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## RATES and CHARGES

### 1. General Principles

- 1.1 ***Except as noted below, all rates provided under this Agreement shall remain in effect for the term of this Agreement unless they are not in accordance with all applicable provisions of the Act, the rules and regulations of the FCC, or the Commission's rules and regulations. However, the reciprocal compensation arrangement and the related rates set forth in the Pricing Schedule that are based on the reciprocal compensation arrangement between U S WEST and MFS Communications Company will expire either (a) 90 days after a request for approval of a new agreement between MFS and U S WEST is filed with the Commission; or (b) on the expiration date of the ATTI agreement, whichever event occurs first. U S WEST will provide ATTI with written notice on the filing of a request for approval of a new agreement between MFS and U S WEST with the Commission.***<sup>1</sup>
- 1.2 Except as otherwise specified in this Agreement, as approved or ordered by the Commission, or as agreed to by the Parties through good faith negotiations, nothing in this Agreement shall prevent a Party through the dispute resolution process described in this Agreement from seeking to recover the costs and expenses, if any, it may incur in (a) complying with and implementing its obligations under this Agreement, the Act, and the rules, regulations and orders of the FCC and the Commission, and (b) the development, modification, technical installation and maintenance of any systems or other infrastructure which it requires to comply with and to continue complying with its responsibilities and obligations under this Agreement.
- 1.3 **The rates in this Agreement are interim in nature. Such rates are as described in the Interim Pricing Schedule attached as Attachment 1 (the "Pricing Schedule"). Permanent rates will be established by the Commission in its generic costing and pricing Docket UT-960369.**<sup>2</sup>

### 2. Resale Rates and Charges

All services that U S WEST provides at retail to subscribers who are not Telecommunications Carriers shall be provided at wholesale rates as provided in the Pricing Schedule.

- 2.1 **A Customer Transfer Charge (CTC) as specified in the Pricing Schedule applies when transferring any existing account or lines to ATTI.**<sup>3</sup>
- 2.2 (Intentionally left blank for numbering consistency)
- 2.3 If the resold services are purchased pursuant to tariffs and the tariff rates change, charges billed to ATTI for such services will be based upon the new tariff rates less the applicable wholesale discount as agreed to herein. The new rate will be effective upon the tariff effective date.

<sup>1</sup> This language reflects the Commission's decision relating to reciprocal compensation available to ATTI. Commission Decision at 13-16.

<sup>2</sup> Per AT&T Order at page 3.

<sup>3</sup> Per AT&T Supplemental Order at 3. See also, AT&T Order at page 24.

- 2.4 A Subscriber Line Charge (SLC) will continue to be paid by ATTI without discount for each local exchange line resold under this Agreement. All federal and state rules and regulations associated with SLC or as found in the applicable tariffs also apply.
- 2.5 ATTI will pay to U S WEST the PIC change charge without discount associated with ATTI end user changes of inter-exchange or intraLATA carriers.
- 2.6 ATTI agrees to pay U S WEST at the wholesale discount rate when its end user activates any services or features that are billed on a per use or per activation basis (e.g., continuous redial, last call return, call back calling, call trace, etc.). U S WEST shall provide ATTI with detailed billing information per applicable OBF standards unless otherwise agreed to by the Parties as necessary to permit ATTI to bill its end users such charges.
- 2.7 (Intentionally left blank for numbering consistency)
- 2.8 Nonrecurring charges will be billed as approved by the Commission.
- 2.9 (Intentionally left blank for numbering consistency)
- 2.10 (Intentionally left blank for numbering consistency)
- 2.11 Resale prices shall be wholesale rates determined on the basis of retail rates charged to subscribers for the Telecommunications Service requested, excluding the portion thereof attributable to any marketing, billing, collection and other costs that will be avoided by U S WEST, as specified in the Act, by the FCC and the Commission. **U S WEST shall be obligated to offer its volume and term discount service plans to ATTI provided that ATTI complies with the volume and term requirements contained therein. If selected by ATTI, ATTI will receive either the volume discounted rate or 16 percent (off the original retail rate), whichever is the larger discount. With the exception of the preceding, ATTI shall not be required to agree to volume or term commitments as a condition for obtaining Local Resale.<sup>4</sup>**
- 2.12 U S WEST shall bill ATTI and ATTI is responsible for all applicable charges for the Resale Services. ATTI shall be responsible for all charges associated with services that ATTI resells to an end user.

### 3. Construction and Implementation Costs

- 3.1 **U S WEST may assess ATTI up-front, nonrecurring charges for construction costs associated with a service only if U S WEST assesses its own end users such charges for similar construction and also demonstrates to the Commission that it is customary industry practice to charge end users for similar costs. If a tariff exists, such charges are deemed to be a customary industry practice. U S WEST shall not double recover nonrecurring construction charges. If another CLEC or U S WEST**

<sup>4</sup> Per AT&T Order at page 19, Issue 33.

**receives a benefit from the construction or other activity for which ATTI is charged, ATTI is entitled to recover contribution from the CLEC, or, if applicable, U S WEST as a beneficiary, for a share of the costs.<sup>5</sup>**

- 3.2 (Intentionally left blank for numbering consistency)
- 3.3 (Intentionally left blank for numbering consistency)
- 3.4 A quote for the ATTI portion of a specific job will be provided to ATTI. The quote will be in writing and will be binding for ninety (90) days after the issue date. When accepted, ATTI will be billed the quoted price and construction will commence after receipt of payment. If ATTI chooses not to have U S WEST construct the facilities, U S WEST reserves the right to bill ATTI for the expense incurred for producing the engineered job design.
- 3.5 ATTI shall make payment of fifty percent (50%) of the nonrecurring charges and fees upon acceptance of the quotation with the remainder due upon completion of the construction. In the event that ATTI disputes the amount of U S WEST's proposed construction costs, ATTI shall deposit fifty percent (50%) of the quoted construction costs into an interest bearing escrow account prior to the commencement of construction. The remainder of the quoted construction costs shall be deposited into the escrow account upon completion of the construction. Upon resolution of the dispute, the escrow agent shall distribute amounts in the account in accordance with the resolution of such dispute and any interest that has accrued with respect to amounts in the account shall be distributed proportionately to the Parties. The pendency of any such dispute shall not affect the obligation of U S WEST to complete the requested construction.

#### 4. Network Elements

- 4.1 **U S WEST shall not be required to deaverage rates for unbundled network elements unless rates for retail services are deaveraged.<sup>6</sup>**
- 4.2 **Unbundled network elements not required by this Agreement will be acquired pursuant to the BFR process and will be priced at TELRIC with a reasonable allocation of forward looking common costs.<sup>7</sup>**
- 4.3 (Intentionally left blank for numbering consistency)
- 4.4 **(Deleted per Arbitrators Recommendations)<sup>8</sup>**
- 4.5 Pricing for Toll and Assistance Operator Services shall be determined upon request.

<sup>5</sup> Per AT&T Order at pages 22-23, Issue 39.

<sup>6</sup> Per AT&T Order at pages 44-45, Issue 75.

<sup>7</sup> Per AT&T Order at page 46, Issue 79.

<sup>8</sup> Per AT&T Recommendations at pages 3-7, Issues 29-32.

## 5. Transport and Termination

***(The language shown below implements the Commission's decision adding the ATTI reciprocal compensation arrangement based on the arrangement between MFS Communications Company and U S WEST.)***

**Rate Structure -- Local Traffic<sup>9</sup>****5.1. Call Termination**

- a. ***The Parties agree that call termination rates as described in Appendix A will apply reciprocally for the termination of local/EAS traffic per minute of use.***
- b. ***For traffic terminated at an USWC or ATTI end office, the end office call termination rate in Appendix A shall apply.***
- c. ***For traffic terminated at a USWC or ATTI tandem switch, the tandem call termination rate in Appendix A shall apply. The tandem call termination rate provides for end office call termination, tandem switched transport and tandem switching.***  
  
***The Parties acknowledge that ATTI will initially serve all of its customers within a given LATA through a single ATTI switch. The Parties also acknowledge that ATTI may, in the future, deploy additional switches in each LATA.<sup>10</sup>***
- d. ***For purposes of call termination, the initial ATTI switch shall be treated as a tandem switch.<sup>11</sup>***
- e. ***Pursuant to the Arbitrator's decision in Docket No. UT-960323, USWC's proposed paragraph has been deleted.***

**5.2. Transport**

- a. ***If the Parties elect to each provision their own one-way trunks to the other Party's end office for the termination of local traffic, each Party will be responsible for its own expenses associated with the trunks and no transport charges will apply. Call termination charges shall apply as described above.***
- b. ***If one Party desires to purchase direct trunk transport from the other Party, the following rate elements will apply. Transport rate elements include the direct trunk transport facilities between the POI and the terminating party's tandem or end office switches.. The applicable rates are described in Appendix A.***
- c. ***Direct-trunked transport facilities are provided as dedicated DS3 or DS1 facilities without the tandem switching functions, for the use of either Party between the point of interconnection and the terminating end office or tandem switch.***
- d. ***If the Parties elect to establish two-way direct trunks, the compensation for such jointly used 'shared' facilities shall be adjusted as follows. The nominal compensation shall be pursuant to the rates for direct trunk***

<sup>9</sup> This language reflects the Commission's decision relating to reciprocal compensation. Commission Decision at 13-16.

<sup>10</sup> This sentence is included pursuant to the AT&T Recommendations.

<sup>11</sup> This sentence is included pursuant to the AT&T Recommendations.

*transport in Appendix A. The actual rate paid to the provider of the direct trunk facility shall be reduced to reflect the provider's use of that facility. The adjustment in the direct trunk transport rate shall be a percentage that reflects the provider's relative use (i.e., originating minutes of use) of the facility in the busy hour.*

*e. Multiplexing options are available at rates described in Appendix A.*

## **6. Number Portability**

- 6.1** In regard to pricing of Interim Number Portability ("INP"), any allocation of costs shall be in a competitively neutral manner, and the total costs of RCF or of any other INP methodology shall, if not accommodated on a bill and keep basis, be allocated in proportion to all telecommunications carriers share of active working numbers.<sup>12</sup>
- 6.2** Access charges for terminating IntraLATA toll and InterLATA minutes shall be recovered by each Party's billing Inter Exchange Carriers (IXCs) separately for each Party's portion of the access charges, based on the functions and facilities provided by carrier for call forwarding and termination. In calculating such recovery based upon the functions and facilities provided by a carrier, it shall be recognized that U S WEST may receive compensation for INP costs by means of the methodology outlined in Section 6.1 preceding.<sup>13</sup>
- 6.3** U S WEST shall recover the non-recurring cost of interim number portability from ATTI. The non-recurring charges for INP are provided in the Pricing Schedule.
- 6.4** ATTI may request U S WEST to provide ATTI call detail records identifying each IXC which are sufficient to allow ATTI to render bills to IXCs for calls IXCs place to ported numbers in the U S WEST network which U S WEST forwards to ATTI for termination. To the extent U S WEST is unable to provide billing detail information within a reasonable time frame, the Parties may agree on an interim method to share access revenues pursuant to a mutually agreed upon surrogate approach.

## **7. Collocation – Physical and Virtual**

See Pricing Schedule, attached to this Attachment.

<sup>12</sup> Per AT&T Order at page 26, Issue 51.

<sup>13</sup> Per AT&T Order at pages 26-27, Issue 51.

## U S WEST and ATTI INTERIM PRICING SCHEDULE

### RESALE

Wholesale Discount Rate	16%
Customer Transfer Charge - per Line	\$ 5.00

### UNBUNDLED NETWORK ELEMENTS

#### COMBINING CHARGE FOR UNES U S WEST COMBINES<sup>14</sup>

**Individual  
Case Basis  
Pricing**

#### Unbundled Loop

Network Interface Device	\$ 0.53
Unbundled Loop - Recurring - per Line per Month	\$ 11.33
Unbundled Loop - Residential Non-Recurring Charge	\$ *
Unbundled Loop - Business Non-Recurring Charge	\$ *

- \* Note: Per the Commission's Approval at page 13, paragraph H, the interim rate for an unbundled loop shall equal the existing retail non-recurring charge minus the avoided cost discount. The Residential charge would be the 1FR tariffed rate minus the 16% wholesale discount and the Business charge would be the 1FB rate minus the 16% wholesale discount.

**(The rates below are added to implement the Commission's decision adding the MFS Reciprocal Compensation arrangement to this agreement.)<sup>15</sup>**

#### Local Call Termination

**Agreed Price**

**End Office - Per Minute of Use**

**\$0.003141**

**Tandem Switch - Per Minute of Use (Note 1)**

**\$0.005416**

**(includes End Office Call Termination and Tandem Transport)**

**Note 1: The above local tandem call termination rate includes tandem transmission, based on an assumed transport mileage of 10 miles.**

**Should the average tandem transmission mileage experienced by the Parties exceed 10 miles, the Parties agree to adjust the**

**tandem call termination rate based on the tandem transmission rates set forth below.**

#### Local Switching

<sup>14</sup> ATTI reserves the right to contend a combining charge does not apply in certain circumstances.

<sup>15</sup> This language reflects the Commission's decision relating to reciprocal compensation. Commission Decision at 13-16.

Port - per Line per Month	\$	1.04
Usage - per Minute	\$	0.0018

**Transport**

Dedicated Transport		
DS0 - per Month	\$	4.26

DS1		<u>Fixed</u>	<u>Per Mile</u>
0 Miles		None	None
Over 0 to 8 Miles	\$	41.72	\$ 0.67
Over 8 to 25 Miles	\$	41.72	\$ 0.84
Over 25 to 50 Miles	\$	41.73	\$ 2.97
Over 50 Miles	\$	41.73	\$ 3.49

DS3		<u>Fixed</u>	<u>Per Mile</u>
0 Miles		None	None
Over 0 to 8 Miles	\$	283.30	\$ 13.83
Over 8 to 25 Miles	\$	284.17	\$ 15.03
Over 25 to 50 Miles	\$	291.31	\$ 39.19
Over 50 Miles	\$	293.91	\$ 44.74

Multiplexing - per Arrangement		
DS1 to DS3 - Recurring	\$	218.58
DS1 to DS3 - Non-Recurring	\$	418.45

**Tandem Switched Transport**

Tandem Switching - per Minute	\$	0.0014
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Tandem Transmission		<u>Per Minute</u>	<u>Per Minute Per Mile</u>
0 Miles		None	None
Over 0 to 8 Miles	\$	0.000411	\$ 0.000009
Over 8 to 25 Miles	\$	0.000411	\$ 0.000007
Over 25 to 50 Miles	\$	0.000408	\$ 0.000008
Over 50 Miles	\$	0.000409	\$ 0.000015

<b>Tandem Switching - per Minute</b>	\$	0.0014
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**Signaling**

Signaling Link - per Link per Month	\$	45.81
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Signaling Link - First Link - Non-Recurring	\$	504.68	**
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Signaling Link - Each Additional Link - Non-Recurring	\$	72.42	**
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\*\* Note: Per the Commission's letter dated July 18, 1997, stating that the Commission's Approval also adopted U S WEST's proposed Signaling Link Non-Recurring Charges.

Signal Transfer Point - per Message	\$	0.00004
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Service Control Point / Database - per Message	\$	0.00095
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**Operator Systems**



Directory Assistance - per Line per Month	\$ 0.14106
Busy Line Verify - per Call	\$ 0.72
Busy Line Interrupt - per Call	\$ 0.87

**INTERIM NUMBER PORTABILITY**

## Non-Recurring

Service Establishment - per Switch per Route	\$ 43.80
Service Establishment - Additional Number Ported or changes to existing Number - per Number Ported	\$ 9.49
Additional and Consecutive Numbers Ported on same account name and Consecutive Numbers - per Number Ported	\$ 7.05

**(The Collocation rates below are added to implement the Commission's decision, USW and AT&T agree with these rates to handle collocation as described in Part A section 40 of the AT&T agreement.)**

WASHINGTON COLLOCATION RATES	Recurring	Non-Recurring
- All Collocation		
- Quote Prep. Fee	N/A	\$ 2437.30
Collocation Entrance Facility- 2 Fibers	\$ 2.07	\$ 1307.45
- Collocation Entrance		
Manhole, per month, per manhole	\$ 27.61	N/A
Handhole, per month, per handhole	\$ 15.22	N/A
Conduit/Interduct Entrance Enclosure to Cable vault, per foot per month	\$ 0.42	N/A
- Core drill, per core	N/A	\$ 363.13
Riser, vault to equipment, per foot per month	\$ 0.47	N/A
Fiber Optic cable, per 24 fiber increments, per foot per month	\$ 0.05	N/A
Fiber Placement in conduit and riser, per foot	N/A	\$ 1.66
- Copper 25 pair, per foot	\$ 0.012	N/A
- Copper Cable splicing, per splice	N/A	\$ 91.27
Copper Cable placement conduit and riser, per foot	N/A	\$ 1.66
Coax Cable RG59 placement, per foot per month	\$ 0.20	N/A
- Cable Splicing		
- Per set-up	N/A	\$ 103.59
- Per fiber spliced	N/A	\$ 12.95
-Power (all)		
48 Volt DC Power, per ampere per month	\$ 13.45	N/A
48 Volt DC Power, per ampere, per foot, per A and B feeder		
- 20 Ampere Capacity	\$ 0.15	\$ 68.37
- 40 Ampere Capacity	\$ 0.20	\$ 92.71
- 60 Ampere Capacity	\$ 0.22	\$ 104.42
- 100 Ampere Capacity	\$ 0.35	\$ 152.97
- 200 Ampere Capacity	\$ 0.54	\$ 239.62
- 300 Ampere Capacity	\$ 0.75	\$ 330.93
- 400 Ampere Capacity	\$ 0.97	\$ 427.98
- Inspector, per ½ hour		

- During business hours	N/A	\$ 28.62
- After business hours	N/A	\$ 37.20
<b>- ICDF (Interconnection Distribution Frame)</b>		
- Per Termination		
- DS0	\$ 0.0103	\$ 5.56
- DS1	\$ 0.0276	\$ 13.16
- DS3	\$ 0.4187	\$ 199.38
- Block Terminations		
- DS0	\$ 1.40	\$ 751.65
- DS1	\$ 1.21	\$ 577.27
- DS3	\$ 0.6804	\$ 324.00
- Security *		
- Per Employee, Per C.O.	\$ 6.23	N/A
If escort is required additional charges will apply on an ICB.		
Heating and Air Conditioning	ICB	ICB
Collocation	Recurring	Non-Recurring
Cable Racking, per foot, per termination		
- Per DS0 2-Wire	N/A	\$ 0.0144
- Per DS0 4-Wire	N/A	\$ 0.0287
- Per DS1	N/A	\$ 0.0431
- Per DS3	N/A	\$ 0.7182
- Channel Regeneration		
- DS1 EICT Regeneration	\$ 14.38	\$ 405.02
- DS3 EICT Regeneration	\$ 94.24	\$ 433.23
- Virtual Collocation		
- Maintenance Labor, per ½ hour		
- During business hours	N/A	\$ 25.36
- After business hours	N/A	\$ 33.73
- Training Labor, per ½ hour	N/A	\$ 25.36
- Engineering, per ½ hour	Recurring Charge	Nonrecurring Charge
- During business hours	N/A	\$ 24.73
- After business hours	N/A	\$ 33.09
- Installation, per ½ hour		
- During business hours	N/A	\$ 28.62
- After business hours	N/A	\$ 37.20
- Equip. Bay, per shelf	N/A	\$ 8.58
- Physical Collocation		
- Floor Space Lease		
Rent (w/ Maintenance) – per sq. ft. - Zone 1	\$ 2.75	N/A
Rent (w/ Maintenance) – per sq. ft. -Zone 2	\$ 2.26	N/A
Rent (w/ Maintenance) – per sq. ft. -Zone 3	\$ 2.06	N/A
- Back-up AC Power, per foot		
- 20 Amp, Single Phase	\$ 0.03	\$ 11.23
- 20 Amp, Three Phase	\$ 0.03	\$ 12.72
- 30 Amp, Single Phase	\$ 0.03	\$ 11.72
- 30 Amp, Three Phase	\$ 0.03	\$ 14.21
- 40 Amp, Single Phase	\$ 0.03	\$ 12.89
- 40 Amp, Three Phase	\$ 0.04	\$ 15.86
- 50 Amp, Single Phase	\$ 0.03	\$ 14.37
- 50 Amp, Three Phase	\$ 0.04	\$ 18.06
- 60 Amp, Single Phase	\$ 0.04	\$ 15.58
- 60 Amp, Three Phase	\$ 0.05	\$ 20.04

Attachment 1 – Pricing Schedule

- 100 Amp, Single Phase	\$ 0.04	\$ 18.11
- 100 Amp, Three Phase	\$ 0.06	\$ 25.46
- Grounding		
- 2 AWG	\$ 0.1868	\$ 6.85
- 1/0 AWG	\$ 0.2758	\$ 10.12
- 4/0 AWG	\$ 0.3280	\$ 12.03
- 350 kcmil	\$ 0.5051	\$ 18.53
- 500 kcmil	\$ 0.5890	\$ 21.61
- 750 kcmil	\$ 0.7310	\$ 26.81
- Cageless Physical Collocation	N/A	ICB