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**WASHINGTON UNIVERSAL SERVICE FUND  
ADMINISTRATION AGREEMENT**

THIS AGREEMENT, made and executed to be effective the 7th day of June, 2008, by and among WASHINGTON EXCHANGE CARRIER ASSOCIATION, a Washington non-profit corporation (hereinafter referred to as "WECA") and Comcast Phone of Washington, LLC a Delaware limited liability company (hereinafter referred to as the "Company"); WITNESSETH:

In consideration of the covenants, agreements and undertakings herein set forth and the mutual benefits to be derived herefrom, the parties hereto agree as follows:

**I. Purpose and Scope.**

The purpose of this Agreement is to establish the terms and conditions for the Company's reporting and remittance of the Universal Service Fund ("USF") element of intrastate access service charges as required by the Washington Utilities and Transportation Commission in its consolidated Cause Nos. U-85-23, *et al.* (hereinafter referred to as "Cause No. U-85-23"), in accordance with the guidelines expressed in the Eighteenth Supplemental Order and Nineteenth Supplemental Order entered in Cause No. U-85-23, as amended by the Ninth Supplemental Order in Docket No. UT-971140 (hereinafter referred to as "U-85-23 Orders"). The Company enters into this Agreement in compliance with the U-85-23 Orders, and in the event those orders are overturned, nullified, or otherwise rendered ineffective or inapplicable to the Company, this Agreement shall not be construed as a voluntary undertaking by the Company to contribute to, or otherwise participate in, the USF referenced in this Agreement or any other USF mechanisms.

**II. Definitions.**

For the purposes of this Agreement, the following terms shall have the following meanings:

A. (Intentionally left blank.)

B. Access Minutes

The sum of intrastate originating and terminating access minutes as determined using the definitions and procedures established by the Commission and the FCC and set forth in tariff FCC No. 5 of the National Exchange Carrier Association ("NECA") as it may be amended from time to time, or any successor tariff.

C. (Intentionally left blank.)

D. Board of Directors

The Board of Directors of WECA duly elected as prescribed in its Articles of Incorporation and Bylaws.

E. Commission

The Washington Utilities and Transportation Commission.

F. Exchange

A specified geographical area within which the LEC furnishes local exchange service.

G. Interexchange Carrier ("IXC")

Any individual, partnership, association, corporation or similar entity engaged for hire in the provision of intrastate telecommunications between two or more exchanges, including, without limitation, any LEC engaged in the provision of both local exchange service and long distance service between its exchanges and/or between its exchanges and the exchanges of other LECs.

H. Interexchange Traffic

Telecommunications traffic between Exchanges, other than traffic carried pursuant to mandatory Extended Area Service tariffs.

I. Local Exchange Company ("LEC")

The Company and any other individual, partnership, association, corporation or similar entity furnishing local exchange service to its customers in the State of Washington, which is required to contribute to and/or is entitled to draw from the USF pursuant to the U-85-23 Orders.

- J. (Intentionally left blank.)
- K. (Intentionally left blank.)
- L. (Intentionally left blank)
- M. Universal Service Fund ("USF")

The pool of revenues derived from the application or imputation by LECs of the USF Rate, which shall be collected and administered pursuant to this Agreement in accordance with the U-85-23 Orders.

- N. (Intentionally left blank)
- O. USF Administration Committee

A committee comprised of members of the Board of Directors appointed as provided in the WECA Bylaws to govern the administration of the USF.

- P. USF Administrator

WECA, acting through the USF Administration Committee of its Board of Directors and such other person, persons or entity with whom WECA may contract to perform administrative functions covered by this Agreement under the control and at the direction of the USF Administration Committee.

- Q. (Intentionally left blank.)

- R. USF Rate

The USF element (or equivalent portion of the Carrier Common Line rate) of intrastate access service as provided in this Agreement.

### **III. Administration.**

All USF administration functions covered by this Agreement shall be the responsibility of and controlled by WECA consistent with the terms and provisions of the U-85-23 Orders.

### **IV. Responsibilities and Covenants of WECA.**

WECA, as the USF Administrator, agrees as follows:

- A. To collect, hold for safekeeping and temporarily invest, if deemed appropriate by the Board of Directors, all amounts remitted by the Company to WECA as proceeds from application or imputation of the USF Rate, and any and all earnings thereon;
- B. To prepare and provide a billing statement to the Company, not later than the tenth (10th) business day of each month;
- C. To make distributions from the USF to eligible LECs as provided in this Agreement on or before the twentieth (20th) business day of each month unless otherwise directed by WECA;
- D. To maintain adequate records reflecting the operations of WECA and the administration of the USF;
- E. To collect, compile and analyze all required information, and to determine therefrom which LECs qualify for USF distributions and the distribution ratio for each such LEC;
- F. To collect, compile and analyze all required information, and to determine therefrom the USF Rate to be applicable for such periods as may be directed by WECA;
- G. To advise the Company in writing of any new USF Rate determined as provided in this Agreement not less than seventy-five (75) days prior to the intended effective date of such USF Rate and to furnish the Company therewith a summary of the data supporting such new USF Rate in the format set forth in Appendix 1 attached hereto or such other format as may hereafter be mutually agreed upon by the Company and WECA; and
- H. To comply with all applicable laws and governmental agency orders, rules and regulations, including without limitation, all applicable orders, rules and regulations of the Commission.

**V. Responsibilities and Covenants of the Company.**

As of the effective date of the agreement, Company hereby agrees as follows:

- A. To collect from all Interexchange Carriers an amount equal to the USF Rate for each intrastate Access Minute within the Company's Exchanges;
- B. To impute to itself, with respect to its own Interexchange Traffic, if any, an amount equal to the USF Rate developed as provided in this Agreement for each intrastate Access Minute;

- C. To provide to WECA on or before the fifth (5<sup>th</sup>) business day of each month, or such other day each month as the parties may hereafter agree upon, in such form as may be prescribed from time to time by WECA, the Company's total number of Access Minutes and the amount of the USF charges billed and/or imputed by the Company for the preceding billing period for access service and such additional data as may reasonably be required by WECA to enable it to determine and verify the amount of USF funds to be collected and distributed by it for such period (By way of illustration, Company currently uses a process where it collects information for billing on or about the seventh day of a month and bills by approximately the 11<sup>th</sup> day of the same month. Under this schedule, on the fifth (5<sup>th</sup>) business day of May, for example, the Company would be reporting data to WECA for Access Minutes and the amount of USF charges billed and/or imputed for the billing period that ended on the sixth (6<sup>th</sup>) of April which would be the "preceding billing period" as that term is used in this Section V.C under the Company's present process);
- D. To remit to WECA, in such manner and at such times as shall be required to result in funds being immediately available to WECA on the twentieth (20<sup>th</sup>) business day of each month, all amounts collected or imputed as provided in subparagraphs V.A and V.B hereinabove for the billing period for which usage was reported on the 5<sup>th</sup> business day as set forth in V.C hereinabove. Amounts collected may be calculated as billed amounts minus an assumed uncollectable percentage based on intrastate access charge collections; and
- E. To make available to WECA upon request therefor, such supporting documentation as may reasonably be required by WECA to resolve questions concerning the data required to be reported pursuant to subparagraph V.C hereinabove.

**VI. (Intentionally left blank)**

**VII. USF Rate.**

The USF Rate for purposes of this Agreement shall be \$0.00152. Any changes to this rate must be made consistent with the U-85-23 Order.

**VIII. (Intentionally left blank.)**

**IX. Fiduciary Capacity and Responsibility.**

All funds received by WECA pursuant to this Agreement, including earnings on temporary investments of such funds, if any, shall be held and distributed by WECA in a fiduciary capacity for the account of all LECs contracting with WECA for administration of the USF. WECA may temporarily invest such funds in such investment instruments as the Board of Directors shall, in their sole discretion, determine to be appropriate. All such funds shall be deposited in a bank account or accounts and invested in investment instruments carried in the name of WECA. All such bank account(s) and investment instruments shall be special purpose accounts and investments which shall contain only amounts received and held to implement the provisions of this Agreement, plus any earnings thereon, and shall be used only as provided in this Agreement.

**X. Access to Records.**

- A. WECA shall have the right, at its sole expense and upon reasonable notice to the Company, to examine solely those Company books and records related to the USF to confirm the amounts required to be collected (or imputed) and remitted to WECA as provided in this Agreement and to the extent reasonably necessary to confirm the data furnished by the Company as provided in this Agreement.
- B. The Company shall have the right to inspect and copy, at its expense and at reasonable times, the records maintained by WECA for the administration of the USF; provided, however, the Company shall not be granted access to the proprietary information of another LEC without first obtaining written authorization for the release of such information from the LEC concerned.
- C. (Intentionally left blank.)
- D. All records developed and maintained pursuant to this Agreement shall be retained for such periods as may be prescribed by the Board of Directors or the rules and regulations of the Commission.
- E. WECA shall exercise its rights under this paragraph either through the use of outside auditors or through the use of employees of WECA who are not employees or affiliated with WECA member companies.

**XI. Proprietary Information.**

All information disclosed by the Company to WECA pursuant to this Agreement shall be used by WECA solely for the purposes of implementing the terms of this Agreement and such information shall be deemed to be the confidential and proprietary information of the Company. Except as provided in paragraph X hereinabove, WECA shall not release or disseminate any company specific

information furnished to it by the Company unless the release or dissemination of such information is expressly authorized in writing by the Company or such information is released pursuant to appropriate legal process. In the event WECA is served with legal process demanding disclosure of the Company's confidential and proprietary information, WECA shall extend its best efforts to notify the Company promptly of such process in order to permit the Company to seek a protective order or to take such other action as the Company might deem appropriate under the circumstances.

WECA shall review Company proprietary information only through the use of WECA personnel who are not employees of any WECA member, except to the extent that the proprietary information is reviewed by WECA Board members and such Board members shall review that information solely in their capacity as WECA Board members as reasonably necessary to fulfill their duties as Board members and may not take copies of Company proprietary information away from WECA Board meetings.

**XII. Reporting Failures.**

In the event the Company shall fail to report the data required by WECA to implement the terms of this Agreement, WECA may use for settlement computation and revenue distribution purposes, at its option: (i) forecast data previously provided by the Company, or (ii) estimated data approved by the USF Administration Committee.

**XIII. Dispute Resolution.**

The Company may petition the USF Administration Committee for a redetermination of any computation made to implement the provisions of this Agreement. If the Company is dissatisfied with the disposition of its petition by the USF Administration Committee, the Company may petition the Commission for a ruling on such computation.

**XIV. Third Party Beneficiaries.**

The Company acknowledges that this Agreement is made for the benefit of all LECs contracting with WECA to administer the USF and their respective successors and assigns. The Company agrees that WECA, as administrator of the USF, shall have legal standing to assert any claims of such LECs.

**XV. Non-Estoppel.**

Nothing contained in this Agreement shall be deemed or construed to limit the rights, if any, of either party, to challenge or apply to the Commission for any

prospective modification of the U-85-23 Orders or other USF mechanisms or the administration thereof.

**XVI. Notices.**

Except as otherwise expressly provided herein, all notices, demands or communications required hereunder shall be given in writing by delivering the same in person or by depositing the same in the United States mail, postage prepaid and addressed to the party concerned by the party giving the notice. Unless and until a different designation be made, such address shall be the address set forth for such party on the signature page of this Agreement.

**XVII. Survival of Obligations.**

In the event that this Agreement shall be terminated as provided herein, the obligations and liabilities of each party in existence on the effective date of such termination shall continue as obligations or liabilities of said party; provided, however, the rights and obligations of WECA shall continue until the earlier of six (6) months following the effective date of termination of this Agreement or for so long as is reasonably necessary to accomplish the purposes stated herein.

**XVIII. Term.**

This Agreement shall become effective as of the date first set out above, and shall continue in effect thereafter unless and until:

- A. The Commission shall enter an order finding and ordering that the USF or contribution to, or participation in, the USF is no longer required to serve the public interest, or
- B. The Commission shall enter an order finding and ordering that WECA shall no longer administer the USF.
- C. Three years from the date first set out above, provided that this Agreement shall be automatically renewed for additional, successive one-year terms unless either party to this Agreement delivers written notice of termination not more than 60 days and not less than 180 days prior to the end of the original or any renewed term.

**XIX. Amendments and Waivers.**

This Agreement, or any part hereof, may be amended or modified only by an instrument in writing signed by both parties. No amendment, modification or waiver of any provision of this Agreement, and no consent to any default under this Agreement, shall be effective unless and until the same shall have been reduced to



writing and signed by the party against whom such amendment, waiver or consent is claimed. No waiver of any breach or default hereunder shall be deemed a waiver of any other breach or default, whether or not of the same or similar nature.

**XX. Severability.**

If the Commission modifies any provisions of the U-85-23 Orders or if any of the provisions of the U-85-23 Orders or this Agreement shall be held invalid or unenforceable by the Commission or any court of competent jurisdiction and such modification, invalidity or unenforceability shall materially impair achieving the purpose and intent of this Agreement, then this entire Agreement shall be invalid and unenforceable. Otherwise, this Agreement shall be construed as if not containing the particular provision or provisions hereof held to be invalid or unenforceable and the rights and obligations of the parties shall be construed and enforced accordingly.

**XXI. Successors and Assigns.**

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

**XXII. Applicable Law.**

This Agreement is made under and shall be construed in accordance with the laws of the State of Washington.

**XXIII. Executed Counterparts.**

This Agreement may be executed in any number of counterparts each of which shall be an original and all such counterparts shall together constitute this Agreement.

**XXIV. Headings.**

The headings in this Agreement are for convenience only and shall not be construed to define or limit any of the terms herein or affect the meaning or interpretation of this Agreement.

**XXV. Eligibility to Receive USF.**

If the Company desires to seek to draw from the USF, it may do so upon the following conditions: (1) receipt of approval to draw from the USF by written order from the Commission; (2) modification of the Agreement to require the Company to provide the same level of supporting information as others who draw from the USF; and (3) approval of a new WECA tariff rate which incorporates the Company's costs into the USF rate.

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IN WITNESS WHEREOF, the parties have made and executed this Agreement in counterparts to be effective the day and year first above written.

**WASHINGTON EXCHANGE CARRIER ASSOCIATION**

By: 

Title: PRESIDENT

Date: 6/2/2008

**Comcast Phone of Washington, LLC**

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

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Washington Exchange Carrier Association

Comcast Phone of Washington, LLC  
One Comcast Center

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**WASHINGTON EXCHANGE CARRIER ASSOCIATION**

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

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Washington Exchange Carrier  
Association  
800 "C" Street  
Vancouver, WA 98660  
(360) 690-4537 - Phone  
(360) 690-4536 - Fax

**Comcast Phone of Washington, LLC**

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

Title: VP. Corporate Development

Date: 6/5/08

Comcast Phone of Washington, LLC  
One Comcast Center  
Philadelphia, PA 19103-2838

215-286-8252 - Phone  
215-286-5039 - Fax