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IDAHO PUBLIC UTILITIES COMMISSION

3 Triad Center, Suite 160
Salt Lake City, UT 84180
Phone: (801) 924-6360
Fax: (801) 924-6363

May 11, 2006

Mrs. Jean Jewell
Commission Secretary
IDAHO PUBLIC UTILITIES COMMISSION
472 West Washington Street
Boise, ID 83702

CTC-T-06-02

RE: Interconnection and traffic exchange agreement between Citizens Telecommunications Company of Idaho and T-Mobile USA, Inc.

Dear Mrs. Jewell:

Citizens Telecommunications Company of Idaho ("CTC-Idaho") hereby submits for approval by the Idaho Public Utilities Commission ("Commission") the enclosed "Interconnection and Traffic Exchange Agreement" dated October 2, 2005 ("Agreement"), which provides for the interconnection of T-Mobile, USA Inc. with CTC-Idaho. This Agreement was reached through voluntary negotiations without resort to mediation or arbitration and is submitted for approval pursuant to Section 252 (e) of the Communications Act of 1934, as amended by the Telecommunications Act of 1996 ("the Act") and the requirements of Idaho Administrative Code, 31.42.01, Rule 408.

Section 252(e)(2) of the Act directs that a state Commission may reject an agreement reached through voluntary negotiations only if the commission finds that

- (1) the agreement (or portion thereof) discriminates against a telecommunications carrier not a party to the agreement; or
- (2) the implementation of such agreement or portion is not consistent with the public interest, convenience and necessity.

CTC-Idaho respectfully submits that the Agreement provides no basis for either of these findings and, thus, requests that the Commission approve the Agreement expeditiously. First, the Agreement does not discriminate against any other telecommunications carrier because CTC-Idaho has made the terms of the Agreement available to other carriers. Second, the Agreement is consistent with the public interest as identified in the pro-competitive policies of the State of Idaho, the Commission, the U.S. Congress and the Federal Communications Commission. The Agreement will enable The Local Connection to provide service to, and interconnect with, a greater number of telecommunications customers in Idaho. Expedient approval of this Agreement will facilitate immediate competition in the telecommunications market.

CTC-Idaho further requests that the Commission approve this Agreement without a hearing and without allowing the intervention of other parties. Because this Agreement was reached through voluntary negotiations, it does not raise issues requiring a hearing and does not concern other parties not a part of the negotiations. Expedient approval would further the public interest.

Enclosed are an original and three copies of this filing as specified in IDAPA 31.01.01(061)(01)(c). Also included is a copy of this letter. Please return the copy of this letter, date-stamped in the enclosed postage-paid envelope.

If you have any questions regarding this matter, please contact me at 801-924-6357 (voice), 801-924-6363 (fax) or ingo.henningsen@czn.com (e-mail).

Sincerely,



Ingo Henningsen
Manager – Government & External Affairs

cc: Julie Thompson, w/o Attachments

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OCT 12 PM 1:15
COMMUNICATIONS DIVISION

ctc-t-06-02

**INTERCONNECTION AND TRAFFIC INTERCHANGE AGREEMENT
FOR CELLULAR AND OTHER 2-WAY MOBILE RADIO SERVICES**

Between

Citizens Telecommunications Company of Idaho

and

T-Mobile USA, Inc.

Dated: October 2, 2005

**INTERCONNECTION AND TRAFFIC INTERCHANGE AGREEMENT
CELLULAR AND OTHER 2-WAY MOBILE RADIO SERVICES**

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ATTACHMENT 1 - CONTACT LIST

SERVICE ATTACHMENT - INDIRECT INTERCONNECTION

SERVICE ATTACHMENT TYPE 2B

**INTERCONNECTION AND TRAFFIC INTERCHANGE AGREEMENT
CELLULAR AND OTHER 2-WAY MOBILE RADIO SERVICES**

THIS AGREEMENT is made this 2nd day of October, 2005 by and between Citizens Telecommunications Company of Idaho, a Delaware corporation, with offices at 180 South Clinton Ave, Rochester, NY 14646 (referred to as "Citizens"), and T-Mobile USA, Inc., a Delaware corporation, (as defined hereunder) with its office at 12920 SE 38th St., Bellevue, WA 98006, collectively referred to as the "Carrier". Carrier and Citizens may also be referred to herein collectively as the "Parties" and singularly as a "Party".

WITNESSETH:

Citizens is an authorized telecommunications carrier engaged in providing 2-way telecommunications service in the state identified in the Attachment(s); and

Carrier is an authorized telecommunications carrier by radio engaged in providing mobile radio telecommunications service in the state identified in the Attachment(s); and

Citizens and Carrier desire to interconnect their facilities and interchange traffic for the provision of telecommunications service pursuant to 47 U.S.C. Section 251(a) (2);

In consideration of their mutual agreements, Citizens and Carrier agree as follows:

SECTION 1. DEFINITIONS

For purposes of this Agreement, the following definitions will apply:

ACCESS TANDEM -- Citizens switching system that provides a traffic concentration and distribution function for traffic originating from or terminating to end offices in the access area.

AUTOMATIC NUMBER IDENTIFICATION ("ANI") -- The automatic identification of the calling station.

AUTHORIZED SERVICES -- Those mobile radio services which the Carrier now or hereafter provides to its end users on an interconnected basis.

CARRIER'S PREMISES -- A location designated by the Carrier for the purposes of originating or terminating services provided by Citizens.

CARRIER'S SYSTEM -- The communications system of Carrier used to furnish public mobile services.

CENTRAL OFFICE PREFIX (NXX Code) -- The first three digits of the seven-digit directory number and associated block of 10,000 numbers for use in accordance with the North American Dialing Plan.

CITIZENS SYSTEM -- The communications network of Citizens.

CONNECTING FACILITY -- A means for providing access between Citizens end office or tandem and the Carrier's Point Of Connection (POC).

DEDICATED NXX -- An NXX the Carrier has obtained from the number administrator for dedication to its exclusive use and sole administration.

END OFFICE -- The Citizens central office trunking/switching entity where telephone loops are terminated for purposes of interconnection to each other and to the network.

LOCAL TRAFFIC or "IntraMTA Traffic" is that telecommunications traffic, which originates and terminates, within the same MTA as defined in 47 C.F.R. § 24.202(a). For purposes of determining whether traffic originates and terminates within the same MTA, and therefore whether the traffic is local, the location of the end office serving the landline end user and the location of the cell site that serves the mobile end user at the beginning of the call shall be used. This definition will not be deemed to affect the rights of either Party to bill its own end-users its own charges for any such call, to route traffic via a third party, nor its right to reciprocal compensation as defined in Section 51.701 of the FCC Rules.

MAJOR TRADING AREA -- The Major Trading Area ("MTA") is defined as the local calling scope for interconnection and is based on the Rand McNally 1992 Commercial Atlas & Marketing Guide, 123rd Edition, at pages 38-39, with the exceptions contained in Section 24.202(a) of the Rules of the Federal Communications Commission.

MOBILE SWITCHING OFFICE (MSO) -- The Mobile Switching Office used by Carrier in performing originating and terminating functions for calls interchanged between Carrier's customer and the public switched network.

LAND-TO-MOBILE DIRECTION -- Calls from landline customers to Carrier's system. Also referred to as land-to-mobile.

POINT OF INTERCONNECTION (POI) -- Point of Interconnection means the physical location(s) at which the Parties' networks meet, within Citizens exchange boundary for the purpose of establishing interconnection.

SERVICE AREA -- Service Area is defined as the geographic area in which Carrier is authorized by the FCC to provide services.

SERVING END OFFICE -- The location from which the Carrier designated premise would normally obtain dial tone from Citizens.

MOBILE-TO-LAND DIRECTION -- Calls from Carrier's premises to landline customers. Also referred to as mobile-to-land.

TOLL BILLING EXCEPTION (TBE) -- A service which restricts operator assisted (0-, 0+) land-to-mobile calls from being sent on a collect (charged to mobile line) basis.

TRANSIT SERVICE - the delivery of certain traffic between Carrier and a third party ILEC, CLEC or CMRS provider by Citizens over a separate trunk group between Carrier and Citizens where appropriate trunks exist between Carrier and third party through Citizen's tandem. The following traffic types will be delivered: (I) Local Traffic originated from Carrier to such third-party and (ii) Local Traffic originated from such third-party to Citizen's tandem and terminated to Carrier.

TYPE 2A INTERCONNECTION -- The connection between Carrier's System and a Citizens access tandem switch. Type 2A interconnection provides connectivity to all Citizens end offices subtending the tandem.

TYPE 2B INTERCONNECTION -- A high-usage connection between Carrier's system and a Citizens end office. A Type 2B interconnection is an interconnection between the Wireless MTSO and the ILEC's End Office only. Type 2B also provide connection between Carrier's system and a Citizens end office subtending a non - Citizens tandem.

WIRELESS CARRIER -- Telecommunications common carrier authorized by the Federal Communications Commission (FCC) under FCC rules Part 22 (47 CFR Part 22), Part 24 (47 CFR Part

24), and Part 90 (47 CFR Part 90) which utilizes radio as the principal means of connecting its end-user subscribers with the Public Switched Telephone Network.

SECTION 2. INTERCONNECTION

2.1 Subject to the applicable interconnection rules and regulations, Citizens will provide to Carrier, upon request, those facilities and arrangements described herein and in the Attachments hereto to establish the physical interconnection and interchange of traffic provided for herein and such other facilities Carrier may require and request for operation of its system.

2.2 All directly interchanged traffic will be handled over direct interconnecting facilities as described herein. The type of direct interconnections offered under this Agreement are designated as Type 2A, and Type 2B, as defined in Section 1.

2.2.1 When Carrier has a Type 2A direct connection to a Citizens tandem and, based upon traffic exchanged DS1's worth of Local Traffic is exchanged between the Parties' POI and a Citizens End Office, the parties representatives will confer and evaluate whether a Type 2B direct trunk should be installed. If two or more DS1's worth of Local Traffic is exchanged between the Parties' POI and a Citizens End Office at least 15 times per month the Parties agree to establish a Type 2B direct trunk unless Carrier demonstrates that it is not economically or technically feasible.

2.2.2. Whenever a two-way Type 2B direct trunk is established between the Parties, all traffic delivered between the Parties that Carrier terminates, or Citizens originates, at the connected Citizens End Office shall be delivered to the other over the Type 2B trunk or an alternate final route if designated on the ASR sent by the Carrier.

2.2.3. Establishment of a two-way Type 2B direct trunk is subject to mutually acceptable Type 2B Reciprocal Compensation which shall be included in an appropriate "Service Attachment – Type 2B"

2.3 Alternatively if Carrier provides service using an NPA-NXX assigned solely to a rate center where Citizens provides EAS or a Commission approved optional calling plan and Carrier chooses to indirectly interconnect by using the tandem switching facilities of a third party for the point of interconnection, each Party shall reciprocally terminate on its network Local Traffic originating from the other Party's network, provided that 1) traffic between the third party can be measured, and 2) when traffic volumes are below a DS1 level. Consistent with Citizens current practice with Carrier, either Party's Local Traffic may be routed through one or more intermediaries for interconnection with the other Party's system and, unless a direct connection is separately negotiated pursuant to the terms of this Agreement, shall transit a tandem switch before reaching Citizens End Office, and will be subject to Reciprocal Compensation fees based on Section 4, Charges for Facilities and Arrangements.

2.3.1 When Carrier indirectly interconnects with Citizens and Local Traffic is exchanged between the Parties, the Parties agree to establish a direct two-way Type 2A or Type 2B trunk or alternative tandem arrangements to avoid tandem transit costs if the land-to-mobile Local Traffic exchanged exceeds one (1) DS1's worth of traffic averaged over a day at least fifteen (15) times per month or mobile-to-land Local Traffic exchanged exceeds two (2) DS1's worth of traffic averaged over a day at least fifteen (15) times per month, unless Carrier demonstrates that it is not economically or technically feasible. During peak seasonal calling periods or times of crisis the Parties agree to work together to determine if direct two-way facilities are required.

2.4 Carrier may request activation/addition of new locations under the terms and conditions of this Agreement at any time during the term by submitting a request for interconnection to Citizens Interconnection organization. Citizens will provide an amended Service Attachment to reflect activation or addition of new locations. The Service Attachment will be signed by Citizens authorized representative and Carrier's authorized representative, affixed to this Agreement, and thereby being made a wholly part and subject to this Agreement. To the extent that any of the Service Attachments may be inconsistent with or in conflict with this Agreement, the Agreement will prevail.

2.5 Signaling Systems and Administration

2.5.1 The Parties will, where Citizens and Carrier have the capability, interconnect their networks using SS7 signaling associated with all interconnection trunk groups as defined in Telcordia GR-246 "Bell Communications Research Specification of Signaling Systems 7 (SS7) and GR-905, "Common Channel Signaling Network Interface Specification (CCSNIS) Supporting Interconnection, Message Transfer Part (MTP), and Integrated Services Digital Network (ISDN) User Part (ISUP)" including ISDN User Part ("ISUP") for trunk signaling and Transaction Capabilities Application Part ("TCAP") for CCS-based features in the interconnection of their networks provided use of SS7 signaling allows for measurement of land to mobile and mobile to land traffic. For glare resolution, Citizens will have priority on odd trunk group member circuit identification codes, and carrier will have priority on even trunk group member circuit identification codes, unless otherwise mutually agreed.

2.6 The terms and conditions of this Agreement will prevail over and supersede any other conflicting rates, terms and conditions contained on Carrier's purchase order for services provided under this Agreement.

2.7 At Carrier's request, Citizens and Carrier will physically interconnect their facilities at Citizens office or another mutually agreed to POI, and interchange traffic originating and/or terminating on Carrier's System in connection with Carrier's Authorized Services; such interconnection will be in accordance with the service, operating and facility arrangements set forth hereinafter.

2.8 Sizing and Structure of Interconnection Facilities

2.8.1 The Parties will mutually agree on the appropriate sizing for facilities based on the standards set forth below. The capacity of interconnection facilities provided by each Party will be based on mutual forecasts and sound engineering practice, as mutually agreed to by the Parties.

2.8.2 The electrical interface at Points of Interconnections (POIs) will be DS1 or DS3 as mutually agreed to by the Parties. When a DS3 interface is agreed to by the Parties, Citizens will provide any multiplexing required for DS1 facilities or trunking at their end and Carrier will provide any DS1 multiplexing required for facilities or trunking at their end. Citizens will charge DS3/DS1 multiplexing charges according to Citizens FCC #1 Tariff.

2.8.3 Citizens and Carrier will engineer all Traffic Exchange Trunks using a network loss plan conforming to ANSI T1.508-1998 and ANSI T1.508-1998 Supplement A.

2.9. Where additional equipment is required, such equipment would be obtained, engineered, and installed on the same basis and with the same intervals as any similar growth job for Carriers, or Citizens internal customer demand.

2.10 Trunk Forecasting

2.10.1 The Parties will work towards the development of joint forecasting responsibilities for traffic utilization over interconnection trunk groups covered in this contract. Orders for trunks that exceed forecasted quantities for forecasted locations will be accommodated as facilities and/or

equipment becomes available. Parties will make all reasonable efforts and cooperate in good faith to develop alternative solutions to accommodate orders when facilities are not available. Intercompany forecast information must be provided by the Parties to each other upon reasonable request. Citizens preference is a semi-annual forecast covering the following 24-month period.

2.11 Grade of Service

2.11.1 Each Party will provision their network to provide a P.01 grade of service.

2.11.2 The characteristics and methods of operation of any circuits, facilities or equipment of either Party connected with the services, facilities or equipment of the other Party pursuant to this Agreement shall not interfere with or impair service over any facilities of the other Party, its affiliated companies, or its connecting and concurring carriers involved in its services, cause damage to their plant, violate any applicable law or regulation regarding the invasion of privacy of any communications carried over the Party's facilities or create hazards to the employees of either Party or to the public (each hereinafter referred to as an "Impairment of Service").

2.11.3 Each Party will advise the other of any critical nature of the interoperative facilities, service, and arrangements and any need for expedited clearance of trouble. In cases where a Party has indicated the essential or critical need for restoration of the facilities, services or arrangements, the other Party will use its best efforts to expedite the clearance of trouble.

SECTION 3. USE OF FACILITIES AND SERVICES

3.1 The interconnecting facilities will be used only for the handling of interchanged traffic originating or terminating on Carrier's System in connection with Carrier's Authorized Services. Such facilities may, however, be used for any lawful use. The delivery of Local Traffic between the Parties shall be reciprocal and compensation will be mutual according to the provisions of this Agreement. . This Agreement is applicable only to Citizens Local serving areas, within Carrier's MTA, Citizens will not be responsible for interconnections or contracts relating to Carrier's interconnection with any other LEC.

3.1.1. Citizens will include an NXX assigned to Carrier in any local calling area, extended area calling service, optional calling scope, or similar program to the same extent as any other NXX in the same Citizens rate center and will permit the routing and exchange of Mobile-To-Land and Land-To-Mobile Traffic which originates or terminates within the local calling areas of Citizens' End Offices, including any applicable extended area service calling area as specified in Citizens' then current local service tariff, unless the other carrier(s) to an extended area service arrangement submit an objection or restrict the routing and exchange of Traffic over the existing extended area service arrangement. In the event of an objection or other restriction relating to the routing and exchange of extended area service Traffic, Citizens and Carrier will work together with the objecting carrier to resolve any legal, technical or financial issues relating to the routing and exchange of such Traffic to or from an extended area service calling area. During the interim, Carrier agrees to compensate Citizens for all necessary incremental charges associated with rerouting and exchanging Traffic to or from Carrier via a third-party's tandem facilities or over alternative trunking arrangements as directed by Carrier or any applicable regulatory authority. Citizens shall not be obligated to reroute such Traffic until directed by Carrier or any applicable regulatory authority and Citizens shall have no responsibility for delivering Traffic to a POI located at any point outside of a Citizens' local exchange area or beyond the boundary.

3.2 Connecting circuits, facilities and arrangements provided pursuant to this Agreement will not be used, switched or otherwise connected together by Carrier for the provision of through calling from a landline telephone to another landline telephone or from a landline telephone to an Internet Service Provider. The only exception is when Carrier's end-user "call forwards" to a landline telephone.

3.3 Connecting circuits, facilities and arrangements provided to Carrier by Citizens will not be used knowingly for any purpose or in any manner, directly or indirectly, in violation of law or in aid of any unlawful act or undertaking.

3.4 When needed and upon request by Carrier, special construction will be undertaken in accordance with the applicable Citizens tariff or as mutually negotiated by the Parties.

3.5 Any other provision of this Agreement notwithstanding, Citizens will recognize, deliver traffic to, accept traffic from, and otherwise honor the validity of any NXX assigned to Carrier by a third party in accordance with 47 USC Section 251(e) (or related FCC or state number administration rules).

3.6 Network Harm

3.6.1 Neither Party will use any service related to or use any of the services provided in this Agreement in any manner that interferes with third parties in the use of their service, prevents third parties from using their service, impairs the quality of service to other carriers or to either Party's Customers; causes electrical hazards to either Party's personnel, damage to either Party's equipment or malfunction of either Party's billing equipment (individually and collectively, "Network Harm"). If a Network Harm will occur or if a Party reasonably determines that a Network Harm is imminent, such Party will, where practicable, notify the other Party that temporary discontinuance or refusal of service may be required; provided, however, wherever prior notice is not practicable, such Party may temporarily discontinue or refuse service forthwith, if such action is reasonable under the circumstances. In case of such temporary discontinuance or refusal, such Party will:

- (a) Promptly notify the other Party of such temporary discontinuance or refusal;
- (b) Afford the other Party the opportunity to correct the situation which gave rise to such temporary discontinuance or refusal; and
- (c) Inform the other Party of its right to bring a complaint to the Commission or FCC.

3.7 Citizens and Carrier each may make reasonable tests and inspections of its facilities and may, upon notice and coordination with the other, temporarily interrupt the facilities being tested or inspected, so long as impairment or restriction of the operation of facilities is minimized. When cooperative testing is requested by either Party, such testing will be done in accordance with this Section 3

3.8 The characteristics and methods of operation of any circuits, facilities or equipment of either Party connected with the services, facilities or equipment of the other Party pursuant to this Agreement will not interfere with or impair service over any facilities of either Party, its Affiliates, or its connecting and concurring carriers involved in its services, cause damage to their plant, invade the privacy of any communications carried over either Party's facilities or create hazards to the employees of any of them or to the public.

3.9 Carrier will be solely responsible, at its expense, for the overall design of its services and for any redesigning or rearrangement of its services which may be required because of changes in facilities, operations or procedures of Citizens, minimum network protection criteria, operating or maintenance characteristics of the facilities.

3.10 Mobile customers of Carrier will be instructed to report all cases of trouble to Carrier. In order to facilitate trouble reporting and to coordinate the repair of service provided to Carrier by Citizens under this Agreement, "Citizens 24-Hour Repair Center" will provide 24-hour trouble reporting for Carrier.

3.10.1 Where new facilities, services and arrangements are installed, Citizens, via the NOC, will ensure that continuity has been established and that appropriate transmission measurements have been made before advising Carrier that the new circuit is ready for service.

3.10.2 Citizens will furnish a trouble reporting telephone number for the designated NOC. See Attachment 1. This number will give Carrier access to the location where its facility records are normally located and where current status reports on any trouble reports are readily available. Alternative out-of-hours procedures will be established to ensure access by Carrier to a location which is staffed and has the authority to initiate corrective action.

3.10.3 Before Carrier reports a trouble condition, it will use its commercially reasonable efforts to isolate the trouble to Citizens facilities.

3.10.4 In cases where a trouble condition adversely affects Carrier's service, Citizens will give Carrier the same priority extended to other telephone companies.

Citizens and Carrier will cooperate in isolating the trouble.

3.11 Trunking arrangements shall be established as follows:

3.11.1 Separate trunk groups for the exchange of Local Traffic.

3.11.2 Separate trunk groups to be used solely for the transmission and routing of access services to enable interexchange carriers to terminate traffic to Carrier. This access service is only provided where Carrier connects to a Frontier Tandem Office Switch.

3.11.3 Separate trunk groups for the exchange of Transit Service traffic. This Transit Service is only provided where Carrier connects to a Frontier Tandem Office Switch.

3.11.4 Carrier's services as an interexchange service provider are subject to Frontier's access tariffs.

3.11.5 Where applicable, separate trunks connecting Carrier's switch to Citizens E911 routers. If Carrier purchases such services from Citizens, they will be provided at full applicable tariff rates. For all 911/E911 traffic originating from Carrier, it is the responsibility of Carrier and the appropriate state or local public safety answering agency to negotiate the manner in which 911/E911 traffic from Carrier will be processed.

3.11.6 The Parties mutually agree that all interconnection facilities will be sized according to mutual forecasts and sound engineering practice, as mutually agreed to by the Parties. The Parties further agree that all equipment and technical interconnections will be in conformance with all generally accepted industry standards with regard to facilities, equipment, and services.

SECTION 4. CHARGES FOR FACILITIES AND ARRANGEMENTS

4.1 Reciprocal Termination Charges. The delivery and termination of Local Traffic between the Parties for both direct interconnection and indirect interconnection through the tandem facilities of third parties shall be reciprocal and compensation will be mutual as reflected in the Service Attachment to this Agreement. This form of reciprocal termination charging is a usage-sensitive in which each party assesses the other usage-sensitive charges for the termination of traffic on each other's system. The Service Attachment to this Agreement reflects the selection by the Parties.

4.2 Reciprocal Transport Charges. Each Party is solely responsible for the provision of transport facilities necessary for the carriage of interchanged traffic between the Point of Interconnection and points within its own network and for all costs of delivering traffic to the Point of Interconnection; provided, however, that Citizens shall have no responsibility for delivering traffic to a Point of Interconnection located at any point outside of a Citizens local exchange area.

- 4.3 Reciprocal Termination Charges. Reciprocal Termination Charges are assessed on a per minute basis.
- 4.4 Each Party will charge and collect from the other Party appropriate federal, state and local taxes. Where a Party notifies the other Party and provides appropriate documentation that such Party qualifies for partial or full exemption, then the billing Party will not collect such taxes from the other Party.
- 4.5 Billing by either Party for calls to be terminated on its own network will begin at trunk seizure and will end at time of call disconnect.
- 4.6 Minutes of use, or fractions thereof, are accumulated over the billing period. Fractions of minutes are rounded up monthly to the nearest whole minute for total minutes for each end office for billing purposes.
- 4.7 For the purpose of this Agreement, the Parties, when the necessary facilities are deployed, agree to utilize industry standard technical arrangements enabling each Party to provide the other Party with all electronic signaling data necessary to bill terminating traffic, including but not limited to ANI.
- 4.8 In the event Citizens is unable to determine the mobile to land local traffic it terminates from Carrier or measurement capabilities are not available in a Citizens' end office or access tandem, the following assumed minutes of use figures will apply to charges for reciprocal compensation for traffic exchanged between Parties in both the MOBILE-TO-LAND DIRECTION and the LAND-TO-MOBILE DIRECTION: 5,000 minutes of use per month for each voice grade connecting circuit and 120,000 minutes of use each month for each DS-1 connecting circuit. These assumed minutes of use will be billed in accordance with terms and conditions of this Agreement and the directionality of the traffic as identified in the Service Attachment. For example, if 70% of the traffic was MOBILE-TO-LAND and 30% of the traffic was LAND-TO-MOBILE, Citizens would bill Carrier for 4,000 minutes per month and Carrier would bill Citizens for 1,200 minutes per month for each voice grade circuit (96,000 and 24,000 respectively for a DS-1). The applicability of this arrangement referenced in this paragraph may be altered or terminated at any time once Citizens has the ability to record actual minutes of use or an alternative method can be established.
- 4.8.1 Carrier shall assume 70% ownership of the assumed minutes as referenced in 4.8 above. Citizens shall assume 30% ownership of the assumed minutes as referenced in 4.8 above.
- 4.9 Where Carrier interconnects with Citizens by purchasing facilities from Citizens and these facilities are used for two-way Traffic, the applicable recurring charges for such facilities to Carrier's POI on Citizens System, may be reduced by the following fixed percentage. (For example, this situation will occur if the POI for Citizens to Carrier Traffic is at the boundary of Citizens territory and the POI for Carrier to Citizens is at the Citizens switch.)
- 4.9.1 Carrier shall pay 70% of the recurring facility.
- 4.10 Each Service Attachment shall reflect which method of compensation will be used (i.e. actual minutes, assumed minutes, trunk signaling, or other special arrangements).
- 4.11 In the event Carrier is unable to determine the amount of Land-to-Mobile Local Traffic it terminates from Citizens or is unable to direct bill Citizens based on actual Land-to-Mobile Local Traffic, Carrier will bill Citizens for usage and two-way Connecting Facilities based on the Traffic Factors set forth on the Service Attachment 2. The initial Traffic Factors set forth on the Service Attachment 2 will remain in effect for a minimum of six (6) months after this Agreement becomes effective. Either Party may request a review and modification of the Traffic Factors, on a going forward basis, up to two times per calendar year, based on actual usage and the results of a six (6) month Traffic Study conducted by a Party. Any change to the Traffic Factors will thereafter only apply on a going forward basis and will be effective as mutually agreed to in writing by the Parties. Any such change in the Traffic Factors will not require an amendment to this Agreement. If the Parties are unable to reach agreement on the adequacy of the

sample or the appropriate Traffic Factors to be used based on the Traffic study, either Party may request resolution of the dispute pursuant to the procedures set forth in Section 17.

4.11.1 For billing purposes, if Carrier is unable to classify on a automated basis Traffic delivered by Carrier as Local or Non-Local, Carrier will provide Citizens with a percent local use (PLU) factor, which represents the estimated portion of total Traffic delivered by Carrier to Citizens that originates and terminates within the same MTA, and a percent interMTA (PIU) factor, which represents the estimated portion of interMTA Traffic. The PLU factor will be applied to the measured Mobile-To-Land minutes of use terminated on Citizens' System to determine the minutes of use for which reciprocal Termination and Transport rates apply. The PIU factor is applied to the remaining minutes of use to determine the portion of Non-Local minutes to be billed at interstate access rates. The PLU and PIU factors will be updated every six (6) months and take effect on January 1 and July 1 of each year of this Agreement, unless otherwise agreed to by both Parties.

4.12 The Parties contemplate that they may exchange non-Local Telecommunications traffic over the interconnection facilities provided for under this Agreement. Charges for the transport and termination of non-local interMTA traffic shall be in accordance with the Parties' respective intrastate or interstate access tariffs or other applicable access rates, as appropriate. The Parties will develop an initial factor representative of the share of total traffic exchanged over the interconnection facilities that is exempt from local compensation. The Parties have agreed upon the InterMTA factor specified in Attachment 1, which represents the percent of total minutes to be billed access charges. The InterMTA factor identified in Attachment 1 shall be used until revised by mutual agreement. The Parties agree to review the percentage on a periodic basis but no more frequently than bi-annually and, if warranted by the actual usage, revise the percentage appropriately.

SECTION 5. BILLING & PAYMENTS

5.1 In consideration of the services provided by Citizens under this Agreement, Carrier shall pay the charges set forth in this Agreement and in applicable tariffs. In consideration of the services provided by Carrier under this Agreement, Citizens shall pay the charges set forth in this Agreement and in applicable tariffs. Invoices with charges set forth in this Agreement and in applicable tariffs shall be sent to:

To Carrier:
 T-Mobile USA, Inc.
 ATTN: Carrier Management
 12920 SE 38th St.
 Bellevue, WA 98006

To Citizens:
 Frontier, A Citizens Telecommunications Company
 Attention: Jeff Wiebers, Director Access Billing
 14500 Burnhaven Dr. Suite 193
 Burnsville, MN 55306

5.2 A monthly billing statement with a consistent, regular bill date shall be prepared by both Parties and will reflect the calculation of (i) reciprocal compensation due each Party and (ii) transit service compensation due Citizens, and (iii) any other tariffed or contracted service due each Party. All bills dated as set forth above will be due thirty (30) days after the bill date or by the next bill date (i.e., the same date in the following month as the bill date), whichever is the shortest interval, 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 Legal Holiday, payment for such bills will be due on the last business day preceding the Saturday, Sunday or Legal Holiday. If such bills are not received at least twenty (20) days prior to the payment due date, then the bill(s) shall be considered delayed. When a bill has been delayed,

the due date will be extended by the number of days the bill was delayed, upon request of the receiving Party.

5.2.1 Parties will compensate each other on verifiable records of actual usage.

5.3 Billing: The Parties agree that disputed and undisputed amounts due under this Agreement shall be handled as follows:

5.3.1 If any portion of an amount due to a Party (the "Billing Party") under this Agreement is subject to a bona fide dispute between the Parties, the Party billed (the Billed Party) shall within ninety (90) of its receipt of the invoice containing such a disputed amount give written notice to the Billing Party of the amount it disputes ("Disputed Amounts") and include in such notice the specific details and reasons for disputing each item. Following execution of this agreement the Billing Party shall not bill and the Billed Party shall have no obligation to pay invoices for service provided more than one year prior to the date of the invoice. The Billed Party shall pay when due all undisputed amounts to the Billing Party, and shall include a copy of the dispute with the payment of the undisputed amount.

5.3.2 In the event that a billing dispute is resolved in favor of the Billed Party, any payment of the disputed amount withheld pending settlement of the dispute shall not be subject to the late payment penalty.

5.3.3 In the event that a billing dispute is resolved in favor of the Billing Party, any payments withheld pending settlement of the dispute will be subject to the late payment penalty set forth in 5.3.4 following.

5.3.4 Undisputed amounts shall be paid when due as set forth in Section 5.2 above. If any portion of the payment is received by the Billing Party in funds that are not immediately available to the Billing Party, a late payment penalty shall be due to the Billing Party. The late payment penalty shall be 1.5% per month or 18% annually, or the maximum allowed by law, whichever is less.

5.4 Both Parties shall use the Dispute Resolutions Procedures as described in Section 17.

5.5 In consideration of the services provided under this Agreement, the Parties shall pay the charges set forth in this Agreement and applicable tariffs. Any service provided, that is not identified in agreement will be governed by applicable tariffs.

SECTION 6. ALLOWANCE FOR INTERRUPTIONS

6.1 When use of the facilities furnished by either Party to the other Party in accordance with this Agreement is interrupted due to trouble in such facilities and such interruption is not caused by the interrupted Party, any contractor or supplier of the interrupted Party or its customer, the interrupted Party will, upon request, be allowed a credit as follows:

6.2 The amount of credit to Carrier will be an amount equal to the pro rata monthly charge for the period during which the facility affected by the interruption is out of service.

6.3 Claims for reimbursement will be made in writing within sixty (60) calendar days of the occurrence. All credit for interruption will begin from the time of actual notice by the interrupted Party to the other Party, in accordance with Section 15 following, that an interruption of use has occurred. No credit will be allowed for an amount of less than five dollars (\$5).

6.4 A credit will not be applicable for any period during which the interrupted Party fails to afford access to the facilities furnished by the other Party for the purpose of investigating and clearing troubles.

SECTION 7. AUDIT

Either Party may, upon written notice to the other Party, conduct an audit, during normal business hours, only on the source data/documents as they may contain information bearing upon the services being provided under the terms and conditions of this Agreement. An audit may be conducted no more frequently than once per 12-month period, and only to verify the other Party's compliance with provisions of this Agreement. The notice requesting an audit must identify the date upon which it is requested to commence, the estimated duration, the materials to be reviewed, and the number of individuals who will be performing the audit. Each audit will be conducted expeditiously. Any audit is to be performed as follows: (i) following at least 45 days prior written notice to the audited Party; (ii) subject to the reasonable scheduling requirements, during ordinary business hours, and limitations of the audited Party; (iii) at the auditing Party's sole cost and expense; (iv) of a reasonable scope and duration; (v) in a manner so as not to interfere with the audited Party's business operations. Any other provision of this Section 6 notwithstanding, each Party shall have the right to audit only such data and records as are available in (or reproducible on) paper or other tangible (non-electronic) medium, and neither Party may have access to the other Party's electronic records without the other's prior written consent.

SECTION 8. TERM AND TERMINATION OF AGREEMENT

8.1 This Agreement will become effective upon the first business day following the date this Agreement has been approved by the applicable regulatory authority or authorities and will continue for a period of one (1) year unless terminated earlier under the conditions set forth in this Section. This Agreement will be automatically renewed for successive periods of one (1) year after the initial term unless either Party provides the other Party with no less than ninety (90) day's prior, written notification of its intent to terminate this Agreement. Either Party may request negotiation of a successor agreement by written notice to the other Party no earlier than one hundred sixty (160) Days prior to the expiration of the initial or any successive term. If a Party elects to negotiate a subsequent agreement and a subsequent agreement has not been consummated prior to the termination date of the current Agreement, the current Agreement shall continue to be in effect until it is replaced by a new Agreement, or one hundred eighty (180) days beyond the termination date of the current Agreement, whichever is less.

8.2 The date when the facilities and arrangements furnished under this Agreement will be placed into service will be mutually agreed upon by the Parties, subject to applicable state regulatory approvals. If service is not established by such date, or in the event Carrier ceases to engage in the business of providing public land mobile radio service, either Party may terminate this Agreement on thirty (30) calendar days notice subject, however, to payment for facilities or arrangements provided or for costs incurred. Citizens will consult with Carrier prior to termination by Citizens.

8.3 This Agreement will immediately terminate upon the suspension, revocation or termination by other means of either Party's authority to provide communications services over its System.

8.4 This Agreement may be terminated at any time by either Party upon not less than thirty (30) calendar days notice, providing an opportunity to cure, to the other Party as set forth in Section 14 following, for material breach or failure to pay the other Party all undisputed charges on the dates or at the times specified in the applicable invoice for the facilities and services furnished pursuant to this Agreement.

8.5 If a dispute arises between the Parties as to the proper charges for the facilities or arrangements furnished, or any other financial arrangements, the failure to pay an amount in dispute will not constitute cause for termination of this Agreement provided that a bond or escrow account (or other security arrangement reasonably acceptable to both Parties) is made for the security of the amount in dispute. The continuation of such dispute will not be deemed cause for Citizens to refuse to furnish additional

facilities or arrangements upon reasonable request of Carrier or otherwise relieve the Parties of their obligation to fully comply with the provisions hereof as to which no dispute exists, provided financial security for payment of the amount in dispute has been made as stated above. Any dispute arising as to the security arrangement under this Section 8.5 will be subject to the dispute resolution provisions of Section 17 below.

8.6 Notwithstanding any other provisions of this Agreement, this Agreement may be terminated at any time as mutually agreed by the Parties.

SECTION 9. CONFIDENTIALITY AND PUBLICITY

9.1 All proprietary or confidential information ("Proprietary Information") disclosed by either Party during the negotiations and the term of this Agreement will be protected by both Parties in accordance with the terms of this Section 9.

9.2 As used in this Agreement, the term "Proprietary Information" will mean written, recorded, machine readable or other information provided in tangible form to one Party by the other Party regarding the above referenced subject matter and which is marked proprietary or confidential with the appropriate owner corporation name, e.g., "Citizens Proprietary". Information disclosed orally will not be considered proprietary unless such information is reduced to writing by the disclosing Party and a copy is delivered to the other Party within thirty (30) business days after such oral disclosure. The writing will also state the place, date and person(s) to whom disclosure was made.

9.3 Each Party agrees that it will not disclose any Proprietary Information of the other Party in whole or in part, including derivations, to any third party for a period of three (3) years from the date of disclosure unless the Parties agree to modify this Agreement to provide for a different nondisclosure period for specific materials. Neither Party will be liable for inadvertent or accidental disclosure of Proprietary Information of the other Party provided that:

- (i) each Party uses at least the same degree of care in safeguarding such Proprietary Information as it uses for its own proprietary information of like importance and such degree of care will be reasonably calculated to prevent such inadvertent disclosure;
- (ii) it limits access to such Proprietary Information to its employees, attorneys and agents who are directly involved in the consideration of the Proprietary Information and informs its employees and agents who have access to such Proprietary Information of its duty not to disclose; and
- (iii) upon discovery of any such inadvertent disclosure of Proprietary Information, it will endeavor to prevent any further inadvertent disclosure.

9.4 Information will not be deemed proprietary and the receiving Party will have no obligation with respect to any such information which:

- (i) is or becomes publicly known through no wrongful act, fault or negligence of the receiving Party; or
- (ii) was known by the receiving Party or by any other affiliate or subsidiary of the receiving Party prior to disclosure, or is at any time developed by the receiving Party independently of any such disclosure; or
- (iii) was disclosed to the receiving Party by a third party who was free of obligations of confidentiality to the disclosing Party; or