

September 4, 2012

Ms. Jean Jewell
Commission Secretary
Idaho Public Utilities Commission
P.O. Box 83720
Boise, Idaho 83720-0074

EDN-T-12-01

RECEIVED
2012 SEP 10 PM 1:23
IDAHO PUBLIC
UTILITIES COMMISSION

Re: Application and Request for Authority

Dear Ms. Jewell:

Please find enclosed one original and two copies of Ednetics, Inc.'s ("Ednetics") Application and Request for Authority for a Certificate of Public Convenience and Necessity as a Competitive Local Exchange Carrier in the state of Idaho. Ednetics' Exhibit C is included under separate cover.

Please do not hesitate to contact me directly at (208) 619-2679 or via Email at susan.lamb@ednetics.com if there are questions.

Sincerely,

Susan Lamb, Regulatory Compliance
Ednetics, Inc.

Ednetics Inc.
971 South Clearwater Loop
Post Falls, Idaho 83854

Tel: 208 777 4709
Fax: 208 777 4708

www.ednetics.com

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4 **BEFORE THE PUBLIC UTILITIES COMMISSION OF THE**
5 **STATE OF IDAHO**

6 In the Matter of the Application of)
7 EDNETICS, INC., an Idaho corporation,) Case No.: *EDN-T-12-01*
8 for a Certificate of Public Convenience and) APPLICATION AND REQUEST FOR
9 Necessity to provide local exchange and) AUTHORITY
interexchange services in Idaho)

10
11 **APPLICATION AND REQUEST FOR AUTHORITY**

12 Application is hereby made to the Idaho Public Utilities Commission for a Certificate of Public
13 Convenience and Necessity authorizing Ednetics, Inc. (hereafter referred to as "Ednetics" or "Applicant") to
14 provide local exchange telecommunications services and interexchange telecommunications services pursuant to
15 Idaho Code §§ 61-526 through 528 and IDAPA 31.01.01.111 (Rules 111 and 112) as clarified in Procedural Order
16 No. 26665 in Case No. GNR-T-96-4.

17 **I.**
18 **PROPOSED SERVICES**

19 Ednetics has marketed advanced services tailored to meet the needs of schools and
20 libraries in Idaho, Oregon, and Washington for over 15 years. Ednetics uses a state of the art IP
21 data network to deliver integrated data services, bell control, paging, video distribution, video
22 surveillance, and emergency alert services to schools and libraries for distribution throughout
23 their campuses.

24 Ednetics now wishes to introduce voice services using a platform that will seamlessly
25 allow integration with their existing Ednetics services. Ednetics will provide services primarily
26 to schools and libraries throughout the entire state of Idaho by establishing interconnection and
27
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1 resale agreements with the incumbent and rural telephone companies throughout the state as
2 needed to provide switched and/or advanced voice services and transport. Ednetics will also
3 use partnerships with other third-parties to deliver the same services. Ednetics will act as both a
4 reseller of third-party services and as a facilities-based provider purchasing loops and transport.
5 Ednetics will also acquire and/or build its own facilities where necessary and when it makes
6 financial sense to do so.
7

8 **II.**
9 **FORM OF BUSINESS**

- 10 1. Ednetics, Inc.
11 971 S. Clearwater Loop, Suite 1000
12 Post Falls, Idaho 83854
13
14 Idaho corporation
- 15 2. Ednetics intends to provide integrated voice services over advanced IP networks
16 primarily to schools and libraries in the state of Idaho, which is in the public interest.
- 17 3. Ednetics is a registered corporation in good standing in the state of Idaho with its
18 principal business address in Idaho at the location in number 1 above.
- 19 4. A certified copy of Ednetics articles of incorporation is attached as Exhibit A.
- 20 5. A certificate of good standing issued by the Idaho Secretary of State is attached as
21 Exhibit B.
- 22 6. The registered agent in Idaho is:
- 23 a. Shawn Swanby
24 971 Clearwater Loop, Suite 1000
25 Post Falls, Idaho 83854
26 Telephone: (208) 777-4109
27 Fax: (208) 777-4108
28

- 1 7. Names and Addresses of the ten common stockholders of Ednetics owning the greatest
2 number of shares of common stock and the number of such shares owned by each:

3

Name	Address	Shares Owned	% of all Shares Issued and Outstanding	% of Voting Control
Shawn Swanby	971 S. Clearwater Lp., Suite 1000, Post Falls, ID 83854	13,000	100%	100%

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- 7 8. Names and addresses of the officers and directors of Applicant:
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Name	Title	Address
Shawn Swanby	President, Director	971 S. Clearwater Lp., Suite 1000, Post Falls, ID 83854
William Stowe	Vice President	971 S. Clearwater Lp., Suite 1000, Post Falls, ID 83854
Jeff L. Jantz	Secretary	971 S. Clearwater Lp., Suite 1000, Post Falls, ID 83854

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- 14 9. No corporation, association, or similar organization holds a 5% or greater ownership or
15 a management interest in the Applicant.

- 16 10. Ednetics has no management agreements.
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- 18 11. There are no subsidiaries owned or controlled by Ednetics.

19 **III.**
20 **TELECOMMUNICATION SERVICE**

- 21 12. Date on which Ednetics proposes to begin construction or anticipates it will begin to
22 provide service is January 1, 2013.
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1 13. Ednetics will offer services primarily to schools and libraries but could also provide
2 services to businesses in the future. Services will include but will not be limited to:

- 3 • Local exchange services
- 4 • Interexchange services
- 5 • Resale services
- 6 • Network Management services
- 7 • Wide Area Network services

8 **IV.**
9 **SERVICE TERRITORY**

10 14. Services will be provided throughout the entire state of Idaho.

11 15. The incumbent local exchange corporations Ednetics is likely to compete with are the
12 CenturyLink, Frontier Communications, and other incumbent companies throughout the state
13 where primarily schools and libraries wish our services.

14 16. Ednetics will use a combination of resold services and facilities-based services.

15 17. The property owned or controlled by Ednetics to provide service consists of NEBS 3
16 compliant telecommunications termination, transport, remote management, and support
17 hardware and software.

18 18. In addition to the incumbent companies throughout the state, Ednetics is likely to
19 compete with other CLECs as well as some ISPs.

20 **V.**
21 **FINANCIAL INFORMATION**

22 19. See Exhibit C.

23 **VI.**
24 **"ILLUSTRATIVE" TARIFF FILING**

25 20. See Exhibit D.
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**VII.
CUSTOMER CONTACTS**

21. Contact information for Ednetics:

a. Consumer inquiries and complaints:

Susan Lamb

b. Toll free Number for customer inquiries and complaints:

888-809-4609

c. Contact for Commission Staff for resolving complaints, inquiries and matters

concerning rates and price lists or tariffs:

Susan Lamb

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**VIII.
INTERCONNECTION AGREEMENTS**

22. Ednetics initiated interconnection negotiations with CenturyLink (Qwest) and Frontier Communications August 27, 2012.

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**IX.
COMPLIANCE WITH COMMISSION RULES**

23. Ednetics has reviewed all of the Commission rules and agrees to comply with them.

**X.
ESCROW ACCOUNT OR SECURITY BOND**

24. Ednetics does not require advance deposits from customers.

DATED this 4th day of September, 2012.

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EXHIBIT A
(Certified Copy of Articles of Incorporation)

State of Idaho

Office of the Secretary of State

I, BEN YSURSA, Secretary of State of the State of Idaho, hereby certify that I am the custodian of the corporation records of this State.

I FURTHER CERTIFY That the annexed is a full, true and complete duplicate of articles of incorporation of **EDNETICS INCORPORATED**, an Idaho corporation, received and filed in this office on May 23, 1997, under file number C 119606 , including all amendments filed thereto, as appears of record in this office as of this date.

Dated: August 31, 2012



Ben Yursa

SECRETARY OF STATE

By

Christina

State of Idaho

Department of State

CERTIFICATE OF INCORPORATION OF

EDNETICS INCORPORATED
File number C 119606

I, PETE T. CENARRUSA, Secretary of State of the State of Idaho, hereby certify that duplicate originals of Articles of Incorporation for the incorporation of the above named corporation, duly signed pursuant to the provisions of the Idaho Business Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I issue this Certificate of Incorporation and attach hereto a duplicate original of the Articles of Incorporation.

Dated: May 23, 1997



Pete T. Cenarrusa
SECRETARY OF STATE

By *[Signature]*

ARTICLES OF INCORPORATION
OF
EDNETICS INCORPORATED

IDAHO SECRETARY OF STATE
DATE 08/31/1997
0900
SECRETARY OF STATE
STATE OF IDAHO
AUG 23 AM 9:06
100.00-100.00

The undersigned natural person, of majority age, hereby establishes a corporation pursuant to the laws of Idaho and adopts the following articles of incorporation.

1. NAME. The name of the corporation is EDNETICS INCORPORATED.

2. DURATION. The corporation shall have perpetual existence.

3. PURPOSE AND POWERS.

3-A. Purpose. The corporation is organized for the transaction of all lawful business for which corporations may be incorporated pursuant to the Idaho Business Corporation Act.

3-B. Powers. In furtherance of the foregoing purpose, the corporation shall have and may exercise all of the rights, powers and privileges now or hereafter conferred upon corporations organized under the laws of Idaho.

4. CAPITAL.

4-A. Authorized Capital. The aggregate number of shares which the corporation shall have authority to issue is 500,000 shares of common stock each having a par value of \$1.00, which shall be fully paid and nonassessable.

4-B. Voting Rights. Each shareholder of record shall have one vote for each share of common stock standing in his name on the books of the corporation and entitled to vote, except that in the election of directors he shall have the right to vote such

number of shares for as many persons as there are directors to be elected. Cumulative voting shall not be allowed in the election of directors or for any other purpose.

5. BOARD OF DIRECTORS.

5-A. Initial Board of Directors. One director shall constitute the initial board of directors, his names and address being as follows:

<u>NAME</u>	<u>ADDRESS</u>
Shawn Swanby	404 Ponderosa Ct. #201 Moscow, ID 83843

5-B. Board of Directors. The number of directors shall be specified in the Bylaws and such number may from time to time be changed as provided in the Bylaws. In case of any increase in directors, the additional directors may be elected by the directors then in office, and the directors so elected shall hold office until the next annual meeting of stockholders and until their successors are elected and qualified.

6. REGISTERED OFFICE AND REGISTERED AGENT. The address of the initial registered office of the corporation is 404 Ponderosa Ct., #201, Moscow, Idaho 83843. The name of its initial registered agent at such address is Shawn Swanby.

7. RIGHTS OF DIRECTORS AND OFFICERS TO CONTRACT WITH CORPORATION. Any of the directors or officers of this corporation shall not, in the absence of fraud, be disqualified by his office from dealing or contracting with this corporation either as vendor, lessor, firm, association, or corporation of which he shall be a member, or in which he may be peculiarly in any manner be so

disqualified. No director or officer, nor any proprietorship, firm, association or corporation with which he is connected as aforesaid shall be liable to account to this corporation or its shareholders for any profit realized by him from or through any such transaction or contract, it being the express purpose and intent of this provision to permit this corporation to buy from, sell to, or otherwise deal with proprietorships, firms, associations, or corporations of which the directors and officers of this corporation, or anyone or more of them, may be members, directors or officers, or in which they or any of them may have pecuniary interest; and the contracts of this corporation, in the absence of fraud, shall not be void or voidable or affected in any manner by reason of any such position. Furthermore, directors of this corporation may be counted for a quorum of the board of directors of this corporation at a meeting even though they may be peculiarly interested in matters considered at such meeting, and any action taken at such meeting with reference to such matters by a majority of the directors shall not be void or voidable by this corporation in the absence of fraud.

8. INDEMNIFICATION OF DIRECTORS AND OFFICERS. The corporation shall indemnify every person who is or was a director or officer of the corporation or is or was serving at the request of the corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, his heirs, executors and administrators at such person's request to the full extent provided by Idaho law, provided that this right of indemnification shall not apply to any action, suit or proceeding

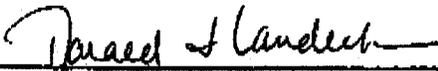
under the Securities Act of 1933, except for payment of expenses incurred in the successful defense of such action, suit or proceeding. The right to indemnification conferred by this provision shall not restrict the power of the corporation to make any indemnification permitted by law.

9. STOCKHOLDER PROPERTY. The private property of the stockholders of the corporation shall not be subject to the payment of corporate debts to any extent. The shares of the corporation shall not be subject to assessment for any corporate purpose.

10. INCORPORATOR. The name and address of the incorporator is Ronald J. Landeck, 414 S. Jefferson, P.O. Box 9344, Moscow, Idaho 83843.

DATED: May 21, 1997.

Incorporator:



Ronald J. Landeck

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EXHIBIT B
(Certificate of Good Standing)

State of Idaho

Office of the Secretary of State

CERTIFICATE OF EXISTENCE

OF

EDNETICS INCORPORATED

File Number C-119606

I, BEN YSURSA, Secretary of State of the State of Idaho, hereby certify that I am the custodian of the corporation records of this State.

I FURTHER CERTIFY That the records of this office show that the above-named corporation was incorporated under the laws of Idaho on 5/23/1997.

I FURTHER CERTIFY That the corporation is in goodstanding on the records of this office.

Dated: 6/13/2012 10:33 AM



Ben Yursa
SECRETARY OF STATE

Authentic Access Idaho Document (<http://www.accessidaho.org/public/portal/authenticate.html>)
Tag: b5ae5f5ff8d74087b2df4f8450eb493bc58bce6f8de0038d23a1b5ae5e2402bd45c215e192c76b33

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EXHIBIT C
(Financial Information)

FINANCIAL INFORMATION IS CONFIDENTIAL AND HAS BEEN REMOVED AND
SUBMITTED UNDER SEPARATE COVER

EXHIBIT D
("Illustrative" Tariff)

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Ednetics, Inc.
971 S. Clearwater Loop, Suite 1000
Post Falls, Idaho 83854

Idaho Tariff No. 1
Original Title Page

IDAHO
LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES TARIFF OF
EDNETICS, INC.

This tariff contains the descriptions, regulations, and rates applicable to the provision of local exchange telecommunications services provided by Ednetics, Inc. with principal offices at 971 S. Clearwater Loop, Post Falls, Idaho, 83854 for services furnished within the State of Idaho. This tariff is on file with the Idaho Public Utilities Commission, and copies may be inspected, during normal business hours, at the Company's principal place of business.

Issued: September 4, 2012
Effective: January 1, 2013
Issued by:

Susan Lamb, Regulatory Compliance
Ednetics, Inc.
971 S. Clearwater Loop, Suite 1000
Post Falls, Idaho 83854

LOCAL EXCHANGE SERVICES TARIFF

TABLE OF CONTENTS

Title Page	Title
Preface	
Table of Contents	1
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Issued: September 4, 2012
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Susan Lamb, Regulatory Compliance
Ednetics, Inc.
971 S. Clearwater Loop, Suite 1000
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LOCAL EXCHANGE SERVICES TARIFF

CHECK SHEET

The Title Page and pages listed below are inclusive and effective as of the date shown. Original and revised pages as named below contain all changes from the original rate sheet that are in effect on the date shown on each page.

Section	Page	Revision	Section	Page	Revision
	Title	Original	2	15	Original
Preface	1	Original	2	16	Original
Preface	2	Original	2	17	Original
Preface	3	Original	2	18	Original
Preface	4	Original	2	19	Original
Preface	5	Original	2	20	Original
Preface	6	Original	2	21	Original
			2	22	Original
1	1	Original	2	23	Original
1	2	Original	2	24	Original
1	3	Original	2	25	Original
			2	26	Original
			2	27	Original
			2	28	Original
2	1	Original	2	29	Original
2	2	Original	2	30	Original
2	3	Original	2	31	Original
2	4	Original	2	32	Original
2	5	Original	2	33	Original
2	6	Original	2	34	Original
2	7	Original			
2	8	Original	3	1	Original
2	9	Original			
2	10	Original	4	1	Original
2	11	Original	4	2	Original
2	12	Original			
2	13	Original	5	1	Original
2	14	Original	5	2	Original

* - Indicates Pages included in this filing.

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LOCAL EXCHANGE SERVICES TARIFF

CHECK SHEET (CONT'D.)

Section	Page	Revision		Section	Page	Revision	
5	3	Original					
5	4	Original					
5	5	Original					
5	6	Original					
5	7	Original					
5	8	Original					
5	9	Original					
5	10	Original					
5	11	Original					

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LOCAL EXCHANGE SERVICES TARIFF

EXPLANATION OF SYMBOLS

When changes are made in any tariff sheet, a revised sheet will be issued canceling the tariff sheet affected. Changes will be identified on the revised sheet(s) through the use of the following symbols:

- (C) - To signify changed rate, regulation or condition.
- (D) - To signify discontinued rate, regulation or condition.
- (I) - To signify increase.
- (N) - To signify new material, including a listing, rate, regulation, rule or condition.
- (R) - To signify reduction.
- (T) - To signify a change in the word of text, but no change in the rate, rule or condition.
- (M) - Moved from another tariff location.

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Susan Lamb, Regulatory Compliance
Ednetics, Inc.
971 S. Clearwater Loop, Suite 1000
Post Falls, Idaho 83854

LOCAL EXCHANGE SERVICES TARIFF

APPLICATION OF TARIFF

This tariff sets forth the service offerings, rates, terms and conditions applicable to the furnishing of intrastate end-user local exchange communications services by Ednetics, Inc., hereinafter referred to as the Company, to Customers within the state of Idaho. Ednetics' services are furnished subject to the availability of facilities and subject to the terms and conditions set forth herein.

This tariff is on file with the Idaho Public Utilities Commission. In addition, this tariff is available for review at the main office of Ednetics, Inc. at 971 S. Clearwater Loop, Suite 1000, Post Falls, Idaho 83854.

Issued: September 4, 2012
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Ednetics, Inc.
971 S. Clearwater Loop, Suite 1000
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LOCAL EXCHANGE SERVICES TARIFF

TARIFF FORMAT

- A. Page Numbering - Page numbers appear in the upper right corner of the page. Pages are numbered sequentially within each Section. However, new pages are occasionally added to the tariff. When a new page is added between pages already in effect, a decimal is added. For example, a new page added between pages 14 and 15 would be 14.1.
- B. Page Revision Numbers - Revision numbers also appear in the upper right corner of each page.
- These numbers are used to determine the most current page version on file with the Commission. For example, the 4th Revised Page 14 cancels the 3rd Revised Page 14.
- C. Paragraph Numbering Sequence - There are seven levels of paragraph coding. Each level of coding is subservient to its next higher level:
- 2
 - 2.1
 - 2.1.1
 - 2.1.1.1
 - 2.1.1.1.1
 - 2.1.1.1.1.1
 - 2.1.1.1.1.1.1
- D. Check Sheets - When a tariff filing is made with the Commission, an updated Check Sheet accompanies the tariff filing. The Check Sheet lists the pages contained in the tariff, with a cross reference to the current revision number. When new pages are added, the Check Sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (*). There will be no other symbols used on this page if these are the only changes made to it (i.e., the format, etc. remain the same, just revised revision levels on some pages.). The tariff user should refer to the latest Check Sheet to find out if a particular page is the most current on file with the Commission.

Issued: September 4, 2012
Effective: January 1, 2013
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Susan Lamb, Regulatory Compliance
Ednetics, Inc.
971 S. Clearwater Loop, Suite 1000
Post Falls, Idaho 83854

LOCAL EXCHANGE SERVICES TARIFF

SECTION 1 - DEFINITIONS

For the purpose of this tariff, the following definitions will apply:

Access Line - An arrangement connecting the Customer's location to an Ednetics' switching center or point of presence

Account Codes - Optional, Customer-defined digits that allow the Customer to identify the individual user, department or client associated with a call. Account Codes appear on the Customer bill.

Advance Payment - Part or all of a payment required before the start of service.

Authorized User - A person, firm, corporation, or any other entity authorized by the Customer to communicate utilizing the Company's service.

Business - A class of service provided to individuals engaged in business, firms, partnerships, corporations, agencies, shops, works, tenants of office buildings, and individuals practicing a profession or operating a business who have no offices other than their residences and where the use of the service is primarily or substantially of a business, professional or occupational nature.

Commission - Idaho Public Utilities Commission

Company or Carrier - Ednetics, Inc., unless otherwise clearly indicated by the context.

Customer - The person, firm, corporation or other entity that orders, cancels, amends, or uses service, and is responsible for payment of charges and compliance with the Company's tariff.

DID Trunk - A form of local switched access that provides the ability for an outside party to call an internal extension directly without the intervention of the Company operator

Direct Inward Dial (or "DID") - A service attribute that routes incoming calls directly to stations, by-passing a central answering point.

Direct Outward Dial (or "DOD") - A service attribute that allows individual station users to access and dial outside numbers directly.

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LOCAL EXCHANGE SERVICES TARIFF

SECTION 1 - DEFINITIONS (CONT'D.)

End User - Any person, firm, corporation, partnership or other entity that uses the services of the Company under the provisions and regulations of this tariff. The End User is responsible for payment unless the charges for the services utilized are accepted and paid by another Customer.

End Office - With respect to each NPA-NXX code prefix assigned to the Company, the location of the Company's "end office" for purposes of this tariff shall be the point of interconnection associated with that NPA-NXX code in the Local Exchange Routing Guide ("LERG"), issued by Telcordia.

Hearing Impaired - Those persons with communication impairments, including the hearing impaired, deaf, deaf/blind, and speech impaired persons whose impairment prevents them from communicating over the telephone without the aid of a telecommunications device for the deaf.

Hunting - Routes a call to an idle station line in a prearranged group when the called station line is busy.

In-Only - A service attribute that restricts outward dial access and routes incoming calls to a designated answer point.

Independent Territory - Independent Telephone Company locations outside of the Ednetics Telecommunications Service area

IXC or Interexchange Carrier - A long distance telecommunications services provider

LATA - A Local Access and Transport Area established pursuant to the Modification of Final Judgment entered by the United States District Court for the District of Columbia in Civil Action No. 82-0192; or any other geographic area designated as a LATA in the National Exchange Carrier Association, Inc. Tariff F.C.C. No. 4.

LEC - Local Exchange Company.

Minimum Point of Presence ("MPOP") - The main telephone closet in the Customer's building

Monthly Recurring Charges - The monthly charges to the Customer for services, facilities and equipment, which continue for the agreed upon duration of the service

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LOCAL EXCHANGE SERVICES TARIFF

SECTION 1 - DEFINITIONS (CONT'D.)

Multi-Frequency or ("MF") - An inter-machine pulse-type used for signaling between telephone switches, or between telephone switches and PBX/key systems

Non-Recurring Charge ("NRC") - The initial charge, usually assessed on a one-time basis, to initiate and establish service

Other Telephone Company - An Exchange Telephone Company, other than the Company.

PBX - Private Branch Exchange.

Premises - A building or buildings on contiguous property.

Recurring Charges - The monthly charges to the Customer for services, facilities and equipment which continue for the agreed upon duration of the service

Residence or Residential - A class of service furnished to a Customer at a place of dwelling where the actual or obvious use is for domestic purposes.

Service Commencement Date - The first day following the date on which the Company notifies the Customer that the requested service is available for use, unless extended by the Customer's refusal to accept service which does not conform to standards set forth in the Service Order or this tariff, in which case the Service Commencement Date is the date of the Customer's acceptance. The Company and Customer may mutually agree on a substitute Service Commencement Date.

Service Order - The written request for services executed by the Customer and the Company in the format devised by the Company. The signing of an Order by the Customer and acceptance by the Company initiates the respective obligations of the parties as set forth therein and pursuant to this tariff, but the duration of the service is calculated from the Service Commencement Date.

Two-Way - A service attribute that includes outward dial capabilities for outbound calls and can also be used to carry inbound calls to a central point for further processing.

Usage Based Charges - Charges for minutes or messages traversing over local exchange facilities.

User or End User - A Customer, Joint User, or any other person authorized by a Customer to use service provided under this tariff.

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Susan Lamb, Regulatory Compliance
Ednetics, Inc.
971 S. Clearwater Loop, Suite 1000
Post Falls, Idaho 83854

LOCAL EXCHANGE SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS

2.1 Undertaking of the Company

2.1.1 Scope

The Company undertakes to furnish communications service pursuant to the terms of this tariff in connection with one-way and/or two-way information transmission originating from points within the State of Idaho, and terminating within a local calling area as defined herein.

The Company is responsible under this tariff only for the services and facilities provided hereunder, and it assumes no responsibility for any service provided by any other entity that purchases access to the Company network in order to originate or terminate its own services, or to communicate with its own Customers.

2.1.2 Shortage of Equipment or Facilities

2.1.2.1 The Company reserves the right to limit or to allocate the use of existing facilities, or of additional facilities offered by the Company, when necessary because of lack of facilities, or due to some other cause beyond the Company's control.

2.1.2.2 The furnishing of service under this tariff is subject to the availability on a continuing basis of all the necessary facilities and is limited to the capacity of the Company's facilities as well as facilities the Company may obtain from other carriers to furnish service from time to time as required at the sole discretion of the Company.

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LOCAL EXCHANGE SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.1 Undertaking of the Company (Cont'd.)

2.1.3 Terms and Conditions

2.1.3.1 Service is provided on the basis of a minimum period of at least thirty (30) days, 24 hours per day. For the purpose of computing charges in this tariff, a month is considered to have thirty (30) days.

2.1.3.2 Customers may be required to enter into written service orders which shall contain or reference a specific description of the service ordered, the rates to be charged, the duration of the services, and the terms and conditions in this tariff. Customers will also be required to execute any other documents as may be reasonably requested by the Company.

2.1.3.3 Except as otherwise stated in the tariff, at the expiration of the initial term specified in each Service Order, or in any extension thereof, service shall continue on a month to month basis at the then current rates unless terminated by either party upon notice. Any termination shall not relieve the Customer of its obligation to pay any charges incurred under the service order and this tariff prior to termination. The rights and obligations which by their nature extend beyond the termination of the term of the service order shall survive such termination.

2.1.3.4 Service may be terminated upon written notice to the Customer if:

- a. the Customer is using the service in violation of this tariff; or
- b. the Customer is using the service in violation of the law.

2.1.3.5 This tariff shall be interpreted and governed by the laws of the State of Idaho without regard for its choice of laws provision.

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.1 Undertaking of the Company (Cont'd.)

2.1.3 Terms and Conditions (Cont'd.)

2.1.3.6 Any other Telephone Company may not interfere with the right of any person or entity to obtain service directly from the Company. No person or entity shall be required to make any payment, incur any penalty, monetary or otherwise, or purchase any services in order to have the right to obtain service directly from the Company.

2.1.3.7 To the extent that either the Company or any other Telephone Company exercises control over available cable pairs, conduit, duct space, raceways, or other facilities needed by the other to reach a person or entity, the party exercising such control shall make them available to the other on terms equivalent to those under which the Company makes similar facilities under its control available to its Customers. At the reasonable request of either party, the Company and the Other Telephone Company shall jointly attempt to obtain from the owner of the property access for the other party to serve a person or entity.

2.1.3.8 The Company hereby reserves its rights to establish service packages specific to a particular Customer. These contracts may or may not be associated with volume and/or term discounts. All service packages established by the Company will be filed with the Commission prior to the furnishing of service.

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.1 Undertaking of the Company (Cont'd.)

2.1.4 Limitations on Liability

2.1.4.1 Except as otherwise stated in this section, the liability of the Company for damages arising out of either: (1) the furnishing of its services, including but not limited to mistakes, omissions, interruptions, delays, or errors, or other defects, representations, or use of these services or (2) the failure to furnish its service, whether caused by acts or omission, shall be limited to the extension of allowances to the Customer for interruptions in service as set forth in Section 2.1.1.

2.1.4.2 Except for the extension of allowances to the Customer for interruptions in service as set forth in Section 2.7, the Company shall not be liable to a Customer or third party for any direct, indirect, special, incidental, reliance, consequential, exemplary or punitive damages, including, but not limited to, loss of revenue or profits, for any reason whatsoever, including, but not limited to, any act or omission, failure to perform, delay, interruption, failure to provide any service or any failure in or breakdown of facilities associated with the service.

2.1.4.3 The liability of the Company for errors in billing that result in overpayment by the Customer shall be limited to a credit equal to the dollar amount erroneously billed or, in the event that payment has been made and service has been discontinued, to a refund of the amount erroneously billed.

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.1 Undertaking of the Company (Cont'd.)

2.1.4 Limitations on Liability (Cont'd.)

2.1.4.4 The Company shall be indemnified and saved harmless by the Customer from and against all loss, liability, damage and expense, including reasonable counsel fees, due to:

- a. Any act or omission of: (a) the Customer, (b) any other entity furnishing service, equipment or facilities for use in conjunction with services or facilities provided by the Company; or (c) common carriers or warehousemen, except as contracted by the Company;
- b. Any delay or failure of performance or equipment due to causes beyond the Company's control, including but not limited to, acts of God, fires, floods, earthquakes, hurricanes, or other catastrophes; national emergencies, insurrections, riots, wars or other civil commotions; strikes, lockouts, work stoppages or other labor difficulties; criminal actions taken against the Company; unavailability, failure or malfunction of equipment or facilities provided by the Customer or third parties; and any law, order, regulation or other action of any governing authority or agency thereof; or
- c. Any unlawful or unauthorized use of the Company's facilities and services;

2.1.4.5 Libel, slander, invasion of privacy or infringement of patents, trade secrets, or copyrights arising from or in connection with the material transmitted by means of Company-provided facilities or services; or by means of the combination of Company-provided facilities or services;

2.1.4.6 Breach in the privacy or security of communications transmitted over the Company's facilities;

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.1 Undertaking of the Company (Cont'd.)

2.1.4 Limitations on Liability (Cont'd.)

2.1.4.7 Changes in any of the facilities, operations or procedures of the Company that render any equipment, facilities or services provided by the Customer obsolete, or require modification or alteration of such equipment, facilities or services, or otherwise affect their use or performance, except where reasonable notice is required by the Company and is not provided to the Customer, in which event the Company's liability is limited as set forth above in Section 2.1.1(A);

2.1.4.8 Defacement of or damage to Customer premises resulting from the furnishing of services or equipment on such premises or the installation or removal thereof;

2.1.4.9 Injury to property or injury or death to persons, including claims for payments made under Workers' Compensation law or under any plan for employee disability or death benefits, arising out of, or caused by, any act or omission of the Customer, or the construction, installation, maintenance, presence, use or removal of the Customer's facilities or equipment connected, or to be connected to the Company's facilities;

2.1.4.10 Any non-completion of calls due to network busy conditions;

2.1.4.11 Any calls not actually attempted to be completed during any period that service is unavailable; and

2.1.4.12 Any other claim resulting from any act or omission of the Customer or patron(s) of the Customer relating to the use of the Company's services or facilities.

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.1 Undertaking of the Company (Cont'd.)

2.1.4 Limitations on Liability (Cont'd.)

2.1.4.13 The Company does not guarantee nor make any warranty with respect to installations provided by it for use in an explosive atmosphere.

2.1.4.14 The Company makes no warranties or representations, EXPRESS OR IMPLIED, either in fact or by operation of law, statutory or otherwise, including warranties of merchantability or fitness for a particular use, except those expressly set forth herein.

2.1.4.15 Failure by the Company to assert its rights pursuant to one provision of this tariff does not preclude the Company from asserting its rights under other provisions.

2.1.4.16 Directory Errors - In the absence of gross negligence or willful misconduct, no liability for damages arising from errors or mistakes in or omissions of directory listings, or errors or mistakes in or omissions of listing obtainable from the directory assistance operator, including errors in the reporting thereof, shall attach to the Company.

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.1 Undertaking of the Company (Cont'd.)

2.1.4 Limitations on Liability (Cont'd.)

2.1.4.17 With respect to Emergency Number 911 Service

- a. This service is offered solely as an aid in handling assistance calls in connection with fire, police and other emergencies. The company is not responsible for any losses, claims, demands, suits or any liability whatsoever, whether suffered, made instituted or asserted by the Customer or by any other party or person for any personal injury or death of any person or persons, and for any loss, damage or destruction of any property, whether owned by the Customer or others, caused or claimed to have been caused by: (1) mistakes, omissions, interruptions, delays, errors or other defects in the provision of service, or (2) installation, operation, failure to operate, maintenance, removal, presence, condition, local or use of any equipment and facilities furnishing this service.
- b. Neither is the Company responsible for any infringement, nor invasion of the right of privacy of any person or persons, caused or claimed to have been caused directly or indirectly, by the installation, operation, failure to operate, maintenance, removal, presence, condition, occasion or use of emergency 911 service features and the equipment associated therewith, or by any services furnished by the Company, including, but not limited to the identification of the telephone number, address or name associated with the telephone used by the party or parties accessing emergency 911 service, and which arise out of the negligence or other wrongful act of the Company, the Customer, its users, agencies or municipalities, or the employees or agents of any one of them.

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.1 Undertaking of the Company (Cont'd.)

2.1.4 Limitations on Liability (Cont'd.)

2.1.4.18 With respect to Emergency Number 911 Service (Cont'd.)

- a. When a Customer with a nonpublished telephone number, as defined herein, places a call to emergency 911 services, the Company will release the name and address of the calling party, where such information can be determined, to the appropriate local governmental authority responsible for emergency 911 services upon request of such governmental authority. By subscribing to service under this tariff, the Customer acknowledges and agrees with the release of information as described above.

2.1.4.19 The included tariff language does not constitute a determination by the Commission that a limitation of liability imposed by the Company should be upheld in a court of law. Acceptance for filing by the Commission recognizes that it is a court's responsibility to adjudicate negligence and consequential damage claims. It is also the court's responsibility to determine the validity of the exculpatory clause.

2.1.5 Notification of Service-Affecting Activities

The Company will provide the Customer reasonable notification of service-affecting activities that may occur in normal operation of its business. Such activities may include, but are not limited to, equipment or facilities additions, removals or rearrangements and routine preventative maintenance. Generally, such activities are not specific to an individual Customer but affect many Customers' services. No specific advance notification period is applicable to all service activities. The Company will work cooperatively with the Customer to determine the reasonable notification requirements. With some emergency or unplanned service-affecting conditions, such as an outage resulting from cable damage, notification to the Customer may not be possible.

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.1 Undertaking of the Company (Cont'd.)

2.1.6 Provision of Equipment and Facilities

2.1.6.1 The Company shall use reasonable efforts to maintain only the facilities and equipment that it furnishes to the Customer. The Customer may not nor may the Customer permit others to rearrange, disconnect, remove, and attempt to repair, or otherwise interfere with any of the facilities or equipment installed by the Company, except upon the written consent of the Company.

2.1.6.2 The Company may substitute, change or rearrange any equipment or facility at any time and from time to time, but shall not thereby alter the technical parameters of the service provided the Customer.

2.1.6.3 Equipment the Company provides or installs at the Customer Premises for use in connection with the services the Company offers shall not be used for any purpose other than that for which the equipment is provided.

2.1.6.4 Except as otherwise indicated, Customer provided station equipment at the Customer's premises for use in connection with this service shall be so constructed, maintained and operated as to work satisfactorily with the facilities of the Company.

2.1.6.5 The Company shall not be responsible for the installation, operation, or maintenance of any Customer provided communications equipment. Where such equipment is connected to the facilities furnished pursuant to this tariff, the responsibility of the Company shall be limited to the furnishing of facilities offered under this tariff and to the maintenance and operation of such facilities. Subject to this responsibility, the Company shall not be responsible for:

- a. the through transmission of signals by Customer provided equipment or for the quality of, or defects in, such transmission; or
- b. the reception of signals by Customer-provided equipment; or
- c. network control signaling where such signaling is performed by Customer-provided network control signaling equipment.

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.1 Undertaking of the Company (Cont'd.)

2.1.7 Non-Routine Installation

At the Customer's request, installation and/or maintenance may be performed outside the Company's regular business hours or in hazardous locations. In such cases, charges based on cost of the actual labor, material, or other costs incurred by or charged to the Company will apply. If installation is started during regular business hours, but, at the Customer's request, extends beyond regular business hours into time periods including, but not limited to, weekends, holidays, and/or night hours, additional charges may apply.

2.1.8 Special Construction

Subject to the agreement of the Company and to all of the regulations contained in this tariff, special construction of facilities may be undertaken on a reasonable efforts basis at the request of the Customer. Special construction is construction undertaken:

- a. where facilities are not presently available, and there is no other requirement for the facilities so constructed;
- b. of a type other than that which the Company would normally utilize in the furnishing of its services;
- c. over a route other than that which the Company would normally utilize in the furnishing of its services;
- d. in a quantity greater than that which the Company would normally construct;
- e. on an expedited basis;
- f. on a temporary basis until permanent facilities are available;
- g. involving abnormal costs; or
- h. in advance of its normal construction.

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.1 Undertaking of the Company (Cont'd.)

2.1.9 Ownership of Facilities

Title to all facilities provided in accordance with this tariff remains in the Company, its partners, agents, contractors or suppliers.

2.2 Prohibited Uses

2.2.1 The services the Company offers shall not be used for any unlawful purpose or for any use as to which the Customer has not obtained all required governmental approvals, authorizations, licenses, consents and permits.

2.2.2 The Company may require applicants for service who intend to use the Company's offerings for resale and/or for shared use to file a letter with the Company confirming that their use of the Company's offerings complies with relevant laws and the Public Utilities Commission of Idaho's regulations, policies, orders, and decisions.

2.2.3 The Company may block any signals being transmitted over its Network by Customers which cause interference to the Company or other users. Customer shall be relieved of all obligations to make payments for charges relating to any blocked Service and shall indemnify the Company for any claim, judgment or liability resulting from such blockage.

2.2.4 A Customer, joint user, or authorized user may not assign, or transfer in any manner, the service or any rights associated with the service without the written consent of the Company. The Company will permit a Customer to transfer its existing service to another entity if the existing Customer has paid all charges owed to the Company for regulated communications services. Such a transfer will be treated as a disconnection of existing service and installation of new service, and non-recurring installation charges as stated in this tariff will apply.

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.3 Obligations of the Customer

2.3.1 General

The Customer shall be responsible for:

- a. the payment of all applicable charges pursuant to this tariff;
- b. damage to or loss of the Company's facilities or equipment caused by the acts or omissions of the Customer; or the noncompliance by the Customer, with these regulations; or by fire or theft or other casualty on the Customer Premises, unless caused by the negligence or willful misconduct of the employees or agents of the Company;
- c. providing at no charge, as specified from time to time by the Company, any needed equipment, space and power to operate Company facilities and equipment installed on the premises of the Customer, and the level of heating and air conditioning necessary to maintain the proper operating environment on such premises;
- d. obtaining, maintaining, and otherwise having full responsibility for all rights-of- way and conduit necessary for installation of fiber optic cable and associated equipment used to provide Communications Services to the Customer from the cable building entrance or property line to the location of the equipment space described above in Section 2.3.1.c. Any and all costs associated with the obtaining and maintaining the rights-of-way described herein, including the costs of altering the structure to permit installation of the Company provided facilities, shall be borne entirely by, or may be charged by the Company, to the Customer. The Company may require the Customer to demonstrate its compliance with this section prior to accepting an order for service;

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.3 Obligations of the Customer (Cont'd.)

2.3.1 General (Cont'd.)

- e. providing a safe place to work and complying with all laws and regulations regarding the working conditions on the premises at which Company employees and agents shall be installing or maintaining the Company's facilities and equipment. The Customer may be required to install and maintain Company facilities and equipment within a hazardous area if, in the Company's opinion, injury or damage to the Company employees or property might result from installation or maintenance by the Company. The Customer shall be responsible for identifying, monitoring, removing and disposing of any hazardous material (e.g., friable asbestos) prior to any construction or installation work;
- f. complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as may be required with respect to, the location of Company facilities and equipment in any Customer premises or the rights-of- way for which Customer is responsible under Section 2.3.1d; and granting or obtaining permission for Company agents or employees to enter the premises of the Customer at any time for the purpose of installing, inspecting, maintaining, repairing, or upon termination of service as stated herein, removing the facilities or equipment of the Company;
- g. not creating or allowing to be placed any liens or other encumbrances on the Company's equipment or facilities; and
- h. making Company facilities and equipment available periodically for maintenance purposes at a time agreeable to both the Company and the Customer. No allowance will be made for the period during which service is interrupted for such purposes.

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.3 Obligations of the Customer (Cont'd.)

2.3.2 Liability of the Customer

2.3.2.1 The Customer will be liable for damages to the facilities of the Company and for all incidental and consequential damages caused by the negligent or intentional acts or omissions of the Customer, its officers, employees, agents, invites, or contractors where such acts or omissions are not the direct result of the Company's negligence or intentional misconduct.

2.3.2.2 To the extent caused by any negligent or intentional act of the Customer as described in 2.3.2.1 preceding, the Customer shall indemnify, defend and hold harmless the Company from and against all claims, actions, damages, liabilities, costs and expenses, for (1) any loss, destruction or damage to property of any third party, and (2) any liability incurred by the Company to any third party pursuant to this or any other tariff of the Company, or otherwise, for any interruption of, interference to, or other defect in any service provided by the Company to such third party.

2.3.2.3 The Customer shall not assert any claim against any other Customer or user of the Company's services for damages resulting in whole or in part from or arising in connection with the furnishing of service under this tariff including but not limited to mistakes, omissions, interruptions, delays, errors or other defects or misrepresentations, whether or not such other Customer or user contributed in any way to the occurrence of the damages, unless such damages were caused solely by the negligent or intentional act or omission of the other Customer or user and not by any act or omission of the Company. Nothing in this tariff is intended either to limit or to expand Customer's right to assert any claims against third parties for damages of any nature other than those described in the preceding sentence.

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.4 Customer Equipment and Channels

2.4.1 General

A user may transmit or receive information or signals via the facilities of the Company. The Company's services are designed primarily for the transmission of voice-grade telephonic signals, except as otherwise stated in this tariff. A user may transmit any form of signal that is compatible with the Company's equipment, but the Company does not guarantee that its services will be suitable for purposes other than voice-grade telephonic communication except as specifically stated in this tariff.

2.4.2 Station Equipment

2.4.2.1 Terminal equipment on the user's premises and the electric power consumed by such equipment shall be provided by and maintained at the expense of the user. The user is responsible for the provision of wiring or cable to connect its terminal equipment to the Company MPOP.

2.4.2.2 The Customer is responsible for ensuring that Customer-provided equipment connected to Company equipment and facilities is compatible with such equipment and facilities. The magnitude and character of the voltages and currents impressed on Company-provided equipment and wiring by the connection, operation, or maintenance of such equipment and wiring shall be such as not to cause damage to the Company-provided equipment and wiring or injury to the Company's employees or to other persons. Any additional protective equipment required to prevent such damage or injury shall be provided by the Company at the Customer's expense, subject to prior Customer approval of the equipment expense.

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.4 Customer Equipment and Channels (Cont'd.)

2.4.3 Interconnection of Facilities

2.4.3.1 Local Traffic Exchange provides the ability for another local exchange provider to terminate local traffic on the Company's network. In order to qualify for Local Traffic Exchange the call must: (a) be originated by an end user of a company that is authorized by the Public Utilities Commission of Idaho to provide local exchange service; (b) originate and terminate within a local calling area of the Company.

2.4.3.2 Any special interface equipment necessary to achieve compatibility between the facilities and equipment of the Company used for furnishing Communications Services and the channels, facilities, or equipment of others shall be provided at the Customer's expense.

2.4.3.3 Communications Services may be connected to the services or facilities of other communications carriers only when authorized by, and in accordance with, the terms and conditions of the tariffs of the other communications carriers which are applicable to such connections.

2.4.3.4 Facilities furnished under this tariff may be connected to Customer provided terminal equipment in accordance with the provisions of this tariff. All such terminal equipment shall be registered by the Federal Communications Commission pursuant to Part 68 of Title 47, Code of Federal Regulations; and all user-provided wiring shall be installed and maintained in compliance with those regulations.

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.4 Customer Equipment and Channels (Cont'd.)

2.4.4 Inspections

2.4.4.1 Upon suitable notification to the Customer, and at a reasonable time, the Company may make such tests and inspections as may be necessary to determine that the Customer is complying with the requirements set forth in Sections 2.4.2 and 2.4.3 of this tariff for the installation, operation, and maintenance of Customer-provided facilities, equipment, and wiring in the connection of Customer-provided facilities and equipment to Company-owned facilities and equipment.

2.4.4.2 If the protective requirements for Customer-provided equipment are not being complied with, the Company may take such action as it deems necessary to protect its facilities, equipment, and personnel. The Company will notify the Customer promptly if there is any need for further corrective action. Within ten days of receiving this notice, the Customer must take this corrective action and notify the Company of the action taken. If the Customer fails to do this, the Company may take whatever additional action is deemed necessary, including the suspension of service, to protect its facilities, equipment and personnel from harm.

2.4.4.3 If harm to the Company's network, personnel or services is imminent, the Company reserves the right to shut down Customer's service immediately, with no prior notice required.

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.5 Customer Deposits and Advance Payments

2.5.1 Advance Payments

To safeguard its interests, the Company may require a Customer to make an advance payment before services and facilities are furnished. The advance payment will not exceed an amount equal to the non-recurring charge(s) and one month's charges for the service or facility. The advance payment will be credited to the Customer's initial bill.

2.5.2 Deposits

The Company does not require deposits from Customers.

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.6 Payment Arrangements

2.6.1 Payment for Service

2.6.1.1 General

The Customer is responsible for the payment of all charges for facilities and services furnished by the Company to the Customer and to all Authorized Users by the Customer, regardless of whether those services are used by the Customer itself or are resold to or shared with other persons.

Customers will only be charged once, on either an interstate or intrastate basis, for any nonrecurring or usage based charges.

2.6.1.2 Taxes, Fees and Surcharges

The Customer is responsible for the payment of any sales, use, excise, access or other local, state and federal taxes, charges or surcharges (however designated) excluding taxes on the Company's net income imposed on or based upon the provision of local exchange service, all of which shall be separately designated on the Company's invoices. Any taxes or surcharges imposed by a local jurisdiction (e.g. county and municipal taxes) will only be recovered from those Customers located in the affected jurisdictions. It shall be the responsibility of the Customer to pay any such taxes that subsequently become applicable retroactively.

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.6 Payment Arrangements (Cont'd.)

2.6.2 Billing and Collection of Charges

2.6.2.1 The Customer is responsible for payment of all charges incurred by the Customer or other Authorized Users for services and facilities furnished to the Customer by the Company.

2.6.2.2 Nonrecurring charges are due and payable within thirty (30) days after the invoice date, unless otherwise agreed to in advance.

2.6.2.3 The Company shall present invoices for recurring charges monthly to the Customer, in advance of the month in which service is provided, and Recurring Charges shall be due and payable within thirty (30) days after the invoice date. When billing is based on customer usage, charges will be billed monthly for the preceding billing periods.

2.6.2.4 When service does not begin on the first day of the month, or end on the last day of the month, the charge for the fraction of the month in which service was furnished will be calculated on a pro rata basis. For this purpose, every month is considered to have thirty (30) days.

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.6 Payment Arrangements (Cont'd.)

2.6.2 Billing and Collection of Charges (Cont'd.)

2.6.2.5 Billing of the Customer by the Company will begin on the Service Commencement Date, which is the first day following the date on which the Company notifies the Customer that the service or facility is available for use, except that the Service Commencement Date may be postponed by mutual agreement of the parties, or if the service or facility does not conform to standards set forth in this tariff or the Service Order. Billing accrues through and includes the day that the service, circuit, arrangement or component is discontinued.

2.6.2.6 If any portion of the payment is not received by the Company within thirty (30) days of receipt of the bill, or if any portion of the payment is received by the Company in funds that are not immediately available upon presentment, then a late payment charge of 1.5% per month shall be due to the Company. A minimum finance charge of \$10 for Business Accounts if the calculated late payment fee is below these thresholds once an invoice is past due. A late payment charge is not applicable to subsequent rebilling of any amount to which a late payment charge has already been applied.

2.6.2.7 A charge of \$20.00 will be assessed for any check or other form of payment returned by the drawee bank or other financial institution for insufficient or uncollected funds, closed account, apparent tampering, missing signature or endorsement, or any other insufficiency or discrepancy necessitating return of the instrument at the discretion of the drawee bank or financial institution. This charge will be assessed in addition to any charges assessed by the drawee bank or any other financial institution. If a Customer who has received a notice of discontinuance pays its bill with a check that is subsequently dishonored, the account status shall remain unpaid and the Company is not required to issue any additional notice before disconnecting service.

2.6.2.8 If service is disconnected by the Company in accordance with Section 2.7 following and later restored, restoration of service will be subject to all applicable installation charges. If service is suspended by the Company, in accordance with this tariff, and later restored, restoration of service will be subject to restoration of service charges as specified in this tariff.

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LOCAL EXCHANGE SERVICES TARIFF

SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.6 Payment Arrangements (Cont'd.)

2.6.3 Disputed Bills

2.6.3.1 In the event that a billing dispute occurs concerning any charges billed to the Customer by the Company, the Company may require the Customer to pay the undisputed portion of the bill to avoid discontinuance of service for non-payment. The Customer must submit a documented claim for the disputed amount. The Customer will submit all documentation as may reasonably be required to support the claim. All claims must be submitted to the Company within thirty (30) days of receipt of billing for those services and in accordance with Idaho law. If the Customer does not submit a claim as stated above, the Customer waives all rights to filing a claim thereafter.

2.6.3.2 Unless disputed, the invoice shall be deemed to be correct and payable in full by the Customer. If the Customer is unable to resolve any dispute with the Company, then the Customer may file a complaint with the Idaho Public Utilities Commission, 472 West Washington, P.O. Box 83720, Boise ID 83720-0074, telephone number (208) 334-0300 or (800) 432-0369.

2.6.3.3 If the dispute is resolved in favor of the Customer and the Customer has withheld the disputed amount, no interest, credits or penalties will apply.

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.7 Discontinuance of Service

2.7.1 Service may be disconnected after seven (7) days written notice for any of the following reasons:

- a. The Customer did not pay undisputed delinquent bills for local exchange services or paid a delinquent bill for local exchange services with any dishonored check.
- b. The Customer failed to make a security deposit or obtain a guarantee when one is required.
- c. The Customer failed to abide by the terms of a payment arrangement.
- d. The Customer misrepresented the Customer's identity for the purpose of obtaining telephone service.
- e. The Company determines as prescribed by relevant state or other applicable standards that the Customer is willfully wasting or interfering with service through improper equipment or otherwise.
- f. The Customer is using service(s) for which the Customer did not apply.

2.7.2 At least 24 hours before actual termination, the Company will attempt to contact the Customer affected to apprise the Customer of the proposed termination action and steps to take to avoid or delay termination. Service will not be terminated in the event that a formal or informal complaint concerning termination is filed with the Commission.

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.7 Discontinuance of Service (Cont'd.)

2.7.3 Service may be disconnected without notice and without incurring any liability for any of the following reasons:

- a. A condition immediately dangerous or hazardous to life, physical safety or property exists, or it is necessary to prevent a violation of federal, state or local safety or health codes.
- b. The company is ordered to terminate service by any court, the Commission, or any other duly authorized public authority.
- c. In the event of fraudulent use of the Company's network, where the service(s) was (were) obtained, diverted or used without the authorization or knowledge of the Company, the Company will discontinue service without notice and/or seek legal recourse to recover all costs involved in enforcement of this provision.
- d. The Company has tried diligently to meet the notice requirements but has been unsuccessful in its attempt to contact the Customer affected.
- e. The Customer has misrepresented the Customer's identify for purposes of obtaining telephone service and has no or an inadequate security deposit on file with the Company and has an outstanding bill exceeding \$100.
- f. Upon the Customer's insolvency, assignment for the benefit of creditors, filing for bankruptcy or reorganization, or failing to discharge an involuntary petition within the time permitted by law.
- g. Upon the Company's discontinuance of service to the Customer under Section 2.7.1 or 2.7.3, the Company, in addition to all other remedies that may be available to the Company at law or in equity or under any other provision of this tariff, may declare all future monthly and other charges that would have been payable by the Customer during the remainder of the term for which such services would have otherwise been provided to the Customer to be immediately due and payable.

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.8 Cancellation of Application for Service

- 2.8.1** Applications for service cannot be canceled without the Company's agreement. Where the Company permits a Customer to cancel an application for service prior to the start of service or prior to any special construction, no charges will be imposed except for those specified below.
- 2.8.2** Where, prior to cancellation by the Customer, the Company incurs any expenses in installing the service or in preparing to install the service that it otherwise would not have incurred, a charge equal to the costs incurred by the Company, less net salvage, shall apply, but in no case shall this charge exceed the sum of the charge for the minimum period of services ordered, including installation charges, and all charges others levy against the Company that would have been chargeable to the Customer had service commenced.
- 2.8.3** Where the Company incurs any expense in connection with special construction, or where special arrangements of facilities or equipment have begun, before the Company receives a cancellation notice, a charge equal to the costs incurred by the Company, less net salvage, applies. In such cases, the charge will be based on such elements as the cost of the equipment, facilities, and material, the cost of installation, engineering, labor, and supervision, general and administrative expense, other disbursements, depreciation, maintenance, taxes, provision for return on investment, and any other costs associated with the special construction or arrangements.
- 2.8.4** The special charges described in 2.8.1 through 2.8.3 will be calculated and applied on a case-by-case basis.

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.9 Changes in Service Requested

If the Customer makes or requests material changes in circuit engineering, equipment specifications, service parameters, premises locations, or otherwise materially modifies any provision of the application for service, the Customer's installation fee shall be adjusted accordingly.

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.10 Allowances for Interruptions in Service

Interruptions in service that are not due to the negligence of, or noncompliance with the provisions of this tariff by, the Customer or the operation or malfunction of the facilities, power or equipment provided by the Customer, will be credited to the Customer as set forth in 2.10.1.1 for the part of the service that the interruption affects.

2.10.1 General

2.10.1.1 Service Outage

A credit allowance will be given when service is interrupted, except as specified below. A service is interrupted when it becomes inoperative to the Customer, e.g., the Customer is unable to transmit or receive, because of a cross-talk, static or other transmission problem, the Company will respond to a Customer's report of such a "service outage" in accordance with IDAPA 31.41.01 Rule 503. Customer's bills will be appropriately and automatically credited pursuant to the terms of Rule 503.

2.10.1.2 Receipt and Recording of Reports

The Company will provide for the receipt of Customer trouble reports at all hours and make a full and prompt investigation of and response to all reports. The Company will maintain an accurate record of trouble reports made by its Customers. This record will include accurate identification of the Customer or service affected, the time, date and nature of the report, the action taken to clear the trouble or satisfy the Customer, and the date and time of trouble clearance or other disposition. This record will be available to the Commission or its authorized representatives upon request at any time within two (2) years of the date of the record.

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SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.10 Allowances for Interruptions in Service (Cont'd.)

2.10.1 General (Cont'd.)

2.10.1.3 Repair Commitments

Commitments to the Customer for repair service will be set in accordance with Rule 503. The Company will make every reasonable attempt to fulfill repair commitments to its Customers. Customers will be timely notified of unavoidable changes. Failure to meet a repair commitment does not relieve the Company of the credited provisions in Rule 503.01, unless the Customer fails to keep an appointment the Customer agreed to when the original commitment was made.

2.10.1.4 Restoration of Service

When the Company providing local exchange is informed by a Customer of a local exchange service outage, the Company will:

- a. restore service within sixteen (16) hours after the report of the outage if the Customer notifies the Company that the service outage creates an emergency for the Customer, or
- b. restore service within twenty-four (24) hours after the report of the outage if no emergency exists, except that outages reported between noon on Saturday and 6:00 p.m. on the following Sunday must be restored within forty-eight (48) hours or by 6:00 p.m. on the following Monday, whichever is sooner. If the Company does not restore service within the times required by this subsection, the Company will credit the Customer's account for an amount equal to the monthly rate for one (1) month of basic local exchange service.

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.10 Allowances for Interruptions in Service (Cont'd.)

2.10.1 General (Cont'd.)

2.10.1.5 Extenuating Circumstances

Following disruption of local exchange service caused by natural disaster or other causes not within the Company's control and affecting large groups of Customers, or in conditions where the personal safety on an employee would be jeopardized, the Company is not required to provide the credit referred to in Subsection 503.01 as long as it uses reasonable judgment and diligence to restore service, giving due regard for the needs of various Customers and the requirements of the telecommunications service priority (TSP) program ordered in FCC Docket 88-341. When a Customer causes the Customer's own service outage or does not make a reasonable effort to arrange a repair visit within the service restoration deadline, or when the Company determines that the outage is attributable to the Customer's own equipment or inside wire, the Company is not required to provide to that Customer the credit referred to in Subsection 503.01.

2.10.1.6 Compliance Standard

Each month at least ninety percent (90%) of out-of-service trouble reports will be cleared in accordance with Subsection 503.01 and 503.02. The Company will keep a monthly service record as described in Subsection 502.01 and will notify the Commission whenever the record indicates the ninety percent (90%) level has not been met for a period of three (3) consecutive months.

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.11 Cancellation of Service/Termination Liability

If a Customer cancels a Service Order or terminates services before the completion of the term for any reason whatsoever other than a service interruption (as defined in Section 2.10.1.1 above), the Customer agrees to pay to the Company termination liability charges, as defined below. These charges shall become due as of the effective date of the cancellation or termination and be payable within the period, set forth in Section 2.7.3.g.

2.11.1 Termination Liability

The Customer's termination liability for cancellation of service shall be equal to:

- a. all unpaid Nonrecurring charges reasonably expended by the Company to establish service to the Customer; plus
- b. any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by the Company on behalf of the Customer; plus
- c. minus a reasonable allowance for costs avoided by the Company as a direct result of the Customer's cancellation.

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.12 Cancellation of Service by Customer

Customers may cancel service verbally or in writing. The company shall hold the Customer responsible for payment of all charges, including fixed fees, surcharges, etc., which accrue up to the cancellation date. Customers that cancel the primary local exchange line will have the entire Account disconnected, including any secondary line and all associated features. In the event the Customer executes a term commitment agreement with the Company, the Customer must cancel service and terminate the agreement in accordance with the agreement terms.

2.13 Transfers and Assignments

Neither the Company nor the Customer may assign or transfer its rights or duties in connection with the services and facilities provided by the Company without the written consent of the other party, except that the Company may assign its rights and duties:

- a. to any subsidiary, parent company or affiliate of the Company; or
- b. pursuant to any sale or transfer of substantially all the assets of the Company; or
- c. pursuant to any financing, merger or reorganization of the Company.

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.14 Customer Liability for Unauthorized Use of the Network

Unauthorized use of the network occurs when a person or entity that does not have actual, apparent, or implied authority to use the network, obtains the Company's services provided under this tariff.

2.15 Notice and Communications

2.15.1 The Customer shall designate on the service order an address to which the Company shall mail or deliver all notices and other communications, except that Customer may also designate a separate address to which the Company's bills for service shall be mailed.

2.15.2 The Company shall designate on the service order an address to which the Customer shall mail or deliver all notices and other communications, except that Company may designate a separate address on each bill for service to which the Customer shall mail payment on that bill.

2.15.3 Except as otherwise stated in this tariff, all notices or other communications required to be given pursuant to this tariff will be in writing. Notices and other communications of either party, and all bills mailed by the Company, shall be presumed to have been delivered to the other party on the third business day following placement of the notice, communication or bill with the U.S. Mail or a private delivery service, prepaid and properly addressed, or when actually received or refused by the addressee, whichever occurs first.

2.15.4 The Company or the Customer shall advise the other party of any changes to the addresses designated for notices, other communications or billing, by following the procedures for giving notice set forth herein.

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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.16 Universal Emergency Telephone Number Service (911)

Universal Emergency Telephone Number Service (911 Service) is an arrangement of Company central office and trunking facilities whereby any telephone user who dials the numbers 911 will reach the emergency report center for the telephone from which the number is dialed or will be routed to an operator if all lines to an emergency report center are busy. If no emergency report center Customer exists for a central office entity, a telephone user who dials the number 911 will be routed to an operator. No call-specific charges apply to 911 calls.

2.17 Excessive Short Duration Calls

If 15% or more of 1+ Long Distance and 8xx Toll Free domestic completed calls are equal to or less than 6 seconds in length, during any Billing Cycle, there will be an additional charge of \$0.01 per Short Duration Call, for the number of calls above 15%.

2.18 Expiration of Term Plan Options

At the expiration of the initial term as specified in a Customer Specific Term Plan, or in any extension thereof, service shall continue on a month-to-month basis at the then current rates unless terminated by either party in accordance with the agreement terms. Any termination shall not relieve the Customer of its obligation to pay any charges incurred under the service order and this tariff prior to termination. The rights and obligations which by their nature extend beyond the termination of the term plan shall survive such termination.

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LOCAL EXCHANGE SERVICES TARIFF

SECTION 3.0 - SERVICE AREAS

3.1 Exchange Service Areas

Local exchange services are provided, subject to availability of facilities and equipment, in areas currently served by the following Incumbent LECs:

- 1) CenturyLink (Qwest North)
- 2) CenturyLink (Qwest South)
- 3) Frontier Communications

Ednetics will provide services in the territories of other incumbent telephone companies upon request of customers desiring our services subject to availability of facilities and equipment and the agreements necessary to do so.

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LOCAL EXCHANGE SERVICES TARIFF

SECTION 4 - SERVICE OFFERINGS

4.1 Local Service Offering

4.1.1 Ednetics offers 2-way local and long distance voice communication packages that are tailored for each of our customers based on their individual needs. The core of our services are centralized at one of Ednetics' state of the art network operation centers and are monitored 24x7 by Ednetics.

4.1.2 Centralization allows the service to be scalable to our customer's needs and specifications, which allows our customers to purchase only the components they need, reducing their costs. Centralization also means the system is easily distributable across networks to multiple locations with less investment.

4.1.3 The following feature list is not all inclusive. There are many other features offered by Ednetics that are customizable to meet the individual needs of our customers.

Abbreviated dialing	Conferencing	Last number redial
Account codes	Dialed number display	Message waiting indicator
Answer and answer release	Direct inward/outward dialing	Music on-hold
Auto answer and intercom	Directed call park	Mute
Callback busy/no answer	Directory dialing	On-hook dialing
Call coverage	List missed/placed/received calls	Outbound call blocking
Call forward all/busy/no answer	Distinctive ring	Privacy
Call forward internal/external	Do not disturb	Recent calls dialed/received
Call hold and retrieve	Drop last conference party	Routing, TOD/DOW/DOY
Call join	Hands-free, full duplex	Toll restriction
Call park and pickup	Hold ring back	Transfer blind/announced
Call pickup group/universal	Hotline/private line	Trunk groups
Call waiting and retrieve	Hunt, circular/linear/longest idle	Voice mail
Calling line and name ID	Hunt groups, log-in/log-out	Voice mail forwarding
Calling line restriction	Join across lines	Voice mail transfer

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SECTION 4 - SERVICE OFFERINGS (CONT'D.)

4.1 Local Service Offering (Cont'd)

4.1.4 Ednetics local service offering is offered throughout the state of Idaho, subject to availability of facilities and equipment.

4.1.5 Rates offered by Ednetics for their local service offering are offered via contract only. All pricing is Individual Case Basis (ICB) pricing developed on a case-by-case basis pursuant to the customer's needs and specifications. The negotiated rate is included in a contract for the services.

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LOCAL EXCHANGE SERVICES TARIFF

SECTION 5 - MISCELLANEOUS SERVICES

5.1 Directory Listings

5.1.1 General

The following rates and regulations apply to standard listings in light face type in the white pages (alphabetical section) of the telephone directory and to the Directory Assistance records of the Company.

Directory listings are limited to such information as is essential to the identification of the listed party. The listing of a service, commodity, or trade name is not permitted unless it is the name, or an integral part of the name, under which the Customer does business.

A listing consists of the name of the customer, the address where the service is located and the telephone number and is usually confined to one line in the directory.

Business Service Listings may be of members of the partnership, officers of the corporation, agents, employees, patrons of resellers or sharers, or of a business house with the customer represents or owns including a partnership or corporation under his control.

5.1.2 Listings

a. Primary Listing

One listing, termed the primary listing, is included with each exchange access line.

LOCAL EXCHANGE SERVICES TARIFF

SECTION 5 - MISCELLANEOUS SERVICES (CONT'D.)

5.1 Directory Listing Service (Cont'd.)

5.1.2 Listings (Cont'd.)

b. Additional Listings

Additional listings may be the listings of individual names of those entitle to use the Customer's service, Departments, Divisions, Trade names, etc.

In connection with business service, regular additional listings are available only in the names of Authorized Users of the Customer's service.

c. Alternate Listings

Duplicate Listings - A Customer may be furnished a duplicate listing, including an alternate call number associated with the listing, which is considered necessary to facilitate the use of the directory by the public.

Foreign Exchange Service Listings - Foreign exchange service is listed in the alphabetical list of the exchange from which service is furnished. In connection with a contiguous exchange, a listing (without charge) of the service must be included in the primary directory of the exchange where the foreign exchange service is terminated. In connection with non-contiguous exchange service the listing is omitted unless its inclusion is requested by the Customer.

Foreign Listings - A Customer or an additionally listed party, in addition to a listing in his local directory, may be listed in an alphabetical list other than that in which the Customer is regularly listed.

LOCAL EXCHANGE SERVICES TARIFF

SECTION 5 - MISCELLANEOUS SERVICES (CONT'D.)

5.1 Directory Listing Service (Cont'd.)

5.1.2 Listings (Cont'd.)

d. Nonpublished Service

At the request of the Customer, the numbers of initial central office lines may be omitted from the directory and from the Directory Assistance records of the Company, subject to the rates following. These numbers are designated as "non- Published Telephone Numbers" Unless the specific call number is given by the person calling, a connection will not be established with a telephone have a "Non-Published Telephone Number".

The Company shall not be liable to the Customer for losses or damages arising from such an arrangement. The Customer indemnifies and saves the Company harmless from any and all claims arising from such an arrangement.

e. Nonlisted Service

At the request of the Customer, the numbers of initial central office lines may be omitted from the directory only. These numbers are designated as "Non-Listed Telephone Numbers" and are included in the Directory Assistance records of the Company.

The Company shall not be liable to the Customer for losses or damages arising from such an arrangement. The Customer indemnifies and saves the Company harmless from any and all claims arising from such an arrangement.

f. Toll-Free Directory Listing

Where available, a listing which references the Toll-Free Number for a business customer will be made available.

LOCAL EXCHANGE SERVICES TARIFF

SECTION 5 - MISCELLANEOUS SERVICES (CONT'D.)

5.1 Directory Listing Service (Cont'd.)

5.1.3 Monthly Recurring Charges

Rates offered by Company for their directory listing service are Individual Case Basis (ICB) pricing based on the rates of Company's underlying providers. The rates will be disclosed to customer during the contract pricing development procedure. The negotiated rates are included in the contract for services.

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SECTION 5 - MISCELLANEOUS SERVICES (CONT'D.)

5.2 Directory Assistance Services

5.2.1 Directory Assistance

Directory Assistance Service is furnished upon Customer request for assistance in determining telephone numbers.

5.2.2 Rates

Rates offered by Company for their directory assistance service are Individual Case Basis (ICB) pricing based on the rates of Company's underlying providers. The rates will be disclosed to customer during the contract pricing development procedure. The negotiated rates are included in the contract for services.

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SECTION 5 - MISCELLANEOUS SERVICES (CONT'D.)

5.3 Operator Assistance

A Customer may obtain the assistance of a local operator to complete local exchange telephone calls in the following manner. Rates applicable to the following services are:

Third Number Billing - Provides the Customer with the capability to charge a local call to a third number which is different from the called or calling party. The party answering at the third number has the option to refuse acceptance of the charges in advance or when queried by the operator.

Collect Calls - Provides the Customer with the capability to charge a call to the called party. On the operator announcement of a collect call, the called party has the option to refuse acceptance of charges in advance or when queried by the operator.

Calling Cards - Provides the Customer with the capability to place a call using a calling card of an Interexchange Carrier with or without the assistance of an operator.

Person to Person - Calls completed with the assistance of any operator to a particular Station and person specified by the Caller. The call may be billed to the called party.

Station to Station - Calls completed with assistance of an operator to a particular Station. The call may be billed to the called party.

General Assistance - The Customer has the option to request general information from the operator, such as dialing instructions, country or city codes, area code information and Customer Service 800 Telephone numbers, but does not request the operator to complete a call.

LOCAL EXCHANGE SERVICES TARIFF

SECTION 5 - MISCELLANEOUS SERVICES (CONT'D.)

5.3 Operator Assistance (Cont'd.)

5.3.1 Rates

Rates offered by Company for their operator assistance service are Individual Case Basis (ICB) pricing based on the rates of Company's underlying providers. The rates will be disclosed to customer during the contract pricing development procedure. The negotiated rates are included in the contract for services.

5.4 Emergency Services

Both Basic and Enhanced 911 (E911) allow Customers to reach appropriate emergency services including police, fire and medical services. Subject to availability, Enhanced 911 has the ability to selectively route an emergency call to the primary E911 provider so that it reaches the correct emergency service located closest to the caller. In addition, the Customer's address and telephone information will be provided to the primary E911 provider for display at the Public Service Answering Point (PSAP).

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SECTION 5 - MISCELLANEOUS SERVICES (CONT'D.)

5.5 Carrier Presubscription

5.5.1 General

Carrier Presubscription is a procedure whereby a Customer designates to the Company the carrier which the Customer wishes to be the carrier of choice for intraLATA and interLATA toll calls. Such calls are automatically directed to the designated carrier, without the need to use carrier access codes or additional dialing to direct the call to the designated carrier. Presubscription does not prevent a Customer who has presubscribed to an IntraLATA or InterLATA toll carrier from using carrier access codes or additional dialing to direct calls to an alternative long distance carrier on a per call basis.

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SECTION 5 - MISCELLANEOUS SERVICES (CONT'D.)

5.5 Carrier Presubscription (Cont'd)

5.5.2 Presubscription Options - Customers may select the same carrier or separate carriers for intraLATA and interLATA long distance. The following options for long distance Presubscription are available:

- Option A: Customer selects the Company as the presubscribed carrier for IntraLATA and InterLATA toll calls subject to presubscription.
- Option B: Customer may select the Company as the presubscribed carrier for IntraLATA calls subject to presubscription and some other carrier as the presubscribed carrier for interLATA toll calls subject to presubscription.
- Option C: Customer may select a carrier other than the Company for intraLATA toll calls subject to presubscription and the Company for interLATA toll calls subject to presubscription.
- Option D: Customer may select the carrier other than the Company for both intraLATA and interLATA toll calls subject to presubscription.
- Option E: Customer may select two different carriers, neither being the Company for intraLATA and interLATA toll calls. One carrier to be the Customer's primary intraLATA interexchange carrier and the other carrier to be the Customer's primary interLATA interexchange carrier.
- Option F: Customer may select a carrier other than the Company for no presubscribed carrier for intraLATA toll calls subject to presubscription which will require the Customer to dial a carrier access code to route all intraLATA toll calls to the carrier of choice for each call.

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LOCAL EXCHANGE SERVICES TARIFF

SECTION 5 - MISCELLANEOUS SERVICES (CONT'D.)

5.5 Carrier Presubscription (Cont'd.)

5.5.3 Rules and Regulations

Customers of record will retain their primary interexchange carrier(s) until they request that their dialing arrangements be changed.

Customers of record or new Customers may select either Options A, B, C, D, E or F for intraLATA Presubscription.

Customers may change their selected Option and/or presubscribed toll carrier at any time subject to charges specified in 5.5.5 below.

5.5.4 Presubscription Procedures

A new Customer will be asked to select intraLATA and interLATA toll carriers at the time the Customer places an order to establish local exchange service with the Company. The Company will process the Customer's order for service. All new Customers' initial requests for intraLATA toll service presubscription shall be provided free of charge.

If a new Customer is unable to make selection at the time the new Customer places an order to establish local exchange service, the Company will read a random listing of all available intraLATA and interLATA carriers to aid the Customer in selection. If the Customer does not select a primary toll carrier, the Customer will not have access to long distance services on a presubscribed basis, but rather will be required to dial a carrier access code to route all toll calls to the carrier(s) of choice.

Customers of record may initiate an intraLATA or interLATA presubscription change at any time, subject to the charges specified below. If a Customer of record inquires of the Company of the carriers available for toll presubscription, the Company will read a random listing of all available intraLATA carriers to aid the Customer in selection.

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SECTION 5 - MISCELLANEOUS SERVICES (CONT'D.)

5.5 Carrier Presubscription (Cont'd.)

5.5.5 Presubscription Charges

A. Application of Charges

After a Customer's initial selection for a presubscribed toll carrier and as detailed above, for any change thereafter, a Presubscription Change Charge, as set forth below will apply. Customers who request a change in intraLATA and interLATA carriers with the same order will be assessed a single charge per line.

B. Charges

Per business or residence line, trunk, or port: \$ _____