

ESSENTIAL TERMS AND CONDITIONS

Contract No. 1413 ICB New Renewal Amendment

Minimum Quantity for ISDN PRI Service:	96 ISDN PRIs in the first 12 months of service 50 ISDN PRIs in the second 12 months of service 30 ISDN PRIs in the third 12 months of service
Minimum Quantity for DID Station Number Service:	One (1) Block of ten thousand (10,000) DID Station Numbers in-service at all times during the term of the Agreement.
Shortfall Liability for ISDN PRI Service:	At the end of each Contract year, The Company will examine Customer's account and for each month that the number of ISDN PRIs in-service is less than the Minimum Commitment, Customer will be billed the difference between the Minimum Commitment and the number of ISDN PRIs in-service for a given month times \$350.00.
Shortfall Liability for DID Station Number Service:	In the event the Customer reduces the number of DID Station Numbers in-service to a quantity below the Minimum Commitment, Customer will be required to pay the monthly unit rate for one (1) block of ten thousand (10,000) DID Station Numbers.
Termination Liability for ISDN PRI Service:	If Customer cancels this Agreement at any time during the Service Period Customer shall pay to The Company a termination charge equal to thirty five percent (35%) of \$350.00 multiplied by the number of months remaining in the unexpired portion of each Contract year multiplied by the minimum commitment for the affected Contract year.
Termination Liability for DID Station Number Service:	If the Customer cancels the DID Station Number Service during the Service Period, Customer shall pay to The Company a termination charge equal to twenty-five (25%) of the applicable monthly rate for the Minimum Commitment multiplied by the number of months remaining in the unexpired portion of the Service Period.

ESSENTIAL TERMS AND CONDITIONS

Contract No. 1413 ICB New ___ Renewal ___ Amendment X

Monthly Recurring Charge: \$350.00 Flat Rate PRI Port Only
 \$193.00 Measured Rate PRI Port Only

\$1,000.00 Block of 10,000 DID Station Numbers

\$ 12.50 Block of 100 DID Station Numbers

\$ 2.00 Block of 10 Did Station Numbers

Non-Recurring Charge: Not applicable for ISDN PRI Service installed as of the in-service date of the Agreement. Product specific non-recurring charges for ISDN PRI do not apply to additional ISDN PRI installed as of the in-service date of the Agreement but before the start of the third Contract Year provided that the additional ISDN PRI remain in service for at least twelve (12) consecutive months. If such additional ISDN PRI does not remain in service for at least twelve (12) consecutive months, Customer will be required to pay all applicable tariff non-recurring charges that were otherwise waived. For ISDN PRI added during the third Contract year, all tariff non-recurring charges will apply.

Service Order Non-Recurring Charges in the (WN U-17, Section 5) will apply for changes or additions to existing services, both ISDN PRI and DID Station Numbers. There are no product specific NRCs for DID Station Numbers.

Location: Redmond

Contract No. 1346CB **New** ___ **Renewal** ___ **Amendment** **X**

WAC 480-80-142

7(b) (iii)

Demonstrate, at a minimum, that the contract charges cover the company's cost of providing the service. Costs will be determined under a long-run incremental cost analysis, including as part of the incremental cost, the price charged by the offering company to other telecommunications companies for any essential function used to provide the service, or any other commission-approved cost method.

This is an extension of a customer specific agreement that provides Integrated Services Digital Network-Primary Rate Interface (ISDN-PRI) Service and Direct Inward Dialing (DID) Numbers for a term of thirty-six (36) months. This service is offered under contract because the rates for both services and the quantity of DID Numbers are not available under the tariff. The attached confidential cost documentation demonstrates the contract charges cover the company's cost of providing the service.

Contract No. 1413 ICB New _____ Renewal _____ Amendment X

WAC 480-80-142

7 (b) (iv)

Summarize the basis of the charge(s) proposed in the contract and explain the derivation of the proposed charge(s) including all cost computations involved.

The competitive nature of the services offered under this contract justify discounts beyond the term discounts offered in the tariff for similar services. The underlying costs of the individual component elements are identified in the confidential cost documentation filed with this contract.

Contract No. 1413 ICB **New** _____ **Renewal** _____ **Amendment** **X**

WAC 480-80-142

7 (v) Indicate the basis for using a contract rather than a filed tariff for the specific service involved.

The services are offered on a contract basis because the rates are customer specific and not available under the tariff. Also, the quantity of Direct Inward Dialing (DID) Station Numbers is not available under the tariff.

Contract No. 1413 ICB New ___ Renewal ___ Amendment X___

WAC 480-80-142

(2) Duration of contract. All contracts shall be for a stated time period.

The term for this contract is twelve (12) months.