

## ACCESS SERVICE

### 7. Special Access Service (Cont'd)

#### 7.4 Rate Regulations (Cont'd)

##### 7.4.10 Optional Payment Plan (OPP) for Base Rate, DS1, DS3, OC-3, OC-12, OC-48 Services, TV Analog Video Services, SONET Express Services<sup>/1/</sup>, and Serial Component Video Service (Cont'd)

(F) NRS

During a Customer's OPP term, a Customer may elect to include a DS3, DS1 or an Base Rate service into the Customer's Ameritech Network Reconfiguration Service (NRS) database. The Customer may opt to convert to a new OPP term of the same or different length or to continue the current OPP term to the original expiration date. If the expiration date for the new OPP term is beyond the end of the original OPP term, termination charges for the original term will not apply. Adding an existing service to the Customer's NRS database requires that all nonrecurring charges applicable to the installation of the service apply.

(G) DS3 Service Package with an Optical Interface Upgrade

During a Customer's OPP term, conversion may be made from one DS3 Service Package with an Optical Interface to another larger package (e.g., DS3012 to DS3024) for a new OPP term of the same or different length. If the expiration date of the new OPP term is beyond the end of the original OPP term, termination charges will not apply to the original OPP term.

Monthly Extension rates for DS3 Service will apply only after a Customer has completed an OPP term or an ICB minimum period.

(H) Moving Services from an OPP Term to a DCP Term<sup>/2/</sup>

(N)

Customers may terminate Optional Payment Plans for Base Rate and DS1 services in states where they have effective Discount Commitment Program terms for those services. Upon termination of these Optional Payment Plans, the services will begin being billed DCP (as described in Section 7.4.13) rates subject to the DCP terms and conditions. No termination liability charges will be applied to services that move from an OPP term to a DCP term.

<sup>/1/</sup> Effective April 24, 2012, SONET Xpress is available only to existing Customers, for existing service arrangements. Existing Customers may continue to receive service under existing service arrangements, or on a month-to-month basis after their existing service arrangements expire, until SONET Xpress is discontinued.

<sup>/2/</sup> For DCPs established on or after September 10, 2016, moves from OPP to DCP are not allowed.

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**7. Special Access Service (Cont'd)**

**7.4 Rate Regulations (Cont'd)**

**7.4.10 Optional Payment Plan (OPP) for Base Rate, DS1, DS3, OC-3, OC-12, OC-48 Services, TV Analog Video Services, SONET Express Services<sup>/1/</sup>, and Serial Component Video Service (Cont'd)**

- (I) Volume Pricing Plan for DS3 Local Distribution Channels with an Electrical Interface (Cont'd)
- (3) Conversion of DS3 Service Package and Service Channels in service prior to October 15, 1999 (Cont'd)
  - (ii) Termination Liability for Converted DS3 LDCs (Cont'd)

For example, if 4 DS3s were part of a former DS3F Service Package and 1 of the DS3s is terminated prior to the expiration date of the original Service Package OPP term, no termination liability will apply. However, if an additional DS3 is terminated prior to the expiration date of the original Service Package OPP term, and the Customer's total number of DS3s billed under the same OPP term falls below the minimum requirement for the former Service Package (i.e., less than 3 DS3s for a DS3F Service Package) termination liability for the terminated DS3 will be calculated as described in Section 7.4.10(C).

DS3 Service Package With Electrical Interface	Minimum Required DS3 LDCs	Maximum Available DS3 LDCs
DS3B	1	2
DS3C	1	3
DS3F	3	6
DS3L	7	12
DS3X	13	24

- (J) Moving Services from an OPP Term to a New DCP Term<sup>/2/</sup> (N)

Customers who do not have an effective DCP term in place may terminate Optional Payment Plans for Base Rate and DS1 services where they establish a new DCP term of equal or greater length for those services. No termination liability charges will be applied to services that move from an OPP term to such a new DCP term. Upon termination of these Optional Payment Plans, the services will begin being billed DCP (as described in Section 7.4.13 following) rates subject to the DCP terms and conditions except for Section 7.4.13 (G). Services converted from an OPP term to a new DCP term may not convert back to an OPP term.

/1/ Effective April 24, 2012, SONET Xpress is available only to existing Customers, for existing service arrangements. Existing Customers may continue to receive service under existing service arrangements, or on a month-to-month basis after their existing service arrangements expire, until SONET Xpress is discontinued.

/2/ For DCPs established on or after September 10, 2016, moves from OPP to DCP are not allowed. (N)

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### 7. Special Access Service

#### 7.4 Rate Regulations (Cont'd)

##### 7.4.13 Discount Commitment Program (DCP)<sup>/1/</sup>

###### (A) General Description

The Discount Commitment Program (DCP) provides the customer with rate stabilization and discounted rates for Direct Analog, Base Rate and DS1 services (described in Sections 7.2.3 and 7.2.9, preceding), except the DCP is not available for DS1 Local Distribution Channels (LDC) associated with 128, 256 and 384 Kbps Channel Mileage Termination and Channel Mileage, installed after January 26, 2001. The customer agrees to a minimum service commitment per service per state when establishing a DCP. Customers may disconnect or move Local Distribution Channels within the state and not be subject to Termination Liability charges as long as commitment levels are maintained.

DCPs may be established by service by state and be of either 3 or 5 years duration. A customer may have only one DCP per service per state in effect at one time. For example, a customer that has a 3 year DCP for Direct Analog service may not establish a second Direct Analog DCP in Illinois until the current DCP expires.

Monthly rates for services installed under a DCP will change as Telephone Company initiated rate changes become effective but during the DCP term will not exceed the monthly rate in effect at the beginning of the customer's DCP term. During the term of the selected DCP, Telephone Company initiated rate changes (increases or decreases) will automatically be applied to the monthly rates for the remaining months of the current DCP term. But in no case will any rate change cause the monthly rate during the DCP term to exceed that in effect at the beginning of the customer's DCP term.

###### (B) For DCPs established prior to September 10, 2016, the terms and conditions associated with the DCP are as follows in this section 7.4.13 (B):

(N)

(N)

###### (1) Commitment Level

(T)

A customer establishes a DCP term by committing 90 percent or more of their in service Local Distribution Channels to a term of either 3 or 5 years duration. Although the commitment is based upon Local Distribution Channels, the following rate elements will all receive DCP rates:

- Channel Mileage
- Channel Mileage Termination
- DS1 to Voice/Base Rate Multiplexer
- Local Distribution Channel

<sup>/1/</sup> DCP is not available for DS1 Local Distribution Channels (LDC) associated with 128, 256 and 384 Kbps Channel Mileage Termination and Channel Mileage, installed after January 26, 2001.

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**7. Special Access Service**

**7.4 Rate Regulations (Cont'd)**

**7.4.13 Discount Commitment Program (DCP)<sup>/1/</sup>**

**(B) (Cont'd)**

(N)

**(1) Commitment Level (Cont'd)**

(T)

Only rate elements not purchased under an Optional Payment Plan (described in Section 7.4.9) will be eligible for inclusion in the commitment level and for DCP rates. After establishing the DCP commitment level, customers may continue to order new services under Monthly or OPP arrangements, without portability, or under the DCP with portability, but only LDCs purchased under the DCP will count toward meeting the DCP commitment level.

(N)

(N)

As long as a customer's actual in service level of Local Distribution Channels is at the commitment level, customers will be billed DCP rate for all eligible rate elements. Additionally, if a customer's in service level exceeds the initial in service level by no more than 30 percent for a three year DCP or 50 percent for a 5 year DCP, customers will be billed the DCP rates for all eligible rate elements. For example, a customer with 100 Base Rate LDCs commits 90 LDCs (or 90 percent) to a 3 year DCP term. The customer will be billed DCP rates as long as the actual in service level of Base Rate LDCs is greater than or equal to 90 or less than 130.

If a customer's in service level exceeds the initial in service level by more than 30 percent for a three year term or 50 percent for a 5 year term, the customer will be billed the monthly rate for all LDCs above the commitment level. For example, a customer with 100 Base Rate LDCs that commits 90 (or 90 percent) LDCs to a 3 year DCP actually has 140 LDCs in service. This customer will be billed DCP rates for 90 LDCs but monthly rates for the 50 LDCs above the commitment level.

If a customer's actual in service level falls below the commitment level, the customer will be billed for the commitment level of LDCs at DCP rates. For example, a customer that commits 90 LDCs but only has 70 LDCs in service will be billed the DCP rates for 90 LDCs.

In all cases, applicable associated rate elements (excluding the LDCs) for the service covered by a DCP term, will receive DCP rates even when the actual in service level of Local Distribution Channels is outside the DCP parameters, as described above.

/1/ DCP is not available for DS1 Local Distribution Channels (LDC) associated with 128, 256 and 384 Kbps Channel Mileage Termination and Channel Mileage, installed after January 26, 2001.

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**7. Special Access Service**

**7.4 Rate Regulations (Cont'd)**

**7.4.13 Discount Commitment Program (DCP)<sup>/1/</sup> (Cont'd)**

**(B) (Cont'd)**

(N)

**(2) 90 Day Review Period**

(T)

No adjustments, for being above or below commitment level (as described in (B) above), in monthly billing for a DCP will take place until 90 days after Telephone Company notification to the customer that the commitment level has been exceeded or not been met. This will insure that customers will not be penalized for aberrations in Local Distribution Channel counts caused by timing differentials in disconnection and installation.

Customers' bills will not be adjusted for being outside the parameters described in 7.4.13(B), preceding during the 90 day review period. Additionally, customers will continue to be billed the adjustments (following the 90 day review period) for being outside the described parameters until the commitment level is met or increased. A new 90 day review period will be initiated if the customer's actual in service level subsequently falls outside the described parameters.

**(3) Increasing the DCP Commitment Level**

(T)

Customers may increase their commitment level at any time by notifying the Telephone Company in writing. An increase in the commitment level will not change the expiration date of the DCP.

When a commitment level is increased, the actual in service LDC level at the time of the increase will be used to calculate billing adjustments as described in Section 7.4.13(B), preceding.

**(4) Decreasing the DCP Commitment Level and Termination Liabilities**

(T)

Customers may only decrease their commitment level by paying termination liability charges on the number of Local Distribution Channels by which the commitment level is decreased. Termination Liabilities will apply to Direct Analog, OPTINET Base Rate and DS1 services covered by a DCP. For example, a customer has a commitment level of 90 LDCs. The customer then decreases this commitment level to 70 LDCs. The customer must pay termination liabilities on 20 LDCs.

/1/ DCP is not available for DS1 Local Distribution Channels (LDC) associated with 128, 256 and 384 Kbps Channel Mileage Termination and Channel Mileage, installed after January 26, 2001.

## ACCESS SERVICE

### 7. Special Access Service

#### 7.4 Rate Regulations (Cont'd)

##### 7.4.13 Discount Commitment Program (DCP)<sup>/1/</sup>

###### (B) (Cont'd)

(N)

###### (4) Decreasing the DCP Commitment Level and Termination Liabilities (Cont'd)

(T)

The Termination Liability for DCP is calculated to be the dollar difference between the current DCP rate for the DCP term that could have been completed during the time the service was actually in service, or the monthly rate for services in place less than 36 months, and the customer's current DCP rate for each month the service was provided.

For example, a customer subscribing to a 60 month DCP term reduced their LDC commitment by 20 LDCs during the 37th month. This customer's termination charge would be:

$20 \text{ LDCs} \times (36 \text{ month DCP rate} - 60 \text{ month DCP rate}) \times 37 \text{ months} = \text{Termination Charge}$

Termination Liability charges will not apply to individual Local Distribution Channels disconnected or moved within a state as long as the commitment level is maintained. Normal nonrecurring charges will apply.

A decrease in the commitment level will not change the expiration date of the DCP.

(C) For DCPs established on or after September 10, 2016, the terms and conditions associated with the DCP are as follows in this Section 7.4.13(C):

(N)

(1) Customer commits to a 3- or 5-Year Commitment Level (CL) that is reviewed on a monthly basis by the Telephone Company. To begin the process of establishing a DCP, Customer must request from the Telephone Company a list of DS1 circuits with LDCs for all of the ACNAs of Customer and any entities that are then affiliated companies of Customer. Customer must designate from the provided list which DS1 circuits with LDCs are to be included in, and which are to be excluded from, its DCP and return the list with those designations to the Telephone Company. Failure to provide a designation for a listed circuit will be deemed to be a designation that such circuit is to be excluded from its Portability Commitment.

Only those DS1 circuits with LDCs that are designated as being included ("Designated Circuits") will be subject to the DCP.

The Customer's initial CL is the total number of LDCs associated with Designated Circuits. Although the CL is based upon LDCs, the following rate elements will all receive DCP rates: Channel Mileage, Channel Mileage Termination, DS1 to Voice/Base Rate Multiplexer, and LDCs.

The effective date of the DCP will be the first day of the month immediately following the month in which the DCP commitment is signed.

(2) Customer must commit a minimum of 100 circuits with LDCs to establish a DCP.

(3) Customer, including all of its ACNAs and Affiliates, may be subject to only one DCP by service and by state at any time. An "Affiliate," as that term is used in connection with the DCP, is a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person. For purposes of the prior sentence, "own" means to own an equity interest (or the equivalent thereof) of more than 10 percent.

(4) Designated Circuits that are disconnected during the term of the DCP will not incur Termination Liability charges.

(N)

/1/ DCP is not available for DS1 Local Distribution Channels (LDC) associated with 128, 256 and 384 Kbps Channel Mileage Termination and Channel Mileage, installed after January 26, 2001.

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**7. Special Access Service**

**7.4 Rate Regulations (Cont'd)**

**7.4.13 Discount Commitment Program (DCP)<sup>/1/</sup>**

(C) (Cont'd)

- (5) Customer may add additional circuits with LDCs to the DCP during the term of the DCP only when initially ordering such circuits. A circuit that is so added will be considered a Designated Circuit.
- (6) During the monthly review of Customer's Designated Circuits and its CL, the Telephone Company will determine whether Customer met, did not meet, or exceeded its CL as of the last day of the month being reviewed.

If Customer did not meet its CL, Customer will be billed for the CL of LDCs at DCP rates.

If Customer exceeds its CL by 115 percent or greater for three consecutive months, Customer's CL will be increased to ninety percent (90%) of the average number of LDCs associated with Designated Circuits for those three months.

Example: Customer's CL is 100 LDCs. For three consecutive months during the DCP term, the Customer's LDC volumes are 118, 120 and 122, for an average of 120. The Customer's new CL will be:

$$((118+120+122)/(3)) \times (90\%) = 108$$

- (7) If Customer elects to terminate the DCP or elects to decrease the CL prior to expiration of the 3- or 5-Year commitment, Customer will be billed a Termination Liability charge. The Termination Liability charge is calculated to be the dollar difference between the current DCP LDC rate for the DCP term that could have been completed during the time the LDC was actually in service, or the LDC monthly rate for LDCs in place less than 36 months, and the customer's then-current DCP LDC rate for each month the service was provided.

Example: Customer subscribes to a 60-month DCP term and reduces its LDC commitment by 20 LDCs during the 37th month. Customer's Termination Liability charge will be:

$$(20 \text{ LDCs}) \times (36 \text{ month DCP rate} - 60 \text{ month DCP rate}) \times (37 \text{ months}) \\ = \text{Termination Liability charge}$$

/1/ DCP is not available for DS1 Local Distribution Channels (LDC) associated with 128, 256 and 384 Kbps Channel Mileage Termination and Channel Mileage, installed after January 26, 2001.

(N)

(N)

**ACCESS SERVICE**

**7. Special Access Service (Cont'd)**

**7.4 Rate Regulations (Cont'd)**

**7.4.13 Discount Commitment Program (DCP) (Cont'd)<sup>/1/</sup>**

(M)

**(D) Upgrading a DCP Service**

(T)

When a customer upgrades a Direct Analog or Base Rate service being billed DCP rates to a DS1 service, the Direct Analog or Base Rate DCP commitment level will be reduced at the customer's request (up to a maximum of 24) and no termination liabilities will apply. If the customer has a DCP for DS1, the DS1 DCP commitment level will be increased if the customer requests that it be increased. When a customer upgrades a DS1 service being billed DCP rates to a higher speed service with the same termination points, the customer's DS1 DCP commitment level will be reduced at the customer's request and no termination liabilities will apply.

(M)

(M)

**(F) Conversion to an Optional Payment Plan (OPP)<sup>/2/</sup>**

(N)

Customers may convert services from a DCP term to an OPP as described in 7.4.10, preceding. No termination liabilities will apply to services converted to an OPP term of the same or longer length than the DCP term. Additionally, the customer's DCP commitment level will be reduced by the number of LDCs, associated with the service, converted to an OPP term.

(M)

(M)

<sup>/1/</sup> DCP is not available for DS1 Local Distribution Channels (LDC) associated with 128, 256 and 384 Kbps Channel Mileage Termination and Channel Mileage, installed after January 26, 2001.

(M)

(M)

<sup>/2/</sup> For DCPs established on or after September 10, 2016, moves from OPP to DCP are not allowed.

(N)