TARIFF DISTRIBUTION

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PURPOSE: Revised terminating VoIP language to originating VoIP language

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E2. GENERAL REGULATIONS

E2.3 Obligations of the IC (Cont'd)

E2.3.18 Identification and Rating of VoIP-PSTN Traffic (Cont'd)

(A) Scope (Cont'd)

(1) This Section governs the identification of originating and terminating intrastate toll VoIP-PSTN traffic and facilities to which switched access rates apply (unless the parties have agreed otherwise) in accordance with the transitional Intercarrier Compensation framework for VoIP-PSTN traffic adopted by the Federal Communications Commission in its Report and Order, FCC Release No. 11-161 (Nov. 18, 2011) ("FCC Order"). Specifically, this Section establishes the method that will be used to identify the percentage of the customer's intrastate access traffic that will be treated as intrastate toll VoIP-PSTN traffic (referred to in this tariff as "Relevant VoIP-PSTN Traffic").

(2) This Section applies to originating and terminating intrastate switched access minutes of use ("MOU") and facility rate elements of all Access customers.

(3) The customer shall not modify its reported PIU factor to account for the VoIP-PSTN Traffic for MOU and facility rate elements.

(B) Rating of VoIP-PSTN Traffic

The Relevant VoIP-PSTN Traffic exchanged between the customer to the Company or another provider and facility rate elements identified in accordance with this tariff section will be billed at rates equal to the Company's applicable tariffed interstate switched access rates as specified in BellSouth Telecommunications LLC Tariff F.C.C. No. 1 unless the corresponding intrastate rate is lower. If the intrastate rate is lower then that rate will be used for billing. Hereafter, these billed rates will be referred to in this tariff as the relevant "VoIP Rates." (C) (D)

(C) Calculation and Application of Percent-VoIP-Usage Factors[1] (N)

The Company will determine the number of Relevant VoIP-PSTN Traffic originating MOU and the originating facility rate elements effective July 1, 2014 to which VoIP Rates will be applied under subsection (B), above, by applying the Percent VoIP Usage ("PVU") factor to the originating intrastate access MOU and the facilities between the Company and the customer. The PVU factors will be derived and applied as follows: (C) (C) (C)

(1) The customer will calculate and furnish to the Company a factor (the "PVUC") on an ACNA basis which would aggregate traffic from all Carrier Identification Code ("CIC") or Operating Company Numbers ("OCNs") associated with the ACNA. This PVUC represents the percentage (whole number) of the originating intrastate access MOU that the customer receives from the Company end users in the state which is sent from the Company that terminated in IP format at the end user. This PVUC shall be based on information such as the number of the customer's retail VoIP subscriptions in the state (*e.g.*, as reported on FCC Form 477), traffic studies, actual call detail, or other relevant and verifiable information satisfactory to the Company. (C) (C)

(2) The Company will calculate and periodically update a (the "PVUT") VOIP usage factor for the Company. This factor (percentage) is calculated as such: the intrastate originating minutes delivered to the customer which was originated in IP format by the Company's end users divided by the total intrastate originating access MOU that the Company delivered to the customer's end users in the state. This PVUT shall be based on information such as the number of the customer's retail VoIP subscriptions in the state (*e.g.*, as reported on FCC Form 477), traffic studies, actual call detail, or other relevant and verifiable information. (C) (C)

(3) The Company will develop a customer Percent VoIP Usage ("PVU") factors combining the customer's PVUC factor with the Company's PVUT factor.

a) The PVU calculation below is applied when the Company does not bill based on actual call detail records for the Company's intrastate IP traffic at VoIP Rates. (T)

PVU = PVUC + [PVUT x (1-PVUC)] is applied to the Company's end user's originating intrastate MOU and facility rate elements (C)

Example: The customer reported that their PVUC as 40%. The Company's PVUT is 10%. This results in the following:
PVU = 40% plus (10% times (1-40%)) = 46%
This means that 46% of the originating Intrastate MOU exchanged between the Company's end users and the customer will be rated at VoIP Rates. (C)

[1] Consistent with FCC regulations (47 CFR 51.913(a)), for the period of July 2012 through June 2014 Intrastate VoIP originating usage and originating dedicated facilities charges are required to be at the Intrastate rate and rate structure. Effective July 1, 2013, the Terminating usage and dedicated facilities are at the Interstate rate structure and the lower of the Interstate or Intrastate rates. (N) (N) (N)

E2. GENERAL REGULATIONS

E2.3 Obligations of the IC (Cont'd)

E2.3.18 Identification and Rating of VoIP-PSTN Traffic (Cont'd)

(C) Calculation and Application of Percent-VoIP-Usage Factors (Cont'd)

(3) (Cont'd)

b) The PVU calculation below is applied when the Company bills are based on the actual originating call detail records for the Company's intrastate IP traffic at VoIP Rates.

The formula for usage will be as follows:

PVU = PVUC x (1-PVUT) applied to the Company's TDM end user's originating intrastate MOU.

PVU = PVUC + [PVUT x (1-PVUC)] applied to the facility rate elements.

Example: The Company has identified that there was 10,500 originating intrastate MOU originated from the Company's IP end users and delivered to the customer's end users. The customer reported that their PVUC as 40%. The Company's PVUT is 10%. This results in the following:
PVU = 40% times (1-10%) = 36%
This means that 36% of the originating intrastate MOU exchanged between the Company's TDM end users and the customer will be rated at VoIP Rates and the originating intrastate 10,500 MOU will also be rated at VoIP Rates.
For the originating facility rate elements, the formula that is applied to the intrastate dedicated facilities is as follows:
PVU = 40% plus (10% times (1-40%)) = 46%
Therefore, 46% of the intrastate facilities will be rated at VoIP Rates.

(4)