

Qwest Corporation

WN U-44
ACCESS SERVICE
WASHINGTON

SECTION 2
1st Revised Sheet 21
Cancels Original Sheet 21

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER

2.3.10 JURISDICTIONAL REPORTS REQUIREMENTS

B. Jurisdictional Requirements (Cont'd)

6. CCSAC

When a customer initially orders CCSAC Service in a LATA, the customer shall state in its order a PIU factor in a whole number (i.e., a number of 0 - 100). The customer shall also state in its order a POM factor in a whole number (i.e., a number of 0 - 100). Other messages are defined as ISUP Call Set-up requests associated with local, Extended Area Service (EAS) and intraMTA, the Local Exchange Company portion of jointly provided Switched Access and Company originated toll calling.

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Upon request from the customer, the Company will provide to the customer, within 30 days, the Company originated CCSAC ISUP Call Set-Up requests associated with local, EAS, IntraMTA (for CMRS providers only), the Local Exchange Company portion of jointly provided switched access and Company originated toll for the calendar month specified in Section 2.3.10.C.2.a, for traffic on Local Interconnect Service and Wireless Type 2 trunks. Qwest will provide data based on actual records, defined as either call detail records, call message counts (including incomplete attempts) or signaling message records, as agreed upon by the Company and the customer.

(N)

If the customer has signaling associated with calls that do not utilize the Company's switched access network, or Wireless Type 2 traffic, this data should also be included in the calculation of the CCSAC PIU and POM to the extent that such data is available. To the extent this data is not available, the customer may declare the CCSAC PIU and POM based on the data that does exist, and assume that the traffic for which data does not exist exhibits the same CCSAC PIU and POM proportions as that for which data does exist.

(N)

The total of the PIU and POM shall not exceed 100. If the total of PIU and POM exceeds 100, then the PIU takes priority and the balance (100 - PIU) will be defaulted to POM. The Company will designate the number obtained by subtracting the projected PIU and POM factors furnished by the customer from 100 as the projected intrastate percentage of use. The projected PIU factor is used by the Company to apportion the message, monthly and nonrecurring charges associated with the CCS Link, STP Port, CCSAC Entrance Facility and Direct Link Transport between interstate and intrastate.

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2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER

2.3.10 JURISDICTIONAL REPORTS REQUIREMENTS (CONT'D)

B.6. (Cont'd)

The projected PIU and POM are used to apportion the ISUP Call Set-up requests as interstate, intrastate and other for charging purposes. ISUP Call Set-up requests reported as POM will not be charged, provided that if the customer charges the Company for ISUP Call Set-up requests for Company originated traffic, the Company may charge the customer for ISUP Call Set-up requests associated with customer originated traffic in the same categories of traffic billed by the customer (i.e., local, EAS, intraMTA, Local Exchange Company portion of jointly provided switched access or Company originated toll traffic).

(N)

If a customer does not provide a PIU factor, the Company will apply a default PIU factor of fifty percent (50%). If a customer does not provide a POM factor, the Company will apply a default POM factor of zero percent (0%) except in those instances where the Company fails to provide the requested data described above with respect to the initial submission of the POM in a LATA, in which case the Company will apply a default CCSAC POM equal to the number obtained by subtracting the declared CCSAC PIU from 100.

(N)

The PIU and POM factors will be used by the Company until a revised PIU or POM factor is reported as set forth in C., following. A LATA-level PIU and POM factor shall be provided for CCSAC Service provided within a LATA for the revised reports.

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7. 700, 800 and 900 Access Service

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Upon ordering 700, 800 or 900 Access Service, the customer shall provide the Company a projected PIU factor in a whole number (i.e., a number 0 - 100) for the amount of traffic that the customer may originate for each LATA. The projected PIU factor is used by the Company until a revised report is received as set forth in C., following.

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2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER

2.3.10 JURISDICTIONAL REPORTS REQUIREMENTS (CONT'D)

C. Jurisdictional Reports

1. Percent Interstate Use (PIU) Factor

(N)

Except where Company measured access minutes are used as set forth in B.2., preceding, the customer provided PIU factor will be used until the customer reports a different projected PIU factor based on the following guidelines:

- a. The customer may update the interstate and intrastate PIU factor via jurisdictional report on a quarterly basis. The customer shall report the PIU factor by traffic and service type for each LATA. The customer shall forward to the Company a revised report, to be received no later than fourteen (14) days after the first of January, April, July and October. The revised report shall show the PIU factor for the most current data available, for each service arranged for interstate use. This data shall consist of at least three and no more than twelve consecutive months of data, ending no more than seventy-five (75) days earlier than the date the report is due (e.g., for the report due January 15th, the last month of data should be no earlier than October 31). The updated PIU factor shall be based on call detail records. The PIU factor can be based on a statistically valid sample. The PIU factor reported in January, April, July and October will be effective on the bill date of each such month and will serve as the basis for subsequent monthly billing pending the receipt of a revised PIU report. (T)
- b. No prorating or back billing will be done based on the jurisdictional report. However, usage will be billed utilizing the intrastate percentage that was in effect at the time the usage was generated. (T)
- c. The customer shall maintain and retain the work papers that show how the interstate percentage was determined and a summary derived from the actual call detail records for a minimum twelve (12) month period which statistically substantiates each interstate percentage provided to the Company. This summary at a minimum shall include month, year, state, traffic type (e.g., originating, terminating, 700, 8XX, 900, etc.) and service type. (T)

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C.1. (Cont'd)

- d. The Company may request the actual call detail records or a statistically valid sample of such records, on a prospective basis, not to exceed a consecutive three-month period. The actual call detail records will be used to statistically substantiate the interstate percentage provided to the Company and the process by which it is developed. Such call detail records shall consist of call information, including call terminating address (i.e., called number), call duration, the trunk group number(s), or access line number(s) over which the call is routed and the point at which the call enters the customer's network. The Company will not request such data more than once a year. (T)
- e. If quarterly reports are not supplied by the customer, the following steps will be taken by the Company: (T)
 - (1) If the customer does not supply the reports, the Company will assume the PIU factors to be the same as those provided in the last quarterly report. For those cases in which a quarterly report has never been received from the customer, the Company will assume the PIU factors to be the same as those provided in the order for service as set forth in B., preceding. In any case, the Company reserves the right to request actual call detail supporting the customer's reported PIU, as specified preceding. (T)
 - (2) If a quarterly report has never been received from the customer, and the customer failed to report a PIU in the order for service, the Company will designate a fifty percent (50%) interstate percentage beginning with the next billing period. This interstate percentage will be applied until a quarterly PIU report is submitted. (T)
 - (3) The Company will provide to the Commission reports showing the PIU factors reported to the Company over the previous calendar year by Switched Access Service customers. (T)

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2.3 OBLIGATIONS OF THE CUSTOMER

2.3.10 JURISDICTIONAL REPORTS REQUIREMENTS

C. Jurisdictional Reports (Cont'd)

2. Percent Other Message (POM) Factor

The customer-provided POM factor will apply to CCSAC ISUP Call Set-up requests only, and will be used until the customer reports a different projected POM factor based on the following guidelines:

- a. The customer may update the POM factor via jurisdictional report on a quarterly basis. The customer shall report the POM factor for each LATA. The customer shall forward to the Company a revised report, to be received no later than fourteen (14) days after the first of January, April, July and October. The revised report shall show the POM factor for the most current data available. This data shall consist of at least three (3) and no more than twelve (12) consecutive months of data, ending no more than seventy-five (75) days earlier than the date the report is due (e.g., for the report due January 15th, the last month of data should be no earlier than October 31). The updated POM factor shall be based on actual records, defined as either call detail records, call message counts (including incomplete attempts) or signaling message records. The POM factor may be based on a statistically valid sample. The POM factor reported in January, April, July and October will be effective on the bill date of each such month and will serve as the basis for subsequent monthly billing pending the receipt of a revised POM report. If the customer requests the Company to provide data, per the terms of Section 2.3.10.B.6, preceding, the data provided by the Company will comply with the terms of this section.
- b. No prorating or back billing will be done based on the jurisdictional report. However, usage will be billed utilizing the POM percentage that was in effect at the time the usage was generated.
- c. The customer shall maintain and retain the work papers that show how the POM was determined and a summary derived from the actual records for a minimum twelve (12) month period which statistically substantiates each POM provided to the Company. This summary at a minimum shall include month, year and state. If the customer requests the Company to provide data, per the terms of Section 2.3.10.B.6, preceding, the Company will comply with the terms of this Section with respect to the data it provides.

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2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER

2.3.10 JURISDICTIONAL REPORTS REQUIREMENTS

C.2. (Cont'd)

- d. The Company may request the data used to develop the POM, or a statistically valid sample of such data, on a prospective basis, not to exceed a consecutive three-month period. The data will be used to statistically substantiate the POM provided to the Company and the process by which it is developed. Such data shall consist of call or message information of sufficient detail to substantiate the jurisdictional factors provided by the customer. If the Company has provided data, as requested by the customer per the terms of Section 2.3.20.B.6, preceding, this data will not be part of the request and is not the responsibility of the customer. In addition, the customer may request more detailed data used to develop the summary data provided by the Company or a statistically valid sample of such data, on a prospective basis, not to exceed a consecutive three month period. In response to this request the Company will provide data by trunk group.
- e. Except as provided in Section 2.3.10.B.6 where the Company fails to provide requested data, if a quarterly report has never been received from the customer, and the customer failed to report a POM in the order for service, the Company will designate a zero percent (0%) POM beginning with the next billing period. This POM will be applied until a quarterly POM report is submitted.

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2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER

2.3.10 JURISDICTIONAL REPORTS REQUIREMENTS (CONT'D)

D. Jurisdictional Report Dispute And Auditing Procedures

If a billing dispute arises regarding the projected interstate percentage, the Company will ask the customer to provide the data the customer uses to determine the projected interstate percentage as described in 1. and 2., following.

1. Switched Access Services

- a. If the Company questions the information provided by the customer in C., preceding, the Company will send a letter to the customer (by certified U.S. Mail, return receipt requested) requesting that the customer contact the Company to discuss and explain their report within thirty (30) days of the Company's request.
- b. If no response is received from the customer, the Company will send a letter to the customer (by certified U.S. Mail, return receipt requested) requesting the work papers and summary as described in C., preceding, used by the customer to substantiate the most recent interstate percentage. The requested information must be submitted by the customer to the Company within thirty (30) days after receipt of the certified letter.
- c. If the customer submits the work papers and summary as requested in b., preceding, the Company will review this information within thirty (30) days after receipt of the customer's information.
- d. If after review of the documentation, the Company and the customer establish a revised interstate percentage, the Company will begin using that percentage with the next billing period.
- e. If the Company and the customer do not establish a revised interstate percentage, the Company will begin the procedures as set forth in g., following.

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2.3 OBLIGATIONS OF THE CUSTOMER

2.3.10 JURISDICTIONAL REPORTS REQUIREMENTS

D.1. (Cont'd)

- f. If no response is received from the customer, the Company will begin the auditing procedures as set forth in g., following.
- g. When jurisdictional reports are not provided by the customer or a billing dispute arises, the Company may request an audit. The audit procedures and responsible party(ies) for payment of audit expenses will be determined as follows:
 - If the Company and the customer mutually agree upon an independent Certified Public Accountant (CPA) auditing firm and the party(ies) agree to equally share in the payment of audit expenses, both the Company and the customer will be bound by such agreement; or
 - The customer may select an independent CPA auditing firm and pay all audit expenses.
 - If the audit is not conducted as set forth preceding, the Company may select an independent CPA auditing firm and pay all expenses.
- h. The Company will adjust the customer's PIU based upon the audit results. The PIU resulting from the audit shall be applied to the usage for the quarter the audit is completed, the usage for the quarter prior to completion of the audit and the usage for the two (2) quarters following the completion of the audit. After that time, the customer may report a revised PIU pursuant to C., preceding. The Company will implement the revised interstate percentage to the next billing period or quarterly report date, whichever is first.

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2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER

2.3.10 JURISDICTIONAL REPORTS REQUIREMENTS

D. Jurisdictional Report Dispute And Auditing Procedures (Cont'd)

2. Access Service Billing

For Access Service Billing (as described in 13.3.6), the Company will ask the customer to provide the data the customer uses to determine the projected intrastate percentage if a billing dispute arises or a regulatory commission questions the customer provided interstate percentage. The customer shall supply the data within thirty (30) days of the Company request. The Company will not request such data more than once a year. The customer shall keep records of system design and functions from which the percentage of intrastate and interstate use can be ascertained and, upon request of the Company, make the records available for inspection as reasonably necessary for purposes of verification of the percentages.

3. Jurisdictional Report Proprietary Information

The data the customer provides to the Company to support their interstate percentage is considered proprietary to the customer. The Company agrees to use and protect such information by exercising the same degree of care normally used to protect its own proprietary information.

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2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER

2.3.10 JURISDICTIONAL REPORTS REQUIREMENTS

D. Jurisdictional Report Dispute And Auditing Procedures (Cont'd)

4. Contested Audits

When a jurisdictional audit is conducted by the Company or an independent Certified Public Accountant (CPA) auditing firm selected by the Company, the audit results will be furnished to the customer by certified U.S. Mail (return receipt requested). The customer may contest the audit results by providing written notification (by certified U.S. Mail, return receipt requested), to the Company within fifteen (15) calendar days from the date the audit report is furnished to the customer by certified U.S. Mail (return receipt requested). When a jurisdictional audit is conducted by an independent Certified Public Accountant (CPA) auditing firm selected by the customer, the audit results will be furnished to the Company by certified U.S. Mail (return receipt requested). The Company may contest the audit results by providing written notification (by certified U.S. Mail, return receipt requested), to the customer within fifteen (15) calendar days from the date the audit report is furnished to the Company by certified U.S. Mail (return receipt requested).

Contested audits will be resolved by the Company and the customer within thirty (30) days of written notification, or a neutral arbitrator will be mutually agreed upon by the Company and the customer. During the initial thirty (30) day resolution period, the Company and the customer will review the audit process and the data used to calculate the PIU factor, in an attempt to resolve the dispute. Should the Company and the customer resolve the dispute on the PIU factor, a neutral arbitrator would not be warranted.

Contested audits will be resolved by a neutral arbitrator mutually agreed upon by the Company and the customer. The arbitration hearing will be conducted in Denver, Colorado or a state and location within the Company operating territory that is mutually agreed upon by both parties. The arbitration proceeding, including the decision rendered, shall be governed by the law (both statutory and case) of the state in which the arbitration hearing is held, including, but not limited to the Uniform Arbitration Act, as adopted in that state.

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER

2.3.10 JURISDICTIONAL REPORTS REQUIREMENTS

D.4. (Cont'd)

Prior to the arbitration hearing, each party shall notify the arbitrator of the PIU factor which that party believes to be correct. The arbitrator, in deciding, may adopt the PIU factor of either party or may adopt a PIU factor different from those proposed by the parties.

If the arbitrator adopts a PIU factor proposed by one of the parties, the other party (whose PIU factor was not adopted) shall pay all costs of the arbitration. If the arbitrator adopts a PIU factor higher than the PIU factors proposed by both parties then the party proposing the lower PIU factor shall pay all costs of the arbitration. If the arbitrator adopts a PIU factor lower than the PIU factor proposed by both parties, then the party proposing the higher PIU factor shall pay all costs of the arbitration. If the arbitrator adopts a PIU factor which falls between the two factors proposed by the parties, then the parties shall each pay one-half of the arbitration costs.

Absent written notification, within the timeframe as set forth preceding, audit results cannot be contested and the Company will adjust the customer's PIU factor based upon the audit results as set forth in C., preceding.

E. Application of PIU

When the Access Service is not available in the interstate jurisdiction, the PIU factor must be zero percent (0%).

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER (CONT'D)

2.3.11 DETERMINATION OF INTRASTATE CHARGES FOR MIXED INTERSTATE AND INTRASTATE ACCESS SERVICE BILLING

- A. When an Access Service Bill (as described in 13.3.6) contains both interstate and intrastate billing, the jurisdiction will be determined as follows:
1. If the customer's estimate of the intrastate charges on the bill constitutes more than ten percent of the total charges on that bill, the bill will be provided in accordance with the applicable rules and regulations of this Tariff.
 2. If the customer's estimate of the intrastate charges on the bill constitutes ten percent or less of the total charges on that bill, the bill will be provided in accordance with the appropriate interstate rules and regulations.

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2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER (CONT'D)

2.3.12 DETERMINATION OF INTRASTATE CHARGES FOR MIXED INTERSTATE AND INTRASTATE ACCESS SERVICE

A. PIU

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When mixed interstate and intrastate Access Service is provided, all charges (i.e., nonrecurring, monthly and/or usage) including Optional Features charges, will be prorated between interstate and intrastate for all Access Service except Access Service Billing. The PIU factors provided in the jurisdictional reports as set forth in 2.3.10, preceding, will serve as the basis for prorating the charges. The percentage of an Access Service to be charged as intrastate is applied in the following manner.

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1. For monthly and nonrecurring chargeable rate elements, multiply the percent intrastate use times the quantity of chargeable elements times the stated tariff rate per element. In the event that the customer has provided a separate percent intrastate use for terminating access for FGD, the projected PIU factor for originating access minutes of use will be used to determine the apportionment of charges.
2. For usage sensitive (i.e., access minutes and calls) chargeable rate elements, multiply the percent intrastate use times actual use (i.e., measured or Company assumed average use) times the stated tariff rate.

The PIU factor will change as revised usage reports are submitted as set forth in 2.3.10, preceding.

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2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER

2.3.12 DETERMINATION OF INTRASTATE CHARGES FOR MIXED INTERSTATE AND INTRASTATE ACCESS SERVICE (CONT'D)

B. CCSAC PIU and POM

The CCSAC PIU and POM reports as set forth in 2.3.10, preceding, will serve as the basis for prorating the charges. The percentage of a CCSAC rate element to be charged as intrastate is applied in the following manner:

1. For the following chargeable rate elements: CCSAC Entrance Facility, Direct Link Transport, CCS Links, STP Port, Multiplexing, TCAP message charges, and all nonrecurring charges is calculated as follows: 100% minus PIU equals Intrastate%; Intrastate% times quantity times rate equals charges to customer for intrastate items.
2. For chargeable rate elements associated with ISUP Call Set-up requests the calculation is as follows: 100% minus PIU minus POM equals Intrastate%; Intrastate% times quantity times rate equals charges to customer for intrastate items.

The CCSAC PIU and POM factors will change as revised declarations are submitted as set forth in 2.3.10, preceding.

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2.3 OBLIGATIONS OF THE CUSTOMER (CONT'D)

2.3.13 RESERVED FOR FUTURE USE

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Advice No. 3505T
Issued by Qwest Corporation
By K. R. Nelson, Vice President

Effective: December 15, 2004

2. GENERAL REGULATIONS

2.4 PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES

2.4.1 PAYMENT OF RATES, CHARGES AND DEPOSITS

Payment arrangements will be administered as set forth in Chapter 480-120 of the Washington Administrative Code (WAC).

- A. The Company will, in order to safeguard its interests, only require a customer which has a proven history of late payments to the Company or does not have established credit to make a deposit prior to or at any time after the provision of service to the customer to be held by the Company as a guarantee of the payment of rates and charges. No such deposit will be required of a customer which is a successor of a company which has established credit and has no history of late payments to the Company. Such deposit may not exceed the actual or estimated rates and charges for the service for a two month period. The fact that a deposit has been made in no way relieves the customer from complying with the Company's regulations as to the prompt payment of bills. At such time as the provision of the service to the customer is terminated, the amount of the deposit will be credited to the customer's account and any credit balance which may remain will be refunded. Such a deposit will be refunded or credited to the account when the customer has established credit or, in any event, after the customer has established a one year prompt payment record at any time prior to the termination of the provision of the service to the customer. In case of a cash deposit, for the period the deposit is held by the Company, the customer will receive interest computed from the date of its receipt by the Company to the date the deposit is refunded, or service is terminated, or annually upon request of the customer. In the event that a deposit is retained during time periods having different rates of interest, the interest accrued on the deposit will be calculated using the interest rate applicable to each time period. Should a deposit be credited to the customer's account, as indicated above, no interest will accrue on the deposit from the date such deposit is credited to the customer's account.
- 1. Regulations involving deposits are included in sub-chapter 480-120-056 of the Washington Administrative Code (WAC). The text of this WAC is available for customer inspection upon request.

2. GENERAL REGULATIONS

2.4 PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES

2.4.1 PAYMENT OF RATES, CHARGES AND DEPOSITS (CONT'D)

B. The Company shall bill on a current basis all charges incurred by and credits due to the customer under this Tariff attributable to services, including, but not limited to, Maintenance of Service as set forth in 13.3.1, following, established or discontinued during the preceding billing period. In addition, the Company shall bill in advance charges for all services to be provided during the ensuing billing period except for charges associated with service usage and for the Federal Government which will be billed in arrears. The bill date (i.e., the billing date of a bill for a customer for Access Service under this Tariff), the period of service each bill covers, and the payment date will be as follows:

1. For Miscellaneous Services and non-usage-sensitive Switched Access Service charges, the Company will establish a bill date each month for each customer account. The bill will cover non-usage-sensitive service charges for the ensuing billing period and any known unbilled non-usage-sensitive charges. Any known unbilled usage charges for prior periods and any known unbilled adjustments will also be applied to this bill. Payment for such bills is due as set forth in 2., following. If payment is not received by the payment date, as set forth in 2., following, in immediately available funds, a late payment penalty will apply as set forth in 3., following.
2. All bills dated as set forth in 1., preceding, for service provided to the customer by the Company are due (payment date) by the next bill date (i.e., same date in the following month as the bill date), except as provided herein, and are payable in immediately available funds. If such payment date would cause payment to be due on a Saturday, Sunday or holiday (i.e., New Year's Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, Christmas Day and a day when Washington's Birthday or Memorial Day or Columbus Day is legally observed) payment for such bills will be due from the customer as follows:

If such payment date falls on a Sunday or on a holiday which is observed on a Monday, the payment date shall be the first non-holiday day following such Sunday or holiday. If such payment date falls on a Saturday or on a holiday which is observed on Tuesday, Wednesday, Thursday or Friday, the payment date shall be the last non-holiday day preceding such Saturday or holiday.

2. GENERAL REGULATIONS

2.4 PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES

2.4.1 PAYMENT OF RATES, CHARGES AND DEPOSITS

B. (Cont'd)

3. Further, if any portion of the payment is received by the Company after the payment date as set forth in 2., preceding, or if any portion of the payment is received by the Company in funds which are not immediately available to the Company, 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 payment date times the interest rate as specified below. The late factor shall be the lessor of:
 - The highest interest rate (in decimal value) which may be levied by law for commercial transactions, compounded daily for the number of days from the payment date to and including the date that the customer actually makes the payment to the Company, or
 - 0.000407 per day, compounded daily for the number of days from the payment date to and including the date that the customer actually makes the payment to the Company.

4. In the event of a billing dispute, the customer must submit a documented claim for the disputed amount. If the claim is submitted within ninety (90) days of the payment due date, any interest credits due the customer upon resolution of the dispute shall be calculated from the bill payment date. If the customer submits a claim for the disputed amount more than ninety (90) days from the payment due date, any interest credits due the customer upon resolution of the dispute shall be calculated from the later of the date the claim was submitted or the bill payment date. Any undisputed amounts withheld by the customer in conjunction with disputed amounts withheld, shall be subject to the late payment penalty, as set forth in 3., preceding. The Company will resolve the dispute and assess interest credits or penalties to the customer as follows:
 - a. If the dispute is resolved in favor of the Company and the customer has paid the disputed amount on or before the payment due date, no interest credits or penalties will apply.
 - b. If the dispute is resolved in favor of the Company and the customer has withheld the disputed amount, any payments withheld pending settlement of the dispute shall be subject to the late payment penalty as set forth in 3., preceding.

2. GENERAL REGULATIONS

2.4 PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES

2.4.1 PAYMENT OF RATES, CHARGES AND DEPOSITS

B.4. (Cont'd)

- c. If the dispute is resolved in favor of the customer and the customer has withheld the disputed amount, no interest credits or penalties will apply.
- d. If the dispute is resolved in favor of the customer and the customer has paid the disputed amount, the customer will receive an interest credit from the Company for the disputed amount times a late factor. The late factor shall be the lesser of:
 - The highest interest rate (in decimal value) which may be levied by law for commercial transactions, compounded daily for the number of days from the date when payment was made or credit claimed in accordance with 4., preceding, to and including the payment due date (as set forth in 2., preceding), of the bill that reflects the credit for the disputed amount. In the event that the Company agrees to refund a credit by check or wire transfer, interest will be applied up to and including the date of issuance for either the check or wire transfer, or
 - 0.000407 per day, compounded daily for the number of days from the date when payment was made or credit claimed in accordance with 4., preceding, to and including the payment due date (as set forth in 2., preceding), of the bill that reflects the credit for the disputed amount. In the event that the Company agrees to refund a credit by check or wire transfer, interest will be applied up to and including the date of issuance for either the check or wire transfer.
- C. Adjustments for the quantities of services established or discontinued in any billing period beyond the minimum period set forth for services in other sections of this Tariff will be prorated to the number of days or major fraction of days based on a thirty (30) day month. The Company will, upon request and if available, furnish such detailed information as may reasonably be required for verification of any bill.
- D. When a rate as set forth in this Tariff is shown to more than two decimal places, the charges will be determined using the rate shown. The resulting amount will then be rounded to the nearest penny (i.e., rounded to two decimal places).
- E. When more than one copy of a customer bill for services provided under the provisions of this Tariff is furnished to the customer, an additional charge applies for each additional copy of the bill as set forth in 13.3.6, following.

2. GENERAL REGULATIONS

2.4 PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES (CONT'D)

2.4.2 MINIMUM PERIODS

The minimum period for which services are provided and for which rates and charges are applicable is one month except for Directory Assistance, Testing and Feature Group D Switched Access. Minimum period information for these services is as set forth in the sections of this Tariff pertaining to the respective service.

The minimum period for which service is provided and for which rates and charges are applicable for a Specialized Service or Arrangement provided on an individual case basis as set forth in Section 12, following, is one month unless a different minimum period is established with the individual case filing.

When a service is discontinued prior to the expiration of the minimum period, charges are applicable whether the service is used or not, as follows:

- A. When a service with a one month minimum period is discontinued prior to the expiration of the minimum period, a one month charge will apply at the rate level in effect at the time service is discontinued.
- B. When a service with a minimum period greater than one month is discontinued prior to the expiration of the minimum period, the applicable charge will be the lesser of (1) the Company's total nonrecoverable costs less the net salvage value for the discontinued service or (2) the total monthly charges, at the rate level in effect at the time service is discontinued, for the remainder of the minimum period.

2.4.3 CANCELLATION OF AN ORDER FOR SERVICE

Provisions for the cancellation of an Access Order is set forth in 5.2.2.B. and 5.2.3, following.

2. GENERAL REGULATIONS

2.4 PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES (CONT'D)

2.4.4 CREDIT ALLOWANCE FOR SERVICE INTERRUPTIONS

A. General

A service is interrupted when it becomes unusable to the customer because of failure of a facility component used to furnish service under this Tariff or in the event that the protective controls applied by the Company result in the complete loss of service by the customer as set forth in 6.5.1, following. An interruption period starts when an inoperative service is reported to the Company, and ends when the service is operative.

B. When a Credit Allowance Applies

In case of an interruption to any service, allowance for the period of interruption, if not due to the negligence of the customer shall be as follows:

1. For Switched Access Service (including CCSAC) and Directory Assistance Service, other than Entrance Facilities and Direct-Trunked Transport Facilities, no credit shall be allowed for an interruption of less than 24 hours. The customer shall be credited for an interruption of 24 hours or more at the rate of 1/30 of (a) any applicable monthly rates or (b) the assumed minutes of use charge for each period of 24 hours or major fraction thereof that the interruption continues.

For Switched Access Service Entrance Facilities, Direct-Trunked Transport Facilities and any optional multiplexing arrangements associated with such facilities, no credit shall be allowed for an interruption of less than 30 minutes. The customer shall be credited for an interruption of 30 minutes or more at the rate of 1/1440 of the monthly charges for each period of 30 minutes or major fraction thereof that the interruption continues. The monthly charge shall be the total of all the monthly rate element charges associated with that portion of the service (i.e., Entrance Facility, Direct-Trunked Transport Facility and Multiplexer) that is inoperative.

2. The Credit allowance(s) for an interruption or for a series of interruptions shall not exceed (a) any applicable monthly rates or (b) the assumed minutes of use charge for the service interrupted in any one monthly billing period.
3. Service interruptions for Specialized Service or Arrangements provided under the provisions of Section 12, following, shall be administered in the same manner as those set forth in this section (2.4.4) unless other terms and conditions are specified with the individual case filing.

2. GENERAL REGULATIONS

2.4 PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES

2.4.4 CREDIT ALLOWANCE FOR SERVICE INTERRUPTIONS

C. When a Credit Allowance Does Not Apply

No credit allowance will be made for:

1. Interruptions caused by the negligence of the customer.
2. Interruptions of a service due to the failure of equipment or systems provided by the customer or others.
3. Interruptions of a service during any period in which the Company is not afforded access to the premises where the service is terminated.
4. Interruptions of a service when the customer has released that service to the Company for maintenance purposes, to make rearrangements, or for the implementation of an order for a change in the service during the time that was negotiated with the customer prior to the release of that service. Thereafter, a credit allowance as set forth in B., preceding, applies.
5. Interruptions of a service which continue because of the failure of the customer to authorize replacement of any element of special construction, as set forth in Tariff F.C.C. No. 2. The period for which no credit allowance is made begins on the seventh day after the customer receives the Company's written notification of the need for such replacement and ends on the day after receipt by the Company of the customer's written authorization for such replacement.

2. GENERAL REGULATIONS

2.4 PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES

2.4.4 CREDIT ALLOWANCE FOR SERVICE INTERRUPTIONS

C. When a Credit Allowance Does Not Apply (Cont'd)

6. Periods when the customer elects not to release the service for testing and/or repair and continues to use it on an impaired basis.
7. Periods of temporary discontinuance as set forth in 2.2.1.B., preceding.
8. Periods of interruption as set forth in 13.3.1, following.
9. An interruption or a group of interruptions, resulting from a common cause, for amounts less than one dollar.

D. Use of an Alternative Service Provided by the Company

Should the customer elect to use an alternative service provided by the Company during the period that a service is interrupted, the customer must pay the tariffed rates and charges for the alternative service used.

E. Temporary Surrender of a Service

In certain instances, the customer may be requested by the Company to surrender a service for purposes other than maintenance, testing or activity relating to a service order. If the customer consents, a credit allowance will be granted. The credit allowance will be 1/1440 of the monthly rate for each period of 30 minutes or fraction thereof that the service is surrendered. In no case will the credit allowance exceed the monthly rate for the service surrendered in any one monthly billing period.

2. GENERAL REGULATIONS

2.4 PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES (CONT'D)

2.4.5 RE-ESTABLISHMENT OF SERVICE FOLLOWING FIRE, FLOOD OR OTHER OCCURRENCE

A. Nonrecurring Charges Do Not Apply

Charges do not apply for re-establishment of service following a fire, flood or other occurrences attributed to an Act of God provided that:

1. The service is of the same type as was provided prior to the fire, flood or other occurrence.
2. The service is for the same customer.
3. The service is at the location on the same premises.
4. The reestablishment of service begins within 60 days after Company service is available. (The 60 day period may be extended a reasonable period if the renovation of the original location on the premises affected is not practical within the allotted time period.)

B. Nonrecurring Charges Apply

Nonrecurring Charges apply for establishing service at a different location on the same premises or at a different premises pending reestablishment of service at the original location.

2.4.6 TITLE OR OWNERSHIP RIGHTS

The payment of rates and charges by customers for the services offered under the provisions of this Tariff does not assign, confer or transfer title or ownership rights to proposals or facilities developed or utilized, respectively, by the Company in the provision of such services.