

SWIDLER BERLIN SHEREFF FRIEDMAN, LLP

ORIGINAL

3000 K STREET, NW, SUITE 300  
WASHINGTON, DC 20007-5116  
TELEPHONE (202) 424-7500  
FACSIMILE (202) 424-7647

NEW YORK OFFICE  
919 THIRD AVENUE  
NEW YORK, NY 10022

February 24, 1999

VIA OVERNIGHT MAIL

Blanca S. Bayo, Director  
Division of Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0870

D093 - FEB 25 1999

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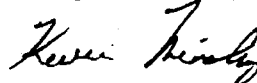
Re: Application of KMC III Telecom, Inc. for Authority to  
Provide Interexchange Telecommunications Service in Florida

Dear Ms. Bayo:

Enclosed for filing on behalf of KMC Telecom III, Inc. ("KMC III") please find an original and five (5) copies of KMC III's application for authority to provide interexchange telecommunications service in Florida. Please find enclosed a check in the amount of \$250.00 to cover the application filing fee. Also enclosed, please find a separate envelope submitted under seal and bearing the appropriate markings, which contains KMC III's confidential financial information submitted in support of this application.

Please date-stamp the enclosed extra copy of this filing and return in the self-addressed, stamped envelope provided. Should you have any questions concerning this filing, please do not hesitate to contact Kevin Minsky at (202) 945-6920.

Respectfully yours,



Eric J. Branfman  
Kevin D. Minsky

Counsel for KMC Telecom III, Inc.

62485-99

This document has been placed in confidential storage pending advice on handling from OPR staff.

Enclosures

cc: Michael Duke  
Elena Jacobwitz

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DOCUMENT NUMBER-DATE

02181 FEB 25 99

REC-RECORDS/REPORTING

SWIDLER BERLIN SHEREFF FRIEDMAN, LLP

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DOCUMENT NUMBER-DATE  
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FPSC-RECORDS/REPORTING

SWIDLER BERLIN SHEREFF FRIEDMAN, LLP  
3000 K STREET, N.W., SUITE 300  
WASHINGTON, DC 20007

FIRST UNION FIRST UNION NATIONAL BANK

15-122/540

0105499

NO. 105499

\*\*EXACTLY\*\*\*\*\*250\*DOLLARS AND\*00\*CENTS

DATE

AMOUNT

02/24/99

\$\$\$\$\$250.00

PAY FLORIDA PUBLIC SERVICE COMMISS  
TO THE ORDER OF

GENERAL ACCOUNT  
TWO SIGNATURES REQUIRED ABOVE \$10,000

*[Signature]*

SWIDLER BERLIN SHEREFF FRIEDMAN, LLP

**ORIGINAL**

3000 K STREET, NW, SUITE 300  
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Florida Public Service Commission  
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Tallahassee, Florida 32399-0870

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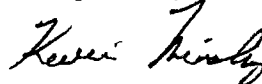
Please date-stamp the enclosed extra copy of this filing and return in the self-addressed, stamped envelope provided. Should you have any questions concerning this filing, please do not hesitate to contact Kevin Minsky at (202) 945-6920.

Check received with filing and  
forwarded to Fiscal for deposit.  
Fiscal to forward a copy of check  
to RAR with proof of deposit.

Initials of person who forwarded check:

LL

Respectfully yours,



Eric J. Branfman  
Kevin D. Minsky

Counsel for KMC Telecom III, Inc.

Enclosures

cc: Michael Duke  
Elena Jacobwitz

MAIL ROOM  
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RECEIVED  
FEB 25 1999

DOCUMENT NUMBER-DATE

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FPC-RECORDS/REPORTING

**FLORIDA PUBLIC SERVICE COMMISSION  
CAPITAL CIRCLE OFFICE CENTER - 2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FLORIDA 32399-0850**

**APPLICATION FORM  
for**

**AUTHORITY TO PROVIDE ALTERNATIVE LOCAL EXCHANGE SERVICE  
WITHIN THE STATE OF FLORIDA**

---

**INSTRUCTIONS**

1. This form is used for an original application for a certificate and for approval of sale, assignment or transfer of an existing alternative local exchange certificate. In case of a sale, assignment or transfer, the information provided shall be for the purchaser, assignee or transferee.
2. Respond to each item requested in the application and appendices. If an item is not applicable, please explain why.
3. Use a separate sheet for each answer which will not fit the allotted space.
4. If you have questions about completing the form, contact:

**Florida Public Service Commission  
Division of Communications, Certification & Compliance Section  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0866  
904/413-6600**

5. Once completed, submit the original and six (6) copies of this form along with a non-refundable application fee of \$250 made payable to the Florida Public Service Commission at the above address.
-

1. This is an application for (check one):
- Original authority (new company)
  - Approval of transfer (to another certificated company)  
Example, a certificated company purchases an existing company and desires to retain the original certificate authority.
  - Approval of assignment of existing certificate (to a non-certificated company)  
Example, a non-certificated company purchases an existing company and desires to retain the certificate of authority rather than apply for a new certificate.
  - Approval for transfer of control (to another certificated company)  
Example, a company purchases 51% of a certificated company. The Commission must approve the new controlling entity.

2. Name of applicant:

**KMC Telecom III, Inc. ("KMC III" or the "Applicant.")**

3. Name under which the applicant will do business (d/b/a):

**KMC Telecom III, Inc.**

4. If applicable, please provide proof of fictitious name (d/b/a) registration.

Fictitious name registration number: Not applicable.

5. A. National mailing address including street name, number, post office box, city, state, zip code, and phone number.

**KMC Telecom III, Inc.  
1545 Route 206, Suite 300  
Bedminster, New Jersey 07921-2567  
Telephone: 908/470-2100  
Facsimile: 908/719-8775**

B. Florida mailing address including street name, number, post office box, city, state, zip code, and phone number.

**KMC Telecom III, Inc. plans to establish an office in Tallahassee and will provide the requested information to the Commission when it has done so. The name and address of KMC III's registered agent in Florida is:**

**CT Corp. System**

1200 S. Pine Island Road  
Plantation, FL 33224

6. Structure of organization:

- |   |  |
|---|--|
| <input type="checkbox"/> Individual                     | <input type="checkbox"/> Corporation                 |
| <input checked="" type="checkbox"/> Foreign corporation | <input type="checkbox"/> Foreign Partnership         |
| <input type="checkbox"/> General Partnership            | <input type="checkbox"/> Limited Partnership         |
| <input type="checkbox"/> Joint Venture                  | <input type="checkbox"/> Other, Please explain _____ |

7. If applicant is an individual, partnership, or joint venture, please give name, title and address of each legal entity.

**Not Applicable.**

8. State whether any of the officers, directors, or any of the ten largest stockholders have previously been adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings. If so, please explain.

**None of KMC III's officers, directors, nor any of the ten largest stockholders have previously been adjudged bankrupt, mentally incompetent, or found guilty of any felony or any crime nor are any such proceedings pending.**

9. If incorporated, please provide proof from the Florida Secretary of State that the applicant has authority to operate in Florida.

**A copy of Applicant's certificate of authority to transact business in the State of Florida as a foreign corporation is attached hereto as Exhibit 1.**

Corporate charter number: **F99000000108**

10. Please provide the name, title, address, telephone number, Internet address, and facsimile number for the person serving as ongoing liaison with the Commission, and if different, the liaison responsible for this application.

**Ongoing liaison: Tricia Breckenridge, Senior Vice President of Business Development, [tbreck@kmctelecom.com](mailto:tbreck@kmctelecom.com) KMC Telecom III, Inc., 3025 Breckinridge Blvd., Ste. 170, Duluth, GA 30096; Tel: 770/935-1230; Fax: 770/638-6796.**

**Liaison for Application: Eric J. Branfman, Esq. & Kevin D. Minsky, Esq., Swidler Berlin Shereff Friedman, LLP. 3000 K Street, Suite 300, Washington, D.C. 20007-5116; Tel: 202/424-7500; Fax 202/424-7645.**

11. Please list other states in which the applicant is currently providing or has applied to provide local exchange or alternative local exchange service.

**Applicant is technically qualified to provide the proposed alternative local exchange services in the State of Florida. KMC III's affiliates, KMC Telecom, Inc. and KMC Telecom II, Inc., are authorized by virtue of certification, registration, or (where appropriate) on an unregulated basis to provide local exchange and long distance telecommunications services in Alabama, Florida, Georgia, Illinois, Indiana, Kansas, Louisiana, Maryland, Michigan, Minnesota, Mississippi, Nevada, New Hampshire, North Carolina, Puerto Rico, South Carolina, Texas, Virginia, and Wisconsin. KMC III is also in the process of seeking authorization to provide local exchange and interexchange telecommunications services in other states, including Alabama, Indiana, Louisiana, Maryland, Michigan, Mississippi, North Carolina, Ohio, South Carolina, Tennessee, and Texas.**

12. Has the applicant been denied certification in any other state? If so, please list the state and reason for denial.

**No.**

13. Have penalties been imposed against the applicant in any other state? If so, please list the state and reason for penalty.

**No penalties have been imposed against the applicant in any other state.**

14. Please indicate how a customer can file a service complaint with your company.

**KMC III's toll free number for customer service is 1-888-KMC-THE1. The hours of operation are 24 hours a day, 7 days a week.**

15. Please complete and file a price list in accordance with Commission Rule 25-24.825.

**Please see Exhibit 5.**

16. Please provide all available documentation demonstrating that the applicant has the following capabilities to provide facilities-based local exchange service in Florida.

**A. Financial capability. See Exhibit 2.**

Regarding the showing of financial capability, the following applies:

The application should contain the applicant's financial statements for the most recent 3 years, including:

The application should contain the applicant's financial statements for the most recent 3 years, including:

1. the balance sheet
2. income statement
3. statement of retained earnings.

Further, a written explanation, which can include supporting documentation, regarding the following should be provided to show financial capability.

1. Please provide documentation that the applicant has sufficient financial capability to provide the requested service in the geographic area proposed to be served.
2. Please provide documentation that the applicant has sufficient financial capability to maintain the requested service.
3. Please provide documentation that the applicant has sufficient financial capability to meet its lease or ownership obligations.

**NOTE:** This documentation may include, but is not limited to, financial statements, a projected profit and loss statement, credit references, credit bureau reports, and descriptions of business relationships with financial institutions.

If available, the financial statements should be audited financial statements.

If the applicant does not have audited financial statements, it shall be so stated. The unaudited financial statements should then be signed by the applicant's chief executive officer and chief financial officer. The signatures should attest that the financial statements are true and correct.

**B.** Managerial capability. **See Exhibit 4.**

**C.** Technical capability. **See Exhibit 4.**

(If you will be providing local intra-exchange switched telecommunications service, then state how you will provide access to 911 emergency service. If the nature of the emergency 911 service access and funding mechanism is not equivalent to that provided by the local exchange companies in the areas to be served, described in detail the difference.)

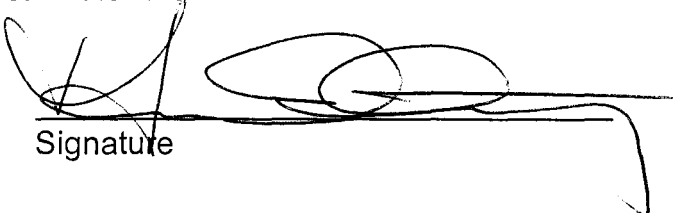
**KMC III will negotiate an E911/911 interconnection arrangement with the incumbent LECs that will allow it to complete 911 calls for its customers. KMC III will coordinate with the agency operating the Public Service Answering Point ("PSAP") in each locality that it serves, in order to assure that 911 calls are routed and delivered in the manner desired by the PSAP. In those localities where E911 service has been implemented, KMC III also will make arrangements for the proper delivery of Automatic Number Identification ("ANI") and Automatic Location Identification ("ALI") information to the PSAP.**



AFFIDAVIT

By my signature below, I, the undersigned officer, attest to the accuracy of the information contained in this application and attached documents and that the applicant has the technical expertise, managerial ability, and financial capability to provide alternative local exchange service in the State of Florida. I have read the foregoing and declare that to the best of my knowledge and belief, the information is true and correct. I attest that I have the authority to sign on behalf of my company and agree to comply, now and in the future, with all applicable Commission rules and orders.

**Further, I am aware that pursuant to Chapter 837.06, Florida Statutes, "Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082 and s. 775.083".**

Official:  2-23-99  
Signature Date

Title: Michael A. Sternberg 908/470-2100  
President and Chief Executive Officer Telephone Number

Address: 1545 Route 206, Suite 300  
Bedminster, NJ 07921-2567  
\_\_\_\_\_

## EXHIBITS

- |           |   |
|-----------|---|
| EXHIBIT 1 | Certificate of Authority to Transact Business |
| EXHIBIT 2 | Financial Qualifications (filed under seal)   |
| EXHIBIT 3 | Guaranty                                      |
| EXHIBIT 4 | Managerial and Technical Capability           |
| EXHIBIT 5 | Illustrative Local Exchange Tariff            |

**EXHIBIT 1**

**Certificate of Authority to Transact Business**



FLORIDA DEPARTMENT OF STATE  
Katherine Harris  
Secretary of State

January 7, 1999

C T CORP

Qualification documents for ~~KMC TELECOM III, INC.~~ were filed on January 7, 1999 and assigned document number F99000000108. Please refer to this number whenever corresponding with this office.

Your corporation is now qualified and authorized to transact business in Florida as of the file date.

A corporation annual report will be due this office between January 1 and May 1 of the year following the calendar year of the file date. A Federal Employer Identification (FEI) number will be required before this report can be filed. If you do not already have an FEI number, please apply NOW with the Internal Revenue by calling 1-800-829-3676 and requesting form SS-4.

Please be aware if the corporate address changes, it is the responsibility of the corporation to notify this office.

Should you have any questions regarding this matter, please telephone (850) 487-6091, the Foreign Qualification/Tax Lien Section.

Michael Mays  
Document Specialist  
Division of Corporations

Letter Number: 899A00000785

APPLICATION BY FOREIGN CORPORATION FOR AUTHORIZATION TO TRANSACT BUSINESS IN FLORIDA

IN COMPLIANCE WITH SECTION 607.1503, FLORIDA STATUTES, THE FOLLOWING IS SUBMITTED TO REGISTER A FOREIGN CORPORATION TO TRANSACT BUSINESS IN THE STATE OF FLORIDA:

1. KMC Telecom III, Inc. (Name of corporation: must include the word "INCORPORATED", "COMPANY", "CORPORATION", or words or abbreviations of like import in language as will clearly indicate that it is a corporation instead of a natural person or partnership if not so contained in the name at present.)

2. Delaware (State or country under the law of which it is incorporated)

3. 22-3625591 (FEI number, if applicable)

4. December 14, 1998 (Date of incorporation)

5. Perpetual (Duration: Year corp. will cease to exist or "perpetual")

6. Upon Qualification (Date first transacted business in Florida. (See sections 607.1501, 607.1502, and 817.156, F.S.))

7. 1545 Route 206, Suite 300, Bedminster, New Jersey 07921 (Current mailing address)

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8. Telecommunication Services (Purpose(s) of corporation authorized in home state or country to be carried out in the state of Florida)

9. Name and street address of Florida registered agent:

Name: C T Corporation System

Office Address: c/o C T Corporation System, 1200 South Pine Island Road

Plantation, Florida, 33324 (Zip Code)

10. Registered agent acceptance:

Having been named as registered agent and to accept service of process for the above stated corporation at the place designated in this application. I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relative to the proper and complete performance of my duties, and I am familiar with and accept the obligation of my position as registered agent.

C T Corporation System

Charles W. Meyer (Registered agent's signature) (Officer)

CHARLES W. METER GENERAL ASST. SECRETARY

(Type Name and Title of Officer)

11. Attached is a certificate of existence duly authenticated, not more than 90 days prior to delivery of this application to the Department of State, by the Secretary of State or other official having custody of corporate records in the jurisdiction under the law of which it is incorporated.

12. Names and addresses of officers and/or directors:

A. DIRECTORS

Chairman: Harold N. Kamine

Address: 1545 Route 206, Suite 300

Bedminster, New Jersey 07921

Vice Chairman: Gary E. Lasher

Address: 1545 Route 206, Suite 300

Bedminster, New Jersey 07921

Director: see attached list of directors

Address: \_\_\_\_\_

\_\_\_\_\_

Director: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

B. OFFICERS

President: see attached list of officers

Address: \_\_\_\_\_

\_\_\_\_\_

Vice President: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Secretary: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_


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SECRETARY OF STATE  
DIVISION OF CORPORATE AFFAIRS  
99 JAN - 7 PM 12:42

Treasurer: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

NOTE: If necessary, you may attach an addendum to the application listing additional officers and/or directors.

13.  \_\_\_\_\_  
(Signature of Chairman, Vice Chairman, or any officer listed in number 12 of the application)

14. Michael Sternberg, President \_\_\_\_\_  
(Typed or printed name and capacity of person signing application)

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DIVISION OF CORPORATIONS  
99 JAN - 7 PM 12:42

Appendix to Florida  
Application by Fgn. Corp. for Authorization to Transact Business in Florida

**Directors of  
KMC Telecom III, Inc.**

---

1. Harold N. Kamine  
1545 Route 206, Suite 300  
Bedminster, New Jersey 07921
2. Gary E. Lasher  
1545 Route 206, Suite 300  
Bedminster, New Jersey 07921
3. Michael Sternberg  
1545 Route 206, Suite 300  
Bedminster, New Jersey 07921
4. William Stewart  
22 Chambers Street  
Princeton, New Jersey 08542
5. John G. Quigley  
22 Chambers Street  
Princeton, New Jersey 08542
6. Randall A. Hack  
22 Chambers Street  
Princeton, New Jersey 08542
7. Richard H. Patterson  
30 Rockefeller Center, Suite 4350  
New York, New York 10112

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SECRETARY OF STATE  
DIVISION OF CORPORATIONS



Appendix to Florida  
Application by Fgn. Corp. for Authorization to Transact Business in Florida

**Officers of  
KMC Telecom III, Inc.**

---

1. Harold N. Kamine, Chairman of the Board  
1545 Route 206, Suite 300  
Bedminster, New Jersey 07921
2. Gary E. Lasher, Vice Chairman of the Board  
1545 Route 206, Suite 300  
Bedminster, New Jersey 07921
3. Michael Sternberg, President & CEO  
1545 Route 206, Suite 300  
Bedminster, New Jersey 07921
4. Cynthia Worthman, CFO, VP, Treasurer and Secretary  
1545 Route 206, Suite 300  
Bedminster, New Jersey 07921
5. Roscoe C. Young II, Chief Operating Officer  
1545 Route 206, Suite 300  
Bedminster, New Jersey 07921
6. Charles Rosenblum, Senior Vice President-Human Resources  
1545 Route 206, Suite 300  
Bedminster, New Jersey 07921
7. James L. Barwick, Senior Vice President  
3075 Breckinridge Blvd, Suite 415  
Duluth, Georgia 30096
8. Patricia Breckenridge, Senior Vice President-Market Development  
3025 Breckinridge Blvd, Suite 170  
Duluth, Georgia 30096
9. Robert Hagan, Controller  
1545 Route 206, Suite 300  
Bedminster, New Jersey 07921
10. Steven Kreider, Assistant Treasurer  
1545 Route 206, Suite 300  
Bedminster, New Jersey 07921
11. Jeannette Barretta, Assistant Secretary  
1545 Route 206, Suite 300  
Bedminster, New Jersey 07921

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FILED  
SECRETARY OF STATE  
DIVISION OF CORPORATIONS

## **EXHIBIT 2**

### **Financial Qualifications**


**(filed under seal)**

KMC III possesses the financial qualifications required of applicants for the authority requested herein. KMC III has access to the financing and capital necessary to conduct its telecommunications operations as specified in this application. During an initial transition period, KMC III will rely upon the sizable financial assets of its parent company, KMC Telecom III Holdings, Inc. ("KMC III Holdings") to ensure that it has sufficient capital to maintain its operations. As indicated in the attached financial qualifications, attached hereto, KMC III Holdings has over \$314 million in cash and cash equivalents available to fund its proposed telecommunications operations in Florida and other states. As KMC III's revenues increase through the acquisition of new customers, KMC III's revenues will supplant KMC III Holdings' assistance. In addition, KMC III has attached hereto as Exhibit 3 a Guaranty issued by KMC Telecom III Holdings guaranteeing KMC III's financial obligations attendant to KMC III's operations as a telecommunications carrier in the State of Florida. KMC Telecom III Holdings is a Delaware corporation formed in December 1998 and does not yet have audited financial statements. KMC Telecom III Holdings is not publicly traded and therefore does not issue an annual report.

**EXHIBIT 2**

**Financial Qualifications (Cont'd)**

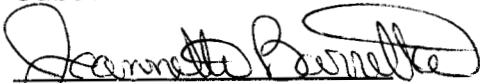
As stated above, KMC III does not yet have audited financials. By my signature below, I the undersigned officer, attest to the accuracy of the unaudited financial statements filed with the Company's Application. I declare that to the best of my knowledge and belief the information is true and correct.

  
\_\_\_\_\_  
Michael A. Sternberg  
President and Chief Executive Officer  
KMC Telecom III, Inc.

State of New Jersey )  
County of Somerset ) ss.

The above-named Michael Sternberg appeared before me today and swore that (s)he is the President of KMC Telecom III Holdings, Inc. and is duly authorized by it to sign this document on its behalf.

Subscribed and Sworn to me this 28<sup>th</sup> day of February, 1999.

  
\_\_\_\_\_  
Notary Public

My Commission expires \_\_\_\_\_  
**JEANNETTE BARRETTA**  
**A Notary Public of New Jersey**  
**My Commission Expires March 18, 2002**

**EXHIBIT 3**

**Guaranty**

KMC Telecom III Holdings, Inc. hereby guarantees the financial obligations of KMC Telecom III, Inc. ("KMC III") attendant to KMC III's operations as a telecommunications carrier in the State of Florida. KMC Telecom III Holdings, Inc. is the owner of all of the issued and outstanding common stock of KMC III, and issues this Guaranty in support of KMC III's application before the Florida Public Service Commission for certification as a provider of alternative local exchange service throughout the State of Florida.

**KMC TELECOM III HOLDINGS, INC.**

By: \_\_\_\_\_

Title: President

State of New Jersey )  
County of Somerset ) ss.

The above-named Michael Stenberg appeared before me today and swore that (s)he is the President of KMC Telecom III Holdings, Inc. and is duly authorized by it to execute the foregoing Guaranty on its behalf.

Subscribed and Sworn to me this 23<sup>rd</sup> day of February, 1999.

Jeannette Barretta  
Notary Public

My Commission expires \_\_\_\_\_  
**JEANNETTE BARRETTA**  
A Notary Public of New Jersey  
My Commission Expires **March 18, 2002**

## EXHIBIT 4

### **Managerial and Technical Capability**

#### **MICHAEL A. STERNBERG PRESIDENT AND CHIEF EXECUTIVE OFFICER**

Michael Sternberg brings 28 years of senior telecommunications management experience to KMC Telecom III, Inc., including playing a major role in the expansion of Metropolitan Fiber System Inc. as senior vice president for sales and strategy development.

He co-founded and served as chief operating officer of National Telephone Company, one of the first public telephone interconnect companies, prior to becoming vice president of marketing and sales of OKI Electronics of America in 1975. He implemented the New York Teleport project as principal consultant to Western Union, then served as vice president of marketing and corporate development for CIT-Alcatel Inc., a multi-billion dollar manufacturer specializing in digital central office switching technology. In 1986, Mr. Sternberg was named president of Standard Telephones and Cables plc (Stantel), a world leader in telecommunication transmission systems. He most recently co-founded and served as chief operating officer of Rimsat Ltd., a satellite communications company lauded by *Business Week*, *The New York Times* and other publications worldwide.

#### **ROSCOE C. YOUNG, II CHIEF OPERATING OFFICER**

Named chief operating officer in 1997, Roscoe Young brings 20 years of business experience to his direction of KMC Telecom's day-to-day operations, including management of KMC Telecom's fiber optic telecommunications services in the cities where it operates, overseeing development of new markets, and technical and engineering support.

Mr. Young most recently was vice president of network services for Ameritech, where he led more than 4,000 employees involved in customer service fulfillment of ISDN, digital, centrex and voice services. He previously directed engineering, network services, national account sales, marketing and real estate procurement as senior vice president of MFS Communications. While a senior executive with AT&T, Mr. Young was responsible for sales, marketing, operations, engineering, financial management and human resources. During that time, he also was selected by the Reagan Administration to serve as a special assistant to Secretary of Defense Casper Wienberger under the White House Executive Exchange Program.

**CYNTHIA WORTHMAN**  
**CHIEF FINANCIAL OFFICER AND TREASURER**

Cynthia Worthman began her telecommunications career as vice president and chief financial officer with Bell Atlanticom Systems, a Bell Atlantic startup venture she helped grow into a \$150 million business. Her performance, coupled with overseeing a major acquisition that doubled the size of the organization, led to being named assistant treasurer of Bell Atlantic. During that time, she oversaw a \$2.5 billion acquisition, a \$400 million public offering, and saved more than \$13 million per year in interest by refinancing \$1 billion in long-term debt. Ms. Worthman most recently was chief financial officer of Questcom Inc. after serving as managing director of FutureVision of America, a provider of interactive and traditional television programming over a two-way, broadband fiber optic network. A certified public accountant, Ms. Worthman began her career at Deloitte Haskins & Sells where she was successively promoted to manager of the consulting staff in the firm's Detroit office.

**EXHIBIT 5**

**Illustrative Local Exchange Tariff**

LOCAL EXCHANGE SERVICES

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REGULATIONS AND SCHEDULE OF INTRASTATE CHARGES  
APPLYING TO END-USER  
TELECOMMUNICATIONS SERVICES WITHIN  
THE STATE OF FLORIDA

**ILLUSTRATIVE**

---

Issued:

Effective:

Issued By:

Tricia Breckenridge, Senior Vice President of Business Development  
KMC Telecom III, Inc.  
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Duluth, GA 30096



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LOCAL EXCHANGE SERVICES

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LOCAL EXCHANGE SERVICES

CHECK SHEET

The Sheets 1 to 102 are effective as of the date shown. Revised pages as named below contain all changes from the original tariff that are in effect on the date thereof.

<u>Sheet</u>	<u>Revision</u>	<u>Sheet</u>	<u>Revision</u>	<u>Sheet</u>	<u>Revision</u>
1	Original	26	Original	51	Original
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22	Original	47	Original	72	Original
23	Original	48	Original	73	Original
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25	Original	50	Original	75	Original

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 LOCAL EXCHANGE SERVICES
 

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LOCAL EXCHANGE SERVICES

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EXPLANATION OF SYMBOLS, REFERENCE  
MARKS, AND ABBREVIATIONS OF TECHNICAL  
TERMS USED IN THIS TARIFF

The following symbols shall be used in this tariff for the purpose indicated below:

- C To signify changed regulation.
- D To signify discontinued rate or regulation.
- I To signify increased rate.
- M To signify a move in the location of text.
- N To signify new rate or regulation.
- R To signify reduced rate.
- S To signify reissued matter.
- T To signify a change in text but no change in rate or regulation.

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LOCAL EXCHANGE SERVICES

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APPLICATION OF TARIFF

This tariff sets forth the service offerings, rates, terms and conditions applicable to the furnishing of intrastate end-user telecommunications services by KMC Telecom III, Inc., hereinafter referred to as the Company, to customers within the State of Florida.

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LOCAL EXCHANGE SERVICES

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DEFINITIONS

Certain terms used generally throughout this tariff are defined below.

Abbreviated Dialing: Permits lines within a Customer's terminal group to place calls within the group using 1 to 7 digits.

Account Codes: Permits Centrex Stations and attendants to dial an account code number of up to eight digits. For use when placing calls over facilities arranged for Automatic Message Accounting (AMA) recording. The account or project number must be input prior to dialing the called number.

Advance Payment: Part or all of a payment required before the start of service.

Automatic Callback Calling: Allows Customers to request an automatic callback upon receiving a busy signal. Caller may signal for dial tone and dial a feature code or press a feature button to request automatic callback facilities.

Automatic Number Identification (ANI): Allows the automatic transmission of a caller's billing account telephone number to a local exchange company, interexchange carrier or a third party subscriber. The primary purpose of ANI is to allow for billing of toll calls.

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

Calling Name Delivery: Allows customers to view the name and telephone number associated with an incoming call before answering the phone.

Call Back/Camp On: Permits a station line encountering an all-trunk-busy condition the option of being notified when a trunk becomes idle.

Call Forwarding:

Call Forwarding Station: Allows calls directed to a station line to be routed to a user defined line inside or outside the customer's telephone system.

Call Forwarding System: Permits calls attempting to terminate to a busy station line to be re-directed to a predetermined line inside or outside the customer's telephone system.

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**LOCAL EXCHANGE SERVICES**

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**DEFINITIONS**

Call Forwarding Remote: This optional feature allows a user to activate/deactivate the Call Forwarding - All Calls feature or change the forwarded to telephone number from a remote location.

Call Forwarding Busy: Allows incoming calls to a busy station to be routed to a preselected station line or attendant within the same system or outside the system. Intercom calls can be arranged to be forwarded to a number different from DID calls.

Call Forwarding Don't Answer: Allows incoming calls to be automatically routed to a preselected station line or attendant in the same system or outside the system, when the called station is not answered after a preset number of rings. Intercom calls can be arranged to be forwarded to a number different from DID calls.

Call Forwarding Variable Limited: When this feature is activated by a station line user or the attendant, incoming calls to the activated station line or attendant position will be automatically routed to any other selected station line, within the same Centrex system, or to the attendant position. The attendant may also activate this feature for a station line user.

Call Forwarding Variable Unlimited: The same as Call Forwarding Variable Limited except that incoming calls may be automatically routed to a telephone number outside the Centrex system or to station lines within the same Centrex system. The attendant may not activate this feature to a telephone number outside the Centrex system for a station line use. Calls forwarded outside the Centrex system are subject to the appropriate charges for local and toll messages.

Call Hold: Allows the user to hold one call for any length of time provided that neither party goes on-hook.

Call Park: Allows a station line to park a call against its own line number. The parked call can be retrieved from any station line by dialing a feature code and the line number against which the call is parked.

Call Pickup: Allows a station line to answer incoming calls to another station line within a defined call pickup group. Call pickup is provided on individual station lines within a customer group.

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LOCAL EXCHANGE SERVICES

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DEFINITIONS

Call Transfer: Allows a station line user to transfer any established call to another station line inside or outside the customer group without the assistance of the attendant.

Call Waiting: Permits a line in the talking state to be alerted by a tone when another call is attempting to complete to the line. Audible ringing is returned to the originating line. The Service also provides a hold feature that is activated by a switchhook flash.

Communication Services: The Company's intrastate toll and local exchange switched telephone services offered for both intraLATA and interLATA use.

Company or KMC: KMC Telecom III, Inc., the issuer of this tariff.

Conference: Allows customers to add additional parties to a call.

Customer or Subscriber: The person, firm or corporation that orders service and is responsible for the payment of charges and compliance with the Company's regulations.

Dial 9 Access: Allows Customers to place calls outside their ClearStar Advantage system by dialing an access code (usually 9).

Dial Pulse (or "DP"): The pulse type employed by rotary dial station sets.

Direct Inward Dial (or "DID"): A service attribute that routes incoming calls directly to stations, by-passing a central answering point.

DID Trunk: A form of local switched access that provides the ability for an outside party to call an internal extension directly without the intervention of the company operator.

Direct Outward Dial (or "DOD"): A service attribute that allows individual station users to access and dial outside numbers directly.

Do Not Disturb: Permits the attendant to cut off a single station line and selected groups of station lines from receiving incoming and station-to-station calls.

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LOCAL EXCHANGE SERVICES

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DEFINITIONS

DSX-1 Panel: Distribution equipment used to terminate and administer DS1 (1.544 Mbps) circuits.

Dual Tone Multi-Frequency (or "DTMF"): The pulse type employed by tone dial station sets.

Duplex Service: Service that provides for simultaneous transmission in both directions.

Fiber Optic Cable: A thin filament of glass with a protective outer coating through which a light beam carrying communications signals may be transmitted by means of multiple internal reflections to a receiver, which translates the message.

Hunting: Routes a call to an idle station line in a prearranged group when the called station line is busy.

In-Only: A service attribute that restricts outward dial access and routes incoming calls to a designated answer point.

Joint User: A person, firm or corporation that is designated by the Customer as a user of services furnished to the Customer by KMC and to whom a portion of the charges for the service will be billed under a joint user arrangement as specified herein.

Kbps: Kilobits per second, denotes thousands of bits per second.

Last Number Redial: Enables a station line user to redial the last called number by use of an access code rather than dialing the entire number.

LATA: A Local Access and Transport Area established pursuant to the Modification of Final Judgment entered by the United States District Court for the District of Columbia in Civil Action No. 82-0192; or any other geographic area designated as a LATA in the National Exchange Carrier Association, Inc. Tariff F.C.C. No. 4.

Local Exchange Carrier or ("LEC"): Denotes any individual, partnership, association, joint-stock company, trust or corporation engaged in providing switched communication within an exchange.

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**LOCAL EXCHANGE SERVICES**

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**DEFINITIONS**

**Manual Exclusion:** Restricts others from retrieving a put on hold or from breaking into a call. Applicable to ISDN centrex type services. Ensures privacy is automatically invoked whenever a customer picks up the phone to place or answer a call.

**Mbps:** Megabits, denotes millions of bits per second.

**Message Waiting Indication:** Provides a lighted indicator (usually on a telephone set) that informs customer of a new message to be reviewed.

**Multi-Frequency or ("MF"):** An inter-machine pulse-type used for signalling between telephone switches, or between telephone switches and PBX/key systems.

**Multi Site Abbreviated Dialing:** Allows customers to use abbreviated dialing capabilities among multiple locations.

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

**Service Commencement Date:** The first day following the date on which the Company notifies the Customer that the requested service or facility is available for use, unless extended by the Customer's refusal to accept service that does not conform to standards set forth in the Service Order or this tariff, in which case the Service Commencement Date is the date of the Customer's acceptance. The Company and Customer may mutually agree on a substitute Service Commencement Date.

**Service Order:** The written request for Network Services executed by the Customer and the Company in the format devised by the Company. The signing of a Service Order by the Customer and acceptance by the Company initiates the respective obligations of the parties as set forth therein and pursuant to this tariff, but the duration of the service is calculated from the Service Commencement Date.

**Shared:** A facility or equipment system or subsystem that can be used simultaneously by several Customers.

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DEFINITIONS

Speed Calling: Permits a station line user to dial selected numbers by using fewer digits than normally required. This is accomplished through the assignment of abbreviated codes to frequently called numbers. The speed calling list is customer-changeable.

System: Allows shared use of speed calling list. A control station will add, change or delete telephone numbers from the list for the group.

Station: Allows a station line user to add, change or delete telephone numbers from a speed calling list. The list is dedicated to the individual station line user.

Three-Way Calling: Allows a station line user to add a third party to an existing conversation.

Two Way: A service attribute that includes outward dial capabilities for outbound calls and can also be used to carry inbound calls to a central point for further processing.

Uniform Call Distribution: Automatically distributes incoming calls, in the order of their arrival, to customer telephone lines that have been idle the longest.

User or End User: A Customer, Joint User, or any other person authorized by a Customer to use service provided under this tariff.

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LOCAL EXCHANGE SERVICES

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REGULATIONS

2.1 Undertaking of the Company

2.1.1 Scope

The Company undertakes to furnish communications service pursuant to the terms of this tariff in connection with one-way and/or two-way information transmission between points within the State of Florida.

Customers and users may use services and facilities provided under this tariff to obtain access to services offered by other service providers. The Company is responsible under this tariff only for the services and facilities provided hereunder, and it assumes no responsibility for any service provided by any other entity that purchases access to the Company network in order to originate or terminate its own services, or to communicate with its own customers.

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LOCAL EXCHANGE SERVICES

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REGULATIONS

2.1 Undertaking of the Company (Cont'd)

2.1.2 Shortage of Equipment or Facilities

- (A) The Company reserves the right to limit or to allocate the use of existing facilities, or of additional facilities offered by the Company, when necessary because of lack of facilities, or due to some other cause beyond the Company's control.
  
- (B) The furnishing of service under this tariff is subject to the availability on a continuing basis of all the necessary facilities and is limited to the capacity of the Company's facilities as well as facilities the Company may obtain from other carriers to furnish service from time to time as required at the sole discretion of the Company.

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LOCAL EXCHANGE SERVICES

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REGULATIONS

2.1 Undertaking of the Company (Cont'd)

2.1.3 Terms and Conditions

- (A) Service is provided on the basis of a minimum period of at least one month, 24-hours per day. For the purpose of computing charges in this tariff, a month is considered to have 30 days.
- (B) Customers may be required to enter into written service orders which shall contain or reference a specific description of the service ordered, the rates to be charged, the duration of the services, and the terms and conditions in this tariff. Customers will also be required to execute any other documents as may be reasonably requested by the Company.
- (C) At the expiration of the initial term specified in each Service Order, or in any extension thereof, service shall continue on a month-to-month basis at the then current rates unless terminated by either party upon 30 days' written notice. Any termination shall not relieve the Customer of its obligation to pay any charges incurred under the service order and this tariff prior to termination. The rights and obligations which by their nature extend beyond the termination of the term of the service order shall survive such termination.
- (D) In any action between the parties to enforce any provision of this tariff, the prevailing party shall be entitled to recover its legal fees and court costs from the non-prevailing party in addition to other relief a court may award.

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LOCAL EXCHANGE SERVICES

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REGULATIONS

2.1 Undertaking of the Company (Cont'd)

2.1.3 Terms and Conditions (Cont'd)

- (E) Service may be terminated upon written notice to the Customer if:
  - (1) the Customer is using the service in violation of this tariff; or
  - (2) the Customer is using the service in violation of the law.
  
- (F) This tariff shall be interpreted and governed by the laws of the State of Florida regardless of its choice of laws provision.
  
- (G) BellSouth and its affiliated local telephone companies must not interfere with the right of any person or entity to obtain service directly from the Company. No person or entity shall be required to make any payment, incur any penalty, monetary or otherwise, or purchase any services in order to have the right to obtain service directly from the Company.
  
- (H) To the extent that either the Company or any other telephone company exercises control over available cable pairs, conduit, duct space, raceways, or other facilities needed by the other to reach a person or entity, the party exercising such control shall make them available to the other on terms equivalent to those under which the Company makes similar facilities under its control available to its customers. At the reasonable request of either party, the Company and the other telephone company shall join the attempt to obtain from the owner of the property access for the other party to serve a person or entity.

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LOCAL EXCHANGE SERVICES

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REGULATIONS2.1 Undertaking of the Company (Cont'd)2.1.4 Liability of the Company

- (A) The liability of the Company for damages arising out of the furnishing of its Services, including but not limited to mistakes, omissions, interruptions, delays, or errors, or other defects, representations, or use of these services or arising out of the failure to furnish the service, whether caused by acts or omission, shall be limited to the extension of allowances for interruption as set forth in 2.6. The extension of such allowances for interruption shall be the sole remedy of the Customer and the sole liability of the Company. The Company will not be liable for any direct, indirect, incidental, special, consequential, exemplary or punitive damages to Customer as a result of any Company service, equipment or facilities, or the acts or omissions or negligence of the Company's employees or agents.
- (B) The Company shall not be liable for any delay or failure of performance or equipment due to causes beyond its control, including but not limited to: acts of God, fire, flood, explosion or other catastrophes; any law, order, regulation, direction, action, or request of the United States Government, or of any other government, including state and local governments having or claiming jurisdiction over the Company, or of any department, agency, commission, bureau, corporation, or other instrumentality of any one or more of these federal, state, or local governments, or of any civil or military authority; national emergencies; insurrections; riots; wars; unavailability of rights-of-way or materials; or strikes, lock-outs, work stoppages, or other labor difficulties.

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LOCAL EXCHANGE SERVICES

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REGULATIONS

2.1 Undertaking of the Company (Cont'd)

2.1.4 Liability of the Company (Cont'd)

- (C) The Company shall not be liable for any act or omission of any entity furnishing to the Company or to the Company's Customers facilities or equipment used for or with the services the Company offers.
- (D) The Company shall not be liable for any damages or losses due to the fault or negligence of the Customer or due to the failure or malfunction of Customer-provided equipment or facilities.
- (E) The Company does not guarantee nor make any warranty with respect to installations it provides for use in an explosive atmosphere. The Customer indemnifies and holds the Company harmless from any and all loss, claims, demands, suits, or other action, or any liability whatsoever, whether suffered, made, instituted, or asserted by any other party or person(s), and for any loss, damage, or destruction of any property, whether owned by the Customer or others, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, removal presence, condition, location, or use of any installation so provided. The Company reserves the right to require each Customer to sign an agreement acknowledging acceptance of the provisions of this section 2.1.4(E) as a condition precedent to such installations.

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LOCAL EXCHANGE SERVICES

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REGULATIONS

2.1 Undertaking of the Company (Cont'd)

2.1.4 Liability of the Company (Cont'd)

- (F) The Company is not liable for any defacement of or damage to Customer premises resulting from the furnishing of services or equipment on such premises or the installation or removal thereof, unless such defacement or damage is caused by negligence or willful misconduct of the Company's agents or employees.
- (G) The Company shall be indemnified, defended and held harmless by the Customer against any claim, loss or damage arising from Customer's use of services, involving claims for libel, slander, invasion of privacy, or infringement of copyright arising from the Customer's own communications.
- (H) The entire liability for any claim, loss, damage or expense from any cause whatsoever shall in no event exceed sums actually paid the Company by the Customer for the specific services giving rise to the claim. No action or proceeding against the Company shall be commenced more than one year after the service is rendered.
- (I) **THE COMPANY MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE, EXCEPT THOSE EXPRESSLY SET FORTH HEREIN.**

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REGULATIONS

2.1 Undertaking of the Company (Cont'd)

2.1.5 Notification of Service-Affecting Activities

The Company will provide the Customer reasonable notification of service-affecting activities that may occur in normal operation of its business. Such activities may include, but are not limited to, equipment or facilities additions, removals or rearrangements and routine preventative maintenance. Generally, such activities are not specific to an individual Customer but affect many Customers' services. No specific advance notification period is applicable to all service activities. The Company will work cooperatively with the Customer to determine the reasonable notification requirements. With some emergency or unplanned service-affecting conditions, such as an outage resulting from cable damage, notification to the Customer may not be possible.

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**LOCAL EXCHANGE SERVICES**

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**REGULATIONS****2.1 Undertaking of the Company (Cont'd)****2.1.6 Provision of Equipment and Facilities**

- (A) The Company shall use reasonable efforts to make available services to a Customer on or before a particular date, subject to the provisions of and compliance by the Customer with, the regulations contained in this tariff. The Company does not guarantee availability by any such date and shall not be liable for any delays in commencing service to any Customer.
- (B) The Company shall use reasonable efforts to maintain only the facilities and equipment that it furnishes to the Customer. The Customer may not, nor may the Customer permit others to, rearrange, disconnect, remove, attempt to repair, or otherwise interfere with any of the facilities or equipment installed by the Company, except upon the written consent of the Company.
- (C) The Company may substitute, change or rearrange any equipment or facility at any time and from time to time, but shall not thereby alter the technical parameters of the service provided the Customer.
- (D) Equipment the Company provides or installs at the Customer Premises for use in connection with the services the Company offers shall not be used for any purpose other than that for which it was provided by the Company.

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LOCAL EXCHANGE SERVICES

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REGULATIONS

2.1 Undertaking of the Company (Cont'd)

2.1.6 Provision of Equipment and Facilities (Cont'd)

- (E) The Customer shall be responsible for the payment of service charges as set forth herein for visits by the Company's agents or employees to the Premises of the Customer when the service difficulty or trouble report results from the use of equipment or facilities provided by any party other than the Company, including but not limited to the Customer.
  
- (F) The Company shall not be responsible for the installation, operation, or maintenance of any Customer-provided communications equipment. Where such equipment is connected to the facilities furnished pursuant to this tariff, the responsibility of the Company shall be limited to the furnishing of facilities offered under this tariff and to the maintenance and operation of such facilities. Subject to this responsibility, the Company shall not be responsible for:
  - (1) the transmission of signals by Customer-provided equipment or for the quality of, or defects in, such transmission; or
  
  - (2) the reception of signals by Customer-provided equipment.

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LOCAL EXCHANGE SERVICES

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REGULATIONS

2.1 Undertaking of the Company (Cont'd)

2.1.7 Non-Routine Installation

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

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REGULATIONS

2.1 Undertaking of the Company (Cont'd)

2.1.8 Special Construction

Subject to the agreement of the Company and to all of the regulations contained in this tariff, special construction of facilities may be undertaken on a reasonable efforts basis at the request of the Customer. Special construction is that construction undertaken:

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

2.1.9 Ownership of Facilities

Title to all facilities provided in accordance with this tariff remains in the Company, its agents or contractors.

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LOCAL EXCHANGE SERVICES

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REGULATIONS

2.2 Prohibited Uses

- (A) The services the Company offers shall not be used for any unlawful purpose or for any use as to which the Customer has not obtained all required governmental approvals, authorizations, licenses, consents and permits.
- (B) The Company may require applicants for service who intend to use the Company's offerings for resale and/or for shared use to file a letter with the Company confirming that their use of the Company's offerings complies with relevant laws and Florida Public Service Commission regulations, policies, orders, and decisions.
- (C) The Company may require a Customer to immediately shut down its transmission of signals if said transmission is causing interference to others.
- (D) A customer, joint user, or authorized user may not assign, or transfer in any manner, the service or any rights associated with the service without the written consent of the Company. The Company will permit a Customer to transfer its existing service to another entity if the existing Customer has paid all charges owed to the Company for regulated communications services. Such a transfer will be treated as a disconnection of existing service and installation of new service, and non-recurring installation charges as stated in this tariff will apply.

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LOCAL EXCHANGE SERVICES

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REGULATIONS

2.3 Obligations of the Customer

2.3.1 General

The Customer shall be responsible for:

- (A) the payment of all applicable charges pursuant to this tariff;
- (B) damage to or loss of the Company's facilities or equipment caused by the acts or omissions of the Customer; or the noncompliance by the Customer, with these regulations; or by fire or theft or other casualty on the Customer Premises, unless caused by the negligence or willful misconduct of the employees or agents of the Company;
- (C) providing at no charge, as specified from time to time by the Company, any needed personnel, equipment space and power to operate Company facilities and equipment installed on the premises of the Customer, and the level of heating and air conditioning necessary to maintain the proper operating environment on such premises;

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LOCAL EXCHANGE SERVICES

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REGULATIONS

2.4 Customer Equipment and Channels

2.4.1 General

A User may transmit or receive information or signals via the facilities of the Company. The Company's services are designed primarily for the transmission of voice-grade telephonic signals, except as otherwise stated in this tariff. A User may transmit any form of signal that is compatible with the Company's equipment, but the Company does not guarantee that its services will be suitable for purposes other than voice-grade telephonic communication except as specifically stated in this tariff.

2.4.2 Station Equipment

- (A) Terminal equipment on the User's Premises and the electric power consumed by such equipment shall be provided by and maintained at the expense of the User. The User is responsible for the provision of wiring or cable to connect its terminal equipment to the Company Point of Connection.
  
- (B) The Customer is responsible for ensuring that Customer-provided equipment connected to Company equipment and facilities is compatible with such equipment and facilities. The magnitude and character of the voltages and currents impressed on Company-provided equipment and wiring by the connection, operation, or maintenance of such equipment and wiring shall be such as not to cause damage to the Company-provided equipment and wiring or injury to the Company's employees or to other persons. Any additional protective equipment required to prevent such damage or injury shall be provided by the Company at the Customer's expense.

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**LOCAL EXCHANGE SERVICES**

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**REGULATIONS****2.3 Obligations of the Customer (Cont'd)****2.3.1 General (Cont'd)**

- (D) obtaining, maintaining, and otherwise having full responsibility for all rights-of-way and conduits necessary for installation of fiber optic cable and associated equipment used to provide Communication Services to the Customer from the cable building entrance or property line to the location of the equipment space described in 2.3.1(C). Any and all costs associated with obtaining and maintaining the rights-of-way described herein, including the costs of altering the structure to permit installation of the Company-provided facilities, shall be borne entirely by, or may be charged by the Company to, the Customer. The Company may require the Customer to demonstrate its compliance with this section prior to accepting an order for service;
  
- (E) providing a safe place to work and complying with all laws and regulations regarding the working conditions on the premises at which Company employees and agents shall be installing or maintaining the Company's facilities and equipment. The Customer may be required to install and maintain Company facilities and equipment within a hazardous area if, in the Company's opinion, injury or damage to the Company's employees or property might result from installation or maintenance by the Company. The Customer shall be responsible for identifying, monitoring, removing and disposing of any hazardous material (e.g. friable asbestos) prior to any construction or installation work;

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LOCAL EXCHANGE SERVICES

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REGULATIONS

2.3 Obligations of the Customer (Cont'd)

2.3.1 General (Cont'd)

- (F) complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as may be required with respect to, the location of Company facilities and equipment in any Customer premises or the rights-of-way for which Customer is responsible under Section 2.3.1(D); and granting or obtaining permission for Company agents or employees to enter the premises of the Customer at any time for the purpose of installing, inspecting, maintaining, repairing, or upon termination of service as stated herein, removing the facilities or equipment of the Company;
- (G) not creating, or allowing to be placed, any liens or other encumbrances on the Company's equipment or facilities; and
- (H) making Company facilities and equipment 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 service is interrupted for such purposes.

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LOCAL EXCHANGE SERVICES

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REGULATIONS

2.3 Obligations of the Customer (Cont'd)

2.3.2 Claims

With respect to any service or facility provided by the Company, Customers shall indemnify, defend and hold harmless the Company from and against all claims, actions, damages, liabilities, costs and expenses, including reasonable attorneys' fees for:

- (A) any loss, destruction or damage to the property of the Company or any third party, or death or injury to persons, including, but not limited to, employees or invitees of either party, to the extent caused by or resulting from the negligent or intentional act or omission of the Customer, its employees, agents, representatives or invitees; or
- (B) any claim, loss, damage, expense or liability for infringement of any copyright, patent, trade secret, or any proprietary or intellectual property right of any third party, arising from any act or omission by the Customer, including, without limitation, use of the Company's services and facilities in a manner not contemplated by the agreement between the Customer and the Company.

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LOCAL EXCHANGE SERVICES

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REGULATIONS

2.4 Customer Equipment and Channels (Cont'd)

2.4.3 Interconnection of Facilities

- (A) Any special interface equipment necessary to achieve compatibility between the facilities and equipment of the Company used for furnishing Communication Services and the channels, facilities, or equipment of others shall be provided at the Customer's expense.
- (B) Communication Services may be connected to the services or facilities of other communications carriers only when authorized by, and in accordance with, the terms and conditions of the tariffs of the other communications carriers that are applicable to such connections.
- (C) Facilities furnished under this tariff may be connected to Customer-provided terminal equipment in accordance with the provisions of this tariff. All such terminal equipment shall be registered by the Federal Communications Commission pursuant to Part 68 of Title 47, Code of Federal Regulations; and all User-provided wiring shall be installed and maintained in compliance with those regulations.
- (D) Users may interconnect communications facilities that are used in whole or in part for interstate communications to services provided under this tariff only to the extent that the user is an "End User" as defined in Section 69.2(m), Title 47, Code of Federal Regulations (1992 edition).

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REGULATIONS

2.4 Customer Equipment and Channels (Cont'd)

2.4.4 Inspections

- (A) Upon suitable notification to the Customer, and at a reasonable time, the Company may make such tests and inspections as may be necessary to determine that the Customer is complying with the requirements set forth in Section 2.4.2(B) for the installation, operation, and maintenance of Customer-provided facilities, equipment, and wiring in the connection of Customer-provided facilities and equipment to Company-owned facilities and equipment.
  
- (B) If the protective requirements for Customer-provided equipment are not being complied with, the Company may take such action as it deems necessary to protect its facilities, equipment, and personnel. The Company will notify the Customer promptly if there is any need for further corrective action. Within ten days of receiving this notice, the Customer must take this corrective action and notify the Company of the action taken. If the Customer fails to do this, the Company may take whatever additional action is deemed necessary, including the suspension of service, to protect its facilities, equipment and personnel from harm.

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**LOCAL EXCHANGE SERVICES**

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**REGULATIONS****2.5 Payment Arrangements****2.5.1 Payment for Service**

The Customer is responsible for the payment of all charges for facilities and services furnished by the Company to the Customer and to all Users authorized by the Customer, regardless of whether those services are used by the Customer itself or are resold to or shared with other persons.

**(A) Taxes**

The Customer is responsible for payment of any sales, use, gross receipts, excise, access or other local, state and federal taxes, charges or surcharges (however designated) (excluding taxes on Company's net income) imposed on or based upon the provision, sale or use of Network Services.

**2.5.2 Billing and Collection of Charges**

- (A)** Non-recurring charges are due and payable from the customer within 30 days after the invoice date, unless otherwise agreed to in advance.
- (B)** The Company shall present invoices for Recurring Charges monthly to the Customer, in advance of the month in which service is provided, and Recurring Charges shall be due and payable within 30 days after the invoice date. When billing is based on customer usage, charges will be billed monthly for the preceding billing periods.
- (C)** When service does not begin on the first day of the month, or end on the last day of the month, the charge for the fraction of the month in which service was furnished will be calculated on a pro rata basis. For this purpose, every month is considered to have 30 days.

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**LOCAL EXCHANGE SERVICES**

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**REGULATIONS****2.5 Payment Arrangements (Cont'd)****2.5.2 Billing and Collection of Charges (Cont'd)**

- (D) Billing of the Customer by the Company will begin on the Service Commencement Date, which is the first day following the date on which the Company notifies the Customer that the service or facility is available for use, except that the Service Commencement Date may be postponed by mutual agreement of the parties, or if the service or facility does not conform to standards set forth in this tariff or the Service Order. Billing accrues through and includes the day that the service, circuit, arrangement or component is discontinued.
- (E) If any portion of the payment is received by the Company after the date due, or if any portion of the payment is received by the Company in funds that are not immediately available, then a late payment penalty shall be due to the Company. The late payment penalty shall be the portion of the payment not received by the date due, multiplied by the lesser of the highest percentage allowable by the Florida Public Service Commission or a late factor of 1.5% per month.
- (F) The Customer will be assessed a charge of twenty-five dollars (\$25.00) for each check submitted by the Customer to the Company that a financial institution refused to honor.
- (G) Customers have up to 90 days (commencing 5 days after remittance of the bill) to initiate a dispute over charges or to receive credits.
- (H) If service is disconnected by the Company in accordance with section 2.5.5 following and later restored, restoration of service will be subject to all applicable installation charges

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LOCAL EXCHANGE SERVICES

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REGULATIONS

2.5 Payment Arrangements (Cont'd)

2.5.3 Advance Payments

To safeguard its interests, the Company may require a Customer to make an advance payment before services and facilities are furnished. The advance payment will not exceed an amount equal to the non-recurring charge(s) and one month's charges for the service or facility. In addition, where special construction is involved, the advance payment may also include an amount equal to the estimated non-recurring charges for the special construction and recurring charges (if any) for a period to be set between the Company and the Customer. The advance payment will be credited to the Customer's initial bill. An advance payment may be required in addition to a deposit.

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REGULATIONS

2.5 Payment Arrangements (Cont'd)

2.5.4 Deposits

- (A) To safeguard its interests, the Company may require a Customer to make a deposit to be held as a guarantee for the payment of charges in accordance with Fl. P.S.C. Rule 25-4.109. A deposit does not relieve the Customer of the responsibility for the prompt payment of bills on presentation. The deposit will not exceed an amount equal to the charges for one month's local exchange service plus two month's estimated toll service provided by or billed by the Company.
- (B) A deposit may be required in addition to an advance payment.
- (C) When a service or facility is discontinued, the amount of a deposit and accrued interest, if any, will be applied to the Customer's account and any credit balance remaining will be refunded within forty-five (45) days after service is discontinued. The Company shall refund a residential customer's deposit after the Customer has established a satisfactory payment record and has had continuous service for a period of 23 months. The Company shall either refund or pay the higher rate of interest for nonresidential deposits, providing the Customer has established a satisfactory payment record and has had continuous service for a period of 23 months and has not, in the preceding 12 months, (1) made more than one late payment of a bill, (2) paid with a check refused by a bank, (3) been disconnected for nonpayment, or at any time, (4) used service in a fraudulent or unauthorized manner.
- (D) Deposits held will accrue interest in accordance with the rules prescribed by the Commission. Interest will not accrue on any deposit after the date on which reasonable effort has been made to return it to the Customer.

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REGULATIONS

2.5 Payment Arrangements (Cont'd)

2.5.5 Discontinuance of Service

- (A) Upon nonpayment of any amounts owing to the Company, the Company may, by giving 5 working days' prior written notice to the Customer, discontinue or suspend service without incurring any liability.
- (B) Upon violation of any of the other material terms or conditions for furnishing service the Company may, by giving 5 days' prior notice in writing to the Customer, discontinue or suspend service without incurring any liability if such violation continues during that period.
- (C) Upon condemnation of any material portion of the facilities used by the Company to provide service to a Customer or if a casualty renders all or any material portion of such facilities inoperable beyond feasible repair, the Company, by notice to the Customer, may discontinue or suspend service without incurring any liability.
- (D) Upon Customer use of equipment in such manner as to adversely effect the Company's equipment or the Company's service to others, the Company may, without notice, discontinue or suspend service without incurring any liability.
- (E) Upon hazardous conditions or tampering with equipment owned by the Company, the Company may, without notice, discontinue or suspend service without incurring any liability.

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LOCAL EXCHANGE SERVICES

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REGULATIONS

2.5 Payment Arrangements (Cont'd)

2.5.5 Discontinuance of Service (Cont'd)

- (F) Upon the Customer's insolvency, assignment for the benefit of creditors, filing for bankruptcy or reorganization, or failing to discharge an involuntary petition within the time permitted by law, the Company may immediately discontinue or suspend service without incurring any liability.
- (G) Upon any governmental prohibition or required alteration of the services to be provided or any violation of an applicable law or regulation, the Company may immediately discontinue service without incurring any liability.
- (H) In the event of fraudulent use of the Company's network, the Company will discontinue service without notice and/or seek legal recourse to recover all costs involved in enforcement of this provision.
- (I) Upon the Company's discontinuance of service to the Customer under Section 2.5.5(A) or 2.5.5(B), the Company, in addition to all other remedies that may be available to the Company at law or in equity or under any other provision of this tariff, may declare all future monthly and other charges that would have been payable by the Customer during the remainder of the term for which such services would have otherwise been provided to the Customer to be immediately due and payable (discounted to present value at six percent).

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**LOCAL EXCHANGE SERVICES**

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**REGULATIONS****2.5 Payment Arrangements (Cont'd)****2.5.6 Cancellation of Application for Service**

- (A) Applications for service cannot be canceled without the Company's agreement. Where the Company permits a Customer to cancel an application for service prior to the start of service or prior to any special construction, no charges will be imposed except for those specified below.
- (B) Where, prior to cancellation by the Customer, the Company incurs any expenses in installing the service or in preparing to install the service that it otherwise would not have incurred, a charge equal to the costs incurred by the Company, less net salvage, shall apply, but in no case shall this charge exceed the sum of the charge for the minimum period of services ordered, including installation charges, and all charges others levy against the Company that would have been chargeable to the Customer had service commenced (all discounted to present value at six percent).
- (C) Where the Company incurs any expense in connection with special construction, or where special arrangements of facilities or equipment have begun, before the Company receives a cancellation notice, a charge equal to the costs incurred by the Company, less net salvage, applies. In such cases, the charge will be based on such elements as the cost of the equipment, facilities, and material, the cost of installation, engineering, labor, and supervision, general and administrative expense, other disbursements, depreciation, maintenance, taxes, provision for return on investment, and any other costs associated with the special construction or arrangements.
- (D) The special charges described in 2.5.6(A) through 2.5.6(C) will be calculated and applied on a case-by-case basis.

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**LOCAL EXCHANGE SERVICES**

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**REGULATIONS****2.5 Payment Arrangements (Cont'd)****2.5.7 Changes in Service Requested**

If the Customer makes or requests material changes in circuit engineering, equipment specifications, service parameters, premises locations, or otherwise materially modifies any provision of the application for service, the Customer's installation fee shall be adjusted accordingly.

**2.6 Allowances for Interruptions in Service**

Interruptions in service that are not due to the negligence of, or noncompliance with the provisions of this tariff by, the Customer or the operation or malfunction of the facilities, power or equipment provided by the Customer, will be credited to the Customer as set forth in 2.6.1 for the part of the service that the interruption affects.

**2.6.1 Credit for Interruptions**

- (A) A credit allowance will be made when an interruption occurs because of a failure of any component furnished by the Company under this tariff. An interruption period begins when the Customer reports a service, facility or circuit to be interrupted and releases it for testing and repair. An interruption period ends when the service, facility or circuit is operative. If the Customer reports a service, facility or circuit to be inoperative but declines to release it for testing and repair, it is considered to be impaired, but not interrupted.
- (B) For calculating credit allowances, every month is considered to have 30 days. A credit allowance for fixed recurring fees only is applied on a pro rata basis against the rates specified hereunder and is dependent upon the length of the interruption. Only those facilities on the interrupted portion of the circuit will receive a credit.

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REGULATIONS

2.6 Allowances for Interruptions in Service (Cont'd)

2.6.1 Credit for Interruptions (Cont'd)

(C) A credit allowance will be given for interruptions of 30 minutes or more. Credit allowances shall be calculated as follows:

Interruptions of 24 Hours or Less

<u>Length of Interruption</u>	<u>Interruption Period To Be Credited</u>
Less than 30 minutes	None
30 minutes up to but not including 3 hours	1/10 Day
3 hours up to but not including 6 hours	1/5 Day
6 hours up to but not including 9 hours	2/5 Day
9 hours up to but not including 12 hours	3/5 Day
12 hours up to but not including 15 hours	4/5 Day
15 hours up to but not including 24 hours	One Day

Two or more interruptions of 15 minutes or more during any one 24-hour period shall be considered as one interruption.

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LOCAL EXCHANGE SERVICES

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REGULATIONS

2.6 Allowances for Interruptions in Service (Cont'd)

2.6.1 Credit for Interruptions (Cont'd)

(C) (Cont'd)

Over 24 Hours and Less Than 72 Hours. Interruptions over 24 hours and less than 72 hours will be credited 1/5 day for each 3-hour period or fraction thereof. No more than one full day's credit will be allowed for any period of 24 hours.

Interruptions Over 72 Hours. Interruptions over 72 hours will be credited 2 days for each full 24-hour period. No more than 30 days' credit will be allowed for any one month period.

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REGULATIONS

2.6 Allowances for Interruptions in Service (Cont'd)

2.6.2 Limitations on Allowances

No credit allowance will be made for:

- (A) interruptions due to the negligence of, or noncompliance with the provisions of this tariff by, the Customer, authorized user, joint user, or other common carrier providing service connected to the service of the Company;
- (B) interruptions due to the negligence of any person other than the Company, including but not limited to the Customer or other common carriers connected to the Company's facilities;
- (C) interruptions due to the failure or malfunction of non-Company equipment;
- (D) interruptions of service during any period in which the Company is not given full and free access to its facilities and equipment for the purpose of investigating and correcting interruptions;
- (E) interruptions of service during a period in which the Customer continues to use the service on an impaired basis;
- (F) interruptions of service during any period when the Customer has released service to the Company for maintenance purposes or for implementation of a Customer order for a change in service arrangements; and
- (G) interruption of service due to circumstances or causes beyond the control of Company.

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REGULATIONS

2.6 Allowances for Interruptions in Service (Cont'd)

2.6.3 Cancellation For Service Interruption

Cancellation or termination for service interruption is permitted only if any circuit experiences a single continuous outage of 8 hours or more or cumulative service credits equalling 16 hours in a continuous 12-month period. The right to cancel service under this provision applies only to the single circuit that has been subject to the outage or cumulative service credits.

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**LOCAL EXCHANGE SERVICES**

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**REGULATIONS****2.7 Use of Customer's Service by Others****2.7.1 Resale and Sharing**

Any service provided under this tariff may be resold to or shared with other persons at the option of the Customer, subject to compliance with any applicable laws or Florida Public Service Commission regulations governing such resale or sharing. The Customer remains solely responsible for all use of services ordered by it or billed to its telephone number(s) pursuant to this tariff, for determining who is authorized to use its services, and for notifying the Company of any unauthorized use.

**2.7.2 Joint Use Arrangements**

Joint use arrangements will be permitted for all services provided under this tariff. From each joint use arrangement, one member will be designated as the Customer responsible for the manner in which the joint use of the service will be allocated. The Company will accept orders to start, rearrange, relocate, or discontinue service only from the designated Customer. Without affecting the Customer's ultimate responsibility for payment of all charges for the service, each joint user shall be responsible for the payment of the charges billed to it.

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LOCAL EXCHANGE SERVICES

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REGULATIONS

2.8 Cancellation of Service

If a Customer cancels a Service Order or terminates services before the completion of the term for any reason whatsoever other than a service interruption (as defined in Section 2.6.1 above), the Customer agrees to pay to the Company termination liability charges, as defined below. These charges shall become due and owing as of the effective date of the cancellation or termination and be payable within the period, set forth in Section 2.5.2.

The Customer's termination liability for cancellation of service shall be equal to:

- (A) all unpaid Non-Recurring charges reasonably expended by the Company to establish service to the Customer; plus
- (B) any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by the Company on behalf of the Customer; plus
- (C) all Recurring Charges specified in the applicable Service Order Tariff for the balance of the then current term discounted at the prime rate announced in the Wall Street Journal on the third business day following the date of cancellation; minus
- (D) a reasonable allowance for costs avoided by the Company as a direct result of the Customer's cancellation.

2.9 Transfers and Assignments

Neither the Company nor the Customer may assign or transfer its rights or duties in connection with the services and facilities provided by the Company without the written consent of the other party, except that the Company may assign its rights and duties:

- (A) to any subsidiary, parent company or affiliate of the Company; or
- (B) pursuant to any sale or transfer of substantially all the assets of the Company; or
- (C) pursuant to any financing, merger or reorganization of the Company.

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LOCAL EXCHANGE SERVICES

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REGULATIONS

2.10 Notices and Communications

- (A) The Customer shall designate on the Service Order an address to which the Company shall mail or deliver all notices and other communications, except that the Customer may also designate a separate address to which the Company's bills for service shall be mailed.
- (B) The Company shall designate on the Service Order an address to which the Customer shall mail or deliver all notices and other communications, except that Company may designate a separate address on each bill for service to which the Customer shall mail payment on that bill.
- (C) All notices or other communications required to be given pursuant to this tariff will be in writing. Notices and other communications of either party, and all bills mailed by the Company, shall be presumed to have been delivered to the other party on the third business day following placement of the notice, communication or bill with the U.S. Mail or a private delivery service, prepaid and properly addressed, or when actually received or refused by the addressee, whichever occurs first.
- (D) The Company or the Customer shall advise the other party of any changes to the addresses designated for notices, other communications or billing, by following the procedures for giving notice set forth herein.

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LOCAL EXCHANGE SERVICES

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REGULATIONS

2.11 Operator Services Rules

(A) The Company will enforce the following operator service rules.

A provider of intrastate operator assisted communications services must:

- (1) identify itself at the time the end-user accesses its services;
- (2) upon request, quote all rates and charges for its services to the end-user accessing its system;
- (3) arrange to have posted in plain view at each telephone location which automatically accesses the operator service provider's network and where its services are made available to the public or transient end-users:
  - (a) the operator service provider's name and address;
  - (b) bill and service dispute calling information including the operator service provider's dispute resolution phone number;
  - (c) clear and specific instructions informing the end-user how to access a local exchange telephone company operator as an alternative available to the end-user; and
  - (d) notice concerning any and all amounts to be billed by the operator services provider on behalf of any host location or third party that will appear on the operator service provider's bill for services rendered.

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LOCAL EXCHANGE SERVICES

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REGULATIONS

2.11 Operator Services Rules (Cont'd)

(A) (Cont'd)

- (4) in instances when the provider is unable to complete the call and it requires transfer to another telephone corporation that may affect the rates and charges applicable to the telephone bill, inform the caller of the transfer and its possible effect on the applicable rates and charges, before any charges are incurred; and
- (5) in the case of such transfer, the telephone corporation or provider to which the call is transferred shall identify itself and inform the caller of the transfer's effect on the applicable rates and charges, before any charges are incurred.

(B) The Company will comply with the following provisions:

- (1) Providers of intrastate operator assisted communications services shall not take any action or enter into any arrangement that restricts end-user selection among competing interexchange telephone corporations or end-users access to competing providers of intrastate operator assisted communications services, or pay any commissions or other compensation to any entity engaged in such action or arrangement.

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**LOCAL EXCHANGE SERVICES**

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**APPLICATION OF RATES****3.1 Introduction**

The regulations set forth in this section govern the application of rates for services contained in other sections of this tariff.

**3.2 Charges Based on Duration of Use**

Where charges for a service are specified based on the duration of use, such as the duration of a telephone call, the following rules apply:

- (A) Calls are measured in durational increments identified for each service. All calls that are fractions of a measurement increment are rounded-up to the next whole unit.
- (B) Timing on completed calls begins when the call is answered by the called party. Answering is determined by hardware answer supervision in all cases where this signaling is provided by the terminating local carrier and any intermediate carrier(s). Timing for operator service person-to-person calls start with completion of the connection to the person called or an acceptable substitute, or to the PBX station called.
- (C) Timing terminates on all calls when the calling party hangs up or the Company's network receives an off-hook signal from the terminating carrier.
- (D) Calls originating in one time period and terminating in another will be billed in proportion to the rates in effect during different segments of the call.
- (E) All times refer to local time.

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LOCAL EXCHANGE SERVICES

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APPLICATION OF RATES

3.3 Rates Based Upon Distance

Where charges for a service are specified based upon distance, the following rules:

- (A) Distance between two points is measured as airline distance between the rate centers of the originating and terminating telephone lines. The rate center is a set of geographic coordinates, as referenced in the Local Exchange Routing Guide issued by Bellcore, associated with each NPA-NXX combination (where NPA is the area code and NXX is the first three digits of a seven-digit telephone number). Where there is no telephone number associated with an access line on the Company's network (such as a dedicated 800 or WATS access line), the Company will apply the rate center of the Customer's main billing telephone number.

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 LOCAL EXCHANGE SERVICES
 

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APPLICATION OF RATES
3.3 Rates Based Upon Distance (Cont'd)

- (B) The airline distance between any two rate centers is determined as follows:
- (1) Obtain the "V" (vertical) and "H" (horizontal) coordinates for each rate center from the Bellcore Local Exchange Routing guide referenced in Section 3.3(A).
  - (2) Compute the difference between the "V" coordinates of the two rate centers; and the difference between the two "H" coordinates.
  - (3) Square each difference obtained in step (2) above.
  - (4) Add the square of the "V" difference and the square of the "H" difference obtained in step (3) above.
  - (5) Divide the sum of the squares by 10. Round to the next higher whole number if any fraction is obtained.
  - (6) Obtain the square root of the whole number result obtained above. Round to the next higher whole number if any fraction is obtained. This is the airline mileage.
  - (7) FORMULA =

$$\sqrt{\frac{(V1-V2)^2+(H1-H2)^2}{10}}$$

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 LOCAL EXCHANGE SERVICES
 

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SERVICE AREAS4.1 Exchange Access Service Areas

Exchange Access Services are provided (pursuant to Section 5.1 and Section 7.1) in the following areas:

<u>Exchange</u>	<u>Geographic Areas In Which Basic Local Calling Service Is Available<sup>1</sup></u>
Clearwater (GTE)	St. Petersburg, Tarpon Springs, Tampa-West Area
St. Petersburg (GTE)	Clearwater

---

<sup>1</sup> Full service versions of the Company's Exchange Access Services will be provided to Customers at Customer premises located in these areas pursuant to this tariff to the extent that: (a) the Company has in place and available network facilities extending to such premises; or (b) the Customer's premises is served by the Company's wire center at which the Company maintains a collocation arrangement and is able to reasonably employ such arrangement to interconnect to unbundled exchange link facilities that the Company, in its sole discretion, judges to be of a type, grade, technical specification, quality and quantity sufficient to, and offered under conditions consistent with, the delivery of such services.

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 LOCAL EXCHANGE SERVICES
 

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SERVICE AREAS4.2 Expanded Local Calling Areas

Expanded Local Calling Areas<sup>1</sup> are associated with each Exchange Access Service provided pursuant to Section 5 and Section 7. Exchange Access Services in the following exchanges shall have the following Expanded Local Calling Areas:

<u>Exchange</u>	<u>Expanded Local Calling Area</u>
Clearwater (GTE)	New Port Richey, Tampa Central, Tampa East, Tampa North, Tampa South
St. Petersburg (GTE)	Tampa Central, Tampa East, Tampa North, Tampa South, Tampa West, Tarpon Springs

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<sup>1</sup> Rates and rate plans for Local and IntraLATA Calling Area calls placed over Company-provided Exchange Access Services are set forth in Section 8.

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LOCAL EXCHANGE SERVICES

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EXCHANGE ACCESS SERVICE5.1 General

Exchange Access Service provides a Customer with a telephonic connection to, and a unique telephone number address on the public switched telecommunications network. Each Exchange Access Service enables users to:

- (A) receive calls from other stations on the public switched telecommunications network;
- (B) access other services offered by the Company as set forth in this tariff;
- (C) access certain interstate and international calling services provided by the Company;
- (D) access (at no additional charge) the Company's operators and business office for service related assistance;
- (E) access (at no additional charge) emergency services by dialing 0- or 9-1-1; and
- (F) access services provided by other common carriers that purchase the Company's Switched Access services as provided under the Company's Federal and State tariffs, or that maintain other types of traffic exchange arrangements with the Company.

Each Exchange Access Service is available on a "Full" service basis, whereby service is delivered to a demarcation/connection block at the customer's premises.

The following Exchange Access Services are offered:

- Basic Line Service
- Key Line Service
- Basic Trunk Service
- DID Trunk Service
- Digital Trunk Service
- ClearStar™ Advantage Service
- Primary Rate Interface (PRI)

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LOCAL EXCHANGE SERVICES

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EXCHANGE ACCESS SERVICE

5.2 Basic Line Service

Basic Line Service provides a Customer with a single, voice-grade telephonic communications channel that can be used to place or receive one call at a time. Basic Lines are provided for connection of Customer-provided single station sets or facsimile machines to the public switched telecommunications network. Each Basic Line may be configured into a hunt group with other Company-provided Basic Lines. Each Basic Line is provided with the following standard features which are set forth in Section 10.9 of the tariff.

Non-recurring and monthly recurring rates per Basic Line apply as follows:

	<u>Non-Recurring</u>	<u>Monthly Recurring</u>
<u>On-Net Services</u>		
Basic Local		
Exchange Service		
<u>Flat Rate Service</u>		
-Each Line w/ Hunting	<b>RESERVED FOR FUTURE USE</b>	
-Each Line w/o Hunting	<b>RESERVED FOR FUTURE USE</b>	
<u>Measured Rate Service</u>		
-Each Line w/ Hunting	<b>RESERVED FOR FUTURE USE</b>	
-Each Line w/o Hunting	<b>RESERVED FOR FUTURE USE</b>	
Expanded Local		
Exchange Service		
<u>Flat Rate Service</u>		
-Each Line w/ Hunting	<b>RESERVED FOR FUTURE USE</b>	
-Each Line w/o Hunting	<b>RESERVED FOR FUTURE USE</b>	
<u>Measured Rate Service</u>		
-Each Line w/ Hunting	<b>RESERVED FOR FUTURE USE</b>	
-Each Line w/o Hunting	<b>RESERVED FOR FUTURE USE</b>	

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LOCAL EXCHANGE SERVICES

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EXCHANGE ACCESS SERVICE

5.3 Key Line Service

Key Line Service provides a Customer with a single, voice-grade telephonic communications channel that can be used to place or receive one call at a time. Key Lines are provided for connection of Customer-provided key systems to the public switched telecommunications network. Each Key Line is provided with the following standard features which are set forth in Section 10.9 of the tariff.

Non-recurring and monthly recurring rates per Key Line apply as follows:

	<u>Non-Recurring</u>	<u>Monthly Recurring</u>
<u>On-Net Services</u>		
Basic Local		
Exchange Service		
<u>Flat Rate Service</u>		
-Each Line w/ Hunting	<b>RESERVED FOR FUTURE USE</b>	
-Each Line w/o Hunting	<b>RESERVED FOR FUTURE USE</b>	
 <u>Measured Rate Service</u>		
-Each Line w/ Hunting	<b>RESERVED FOR FUTURE USE</b>	
-Each Line w/o Hunting	<b>RESERVED FOR FUTURE USE</b>	
 Expanded Local		
Exchange Service		
<u>Flat Rate Service</u>		
-Each Line w/ Hunting	<b>RESERVED FOR FUTURE USE</b>	
-Each Line w/o Hunting	<b>RESERVED FOR FUTURE USE</b>	
 <u>Measured Rate Service</u>		
-Each Line w/ Hunting	<b>RESERVED FOR FUTURE USE</b>	
-Each Line w/o Hunting	<b>RESERVED FOR FUTURE USE</b>	

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EXCHANGE ACCESS SERVICE

5.4 Basic Trunk Service

Basic Trunk Service provides a Customer with a single, voice-grade telephonic communications channel that can be used to place or receive one call at a time. Basic Trunks are provided for connection of Customer-provided private branch exchanges (PBX) to the public switched telecommunications network. Each Basic Trunk is provided with touch tone signalling and may be configured into a hunt group with other Company-provided Basic Trunks.

Basic Trunks may be equipped with Analog Direct Inward Dial (DID) capability and DID number blocks for additional charges, as set forth in Sections 5.5, 5.6 and 6.2.

	<u>Non-Recurring</u>	<u>Monthly Recurring</u>
<u>On-Net Services</u>		
Basic Local		
Exchange Service		
<u>Flat Rate Service</u>		
-Each Trunk w/ Hunting	<b>RESERVED FOR FUTURE USE</b>	
-Each Trunk w/o Hunting	<b>RESERVED FOR FUTURE USE</b>	
<u>Measured Rate Service</u>		
-Each Trunk w/ Hunting	<b>RESERVED FOR FUTURE USE</b>	
-Each Trunk w/o Hunting	<b>RESERVED FOR FUTURE USE</b>	
Expanded Local		
Exchange Service		
<u>Flat Rate Service</u>		
-Each Trunk w/ Hunting	<b>RESERVED FOR FUTURE USE</b>	
-Each Trunk w/o Hunting	<b>RESERVED FOR FUTURE USE</b>	
<u>Measured Rate Service</u>		
-Each Trunk w/ Hunting	<b>RESERVED FOR FUTURE USE</b>	
-Each Trunk w/o Hunting	<b>RESERVED FOR FUTURE USE</b>	

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LOCAL EXCHANGE SERVICES

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EXCHANGE ACCESS SERVICE

5.5 DID Trunk Service

DID Trunk Service provides a Customer with a single, voice-grade telephonic communications channel that can be used to receive incoming calls one call at a time. DID Trunk Service transmits the dialed digits for all incoming calls allowing the Customer's PBX to route incoming calls directly to individual stations corresponding to each individual DID number. Charges for DID number blocks as set forth in Section 6.2 apply in addition to the DID Trunk charges listed below.

Non-recurring and monthly recurring rates per DID Trunk, apply as follows:

	<u>Non-Recurring</u>	<u>Monthly Recurring</u>
<u>On-Net Services</u>		
Basic Local		
Exchange Service		
-Each Trunk		
w/ block of 20#'s	<b>RESERVED FOR FUTURE USE</b>	
Expanded Local		
Exchange Service		
-Each Trunk		
w/ block of 20#'s	<b>RESERVED FOR FUTURE USE</b>	

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EXCHANGE ACCESS SERVICE

5.6 Digital Trunk Service

Digital Trunk Service provides a Customer with a digital connection operating at 1.544 Mbps that is time division multiplexed into 24 individual voice-grade telephonic communications channels, each of which can be used to place or receive one call at a time. Digital Trunks are provided for connection of compatible Customer-provided private branch exchanges (PBX) to the public switched telecommunications network. Each Digital Trunk is provided with dual tone multi-frequency (DTMF) or multi-frequency (MF) signalling, as specified by the Customer. Digital Trunks may be configured into hunt groups with other Company-provided Digital Trunks. The terminal interface for each Digital Trunk Service is a DSX-1 panel.

Non-recurring and monthly recurring rates per Digital Trunk per point, apply as follows:

	<u>Non-Recurring</u>	<u>Monthly Recurring</u>
Per Trunk	<b>RESERVED FOR FUTURE USE</b>	

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LOCAL EXCHANGE SERVICES

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EXCHANGE ACCESS SERVICE5.7 ClearStar™ Advantage Service

ClearStar Advantage is a centrex-based service that provides the customer with multiple individual voice-grade telephone communications channels, each of which can be used to place or receive one call at a time. ClearStar Advantage lines are provided for the connection of compatible, customer provided terminal equipment to the public switched telecommunications network. Centrex features associated with ClearStar Advantage service are described in Section 1 of this tariff. ClearStar Advantage is provided with a minimum of two network lines. Each line can be provided in combination with other Company-provided services. ClearStar Advantage services are offered in either an analog-based or digital, Basic Rate ISDN-based (Integrated Services Digital Network) serving arrangement.

5.7.1 Analog Serving Arrangements

ClearStar Advantage service can be provided to customers over analog-grade network facilities. Network features provided with these serving arrangements include:

- Abbreviated Dialing
- Automatic Callback Calling
- Call Forwarding
- Call Hold
- Call Pick-Up
- Call Transfer
- Call Waiting
- Dial 9 Access
- Hunting
- Speed Calling
- Touch-tone

\* Some features may not be available in all locations.

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EXCHANGE ACCESS SERVICE

5.7 ClearStar™ Advantage Service (Cont'd)

5.7.2 ISDN-Based Serving Arrangements

ClearStar Advantage service can be provided to customers over a Basic Rate ISDN (Integrated Services Digital Network) interface. Network features provided with this serving arrangement include:

- Automatic Callback Calling
- Call Forwarding
- Call Hold
- Call Pickup
- Call Transfer
- Call Waiting
- Conference
- Dial 9 Access
- Hunting
- Manual Exclusion
- Message Waiting Indication
- Speed Calling
- Touchtone

\* Some features may not be available in all locations.

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EXCHANGE ACCESS SERVICE

5.7 ClearStar™ Advantage Service (Cont'd)

5.7.3 System and Access Line Charges

ClearStar Advantage access lines are charged on a monthly recurring basis. Non-recurring charges are applicable for initial installation of a ClearStar Advantage system. KMC, at its' discretion, may bundle ClearStar Advantage network services with other services and capabilities; the result of this bundling will be new service offerings with unique pricing structures.

	<u>Non-Recurring (per system)</u>	<u>Mo. Recurring (per flat rate line)</u>	<u>Mo. Recurring (measured rate line)</u>
Analog Arrangements			
- ClearStar Advantage 1000	\$500.00	\$31.00	\$23.00
- ClearStar Advantage 2000	\$1,000.00	\$56.00	\$45.00
ISDN Arrangements			
- ClearStar Advantage Plus	\$1,500.00	N/A	\$108.00

Non-Recurring Line Connection and Line Charges located in Section 10.5 also apply to each new subsequent ClearStar Advantage order.

5.7.4 Usage Charges

(A) Local Service Rates

Refer to the Rate Schedule located in Section 8.

(B) IntraLATA Rates

Refer to the Rate Schedule located in Section 9.3.

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LOCAL EXCHANGE SERVICES

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EXCHANGE ACCESS SERVICE5.7 ClearStar™ Advantage Service (Cont'd)5.7.5 Optional Features

The following optional features are in addition to the standard features located in Section 5.7.1 and 5.7.2. The following optional features may be added to ClearStar Advantage analog or ISDN-based serving arrangements. These rates are applied on a non-recurring and monthly recurring basis.

	<u>Non-Recurring</u>	<u>Monthly Recurring</u>
Calling Name Delivery (per line)	\$2.00	\$8.00
6 Way Conference (per arrangement)	\$100.00	\$75.00
Multi-Site Abbreviated Dialing	\$150.00	\$5.00
Uniform Call Distribution (per group – 20 lines max)	\$250.00	\$25.00

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EXCHANGE ACCESS SERVICE

5.7 ClearStar™ Advantage Service (Cont'd)

5.7.5 Optional Features (Cont'd)

	<u>Non-Recurring</u>	<u>Monthly Recurring</u>
Number Retention -Per Number	<b>RESERVED FOR FUTURE USE</b>	
Order Processing Charge -Per Order	<b>RESERVED FOR FUTURE USE</b>	
Additional Directory Listing -Per Listing	<b>RESERVED FOR FUTURE USE</b>	
Remote Call Forwarding -Per Path	<b>RESERVED FOR FUTURE USE</b>	
Account Codes -Per Line	<b>RESERVED FOR FUTURE USE</b>	
Service Establishment Charge -Per Order	<b>RESERVED FOR FUTURE USE</b>	
Vanity Number -Per Number	<b>RESERVED FOR FUTURE USE</b>	
Vanity Number Retention -Per Number	<b>RESERVED FOR FUTURE USE</b>	

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EXCHANGE ACCESS SERVICE

5.8 Primary Rate Interface (PRI)

Primary Rate Interface Service (PRI) provides an ISDN based, DS1 access to the telecommunications network and includes the flexibility of integration of multiple voice and/or data transmission channels on the same line. The service will provide connectivity between ISDN compatible CPE and a serving central office. The basic channel structure for PRI Service is twenty-three 64 Kbps B-Channels and one 64 Kbps D-Channel. The customer has the option to activate up to 23 B-Channels on the first PRI Service arrangement and up to 24 channels on additional PRI Service arrangements. A Digital Data Only option and an Inward Data Option are also available. The 23 B-Channels can be used to connect the customer's CPE to the Public Circuit Switched Network, e.g., outward, inward and 2-way network access. Calling Number Delivery, Called Number Delivery, and Hunting functionality are inherent to this service. Telephone numbers for use on PRI Service are available. One Primary Directory Listing will be furnished at no charge for each PRI service B-Channel. Additional listings can be obtained. PRI Service provides capability for the transmission of digital signals only. Clear Channel Capability and Extended Superframe Format are inherent to the service.

Non-recurring and monthly rates per PRI Service apply as follows:

	<u>Non-Recurring</u>	<u>Monthly Recurring</u>
<u>12 Months</u>		
Base System	\$450.00	\$460.00
Voice Only, per channel	NC	\$17.00
Voice/Data Measured Rate, per channel	NC	\$6.00
<u>24 Months</u>		
Base System	\$450.00	\$430.00
Voice Only, per channel	NC	\$14.00
Voice/Data Measured Rate, per channel	NC	\$5.00
<u>36 Months</u>		
Base System	\$450.00	\$391.00
Voice Only, per channel	NC	\$13.00
Voice/Data Measured Rate, per channel	NC	\$4.00

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LOCAL EXCHANGE SERVICES

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EXCHANGE ACCESS OPTIONAL FEATURES

6.1 Directory Listings

For each Customer of Company-provided Exchange Access Service(s), the Company shall arrange for the listing of the Customer's main billing telephone number<sup>1</sup> in the directory(ies) published by the dominant Local Exchange Carrier in the area at no additional charge. At a Customer's option, the Company will arrange for additional listings at the following rates:

	<u>Non-Recurring</u>	<u>Monthly Recurring</u>
Each Additional Listing:	N/A	<b>RESERVED FOR FUTURE USE</b>

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<sup>1</sup> For Customers with multiple premises served by the Company, the Company will arrange for a listing of the main billing telephone number at each premise.

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**LOCAL EXCHANGE SERVICES**

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**EXCHANGE ACCESS OPTIONAL FEATURES****6.2 Direct Inward Dial (DID) Service**

DID service is an optional feature which can be purchased in conjunction with Company-provided Basic Trunks or Digital Trunks. DID service transmits the dialed digits for all incoming calls allowing the Customer's PBX to route incoming calls directly to individual stations corresponding to each individual DID number. Charges for DID capability and DID number blocks apply in addition to charges specified for Basic Trunks or Digital Trunks in Sections 5.4, 5.5 and 5.6, respectively.

One DID Additive charge applies for each DID-equipped Basic Trunk or DID-equipped channel on a Digital Trunk. The Customer is required to purchase at least one DID number block for each DID-equipped trunk or trunk group, or DID-equipped channel or channel group.<sup>1</sup> The assignment of telephone numbers and the sequence of the numbers assigned to a DID service is made at the discretion of the Company.

	<u>Non-Recurring</u>	<u>Monthly Recurring</u>
DID Additive	<b>RESERVED FOR FUTURE USE</b>	
Block of 20 DID Numbers	<b>RESERVED FOR FUTURE USE</b>	
Addtl Block of 20 DID Numbers	<b>RESERVED FOR FUTURE USE</b>	
Block of 100 DID Numbers	<b>RESERVED FOR FUTURE USE</b>	
Addtl Block of 100 DID Numbers	<b>RESERVED FOR FUTURE USE</b>	

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<sup>1</sup> A "group" is a set of Basic Trunks or Digital Trunk channels which have been configured into a hunt group.

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LOCAL EXCHANGE SERVICES

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EXCHANGE ACCESS OPTIONAL FEATURES

6.3 Main Number Retention

6.3.1 Description

Main Number Retention is an optional feature by which a new Customer, who was formally a customer of another certificated local exchange carrier at the same premises location, may retain its main telephone numbers and main fax numbers for use with the Company-provided Exchange Access Services. Main Number Retention service is only available in areas where the Company maintains some form of number retention arrangement with the Customer's former local exchange carrier.

Monthly recurring and non-recurring charges apply per retained number. Rates for retained numbers may vary from area to area.

6.3.2 Rates

	<u>Non-Recurring</u>	<u>Monthly Recurring</u>
per retained number	<b>RESERVED FOR FUTURE USE</b>	
per retained		
vanity number	<b>RESERVED FOR FUTURE USE</b>	

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EXCHANGE ACCESS OPTIONAL FEATURES

6.4 Accounting Codes

Accounting Codes provide customers with a means of restricting calls or itemizing calls, according to specific digits that must be dialed at the end of a long distance telephone number. The length of Accounting Codes may vary from 2 to 6 digits, however, the length must be consistent for each customer location.

Offered are packages of codes that are verified against a specific list of valid numbers, for call restriction, or unverified packages of 2-6 digits in length for cataloging by code the calls made.

<u>Charge Per</u> <u>Customer Location</u>	<u>Monthly</u> <u>Recurring</u>	<u>Non-</u> <u>Recurring</u>
Verified Packages	<b>RESERVED FOR FUTURE USE</b>	
Unverified Packages	<b>RESERVED FOR FUTURE USE</b>	

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LOCAL EXCHANGE SERVICES

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EXCHANGE ACCESS OPTIONAL FEATURES

6.5 Authorization Codes

This option restricts calls from being made unless the correct accounting code is entered. Only customer specified codes will be accepted. The customer then may use these codes to track calling for cost analysis and bill-back purposes.

Non-Recurring

Monthly Recurring

Per Authorization Code

**RESERVED FOR FUTURE USE**

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EXCHANGE ACCESS OPTIONAL FEATURES

6.6 Vanity Number Service

6.6.1 Description

Vanity Number Service is an optional feature by which a new Customer may request a specific or unique telephone number and fax number for use with the Company provided Exchange Access Services. This service provides for the assignment of a customer requested telephone number other than the next available number from the assignment control list.

Vanity Number Service is furnished subject to the availability of facilities and the requirements of Exchange Access Service as defined by the Company. The Company reserves all rights to the Vanity Numbers assigned to customers and may, therefore, change them if required.

Monthly recurring charges apply per Vanity Number.

6.6.2 Rates

	<u>Non-Recurring</u>	<u>Monthly Recurring</u>
Per Vanity Number	<b>RESERVED FOR FUTURE USE</b>	

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 LOCAL EXCHANGE SERVICES
 

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RESOLD LOCAL EXCHANGE SERVICE7.1 Description

Resold Local Exchange Service is composed of the resale of exchange access lines and local calling provided by other certificated Local Exchange Carriers, in combination with Company-provided usage services, miscellaneous services or interstate/international services.

7.2 Rates

The following rates apply for Resold Local Exchange Services:

	<u>Non-Recurring</u>	<u>Monthly Recurring</u>
<u>Resold Basic Lines</u>		
(1) <u>Flat-Rate Service</u>		
Clearwater	\$68.90	\$41.54
St. Petersburg	\$68.90	\$41.54
(2) <u>Measured Service</u>		
<u>Extended Calling Service</u>		
Clearwater	\$68.90	\$18.29
St. Petersburg	\$68.90	\$18.29
<u>Resold Basic Trunks</u>		
(1) <u>Flat-Rate Service</u>		
Clearwater	\$68.90	\$41.54
St. Petersburg	\$68.90	\$41.54
(2) <u>Measured Service</u>		
<u>Extended Calling Service</u>		
Clearwater	\$68.90	\$18.29
St. Petersburg	\$68.90	\$18.29

Note: \* (Inward, Outward, Combination, DID)  
All Rates include Hunting and exclude End User Line Charge.

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 LOCAL EXCHANGE SERVICES
 

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RESOLD LOCAL EXCHANGE SERVICE
7.2 Rates (Cont'd.)

<u>Resold Direct Inward Dial (DID) Service</u>	<u>Non-Recurring</u>	<u>Monthly Recurring</u>
DID Trunk Termination	N/A	N/A
1st Block of 20 DID Station Numbers	\$550.00	\$100.00
Addtl Block of 20 DID Station Numbers	\$20.00	\$100.00
DID Trunk Termination	N/A	N/A
1st Block of 100 DID Station Numbers	\$550.00	\$440.00
Addtl Block of 100 DID Station Numbers	\$440.00	\$357.50
DID Service Term Contracts		
Per Block of 20 DID Numbers		
1-Year Contract	N/A	\$20.00
3-Year Contract	N/A	\$8.00
Per Block of 100 DID Numbers		
1-Year Contract	N/A	\$40.00
3-Year Contract	N/A	\$20.00
5-Year Contract	N/A	\$15.00

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 LOCAL EXCHANGE SERVICES
 

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RESOLD LOCAL EXCHANGE SERVICE
7.2 Rates (Cont'd.)Resold Local UsageClearwater

Flat	Unlimited local calling
Measured	\$0.10 Per Call

Expanded Area

Call connection charge	\$0.04
Per Minute	\$0.06

St. Petersburg

Flat	Unlimited local calling
Measured	\$0.10 Per Call

Expanded Area

Call connection charge	\$0.04
Per Minute	\$0.06

The following rates for Local Exchange Resold Services are set forth in Section 8 and Section 10 of the tariff.

Resold features associated with resold local exchange service will be priced according to the rates established for such features in the underlying carrier's effective intrastate tariffs.

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LOCAL EXCHANGE SERVICES

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LOCAL CALLING SERVICE

8.1 Description

Local Calling Service provides a Customer with the ability to originate calls from a Company-provided access line to all other stations on the public switched telephone network<sup>1</sup> bearing the designation of any central office exchanges, areas, and zones included in the Customer's local calling area.

8.1.1 Basic Local Exchange Service - This calling service allows the Customer unlimited access to all other stations on the public switched telephone network within the customer's Basic Local Calling Area.<sup>2</sup> All calls to destinations outside the Basic Local Calling Area but within the same state and LATA will be charged the IntraLATA rates as specified in Section 9.3 following.

8.1.2 Expanded Local Exchange Service - This calling service allows the Customer limited access to all other stations on the public switched telephone network within the Customer's Basic Local Calling Area. Additional calls to the Basic Local Calling Area will be charged as specified in Section 8.2.1(A) following. All calls to the Expanded Local Calling Area<sup>2</sup> will be charged a per call setup and per minute access charge as specified in Section 8.2.1(B) following. All calls to destinations outside the Expanded Local Calling Area but within the same state and LATA will be charged the IntraLATA rates as specified in Section 9.3 following.

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<sup>1</sup> Except calls to other telephone companies' caller paid information services (e.g. NPA 900, NXX 976, etc.). Calls to those numbers and other numbers used for caller-paid information services will be blocked by the Company's centralized switching facility.

<sup>2</sup> As specified in South Central Bell's, GTE, & Sprint Tariffs in effect and as amended from time-to-time.

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LOCAL EXCHANGE SERVICES

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LOCAL CALLING SERVICE

8.1 Description (Cont'd)

8.1.2 Expanded Local Exchange Service (Cont'd)

(A) Time Periods

Day and Night/Weekend rates apply as follows:

<u>Rates</u>	<u>From</u>	<u>To (but not including)</u>	<u>Days Applicable</u>
Day	9:00 A.M.	9:00 P.M.	Mon. - Fri.
Night/Weekend	All other days, times, and holidays.		

Holidays include New Year's Day (January 1), Independence Day (July 4), Labor Day (the first Monday in September), Thanksgiving Day (the fourth Thursday in November), and Christmas Day (December 25).

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LOCAL EXCHANGE SERVICES

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LOCAL CALLING SERVICE

8.2 Rates

The rates set forth in this section apply to all direct dialed local calls. For operator-assisted local calls, the operator charges listed in Section 10.1.3 apply in addition to the charges listed below.

8.2.1 Usage Charges - Per minute charges apply for each call. Timing is in whole minute increments, with a minimum charge of one minute per call.

(A) Monthly Message Allowance

<u>Type of Service</u>	<u>Basic Calling Area</u>	<u>Extended Calling Area</u>
Basic Local Exchange Service	TBD	TBD <sup>1</sup>
Expanded Local Exchange Service	TBD	TBD

\*Additional message charge of \$0.10 for each message over monthly allowance.

(B) Expanded Calling Area - The following usage charges apply to points in the Customer's Expanded Calling Area.

	<u>PER MIN</u>
Call Connection Charge	\$0.04
Per Min	\$0.06

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<sup>1</sup> Customers of Basic Local Exchange Service are billed intraLATA rates for calls to destinations within the state and LATA but outside the Basic Local Calling Area.

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LOCAL EXCHANGE SERVICES

INTRALATA CALLING SERVICE

9.1 Description

IntraLATA calling service provides a Customer with the ability to originate calls from a Company-provided access line to all other stations on the public switched telephone network<sup>1</sup> bearing the designation of any central office exchanges, areas, and zones outside of the Customer's Basic Calling Area but within the same state and LATA.

9.2 Time Periods

Day, Evening and Night/Weekend rate periods are shown below. On holidays, Evening rates will apply unless a lower rate will normally apply.

<u>Rates</u>	<u>From</u>	<u>To (but not including)</u>	<u>Days Applicable</u>	<u>Discount Applicable</u>
Day	8:00 A.M.	12:00 P.M.	Mon. - Fri.	0%
	1:00 P.M.	5:00 P.M.	Mon. - Fri.	0%
Evening	5:00 P.M.	11:00 P.M.	Mon. - Fri.	25%
Night/ Weekend	All other times			50%

Holidays include New Year's Day (January 1), Independence Day (July 4), Labor Day (the first Monday in September), Thanksgiving Day (the fourth Thursday in November), and Christmas Day (December 25).

<sup>1</sup> Except calls to other telephone companies' caller paid information services (e.g. NPA 900, NXX 976, etc.). Calls to those numbers and other numbers used for caller-paid information services will be blocked by the Company's centralized switching facility.

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LOCAL EXCHANGE SERVICES

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INTRALATA CALLING SERVICE

9.3 Rates

<u>MILEAGE</u>	<u>FIRST MINUTE</u>	<u>ADDITIONAL MINUTE</u>
0 - 10	\$0.21	\$0.21
11 - 22	\$0.21	\$0.21
23 - 35	\$0.21	\$0.21
36 - 124	\$0.21	\$0.21
125 - 292	\$0.21	\$0.21

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LOCAL EXCHANGE SERVICES

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MISCELLANEOUS SERVICES10.1 Operator Services10.1.1 Description

Operator Handled Calling Services are provided to Customers and Users of Company-provided Exchange Access Services, and to Customers and Users of exchange access lines.

10.1.2 Definitions

Person--Person: Calls completed with the assistance of a Company operator to a particular person, station, department, or PBX extension specified by the calling party. Charges may be billed to the Customer's commercial credit card and/or LEC calling card, calling station, called station, or a designated third-party station. Calls may be dialed with or without the assistance of a Company operator.

Station-to-Station: Refers to calls other than person-to-person calls billed to either the end user's commercial credit card and/or nonproprietary calling card. Calls may be dialed with or without the assistance of a Company operator. Collect calls to coin telephones and transfers of charges to third telephones which are coin telephones will not be accepted.

Operator Dialed Charge: The end user places the call without dialing the destination number, although the capability to do it himself exists. The end user will dial "0" for local calls and "00" for long distance calls and then request the operator to dial the called station.

Billed to Non-Proprietary Calling Card: Refers to calls that are dialed by the customer in accordance with standard dialing instructions and billed to a non-proprietary calling card issued by another carrier.

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LOCAL EXCHANGE SERVICES

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MISCELLANEOUS SERVICES

10.1 Operator Services (Cont'd)

10.1.3 Rates

Local exchange and IntraLATA calls may be placed on an Operator Assisted basis. Usage charges for Operator Assisted calls are the same as those set forth in Sections 8 and 9, preceding. For Operator Assisted calls to Busy Line Verification and Interrupt, or Directory Assistance, the surcharges specified in Section 10.2.3 and Section 10.1.3 will apply in addition to any applicable Operator charges.

In addition to the usage charges identified above, the following operator-assisted charges will apply:

	<u>Per Call Charges</u>	
	<u>IntraLATA</u>	<u>InterLATA</u>
Person-to-Person (Operator Assisted)	\$3.00	\$3.00
Station-to-Station (Operator Assisted)	\$1.50	\$1.50
Operator Dialed Charge (applies in addition to other operator charges)	N/A	N/A
Billed to Non-Proprietary Calling Card (additional surcharge)	\$0.75	\$0.75
Directory Assistance	\$0.40	\$0.40
Directory Assistance Call Completion Service	\$0.45	\$0.45

10.1.4 Directory Assistance for Disabled Persons

The following rule applies to directory assistance calls made from lines or trunks serving individuals with disabilities:

- (A) There shall be no charge for directory assistance calls within the a disabled Customer's Home Numbering Plan Area (HNPA).

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LOCAL EXCHANGE SERVICES

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MISCELLANEOUS SERVICES

10.2 Busy Line Verify and Line Interrupt Service

10.2.1 Description

Upon request of a calling party the Company will verify a busy condition on a called line.

- (A) The operator will determine if the line is clear or in use and report to the calling party.
- (B) The operator will interrupt the call on the called line only if the calling party indicates an emergency and requests interruption.

10.2.2 Regulations

- (A) A charge will apply when:
  - (1) The operator verifies that the line is busy with a call in progress.
  - (2) The operator verifies that the line is available for incoming calls.
  - (3) The operator verifies that the called number is busy with a call in progress and the customer requests interruption. The operator will then interrupt the call, advising the called party the name of the calling party. One charge will apply for both verification and interruption.

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LOCAL EXCHANGE SERVICES

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MISCELLANEOUS SERVICES

10.2 Busy Line Verify and Line Interrupt Service (Cont'd)

10.2.2 Regulations (Cont'd)

- (B) No charge will apply:
  - (1) When the calling party advises that the call is to or from an official public emergency agency.
  - (2) Under conditions other than those specified in 10.2.2(A) preceding.
- (C) Busy Verification and Interrupt Service is furnished where and to the extent that facilities permit.
- (D) The Customer shall identify and hold the Company harmless against all claims that may arise from either party to the interrupted call or any person.

10.2.3 Rates

Busy Line Verify Service (each request)	\$1.00
Busy Line Verify and Busy Line Interrupt Service (each request)	\$1.50

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MISCELLANEOUS SERVICES

10.3 Service Implementation

10.3.1 Description

Absent a promotional offering, service implementation charges will apply to new service orders or to orders to change existing service.

10.3.2 Rates

	<u>Resold</u> <u>Non-Recurring</u>	<u>On-Net</u> <u>Non-Recurring</u>
per service order	\$68.90	<b>RESERVED FOR FUTURE USE</b>

10.4 Restoration of Service

10.4.1 Description

A restoration charge applies to the re-establishment of service and facilities suspended because of nonpayment of bills and is payable at the time that the re-establishment of the service and facilities suspended is arranged for. The restoration charge does not apply when, after disconnection of service, service is later re-established.

10.4.2 Rates

	<u>Resold</u> <u>Non-Recurring</u>	<u>On-Net</u> <u>Non-Recurring</u>
per occasion	\$68.90	<b>RESERVED FOR FUTURE USE</b>

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LOCAL EXCHANGE SERVICES

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MISCELLANEOUS SERVICES

10.5 Charges for Connecting or Changing Service

Resold	On-Net
<u>Non-Recurring</u>	<u>Non-Recurring</u>

Line Connection Charge  
Applies per exchange access line or trunk,

First Line	\$68.90 <b>RESERVED FOR FUTURE USE</b>
Additional Line (each)	\$68.90 <b>RESERVED FOR FUTURE USE</b>

Line Change Charge  
Applies per exchange access line or trunk

First Line	\$35.00 <b>RESERVED FOR FUTURE USE</b>
Additional Line (each)	\$35.00 <b>RESERVED FOR FUTURE USE</b>

Secondary Service Charge  
Applies per customer request

Each	\$18.00 <b>RESERVED FOR FUTURE USE</b>
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Premises Work Charge  
First 15-minute increment or fraction thereof

Per increment	\$35.00 <b>RESERVED FOR FUTURE USE</b>
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Each Additional 15-minute increment or fraction thereof

Per increment	\$35.00 <b>RESERVED FOR FUTURE USE</b>
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LOCAL EXCHANGE SERVICES

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MISCELLANEOUS SERVICES

10.6 Custom Calling Service

10.6.1 Resold Rates

Business/Business PBX		
Individual Features:		<u>Monthly</u>
(a)	Call Waiting	\$5.80
(b)	Call Forwarding Variable	\$4.00
(c)	Three-Way Calling	\$4.00
(d)	Speed Calling (8-code)	\$3.00
(e)	Speed Calling (30-code)	\$3.00
(f)	Call Forwarding Busy Line	\$3.25
(g)	Call Forwarding Don't Answer	\$3.25
(h)	Call Forwarding Don't Answer - Ring Control	\$3.25
(i)	Customer Control of Call Forwarding Busy Line	\$6.25
(j)	Customer Control of Call Forwarding Don't Answer	\$6.25
(k)	Call Forwarding Busy Line Multipath or Customer Control of Call Forwarding Busy Line Multipath	\$3.00
(l)	Call Forwarding Don't Answer Multipath or Customer Control of Call Forwarding Don't Answer Multipath	\$3.00
(m)	Call Forwarding Variable Multipath or Remote Access- Call Forwarding Variable Multipath	\$3.00
(n)	Remote Access - Call Forwarding Variable	\$9.00

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MISCELLANEOUS SERVICES

10.6 Custom Calling Service (Cont'd.)

10.6.1 Resold Rates (cont'd.)

Business/Business PBX Individual Features:		<u>Non-Recurring</u>	<u>Monthly</u>
(o)	Call Return (per line)		\$4.50
	Call Return (per use)	\$0.75	
	Call Return (denial of per use)	N/A	
(p)	Repeat Dialing (per line)		\$4.50
	Repeat Dialing (per use)	\$0.75	
	Repeat Dialing (denial of per use)	N/A	
(q)	Call Selector (per line)		\$4.50
(r)	Preferred Call Forwarding (per line)		\$5.00
(s)	Call Block (per line)		\$4.50
(t)	Call Tracing (per line)		
	Per line		\$5.00
	Per Successful Trace (non-subscription)	\$3.50	
(u)	Caller ID (per line)		
	Caller ID - Basic (with ACR) Per Line		\$7.50
	Caller ID - Basic (without ACR) Per Line		\$7.50
	for Multi-Line Hunt Group arrangements		
	Caller ID - Deluxe (with ACR) Per Line		\$9.99
	Caller ID - Deluxe (without ACR) Per Line		\$9.99
	for Multi-Line Hunt Group arrangements		
(v)	Calling Number Delivery Blocking - Permanent Per line <sup>2</sup>		N/A
(w)	Calling Number Delivery Blocking - Per Call (Per activation)		N/A
(x)	Enhanced Caller ID (with ACR) Per Line		\$15.99
(y)	Enhanced Caller ID (with Call Management) Per Line		\$16.95
(z)	Enhanced Caller ID (with ACR & Call Management) Per Line		\$16.95

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LOCAL EXCHANGE SERVICES

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MISCELLANEOUS SERVICES

10.7 Remote Call Forwarding

Rates

The following charge is for the Remote Call Forwarding feature only and are in addition to applicable charges for service and equipment.

Remote Call Forwarding is per feature arranged and one access path for either interexchange, intraexchange, or local calling area per service request.

	<u>Resold</u> <u>Non-Recurring</u>	<u>Resold</u> <u>Monthly</u>
Each	<b>RESERVED FOR FUTURE USE</b>	
Additional Access Path (with initial installation) Each		<u>Monthly</u>
	<b>RESERVED FOR FUTURE USE</b>	
	<u>On-Net</u> <u>Non-Recurring</u>	<u>On-Net</u> <u>Monthly</u>
Each	<b>RESERVED FOR FUTURE USE</b>	
Additional Access Path (with initial installation) Each		<u>Monthly</u>
		<b>RESERVED FOR FUTURE USE</b>

10.8 Flexible Call Forwarding

<u>Rates-Individual Features</u>	<u>Resold</u> <u>Monthly</u>	<u>On-Net</u> <u>Monthly</u>
Flexible Call Forwarding	<b>RESERVED FOR FUTURE USE</b>	
Flexible Call Forwarding with Audio Calling Name	<b>RESERVED FOR FUTURE USE</b>	

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LOCAL EXCHANGE SERVICES

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MISCELLANEOUS SERVICES

10.9 ClearTouch Service

10.9.1 On-Net Rates

**RESERVED FOR FUTURE USE**

Business/Business PBX

Individual Features:

Monthly

- (a) Call Waiting
- (b) Call Forwarding Variable
- (c) Three-Way Calling
- (d) Speed Calling (8-code)
- (e) Speed Calling (30-code)
- (f) Call Forwarding Busy Line
- (g) Call Forwarding Don't Answer
- (h) Call Forwarding Don't Answer - Ring Control
- (i) Customer Control of Call Forwarding Busy Line
- (j) Customer Control of Call Forwarding Don't Answer
- (k) Call Forwarding Busy Line Multipath or Customer Control of Call Forwarding Busy Line Multipath
- (l) Call Forwarding Don't Answer Multipath or Customer Control of Call Forwarding Don't Answer Multipath
- (m) Call Forwarding Variable Multipath or Remote Access - Call Forwarding Variable Multipath
- (n) Remote Access - Call Forwarding Variable

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LOCAL EXCHANGE SERVICES

MISCELLANEOUS SERVICES

10.9 ClearTouch Service (Cont'd.)

10.9.1 On-Net Rates (Cont'd.)

**RESERVED FOR FUTURE USE**

Business/Business PBX  
Individual Features:

Monthly

- (o) Call Return (per line)
- (p) Repeat Dialing (per line)
- (q) Call Selector (per line)
- (r) Preferred Call Forwarding (per line)
- (s) Call Block (per line)
- (t) Call Tracing (per line)
- (u) Anonymous Call Rejection
- (v) Caller ID (available w/ or w/o ACR)
  - Basic
  - Deluxe
  - Enhanced
- (w) Call Return
  - (per use)
  - (denial of per use)
- (x) Repeat Dialing
  - (per use)
  - (denial of per use)

N/A

N/A

10.9.2 ValuePlus Packages

The following packages are available in choosing any features listed below in Section 10.9.1.

Monthly

- ValuePlus Gold  
(any 6 features)
- ValuePlus Platinum  
(all features included)
- Value Plus Silver  
(per feature)

**RESERVED FOR FUTURE USE**

**RESERVED FOR FUTURE USE**

**RESERVED FOR FUTURE USE**

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LOCAL EXCHANGE SERVICES

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SPECIAL ARRANGEMENTS

11.1 Special Construction

11.1.1 Basis for Charges

Where the Company furnishes a facility or service for which a rate or charge is not specified in the Company's tariffs, charges will be based on the costs incurred by the Company and may include:

- (A) non-recurring type charges;
- (B) recurring type charges;
- (C) termination liabilities; or
- (D) combinations thereof.

11.1.2 Termination Liability

To the extent that there is no other requirement for use by the Company, a termination liability may apply for facilities specially constructed at the request of the customer.

- (A) The termination liability period is the estimated service life of the facilities provided.
- (B) The amount of the maximum termination liability is equal to the estimated amounts for:

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**LOCAL EXCHANGE SERVICES**

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**SPECIAL ARRANGEMENTS**11.1 **Special Construction** (Cont'd)11.1.2 **Termination Liability** (Cont'd)(B) **(Cont'd)**

- (1) Cost installed of the facilities provided including estimated costs for rearrangements of existing facilities and/or construction of new facilities as appropriate, less net salvage. Cost installed includes the cost of:
  - (a) equipment and materials provided or used,
  - (b) engineering, labor and supervision,
  - (c) transportation, and
  - (d) rights-of-way;
- (2) license preparation, processing, and related fees;
- (3) tariff preparation, processing, and related fees;
- (4) cost of removal and restoration, where appropriate; and
- (5) any other identifiable costs related to the specially constructed or rearranged facilities.

- (C) The applicable termination liability method for calculating the unpaid balance of a term obligation. The amount of such charge is obtained by multiplying the sum of the amounts determined as set forth in Section 11.1.2(B) preceding by a factor related to the unexpired period of liability and the discount rate for return and contingencies. The amount determined in section 11.1.2(B) preceding shall be adjusted to reflect the redetermined estimate net salvage, including any reuse of the facilities provided. This product is adjusted to reflect applicable taxes.

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LOCAL EXCHANGE SERVICES

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SPECIAL ARRANGEMENTS

11.2 Individual Case Basis (ICB) Arrangements

Arrangements will be developed on a case-by-case basis in response to a bona fide request from a Customer or prospective Customer to develop a competitive bid for a service offered under this tariff. Rates quoted in response to such competitive requests may be different than those specified for such services in this tariff. ICB rates will be offered to the Customer in writing and on a non-discriminatory basis.

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LOCAL EXCHANGE SERVICES

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SPECIAL ARRANGEMENTS

11.3 Temporary Promotional Programs

The Company may establish temporary promotional programs wherein it may waive or reduce non-recurring or recurring charges, to introduce present or potential Customers to a service not previously received by the Customers.

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