook rate if: 1) it is not economically justified in a particular instance; or 2) there is no central office within the exchange, zone or LATA that is technologically capable of offering the service.
 - 5.4.4 When the customer requires the modification of standard service components not otherwise provided in this guidebook, the modification can be furnished by the Company subject to additional regulations, rates and charges as specified in other guidebooks.
 - 5.4.5 Special Construction will be provided under the regulations, rates and charges as set forth in Paragraph 2.14 of this Guidebook. Special Construction is construction undertaken by the Company where facilities are not available and there is no other requirement for the facilities constructed; of a type facility other than that normally used for this service; over a route other than that which would normally be used; in a quantity greater than what the Company would normally construct for the needs of this service; on a temporary basis until permanent facilities are completed; involving abnormal costs; or in advance of normal construction on an expedited basis.
 - 5.4.6 This service is guaranteed under the terms of this subsection to provide an average performance of at least 99.0 percent error free seconds up to the demarcation point (network interface) of the channel for operation at all transmission speeds offered by this guidebook. When Frame Relay Service is operating at an error performance level that is unsatisfactory to the customer, and the Company determines that the error performance level is below that specified above, the period of substandard performance will be considered as an interruption. Any credit allowance shall be based on the time of notice by the customer or user to the Company that an unsatisfactory performance level has occurred, provided that the customer promptly releases the service as requested by the Company to perform testing and maintenance.

5. FRAME RELAY DIGITAL SERVICE (Cont'd)

- 5.5 Limitations
 - 5.5.1 Logical Links must be associated with at least one Site Link. A customer must subscribe to at least one Site Link to subscribe to a Logical Link.
 - 5.5.2 A Site Link can be associated with any number of Logical Links. Since all Logical Links need not be in use at the same time, it is possible for the total bandwidth of all Logical Links associated with one Site Link to exceed the bandwidth of that Site Link. Such a relationship is referred to as over-subscription and when this occurs, there can be no guarantee that the bandwidth defined for that Logical Link will be available at any point in time.
 - 5.5.3 No Logical Link can have a greater bit rate than the bit rate of either of the associated Site Links.
 - 5.5.4 A customer subscribing to a Site Link will be referred to as the Controller of the Site Link. A customer subscribing to a Logical Link need not be the Controller of either Site Link but must have the permission of the both Controllers in order to establish a Logical Link connecting the two Site Links.
 - 5.5.5 Site Links and Logical Links are ordered and billed independently and can have different customers as Controllers. A request by one customer to disconnect one component does not result in the disconnection of associated components. Only the Controller of a Site Link may authorize disconnection of that Site Link.

- 5. FRAME RELAY DIGITAL SERVICE (Cont'd)
 - 5.6 Responsibility of the Customer
 - 5.6.1 Where Frame Relay service is available for use in connection with communications systems or equipment provided by a customer or user, the operating characteristics of such systems or equipment shall be such as not to interfere with any services offered by the Company. Such use is subject to the further provisions that the equipment provided by the customer or user does not endanger the safety of the Company employees or the public; damage, harm, require change in or alteration of the equipment or other services of the Company; interfere with the proper operation of the Company's equipment; or otherwise injure the public in its use of the Company services. Upon notice from the Company that the equipment provided by customer or user is causing, or is likely to cause, such hazard or interference, the customer shall take such steps as shall be necessary to remove or prevent such hazard or interference.
 - 5.6.2 The customer, upon request, shall furnish such information as may be required to permit the Company to design and maintain the Frame Relay service it offers and to assure that the service arrangement is in compliance with the regulations contained herein.
 - 5.6.3 It shall be the responsibility of the customer to ensure the continuing compatibility of the customer provided equipment that is used in conjunction with the Frame Relay service.
 - 5.6.4 Registration Program Effective June 30, 1987, the Federal Communications Commission's Part 68 Rules and Regulations were amended to require registration of customer provided equipment that directly connected to subrate and 1.544 Mbps digital services after that date. The equipment or system must also comply with the requirements of the Technical Reference Publication 62411.
 - 5.6.5 The customer shall be responsible for obtaining permission for the Company agents or employees to enter the premises of the customer at any reasonable hour for the purpose of installing, inspecting, repairing or, upon termination of the service, removing the service components of the Company.
 - 5.6.6 The customer shall be responsible for the payment of a Maintenance of Service Charge for each repair visit to a premises of the customer or the premises of any other customer where the service difficulty or trouble results from the use of equipment or service components provided by the customer.

- 5. FRAME RELAY DIGITAL SERVICE (Cont'd)
 - 5.7 Responsibility of the Company
 - 5.7.1 The responsibility of the Company shall be limited to furnishing network equipment suitable for Frame Relay service and to the maintenance and operation of such equipment in a manner proper for such service. Subject to this responsibility, the Company shall not be responsible for the through transmission of signals generated by the customer provided equipment or system, or for the quality of, or defects in, such transmission or the reception of signals by such equipment or systems.
 - 5.7.2 The Company shall not be responsible for installation, operation or maintenance of any terminal equipment, data unit or communications system provided by a customer or user. The Company is not responsible for adapting Frame Relay service to the technological requirements of any specific customer equipment.
 - 5.7.3 When a customer orders a Logical Link which is relayed to Local Exchange Carriers, or other Frame Relay networks, the Company will provide advisory assistance as a part of the establishment of this Logical Link.
 - 5.7.4 The Company shall not be responsible to the customer or user if changes in any of the equipment, operations or procedures of the Company used in the provision of Frame Relay service render any facilities provided by the customer or user obsolete or require modification or alteration of such equipment or system or otherwise affect its use or performance, provided the Company has met any applicable information disclosure requirements otherwise required by law.
 - 5.7.5 The Company undertakes the responsibility to maintain and repair the service which it furnishes. Network equipment installed by the Company on the customer's premises shall be and remain the property of the Company. The customer or user may not rearrange, disconnect, remove, attempt to repair, remote test or interface with any network equipment installed by the Company without prior written consent by the Company.
 - 5.7.6 The Company, by written notice to the customer, may immediately discontinue the furnishing of Frame Relay service without incurring liability upon nonpayment of any sum due to the Company or a violation of any condition governing the furnishing of service.

- 5. FRAME RELAY DIGITAL SERVICE (Cont'd)
 - 5.7 Responsibility of the Company (Cont'd)
 - 5.7.7 The Company has the service responsibility up to and including the network interface. The network interface will be provided as set forth in Technical Reference PUB 62411.
 - 5.7.8 The placement of the network interface shall be located in a manner consistent with federal and state regulatory requirements. This location will be at each customer's premises, unless specified otherwise by building/land owner and agreed to by the Company.
 - 5.8 Application of Rates
 - 5.8.1 Rates and charges for the Site Link will include a recurring monthly charge and a nonrecurring charge and are based on the available transmission speeds (bit rates). The Site Link is available in the following speeds: 56Kbps, 384 Kbps and 1.536 Mbps.
 - 5.8.2 The Rates and Charges for the Logical Link will include a recurring monthly charge and a nonrecurring charge and are based on transmission speeds and will be available in a variety of bit rates.
 - 5.8.3 The rates and charges for the Inter-Network Additive will include a recurring monthly charge and are applied per Logical Link.
 - 5.8.4 A Nonrecurring Charge will be assessed for each customer requested change in the transmission speed of the Site Link or Logical Link or for a new Site Link or Logical Link at the new speed.
 - 5.8.5 The application of Nonrecurring Charges found in Section 5.9 of this guidebook is as follows:

First Unit

Applies to the first unit per customer request, per due date, per PMA.

Additional Unit

Applies to the additional unit(s) on the same customer request as the initial unit, same due date, and same PMA.

5. FRAME RELAY DIGITAL SERVICE (Cont'd)

- 5.9 Rates and Charges
 - 5.9.1 Site Links

	<u>USOC</u>	Monthly <u>Rate</u>	Nonrecurri First <u>Unit</u>	ing Charges Additional <u>Unit</u>
56 Kbps	LOK5X	\$170.00	\$390.00	\$300.00
384 Kbps	LOK6X	295.00	640.00	440.00
1.536 Mbps ^{/1/}	LOK8X	850.00	640.00	440.00

Site Links Utilizing Access Advantage Plus Service Facilities/3/

		USOC	Monthly <u>Rate</u>	Nonrecurring Charges Each <u>Unit</u>
	56 Kbps 384 Kbps	LOQUX LOQVX	\$90.00 150.00	\$30.00 30.00
5.9.2	Link Extension	s ^{/2/}		
				Monthly Rate
			Monthly	Per
		<u>USOC</u>	Rate	Mile

56 Kbps	FCE5X	\$50.00	\$.96
384 Kbps	FCE6X	65.00	28.00
1.536 Mbps ^{/1/}	FCE8X	65.00	28.00

(See Page 58 for Footnotes)

AT&T TEXAS ADVANCED SERVICES GUIDEBOOK

ADVANCED SERVICES (VINTAGE I)

5. FRAME RELAY DIGITAL SERVICE (Cont'd)

- 5.9 Rates and Charges (Cont'd)
 - 5.9.3 Network Links^{/4/}

		<u>USOC</u>	Monthly <u>Rate</u>	Monthly I Per <u>Mile</u>	Rate
	56 Kbps 384 Kbps 1.536 Mbps ^{/1/}	NLZ5X NLZ6X NLZ8X	\$60.00 300.00 990.00	\$.96 28.00 28.00)
5.9.4	Logical Links	USOC	Monthly Rate	Nonrecurrin First Unit	ig Charges Additional Unit

	<u>0000</u>	<u>Itate</u>	<u>01111</u>	
56 Kbps	LCN5X	\$45.00	\$150.00	\$120.00
384 Kbps	LCN6X	60.00	150.00	120.00
1.536 Mbps ^{/1/}	LCN8X	120.00	120.00	120.00

Footnotes:

- /1/ Network capabilities in some locations may be initially limited to providing a maximum of 1.344 Mbps.
- /2/ Link Extension is assessed both the monthly base rate and the monthly rate per mile which is calculated using the distance from the customer's serving central office to the nearest central office that is located within the PMA. These rates are in addition to the monthly rate for the associated Site Link. The Link Extension must be associated with and ordered at the same time as the Site Link.
- /3/ These rates and charges are in addition to rates and charges for Access Advantage Plus Service. Access Advantage Plus Service is a Company service that provides a single channelized high capacity facility between a customer premise and its service office for connection to other voice and data services. Access Advantage Plus Service is in Part 6, Section 7 of the AT&T Texas Guidebook.
- /4/ A Network Link is assessed both the monthly base rate and the monthly rate per mile which is calculated using the distance from the two closest offices in the two PMAs being connected. A Network Link must be associated with and ordered at the same time as one or more Logical Links.

5. FRAME RELAY DIGITAL SERVICE (Cont'd)

5.10 Volume Pricing

5.10.1 General

The Company may offer discounted volume pricing for Frame Relay Service customers who sign a contract and subscribe to a minimum of 10 Frame Relay Site Links or Access Advantage Plus Transport elements for a minimum of three years. The volume pricing rates for Frame Relay Service including Site Links, Logical Links, Link Extensions and Network Links will apply for the duration of the contract. Each customer's contract may contain conditions and rates specific to that customer's needs; however, the discounted rates shall be set within the range of the LRIC floor and the price ceiling for the service.

In order to qualify for the discounted contract price, at least 10 Frame Relay Site Links or Access Advantage Plus Transport elements must be within the same state and be covered by a single contract. When the customer meets these eligibility requirements, the customer may elect to transfer existing Frame Relay services to the new contract.

During the term of the Volume Pricing contract, additional Frame Relay Service rate elements may be added to the contract, and the contract will specify the terms and conditions of such additions.

5.10.2 Public Utility Commission Notification

The Company will file quarterly reports with the Commission, and at the same time, serve a copy of those reports to the Office of Public Utility Counsel. The reports will provide the following information regarding all customer specific contracts for services pursuant to this guidebook section:

- customer name, location and contact;
- type of services, exchange location and quantities;
- terms and rates for services;
- affidavit attesting that the rates:
 - are set above the less or of the rates in effect for the services on September 1, 1999 or the long run incremental costs of the services;
 - are not unreasonably preferential, prejudicial or discriminatory;
 - are such that the contracted services will not be subsidized directly or indirectly by regulated monopoly services; and
 - are not predatory or anticompetitive.
- 5.10.3 The price ceiling shall be the currently approved rates for Frame Relay Service at the comparable service term.

6. CUSTOMER SPECIFIC PRICING

6.1 Scope

This Customer Specific Pricing Guidebook provides for specialized intraLATA services and/or pricing plans that are not provided under existing guidebook offerings.

This guidebook contains customer specific rules and regulations pursuant to Substantive Rule 26.211. This guidebook recognizes that the description and pricing for services provided pursuant to contract will be developed on an individual case basis (ICB) according to the exclusive needs of the customer, and may constitute proprietary information that the customer may not wish to convey to competitors.

The Company's ability to furnish or to continue to furnish Customer Specific Pricing arrangements is dependent on its ability to obtain, retain and maintain suitable rights and facilities, and to provide for the installation of those facilities required incident to the furnishing and maintenance of that service.

The rates for High Capacity Network Services and Customized Services will be established based on market criteria relative to the specific case, but no rate that the Company proposes will be below the cost of providing that service.

- 6.2 Liability
 - 6.2.1 In view of the fact that the customer has exclusive control of his communications over the facilities furnished him by the Company, and of the other uses for which facilities may be furnished him by the Company, and because of unavoidable errors incident to the services and to the use of such facilities of the Company, the services and facilities furnished by the Company, are subject to the terms, conditions and limitations herein specified.
 - 6.2.2 The Company's failure to provide or maintain facilities under this guidebook shall be excused by labor difficulties, governmental orders, civil commotions, acts of God and other circumstances beyond the Company's reasonable control, subject to the interruption allowance provisions of this guidebook.

- 6. CUSTOMER SPECIFIC PRICING (Cont'd)
 - 6.2 Liability (Cont'd)
 - 6.2.3 The Company's liability, if any, for its gross negligence or willful misconduct is not limited by this guidebook. With respect to any other claim or suit by a customer or any others for damages arising out of mistakes, omissions, interruptions, delays or errors, or defects in transmission occurring in the course of furnishing service hereunder, the Company's liability, if any, shall not exceed an amount equivalent to the proportionate charge to the customer for the period of service during which such mistake, omission, interruption, delay, error, or defect in transmission or service occurs and continues. This liability shall be in addition to any amounts that may otherwise be due to the customer under this guidebook as an allowance for interruptions. However, any such mistakes, omissions, interruptions, delays, errors, or defects in transmission or service which are caused or contributed to by the negligence or willful act of the customer, authorized user, or joint user, or which arise from the use of customer-provided facilities or equipment shall not result in the imposition of any liability whatsoever upon the Company. Except as specifically set forth in the this Guidebook Section 2.8.8 no other liability shall in any case attach to the Company in consideration of such interruptions.
 - 6.2.4 The customer indemnifies and saves the Company harmless against (1) claims for libel, slander or the infringement of copyright arising from the material transmitted over the service components; (2) claims for the infringement of patents arising from, combining with, or used in connection with service components of the Company, apparatus and systems of the customer; and (3) all other claims arising out of any act or omission of the customer in connection with the service components provided by the Company.
 - 6.2.5 When the lines of local exchange companies (LECs) are used in establishing connection to points not reached by the Company's lines, the Company is not liable for any act or omission of the LECs.
 - 6.2.6 The Company is not liable for any defacement of or damage to the premises of a customer resulting from the furnishing of service components or the attachment of the service components furnished by the Company on such premises or by the installation or removal thereof, when such defacement or damage is not the result of negligence of the agents or employees of the Company.

- 6. CUSTOMER SPECIFIC PRICING (Cont'd)
 - 6.2 Liability (Cont'd)
 - 6.2.7 The customer indemnifies and saves harmless the Company against claims, losses or suits for injury to or death of any person or damage to any property which arises from the use, placement or presence of the Company's network equipment, facilities and associated network wiring on the customer's premises.
 - 6.3 Obligations of Customers
 - 6.3.1 All ordinary expenses of maintenance and repair of Company-provided facilities and network equipment will be borne by the Company, except, if damage to or destruction of any of Company facilities or network equipment is caused by the negligence or willful conduct of the customer, its subsidiaries, affiliates, employees or agents; or by reasons of the equipment provided by the customer on the customer's side of the network interface. In case of damage to or destruction of any of Company network equipment or facilities not due to ordinary wear and tear, the customer is held responsible for the cost of replacing Company network equipment or facilities destroyed or for the cost of restoring Company equipment to its original condition. The customer is also responsible for reimbursing the Company for any loss through theft of the equipment or facilities on the customer's premises.
 - 6.3.2 The customer shall provide, maintain and install all terminal equipment on the customer's side of the network interface associated with the Service. The customer shall assure that the equipment does not cause electrical hazards to Company personnel or damage the Company-provided facilities or equipment. The customer-provided equipment shall meet all applicable Federal Communications Commission's (FCC) Regulations and will allow for the testing of Company facilities.
 - 6.3.3 Customers may not install, rearrange, disconnect, remove, or attempt to repair, or permit others to install, rearrange, disconnect, remove, or attempt to repair any wiring or network equipment associated with Company-provided facilities, except upon the written consent of the Company.
 - 6.3.4 When commercial power is used for the operation of Company network equipment or facilities located at the customer's premises, the customer will provide the necessary power wiring, power outlets and commercial power. The customer assumes all responsibility for the safe condition of the power wiring, power outlets and commercial power.

- 6. CUSTOMER SPECIFIC PRICING (Cont'd)
 - 6.3 Obligations of Customers (Cont'd)
 - 6.3.5 The customer shall notify the Company in writing 30 days prior to the discontinuance of any service provided under this guidebook.
 - 6.3.6 Service furnished one customer may be assumed by a new customer upon due notice of cancellation or abandonment, provided there is no lapse in service. The new customer must assume all the obligations of the previous customer. Such transfers are subjected to applicable nonrecurring charges.
 - 6.3.7 The purpose or purposes for which the Customer Specific Arrangement is to be used must be made known to the Company at time of application for service. In the event of a planned change in use of service, the customer will notify the Company in writing prior to the change.
 - 6.3.8 The customer is responsible for making Company facilities available periodically for maintenance purposes at a time agreeable to both the Company and the customer. No allowance will be made for the period during which the service is interrupted for such purposes.
 - 6.3.9 The customer shall be responsible for the installation, operation and maintenance of any customer-provided terminal equipment or communications system. No combination of customer-provided terminal equipment or services of the Company, cause electrical hazards to Company personnel, damage to Company equipment, malfunction of Company billing equipment, or degradation of service to persons other than the user of the subject terminal equipment or communications system, his calling or called party. Upon notice from the Company that a customer-provided terminal equipment or degradation of service user or joint user shall make such change as shall be necessary to remove or prevent such hazard, damage, malfunction or degradation of service.
 - 6.3.10 The customer shall be responsible for the payment of a nonrecurring Maintenance Service Charge of \$30.00 for each repair visit to a premises of the customer, authorized or joint user or the premises of any other customer where the service difficulty or trouble results from the use of equipment or facilities provided by the customer, authorized user or joint user.

- 6. CUSTOMER SPECIFIC PRICING (Cont'd)
 - 6.4 Rights of the Company
 - 6.4.1 Where the customer uses unauthorized equipment, accessories, apparatus, circuit or device, he will be billed the amount specified in 6.3.9, preceding, for each service call made to his premises or the premises of any other customer by reason of the use of such attachment or connection with facilities of the Company. In addition, the customer will be held responsible for the cost incurred by the Company for correcting any impairment of service caused by the use of such attachment or connection.
 - 6.4.2 Facilities and network equipment furnished by the Company located on the customer's premises shall remain the property of the Company, whose agents and employees have the right to enter said premises at any reasonable hour for the purposes of installing, inspecting, maintaining or repairing the equipment or facilities and for the purpose of removing such facilities and equipment upon termination of the service.
 - 6.4.3 At the Company's option, a customer with a Customer Specific Pricing arrangement may be required to execute a lease or agreement between the Company and the customer, his affiliates and/or subsidiaries which may further define, explain, expand, limit or revise the Company's rights and obligations and the customer's rights and obligations.
 - 6.4.4 Special Charges, Fees and Taxes

There shall be added to the customer's bill for service, an additional charge equal to the pro rata share of any occupation, franchise, business, license, excise, privilege or other similar charge or tax, now or hereafter imposed upon the gross receipts or revenue of the Company by a municipal taxing body or municipal authority whether by statute, ordinance, law or otherwise, and whether presently due or to hereafter become due.

The charge applicable to each customer will appear separately on the customer's regular monthly bill and shall be determined on a basis equal to the tax levied by each municipal taxing body or municipal authority. The amount of charge to the customer shall be computed by dividing the tax expressed as a percentage by 100% minus the tax expressed as a percentage and multiplying the decimal thus obtained by the customer's service charges to which such tax applies as reflected by the following formula:

(Tax %)	х	Service Charges Subject to Tax	=	Amount of Charge
(100% - Tax %)				to Customer

The amount of charge to the customer will be rounded to the nearest cent.

- 6. CUSTOMER SPECIFIC PRICING (Cont'd)
 - 6.5 Use
 - 6.5.1 Customer Specific Arrangements shall not be used for any purpose for which a payment or other compensation, shall be received by either the customer, authorized user or joint user, or in the collection, transmission, or delivery of any communications for others.
 - 6.5.2 Customer Specific Arrangements are furnished subject to the condition that they will not be used for any unlawful purpose. Service will be discontinued forthwith, if any law enforcement agency, acting within its apparent jurisdiction, advises in writing that such service or channels are being used in violation of law. The Company will refuse to furnish service when it has reasonable grounds to believe that such service will be used in violation of the law.
 - 6.6 Payment Arrangements and Credit Allowances
 - 6.6.1 Applicants for service may be required to pay in advance of the establishment of service the nonrecurring charges applicable, together with any fixed charges applicable for the first month. The customer is responsible for payment of all charges for facilities and services furnished the customer or shared with an authorized user or joint user in accordance with the Company's regular billing and collection practices.

Service may be discontinued for failure to furnish a suitable deposit when conditions appear to require the Company to have such credit protection, provided the Company has furnished five days written notice to the customer requiring the customer to furnish such a deposit.

- 6.6.2 Upon nonpayment of any sum due the Company, or upon illegal use of any service, or upon a violation of any of the conditions governing the furnishing of a service, the Company after five days written notice may discontinue the furnishing of said service and terminate the contract without incurring any liability.
- 6.6.3 When at the request of the Company, a service is temporarily surrendered by the customer, authorized user or joint user for other than maintenance purposes, credit will be allowed; the amount of which will be determined in the same manner as for an allowance for interruptions.

- 6. CUSTOMER SPECIFIC PRICING (Cont'd)
 - 6.6 Payment Arrangements and Credit Allowances (Cont'd)
 - 6.6.4 In the event a customer's service is interrupted other than by the negligence or willful act of the customer, and it remains out of order for eight normal working hours or longer after access to the premises is made available and after being reported to be out of order, appropriate adjustments or refunds shall be made to the customer. The amount of adjustment or refund shall be determined on the basis of the known period of interruption, generally beginning from the time the service pro rata part of the month's flat-rate charges for the period of days and that portion of the service facilities rendered useless or inoperative. The refund may be accomplished by a credit on a subsequent bill for service.
 - 6.6.5 If billing for the Company's services are found to differ from the Company's guidebook rates, or if the Company fails to bill the customer for such services, a billing adjustment will be calculated by the Company. If the customer is due a refund, an adjustment shall be made for the entire period of the overcharges. If an overcharge is adjusted by the Company within three billing cycles of the bill in error, interest is not applicable. However, if an overcharge is not adjusted by the Company within three billing cycles of the bill in error, interest shall be applied to the amount of the overcharge. The rate of interest is set annually by the Commission for a twelvemonth period and is based on an average of prime commercial paper rates for the previous twelve-month period.
 - 6.7 Public Utility Commission Notification

The Company will file quarterly reports with the Commission, and at the same time, serve a copy of those reports to the Office of Public Utility Counsel. The reports will provide the following information regarding all customer specific contracts for services pursuant to this guidebook section:

- customer name, location and contact;
- type of services, exchange location and quantities;
- terms and rates for services;
- affidavit of the customer attesting to the fact that the customer was aware of the possibility of purchasing such services from other providers; and
- affidavit attesting that the rates:
 - are set at 105% or more of the long run incremental costs of the services;
 - are not unreasonably preferential, prejudicial or discriminatory;
 - are such that the contracted services will not be subsidized directly or indirectly by regulated
 - monopoly services;
 - and are not predatory or anticompetitive.

The Company, when requested by the Commission, will provide the documentation necessary to support the development of a particular Customer Specific Arrangement Proposal.

6. CUSTOMER SPECIFIC PRICING (Cont'd)

6.8 Payment Options

The Company will offer the following payment options to customers subscribing to Customer Specific Arrangements:

6.8.1 Option One

A payment option that allows the customer to pay monthly recurring rates and charges, subject to Company-initiated change, plus a nonrecurring charge. A Maximum Termination Liability Contract or minimum billing period will apply in those cases when, in the judgment of the Company, there are nonrecoverable costs involved if the customer should discontinue service prior to the expiration of the lease period. These charges will be developed according to the guidelines established for Special Construction.

6.8.2 Option Two

A payment option that allows the customer to pay a fixed monthly rate for the Customer Specific Arrangement over a period not to exceed 60 months. Customers subscribing to this plan are subject to the following additional regulations:

- Customers must sign a lease for service which will remain in effect during the selected Fixed-Rate Term.
- During the lease term, the Fixed Rates are not subject to rate increases initiated by the Company. Services not covered by the Customer Specific Arrangement lease remain subject to Company-initiated rate changes.
- Monthly recurring rates may be recovered through an up-front payment calculated through current present worth factors.
- A Maximum Termination Liability Contract or minimum billing period will apply in those cases when in the judgment of the Company, there are nonrecoverable costs involved if the customer should discontinue service prior to the expiration of the lease period term.
- Additions to the Customer Specific Arrangement, after the initial service installation has been completed, will be considered a new arrangement, subject to considerations in Paragraph 6.8, unless otherwise specified in the initial customer's lease.
- Moves of Customer Specific Arrangements provided under this payment option will be performed only when technically feasible in the opinion of the Company and based on the cost incurred.
- The customer may, at its option prior to the expiration of the existing lease, renew the lease for an additional period not to exceed 60 months. This will include the signing of a new lease. The customer will pay the newly determined plan rate at that time for the lease period.

- 6. CUSTOMER SPECIFIC PRICING (Cont'd)
 - 6.8 Payment Options (Cont'd)
 - 6.8.2 Option Two (Cont'd)
 - At the conclusion of the selected monthly plan lease, the customer must elect one of the following, subject to the payment option available at that time:
 - Convert to another existing payment option, based on the terms, conditions and rate levels that will be determined at that time.
 - Renew the lease at the terms, conditions and rate levels that will be determined for the new contract period.
 - Discontinue the service.

If the customer does not notify the Company which option it elects by the lease expiration date, service will continue at monthly rates set in accordance with the payment option stated in 6.8.1, preceding.

6.8.3 Option Three

A payment option which allows the customer to pay combined Fixed and Variable monthly rates. The customer will pay the sum of both a Fixed and Variable rate for a term of 36, 48, 60, 84 or 120 months. At the conclusion of the Fixed-Rate Term, the customer will be required to renegotiate the Fixed Rate for an additional period of 36, 48, 60, 84 or 120 months or discontinue the service. The Variable rates will apply as long as the service is provided. Customers subscribing to this payment option are subject to the following additional regulations:

- Fixed monthly rates are not subject to Company-initiated changes during the existing Fixed-Rate Term.
- Variable rates are subject to Company-initiated changes. A review of these rates will occur at least every 24 months or as specified in the customer contract for the customer specific arrangement.
- The customer will be required to sign a lease for service which specifies the terms of the payment option.
- Monthly recurring rates may be recovered through an up-front payment, calculated through current present worth factors.
- A Maximum Termination Liability Contract or minimum billing period will apply in those cases when in the judgment of the Company, there are nonrecoverable costs involved if the customer should discontinue service prior to the expiration of the lease period term.

- 6. CUSTOMER SPECIFIC PRICING (Cont'd)
 - 6.8 Payment Options (Cont'd)
 - 6.8.3 Option Three (Cont'd)
 - Additions to the Customer Specific Arrangement, after the initial service installation has been completed, will be considered a new arrangement subject to Paragraph 6.8, in effect at the time of the addition, unless otherwise specified in the initial customer's lease.
 - Moves of Customer Specific Arrangements provided under this payment option will be performed only when technically feasible in the opinion of the Company and based on the cost incurred.
 - 6.9 Distance Learning

Components of customer-specific contracts used predominantly for distance learning or information sharing program purposes will be rated as specified in Substantive Rule 326.141(f).

6.10 Educational Percentage Discount Rates (E-Rates)

The percentage discount rates available pursuant to 47 Code of Federal Regulations Part 54, subpart F to eligible schools, libraries, and consortia as defined by 47 Code of Federal Regulations Part 54, subpart F shall apply to the guidebook rates contained herein. Schools, libraries, and consortia eligible for E-Rates pursuant to 47 Code of Federal Regulations Part 54, subpart F shall comply with the provisions of 47 Code of Federal Regulations part 54, subpart F in order to receive the intrastate E-Rates.

- 6.11 High Capacity Network Services
 - 6.11.1 High Capacity Network services have a bit-rate transmission that exceeds 1.544 megabits per second (Mbps). These services will be provided only when in the judgment of the Company, it is practicable and will not be detrimental to any other services.
 - 6.11.2 The Company will provide a bid for High Capacity Network services to any intraLATA customer requesting the Company to do so.
 - 6.11.3 The rates for customized services will be established based on market criteria relative to the specific case, but no rate that the Company proposes will be below the cost of providing that service.

- 6. CUSTOMER SPECIFIC PRICING (Cont'd)
 - 6.11 High Capacity Network Services (Cont'd)
 - 6.11.4 Special Construction
 - (A) Rates and charges for special construction on Customer Specific Arrangements will be based on estimated cost incurred by Company and may include: (1) one-time service charges, (2) Maximum Termination Liabilities, (3) or combination thereof. Special construction rates and charges are in addition to rates and charges developed for the Customer Specific Arrangement.
 - (B) Special construction for Customer Specific Arrangements is that construction undertaken:
 - Where facilities are not presently available and there is no other requirement for the facilities so constructed.
 - In advance of the normal construction on an expedited basis.
 - On a temporary basis until permanent facilities are available.
 - (C) No charge applies where special construction has been started prior to cancellation and it is determined by the Company there is another requirement for the facilities.
 - (D) No charge applies where the applicant cancels an application for service prior to the start of special construction of facilities.
 - (E) Where special construction on the Customer Specific Arrangement has been started prior to customer cancellation, and there is no other requirement for the specially constructed facilities, a charge equal to the costs incurred in the special construction, less net salvage, applies; except that where one or more, but not all, of the services involved in the special construction are canceled, a charge equal to the cost, less net salvage, incurred for the discontinued services applies instead. Net salvage is determined based on the value of reusable material, less cost of removal. In determining the charge, each canceled service is treated as discontinued as of the date on which it was to have been placed in service.
 - (F) Special construction of facilities for a customer is considered to have started when the Company incurs any expense which would not otherwise have been incurred; provided: (1) the customer has advised the Company to proceed with the installation, or (2) the Company has advised the customer that in accordance with his order, it is commencing the installation.

- 6. CUSTOMER SPECIFIC PRICING (Cont'd)
 - 6.12 Customized Services
 - 6.12.1 A customized service is a package of services which is unique because of its size or configuration. Customized services may not include basic local exchange services, local measured services, message toll service, wide area telecommunications service, or switched access service.
 - 6.12.2 A customized service may be provided by the Company, at the request of a customer, on an individual case basis if such service meets the following criteria:
 - The requested service or arrangements are not offered under other Company guidebooks.
 - The facilities utilized to provide the requested service or arrangements are of a type normally used by the Company in furnishing its other services.
 - The requested service or arrangements are provided within a LATA.
 - The requested service or arrangements are compatible with other Company services, facilities, and its engineering and maintenance practices.
 - This offering is subject to the availability of the necessary Company personnel and capital resources.
 - 6.12.3 Special Construction
 - (A) Special construction for customized services is that construction undertaken when: (1) suitable facilities are not available to meet a request for service;
 (2) the Company constructs facilities; and (3) one or more of the following conditions exists:
 - The Company has no other requirement for the facilities constructed and the nonrecoverable investment associated with the construction exceeds \$25,000.
 - The customer requests customized service be furnished using a type of facility, or via a route, other than that which the Company would normally use in furnishing the requested service.
 - The customer requests more facilities than would normally be required to satisfy a request for service.
 - The customer requests construction be expedited, resulting in added cost to the Company.
 - (B) When the Company provides special construction of facilities in accordance with a request for customized service, the provisions of Section 14 of the Access Service Tariff (Special Construction) shall apply. Special construction liabilities and charges apply in addition to rates for customized service.

7. PRIVATE NETWORK SERVICES

- 7.1 Descriptive Summary
 - 7.1.1 Digital Broadband Private Network Services cover arrangements that are provided only to qualified customers located in an exchange area served by the Company. Arrangements terminating at a non-Company location will be provided pursuant to the regulations, rates and charges of the Local Exchange Company (LEC) for the portion of the arrangement in the LEC's territory terminating at the non-Company location.
 - 7.1.2 These services are offered only for the exclusive use and purchase by educational institutions; libraries; nonprofit telemedicine centers of academic health centers, public or not-for-profit hospitals, or state-licensed health care practitioners; public or not-for-profit hospitals; projects funded by the Telecommunications Infrastructure Fund; or any legally constituted consortium or group of entities listed in this paragraph.
 - 7.1.3 Notwithstanding the restricted availability of these services to certain qualified customers as described in 7.1.2, nothing shall preclude the provisioning of such services at the rates prescribed herein when ordered on behalf of a qualified customer by an authorized agent. Billing will be rendered to the qualified customer, who will continue to be responsible for payment of all billed amounts.
- 7.2 Provision of Service
 - 7.2.1 Digital Broadband Private Network Services provided pursuant to this guidebook may be interconnected with other similar networks for distance learning, telemedicine, and information sharing purposes.
 - 7.2.2 Digital Broadband Private Network Services provided pursuant to this guidebook may not be shared or resold to other customers except that such services may be used and shared among the entities described para. 7.1.2 of this guidebook.
 - 7.2.3 Special Construction charges do not apply to Digital Broadband Private Network Services.
 - 7.2.4 An educational institution or a library may elect the rate treatment provided in this guidebook or the discount provided pursuant to other Company guidebooks as described in Section 57.022 of the Public Utility Regulatory Act.
 - 7.2.5 The rules and regulations found in this guidebook are in addition to other rules and regulations as stated in this and other sections of this guidebook.

- 7. PRIVATE NETWORK SERVICES (Cont'd)
 - 7.2 Provision of Service (Cont'd)
 - 7.2.6 Rates for the services provided under this guidebook will not be increased for six years from September 1, 1995 except as otherwise provided in customer specific contracts.
 - 7.2.8 Services offered under this guidebook are subject to a twelve month minimum term; termination provisions will apply as follows:
 Broadband Educational Video Service: the Digital Link Service Guidebook, Section 4, para. 4.5.5. NLIS/CES, other customized services: Customer Specific Pricing section 6 of this Guidebook, para. 6.8.2 and the applicable contract provisions.
 - 7.2.9 Services offered under this guidebook may be interconnected only with jurisdictionally intrastate services, except as otherwise provided in Company state and interstate guidebooks. For purposes of this guidebook, interconnection of these services to the State of Texas' TEX-AN network is authorized, as well as to the jurisdictionally interstate services of the qualified customers.
 - 7.2.10 Customers obtaining services under this guidebook who are not qualified customers are subject to having such services disconnected or to being charged standard guidebook rates.
 - 7.2.11 Services offered under this guidebook will be provisioned to the premises of qualified customers (as defined in para. 7.1.2) only. Examples of authorized serving arrangements include:
 - (A) Between the premises of qualified customers in a Company serving area.
 - (B) From the premises of qualified customers in a Company serving area to the premises of qualified customers in the serving area of certificated connecting carriers.
 - (C) From the premises of qualified customers in a Company serving area to Company central offices for multiplexing purposes.
 - (D) From the premises of qualified customers in the serving area of certificated connecting carriers to Company central offices for multiplexing purposes.
 - (E) From the premises of a qualified customer to the premises of another customer, when ordered by the authorized customer (e.g., special access service from a hospital to an IXC POP).
 - (F) Between Company central offices when associated with an otherwise authorized serving arrangement.

7. PRIVATE NETWORK SERVICES (Cont'd)

- 7.2 Provision of Service (Cont'd)
 - 7.2.12 Serving arrangements that do not terminate at the premises of an authorized customer are not authorized. Examples of serving arrangements that are not authorized include:
 - (A) Between the premises of other customers, even if ordered by a qualified customer (e.g., special access service from a business to an IXC POP).

7.3 Definitions

For the purpose of this guidebook, the following definitions shall apply:

Bit

The smallest unit of information in the binary system of notation.

Building

Denotes a structure under one roof or two or more structures on one premises which are connected by an enclosed or covered passageway which is interpreted to mean "same building". In no case can conduit be considered as an enclosed passageway nor buildings connected by a covered public mall be the "same building".

Central Office

A local switching system where telephone exchange service customer station loops are terminated for purposes of interconnection to each other and to trunks.

Channel

A communications path between two or more points of termination.

<u>Channelize</u>

The process of multiplexing-demultiplexing wider bandwidth or higher speed channels into narrower bandwidth or lower speed channels.

Clear Channel Capability

A feature that provides customers with an increase in usable bandwidth by providing unconstrained data streams across the network.

<u>Cluster</u>

A group of at least two and no more than twelve schools that are located within the same geographic area, share an educational community of interest, a desire to share classroom resources and have agreed through a mutual agreement, pact, or consortium arrangement to join together for purposes of purchasing Broadband Educational Videoconferencing Service via this guidebook.

7. PRIVATE NETWORK SERVICES (Cont'd)

7.3 Definitions (Cont'd)

Control Site

At least one school site within a cluster of schools that is designated by the school district, college, university and/or other organized group of schools for the purpose of establishing video conferences within a cluster of schools utilizing Broadband Educational Videoconferencing Service.

Control System

A control system permits a control site within a cluster access to control and arrange connections to their Broadband Educational Videoconferencing Service.

Distance Learning

Instruction, learning, and training that is transmitted from one site to one or more sites by telecommunications services that are used predominantly for such instruction, learning, or training, including video, data, voice, and electronic information.

Educational Institution

An educational institution means and includes accredited primary or secondary schools owned or operated by state and local government entities or private entities; institutions of higher education as defined by Section 61.003, Education Code; private institutions of higher education accredited by a recognized accrediting agency as defined by Section 61.003(13), Education Code; the Central Education Agency, its successors and assigns; regional education service centers established and operated pursuant to Sections 11.32 and 11.33, Education Code; and the Texas Higher Education Coordinating Board, its successors and assigns.

Exchange

A unit generally smaller than a local access and transport area (LATA), established by the Company 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 comprise a given LATA.

Hub

Denotes a designated serving wire center at which bridging, multiplexing, Network Reconfiguration Service or Transport Resource Management Service functions are performed.

Individual Case Basis (ICB)

Denotes a condition in which the regulations, if applicable, rates and charges for an offering under the provisions of this guidebook are developed based on the circumstances in each case.

7. PRIVATE NETWORK SERVICES (Cont'd)

7.3 Definitions (Cont'd)

Interexchange Carrier (IC)

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

IntraLATA Service

Digital broadband private network services where service points are all within the same LATA.

Isochronous

Transmission timing derived from the signal carrying the data (i.e., no timing or clock lead is provided at the customer interface).

LAN

Local Area Network

Library

A public library or regional library system as those terms are defined by Section 441.122, Government Code, or a library operated by an institution of higher education or a school district.

Local Access and Transport Area (LATA)

A geographic area established for the administration of telecommunications service. It encompasses designated local operating exchanges which are grouped to serve common social, economic and miscellaneous purposes.

<u>Megacell</u>

One million Asynchronous Transfer Mode cells

Multiplexing

An arrangement that converts a higher bit rate signal to lower bit rate, or bandwidth, or from digital to voice grade channels.

Network Channel Terminating Equipment (NCTE)

Equipment located on customer premises for the purpose of providing certain transmission enhancements and network maintenance capabilities. For instance, NCTE corrects electrical distortion and static, tests for problems in transmission lines, performs signal amplification, and protects against hazardous power surges.

Network Interface

That point of connection at the customer Ds premises where premises services are connected to the telecommunications network. The network interface is a standard registration jack or its equivalent.

7. PRIVATE NETWORK SERVICES (Cont'd)

7.3 Definitions (Cont'd)

Network Reconfiguration Service (NRS)

A central office-based service which permits customers to remotely reconfigure their dedicated networks without going through normal service order procedures.

Network Reconfiguration Service hub (NRS hub)

Designated wire center where NRS is provided. An NRS hub may be collocated with a designated digital hub, but not all digital hubs are designated as NRS hubs. NRS hub locations are specified in the National Exchange Carrier Association Inc. Wire Center Information Tariff (NECA Tariff).

On-Site Location

The location where the teacher is physically located, instructional material is originated, and control of the conference originates.

Premises

All portions of the same building occupied by the same customer, provided that:

- All portions are not separated from each other by intervening offices, rooms or suites not occupied by the customer.
- The portions on different floors are contiguous and that the portion on the upper floor is directly above the portion occupied on the lower floor.
- All of the buildings occupied by the same customer, provided that:
- All of the buildings are located on the same continuous property, which is owned and/or leased by the same customer, and are not separated by a public highway.

School Site

A building or buildings used predominately by one school district, college or university in its educational efforts.

Second Classroom

A classroom located on the same campus as the primary classroom.

Serving Wire Center

The end office from which the customer designated premises would normally obtain dial tone for local exchange purposes.

Telecommunications Network

All facilities that the Company uses to provide its services.

7. PRIVATE NETWORK SERVICES (Cont'd)

7.3 Definitions (Cont'd)

Telemedicine Center

Means a facility equipped to transmit by video, data, or voice service medical information for the purpose of diagnosis or treatment of illness or disease, owned or operated by a public or not-for-profit hospital including an academic health center or such facility owned by any statelicensed health care practitioner or group of practitioners and operated on a nonprofit basis.

Uniform Service Order Code (USOC)

A three or five character alphabetic, numeric, or an alphanumeric code that identifies a specific item of service or equipment. USOCs are used in the billing system to generate recurring and nonrecurring charges.

- 7. PRIVATE NETWORK SERVICES (Cont'd)
 - 7.4 Reserved for future use

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 - 7.4 Reserved for future use

- 7. PRIVATE NETWORK SERVICES (Cont'd)
 - 7.4 Reserved for future use

- 7. PRIVATE NETWORK SERVICES (Cont'd)
 - 7.4 Reserved for future use

7. PRIVATE NETWORK SERVICES (Cont'd)

- 7.5 Native LAN Interconnection and Channel Extension Services (NLIS/CES)^{/1/}
 - 7.5.1 General

NLIS/CES are high speed, fiber-based, intraLATA private line services designed to offer transparent interconnection of customer Local Area Networks (LANs) and mainframe host computer channels within a metropolitan area.

NLIS/CES provide dedicated bandwidth across Company single mode, fiber optic facilities to support native LAN and IBM ESCON[™] channel bit rates of 4, 10, 16, 100 and 200 Mbps. The transport facilities will terminate in Network Terminating Equipment (NTE) at the customer's premises. The NTE will provide the appropriate standard interface to the customer depending upon the service requested. Configurations will be either point-to-point or multipoint depending upon the service requested.

NLIS are specifically designed to support point-to-point or multipoint interconnection of customer LANs at the native speed of the LAN backbone and include the following:

- Ethernet-to-Ethernet LAN connection at 10 Mbps
- Token Ring-to-Token Ring LAN connection at 4 or 16 Mbps
- FDDI-to-FDDI (Fiber Distributed Data Interface) connections at 100 Mbps

CES provides dedicated, point-to-point fiber optic private line services at 200 Mbps designed to support mainframe-to-mainframe or mainframe to peripheral interconnection in a point-to-point configuration. It enables customers with IBM ESCON[™], or compatible, mainframe environments to consolidate data center operations, connect multiple hosts, or plan for efficient archiving or data vaulting disaster recovery procedures.

7.5.2 Native LAN Interconnection and Channel Extension Services are offered to qualified customers, as found in para. 7.1.2 of this guidebook, only via ICB arrangements.

^{/1/} Effective August 20, 2004, Native LAN Interconnection and Channel Extension Services (NLIS/CES) offered in this Guidebook ("Obsolete Service") are no longer available to Customers who on that date are not subscribers of the Obsolete Service. Customers who on August 20, 2004, are subscribers of the Obsolete Service may transfer or assign such Obsolete Services, as outlined in Section 2.8. All such changes will be made pursuant to the terms and conditions of this Guidebook.

- 7. PRIVATE NETWORK SERVICES (Cont'd)
 - 7.5 Native LAN Interconnection and Channel Extension Services (NLIS/CES)^{/1/}
 - 7.5.3 Recurring and nonrecurring USOCs for NLIS are as follows:

Service	USOC
Ethernet-to-Ethernet	1ZZH2
Token Ring-to-Token Ring	1ZZH3
FDDI-to-FDDI	1ZZH4

ESCON[™] is a registered trademark of International Business Machines Corp.

- 7.6 Other Private Network Services
 - 7.6.1 The description and pricing for customized or packaged network services (other private network services) will be provided pursuant to contract and will be developed on an individual case basis (ICB) according to the exclusive and unique needs of the customer.
 - 7.6.2 "Other private network services" comprise broadband digital services of speeds up to 45 Mbps (or better) suitable for voice, data, or video use that are not otherwise available under this guidebook. Other private network services are available only to qualifying customers as described in para. 7.1.2 of this guidebook, and for interconnection among such customers within a local serving area.
 - 7.6.2 The rates for other private network services will be established at 105% of the long run incremental costs of providing the services, including installation. Rates will be subject to change upon expiration of the contract term. Contract terms are limited to 12, 36 and 60-month options; termination provisions will apply.
 - 7.6.4 Reserved for future use.
 - 7.6.5 Special construction charges do not apply to other private network services. For other customer specific rates, terms, and conditions, refer to the customer specific contracts.
 - 7.6.6 Other private network services may not be shared or resold to other customers except that such services may be shared among qualified customers as described in para. 7.1.2 of this guidebook.

^{/1/} Effective August 20, 2004, Native LAN Interconnection and Channel Extension Services (NLIS/CES) offered in this Guidebook ("Obsolete Service") are no longer available to Customers who on that date are not subscribers of the Obsolete Service. Customers who on August 20, 2004, are subscribers of the Obsolete Service may transfer or assign such Obsolete Services, as outlined in Section 2.8. All such changes will be made pursuant to the terms and conditions of this Guidebook.

8. ADDITIONAL ENGINEERING, ADDITIONAL LABOR AND MAINTENANCE OF SERVICE

8.1 Additional Engineering

Additional Engineering will be provided by the Company at the request of the customer only when: additional engineering time is incurred by the Company to engineer a customer's request for customized services.

The Company will notify the customer that Additional Engineering Charges will apply before any additional engineering is undertaken.

Additional Engineering Charges apply on a first and additional basis for each half hour or fraction thereof. If more than one engineer is involved in the same additional engineering project, the total amount of time for all engineers involved will be aggregated prior to the distribution of time between the "First Half Hour of Fraction Thereof" and "Each Additional Half Hour or Fraction Thereof" rate categories.

8.2 Additional Labor

Additional Labor is that labor requested by the customer on a given service and agreed to by the Company as set forth in 8.2.1 through 8.2.4 following.

The Company will notify the customer that Additional Labor Charges as set forth in 8.4 (Rates and Charges) will apply before any additional labor is undertaken. Additional Labor Charges apply on a first and additional basis for each half-hour or fraction thereof. If more than one technician is involved in the same Additional Labor Project, the total amount of time for all technicians involved will be aggregated prior to the distribution of time between the "First Half Hour or Fraction Thereof" and "Each Additional Half Hour or Fraction Thereof" rate categories.

A call-out of a Company employee for Additional Labor at a time not consecutive with the Company's Business Day is subject to a minimum charge of four hours, i.e., when Overtime and/or Premium Time charges apply. For Testing and Maintenance Services, if the customer elects not to release a circuit during the Company's Business Day, the Company will work with the customer to reach a mutually agreed upon time.

8.2.1 Overtime Installation

Overtime installation is that Company installation effort outside of normally scheduled working hours.

8.2.2 Stand By

Stand by includes all time in excess of one-half (1/2) hour during which Company personnel stand by to make installation acceptance tests or cooperative tests with a customer to verify facility repair on a given service.

8. ADDITIONAL ENGINEERING, ADDITIONAL LABOR AND MAINTENANCE OF SERVICE (Cont'd)

- 8.2 Additional Labor (Cont'd)
 - 8.2.3 Testing and Maintenance with Other Telephone Companies

Additional testing, maintenance or repair of facilities which connect to facilities of other telephone companies, is that which is in addition to the normal effort required to test, maintain or repair facilities provided solely by the Company.

8.2.4 Other Labor

Other Labor is that additional labor not included in 8.2.1 through 8.2.3 preceding, including, but not limited to labor incurred to extend the Point of Termination as set forth in 2.1.4 (Provision of Services) preceding, and labor incurred to accommodate a specific customer request that involves only labor which is not covered by any other section of this guidebook.

- 8.3 Maintenance of Service
 - (A) If trouble occurs with a customer's service, the customer should first determine whether the trouble is in the customer's own equipment and/or facilities. If the customer determines the trouble is in Company equipment and/or facilities, the customer should issue a trouble report to the Company.
 - (B) When a customer issues a trouble report to the Company for clearance and no trouble is found in Company equipment and/or facilities, the customer shall be responsible for payment of a Maintenance of Service Charge for the period of time when Company personnel are dispatched. No charge will apply if Company personnel fail to find trouble in Company equipment and/or facilities and the trouble is actually in the equipment and/or facilities, but not discovered on the initial dispatch.
 - (C) The customer shall be responsible for payment of a Maintenance of Service Charge when the Company dispatches personnel, and the trouble is in equipment or communications systems provided by other than the Company or in detariff CPE provided by the Company, unless covered under a separate maintenance agreement.

- 8. ADDITIONAL ENGINEERING, ADDITIONAL LABOR AND MAINTENANCE OF SERVICE (Cont'd)
 - 8.3 Maintenance of Service (Cont'd)
 - (D) If the customer issues a trouble report allowing the Company access to the customer's or the customer's end user(s) premises and Company personnel are dispatched but denied access to the premises, then the Maintenance of Service Charge will apply for the period of time that Company personnel are dispatched. Subsequently, if Company personnel are allowed access to the premises, provision in (B) and (C) preceding will apply.
 - (E) In (B), (C) or (D) preceding, the Maintenance of Service Charge shall include all technicians dispatched, including technicians dispatched to other locations for purposes of testing.
 - (F) Maintenance of Service Charges apply on a first and additional basis for each half hour or fraction thereof. If more than one technician is dispatched in conjunction with the same trouble report, the total time for all technicians dispatched will be aggregated prior to the distribution of time between the "First Half Hour or Fraction Thereof" and " Each Additional Half Hour or Fraction Thereof" rate categories.

A call-out of a Company employee at a time not consecutive with the Company's Business Day is subject to Overtime and/or Premium Time.

(G) No credit allowance will be applicable for the interruption involved if the Maintenance of Service charge applies.

8. ADDITIONAL ENGINEERING, ADDITIONAL LABOR AND MAINTENANCE OF SERVICE (Cont'd)

- 8.4 Rates and Charges
 - 8.4.1 Additional Engineering

	Additional	<u>USOC</u>	First Half Hour or Fraction <u>Thereof</u>	Each Additional Half Hour or Fraction <u>Thereof</u>
	Engineering Period - Basic Time - Overtime	AEH AEH	\$75.28 78.61	\$22.00 25.33
8.4.2	Additional Labor			
	Installation - Overtime - Premium Time	ALH ALH	250.00 300.00	100.00 250.00
	Stand By - Basic Time - Overtime - Premium Time	ALT ALT ALT	0.00 0.00 0.00	115.00 140.00 170.00
	Testing and Maintenance with Other Telephone Companies or Other Labo - Basic Time - Overtime - Premium Time		85.00 100.00 110.00	55.00 80.00 90.00
8.4.3	Maintenance of Service			
	Maintenance of Service Periods - Basic Time - Overtime - Premium Time	MV MV MV	82.00 96.00 109.90	50.35 64.25 78.15

9. TELECOMMUNICATIONS SERVICE PRIORITY SYSTEM^{/1/}

9.1 General

The National Security Emergency Preparedness (NSEP) Telecommunications Service Priority (TSP) System is a service developed to meet the requirements of the Federal Government for the priority installation and/or restoration of NSEP telecommunications services. NSEP tele-communications services are defined as those services used to maintain a state of readiness or to respond to and manage any event or crisis, i.e., local, national or international, which causes or could cause injury or harm to the population, damage to or loss of property, or degrades or threatens the National Security Emergency Preparedness posture of the United States. A TSP designation requires and authorizes priority action by the Company providing such services.

9.2 Regulations

The regulations and rates specified herein are in addition to the applicable regulations found in other sections of this Guidebook.

9.3 Definitions

National Security Emergency Preparedness (NSEP) Telecommunications Service

Those services used to maintain a state of readiness or to respond to and manage any event or crisis, i.e., local, national or international, which causes or could cause injury or harm to the population, damage to or loss of property, or degrades or threatens the National Security Emergency Preparedness posture of the United States.

Prime Service Vendor

The service vendor from whom the customer or his authorized agent orders NSEP Telecommunications Service.

Subcontracting Service Vendor

The service vendor who, under contract or guidebook concurrence, agrees to provide a portion of an NSEP Telecommunications Service.

Telecommunications Service Priority (TSP) Authorization Code

A special 12 digit code assigned by the TSP Program Office, which authorized priority provisioning and/or restoration designations for NSEP Telecommunications services.

^{/1/} Effective July 1, 2004, Telecommunications Service Priority System (TSPS) offered in this Guidebook ("Obsolete Service") is no longer available to Customers who on that date are not subscribers of the Obsolete Service.

9. TELECOMMUNICATIONS SERVICE PRIORITY SYSTEM

9.4 Availability of Service

TSP System service is available to all qualified Federal Government Agency customers. Non-Federal Government customers requesting TSP System service must be sponsored by a qualified Federal Government Agency. The request for a TSP Authorization Code must be processed through the sponsoring Agency. TSP System service is applicable to any service for which the associated guidebook authorizes TSP System service. These services include Frame Relay and ATM Cell Relay.

- 9.5 Provision of Service
 - 9.5.1 Priority installation and/or restoration of NSEP telecommunications services shall be provided in accordance with Part 64.401, Appendix A., of the Federal Communications Commission's (FCC's) Rules and Regulations.
 - 9.5.2 In addition, TSP System service shall be provided in accordance with the guidelines set forth in "Telecommunications Service Priority (TSP) System for National Security Emergency Preparedness (NSEP) Service Vendor Handbook" (Office of Emergency Communications (OEC) Handbook 3-2-1) and in "Telecommunications Service Priority (TSP) System for National Security Emergency Preparedness (NSEP) Service User Manual" NCS Manual 3-1-1. These publications may be obtained from the Government Printing Office, Superintendent of Documents, 941 N. Capitol, N.E. Washington, D.C. 20401.
 - 9.5.3 TSP System Service will be provided to any customer upon receipt of written confirmation that the proper Priority System Authorization Number (PSAN), as provided by the Federal Government, has been duly authorized and that authorization has subsequently been confirmed by the Company.
 - 9.5.4 The customer, in obtaining TSP system service, acknowledges and consents to the provision of certain customer service record information by the Company to the OEC in order for the OEC to maintain and administer its overall TSP System. This customer service record information will include TSP Authorization Code and Company Circuit Service Identification information.

9. TELECOMMUNICATIONS SERVICE PRIORITY SYSTEM (Cont'd)

- 9.5 Provision of Service (Cont'd)
 - 9.5.5 Under certain conditions it may be necessary to preempt one or more customer services with a lower or no restoration priority in order to install or restore NSEP telecommunications service(s) of a higher priority. If such preemption is necessary and if circumstances permit, the Company will make reasonable effort to notify one preempted service customer of the action being taken. Credit allowance for such service preemption shall be in accordance with the provisions for service interruption as set forth in the guidebook applicable to the service with which it is associated (e.g. Frame Relay service, etc.).
- 9.6 Application of Rates
 - 9.6.1 Certain activities associated with the TSP System performed by the Company in compliance with Part 64.401, Appendix A of the FCC's Rules and Regulations are included in the following rate elements:
 - (A) Priority Installation (Provisioning)
 - The act of supplying telecommunications service to a customer, including all associated transmission, wiring, and equipment if legally provided by the Company, in a period of time shorter than standard order intervals would allow. One charge applies per circuit/line/trunk per request.
 - (B) Priority Restoration Level Implementation (Assignment) The act of designating the priority level for the restoration of a particular NSEP telecommunication service. One charge applies for the initial service installation. One charge applies for each subsequent request to add circuit/line/trunk locations to an existing service.
 - (B) Priority Restoration Level Change (Revision) The act of changing the priority level assignment for an NSEP telecommunication service. This includes any extension of an existing priority level assignment to an expanded NSEP service. One nonrecurring charge applies per circuit/line/trunk per request.
 - (D) Priority Restoration Administration and Maintenance The act of administering and maintaining the TSP system in such a manner that it corresponds to the Office of Emergency Communications database. The monthly charge applies per circuit/line/trunk location.
 - 9.6.2 Credit allowance for service interruption for Priority Restoration Maintenance and Administration shall be the same as for the service with which it is associated.

9. TELECOMMUNICATIONS SERVICE PRIORITY SYSTEM (Cont'd)

- 9.6 Application of Rates (Cont'd)
 - 9.6.3 When TSP is revoked, or discontinued, and the associated service (e.g., Frame Relay Service, etc.) is continued in service, no charge applies for such a discontinuance.
 - 9.6.4 When performing Priority Installation (Provisioning), or Restoration of a Digital Link Service in compliance with Part 64.401, Appendix A, of the FCC's Rules and Regulations, the Company, due to circumstances beyond its control, may not be in a position to notify the customer in advance that certain additional labor charges may apply as set forth in the guidebook applicable to the associated service.
 - 9.6.5 In subscribing to TSP System service, the customer recognizes this condition and grants the Company the right to quote charges after the installation or restoration has been completed.

9. TELECOMMUNICATIONS SERVICE PRIORITY SYSTEM (Cont'd)

9.7 Rates and Charges

The following rates and charges are in addition to all other rates and charges that may be applicable to the associated service provided. None of the following rates or charges will apply for any individual or entity who is granted a restoration priority level of one (1), two (2) or three (3)^{/17}.

Priority Installation (PI)	Monthly <u>Rates</u>	Service <u>Charge</u>	<u>USOC</u>
Per Request, per service ^{/2/} - Prime Service Vendor - Subcontractor	None None	\$65.00 65.00	P1APX P1APX
Priority Restoration (PR) <u>Per Request, per service</u> ^{/2/} a. PR Level Implementation			
- Prime Service Vendor	None	65.00	PRSPX
- Subcontractor B. PR Level change on a service ^{/3/}	None	65.00	PRSPX
- Prime Service Vendor	None	65.00	PR8PX
- Subcontractor	None	65.00	PR8SX
Administration and Maintenance of TSP Service, per point of termination on a Customer Premises			
- Prime Service Vendor	\$4.10	None	PR9PX
- Subcontractor	3.34	None	PR9SX

- /1/ It will be the responsibility of the individual or entity requesting TSP service to obtain approval for the appropriate restoration priority level from the TSP Program Office as administered by the Director, Office of Emergency Communications (OEC) as a prerequisite for obtaining TSP service from the Company.
- /2/ When a service is ordered in both Priority Installation and Priority Restoration, only the nonrecurring charge for Priority Restoration applies.
- /3/ When a Priority Restoration Level Change is ordered with additional activity that would normally generate a PR Level Implementation Charge, only the Priority Restoration Charge applies.