

ORIGINAL



AMERICAN FIBER NETWORK



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May 24, 2007

Arizona Corporation Commission  
DOCKETED

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AZ CORP COMMISSION  
DOCKET CONTROL

2007 MAY 30 A 11: 11

RECEIVED

Ms. Pamela J. Genung  
Public Utilities Analyst IV  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, AZ 85007-2927

Re: STAFF'S FIRST SET OF DATA REQUESTS TO AMERICAN FIBER NETWORK, INC. DOCKET NO. T-03815A-06-0747

Dear Ms. Genung,

We are in receipt of your first set of data requests and offer the following responses:

PJG1-1 We are currently providing resold local exchange service and wish to expand our capabilities within the state of Arizona by utilizing commercial agreements with Qwest, specifically which will allow us more flexibility and creativity in some areas with our packaging and pricing.

PJG1-2 To the best of our knowledge, we have. However, the fact that you asked the question concerns me. Is there some item that we have missed?

PJG1-3 I removed this statement from Original Sheet 44, Section 3.4 Service Descriptions and that corrected sheet is included as part of the completely revised tariff attached.

PJG1-4 We apologize for the confusion on the Long Distance Services and it has been removed in its entirety. Please see corrected tariff which is attached.

PJG1-5 It is not our intention to provide this service at this time. We are removing it from the corrected tariff, which is attached.

PJG1-6 It is our intention, should we be successful in obtaining certification to provide UNE-P type service, to bill access charges to companies terminating or originating traffic over the loops we have leased from the local ILEC. That access service is reflected in the corrected tariff attached.

PJG1-7 It is not our intention to provide this service at this time. We are removing it from the corrected tariff, which is attached.

PJG1-8 Please see financial information which is attached behind the "Financials" cover.

PJG1-9

1. See attached spreadsheet behind "Projected Revenue and Operating Costs" cover.
2. AFN does not intend to install any equipment in AZ at this time, so the anticipated book value of our assets will be \$0.
3. Our projected value is 0.
4. Not applicable.

PJG1-10 The only minimum and maximum rates referenced here were removed with the long distance portions of this tariff being removed in response to PGJ1-4.

PJG1-11 Again, the range of rates referenced here has been removed in response to RGJ1-4.

PJG1-12 See "Pricing and Certification Matrix" exhibit for the requested information. As an explanation for the differences in prices, we offer the following: Most of our services are provided via resale arrangements with the Incumbent LECs. Therefore, our costs are based on the costs avoided discount provided AFN by that ILEC. So, we generally attempt to match the ILECs rates in every territory. That will be our goal as well in Arizona. We excel in customer service and retain our customers on that basis.

PJG1-13 The only pending application is in Arizona. However, we are planning to upgrade our certificates at some point to a minimum of being able to utilize UNE-P.

PJG1-14 We have removed Private Line Services from the tariff in response to PJG1-5.

PJG1-15 We have included switched access information on the spreadsheet matrixes included in "Projected Revenue and Operating Costs".

PJG1-16 We have removed Private Line Service from the tariff in response to PJG1-7.

PJG1-17 To our knowledge, the commission is not holding a bond. However, we can provide a bond at the \$100,000 amount immediately if required.

Please let me know at your earliest convenience if you need any further information.

Sincerely,



Robert E. Heath  
EVP

## Financials

American Fiber Network, Inc.  
Comparative Balance Sheets  
For the Calendar Year 2006

Assets:		12/31/2006	12/31/2005
Cash		\$ 853,543	\$ 599,306
Accounts Receivable		486,688	217,049
Prepaid Expense		276,521	186,866
Deposits		9,514	-
Depreciable Assets		351,206	311,619
Less: Accumulated Depre.		(307,042)	(299,951)
Intercompany Loans		720,588	542,519
Intangible Assets		134,483	134,483
Less: Accumulated Amort.		(69,476)	(42,584)
<b>Total Assets</b>		<b>2,456,025</b>	<b>1,649,307</b>
Liabilities:			
Accounts Payable		354,987	336,437
Sales Tax Payable		254,117	152,434
Deferred Revenue		203,050	146,739
Commissions Payable		67,680	65,499
Intercompany Loans		568,165	607,867
Other Liabilities		17,629	5,271
<b>Total Liabilities</b>		<b>1,465,628</b>	<b>1,314,247</b>
Equity:			
Capital Stock		100	100
Additional Paid-in Capital		85,544	85,544
Retained Earnings		(133,335)	(153,109)
Current Year Earnings		1,038,088	402,525
<b>Total Equity</b>		<b>990,397</b>	<b>335,060</b>
<b>Total Liabilities &amp; Equity</b>		<b>2,456,025</b>	<b>1,649,307</b>

American Fiber Network, Inc.  
 Comparative Statements of Income  
 For the Calendar Year 2006

	<u>2006</u>	<u>2005</u>
Revenue	10,314,483	4,141,629
Operating Expense	7,367,301	2,970,506
Operating Income	2,947,182	1,171,123
Administrative Expense	1,909,094	768,598
Net Profit before Taxes	1,038,088	402,525
Federal Income Taxes	-	-
Net Profit After Taxes	1,038,088	402,525

**Projected Revenue and Operating Costs**



## Pricing and Certification Matrix

State	Facility-based/UNEP	Resale	Date Certified	Residential Line Rate	Business Line Rate	AZ Residential Line Rate	AZ Business Line Rate	AZ rate difference-residential	AZ rate difference-business
Alabama	Yes	Yes	7/18/2000	\$ 16.30	\$ 36.23	\$ 13.18	\$ 30.81	\$ 3.12	\$ 5.42
Arkansas	Yes	Yes	2/22/2007	\$ 16.85	\$ 40.95	\$ 13.18	\$ 30.81	\$ 3.67	\$ 10.14
California	NO	Yes	6/8/2000	\$ 10.69	\$ 11.95	\$ 13.18	\$ 30.81	\$ (2.49)	\$ (18.86)
Colorado	Yes	Yes	10/1/2004	\$ 14.88	\$ 35.02	\$ 13.18	\$ 30.81	\$ 1.70	\$ 4.21
Connecticut	NO	Yes	2/14/2001	\$ 14.53	\$ 39.13	\$ 13.18	\$ 30.81	\$ 1.35	\$ 8.32
Florida	Yes	Yes	3/6/2000	\$ 13.58	\$ 30.20	\$ 13.18	\$ 30.81	\$ 0.40	\$ (0.61)
Georgia	Yes	Yes	10/3/2000	\$ 17.45	\$ 48.30	\$ 13.18	\$ 30.81	\$ 4.27	\$ 17.49
Hawaii	NO	Yes	11/24/1999	\$ 14.40	\$ 35.60	\$ 13.18	\$ 30.81	\$ 1.22	\$ 4.79
Idaho	Yes	Yes	10/27/2000	\$ 10.51	\$ 17.51	\$ 13.18	\$ 30.81	\$ (2.67)	\$ (13.30)
Illinois	NO	Yes	4/12/2000	\$ 9.00	\$ 11.87	\$ 13.18	\$ 30.81	\$ (4.18)	\$ (18.94)
Indiana	NO	Yes	2/16/2000	\$ 12.17	\$ 37.75	\$ 13.18	\$ 30.81	\$ (1.01)	\$ 6.94
Kansas	Yes	Yes	3/20/2000	\$ 15.70	\$ 33.25	\$ 13.18	\$ 30.81	\$ 2.52	\$ 2.44
Kentucky	Yes	Yes	5/11/2005	\$ 18.40	\$ 35.90	\$ 13.18	\$ 30.81	\$ 5.22	\$ 5.09
Louisiana	Yes	Yes	3/29/2005	\$ 12.64	\$ 33.00	\$ 13.18	\$ 30.81	\$ (0.54)	\$ 2.19
Maryland	NO	Yes	2/12/2002	\$ 15.81	\$ 14.85	\$ 13.18	\$ 30.81	\$ 2.63	\$ (15.96)
Massachusetts	NO	Yes	9/17/2001	\$ 19.64	\$ 17.95	\$ 13.18	\$ 30.81	\$ 6.46	\$ (12.86)
Michigan	Yes	Yes	9/18/2000	\$ 13.63	\$ 17.50	\$ 13.18	\$ 30.81	\$ 0.45	\$ (13.31)
Minnesota	Yes	Yes	10/6/2000	\$ 14.76	\$ 43.29	\$ 13.18	\$ 30.81	\$ 1.58	\$ 12.48
Mississippi	Yes	Yes	11/9/2006	\$ 19.01	\$ 36.95	\$ 13.18	\$ 30.81	\$ 5.83	\$ 6.14
Missouri	Yes	Yes	3/13/2000	\$ 13.00	\$ 25.50	\$ 13.18	\$ 30.81	\$ (0.18)	\$ (5.31)
Montana	Yes	Yes	10/24/2000	\$ 16.73	\$ 33.94	\$ 13.18	\$ 30.81	\$ 3.55	\$ 3.13
Nebraska	Yes	Yes	1/17/2007	\$ 18.15	\$ 27.55	\$ 13.18	\$ 30.81	\$ 4.97	\$ (3.26)
Nevada	NO	Yes	11/3/2000	\$ 10.40	\$ 22.00	\$ 13.18	\$ 30.81	\$ (2.78)	\$ (8.81)
New Jersey	NO	Yes	3/20/2001	\$ 8.95	\$ 15.00	\$ 13.18	\$ 30.81	\$ (4.23)	\$ (15.81)
New Mexico	Yes	Yes	3/7/2000	\$ 13.50	\$ 34.37	\$ 13.18	\$ 30.81	\$ 0.32	\$ 3.56
New York	NO	Yes	11/13/2000	\$ 23.00	\$ 19.15	\$ 13.18	\$ 30.81	\$ 9.82	\$ (11.66)
North Carolina	Yes	Yes	3/15/2000	\$ 18.75	\$ 33.89	\$ 13.18	\$ 30.81	\$ 5.57	\$ 3.08
Ohio	NO	Yes	10/18/2000	\$ 14.25	\$ 20.45	\$ 13.18	\$ 30.81	\$ 1.07	\$ (10.36)
Oklahoma	NO	Yes	3/31/2001	\$ 16.24	\$ 41.78	\$ 13.18	\$ 30.81	\$ 3.06	\$ 10.97
Oregon	Yes	Yes	1/4/2001	\$ 14.80	\$ 30.50	\$ 13.18	\$ 30.81	\$ 1.62	\$ (0.31)
Pennsylvania	NO	Yes	1/7/2005	\$ 14.22	\$ 39.45	\$ 13.18	\$ 30.81	\$ 1.04	\$ 8.64
South Carolina	Yes	Yes	4/24/2001	\$ 15.40	\$ 42.75	\$ 13.18	\$ 30.81	\$ 2.22	\$ 11.94
South Dakota	Yes	Yes	11/14/2006	\$ 18.25	\$ 38.40	\$ 13.18	\$ 30.81	\$ 5.07	\$ 7.59
Tennessee	NO	Yes	8/24/2005	\$ 12.52	\$ 42.49	\$ 13.18	\$ 30.81	\$ (0.66)	\$ 11.68
Texas	Yes	Yes	2/20/2001	\$ 11.05	\$ 28.25	\$ 13.18	\$ 30.81	\$ (2.13)	\$ (2.56)
Utah	Yes	Yes	6/1/2000	\$ 11.00	\$ 22.00	\$ 13.18	\$ 30.81	\$ (2.18)	\$ (8.81)
Virginia	Yes	Yes	6/23/2000	\$ 6.00	\$ 13.25	\$ 13.18	\$ 30.81	\$ (7.18)	\$ (17.56)
Washington	Yes	Yes	5/10/2000	\$ 12.50	\$ 26.89	\$ 13.18	\$ 30.81	\$ (0.68)	\$ (3.92)
Wisconsin	NO	Yes	3/9/2000	\$ 28.18	\$ 22.10	\$ 13.18	\$ 30.81	\$ 15.00	\$ (8.71)
*most areas have several rate groups according to number of lines in an area.									
We used the highest rate group here in those cases.									

**Proposed Tariff for Local and Access Services**

**American Fiber Network, Inc.**

Schedule of

GENERAL REGULATIONS FOR EXCHANGE SERVICES

Applying to the Intrastate Regulated  
Services and Facilities of this Company  
In the State of Arizona

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Issued: May 29, 2007

Issued by:

Effective:

Robert E. Heath  
Vice President

**CHECK SHEET**

Current sheets in the tariff are as follows:

<u>Sheet</u>	<u>Revision</u>	<u>Sheet</u>	<u>Revision</u>
1	Original	38	Original
2	Original	39	Original
3	Original	40	Original
4	Original	41	Original
5	Original	42	Original
6	Original	43	Original
7	Original	44	Original
8	Original	45	Original
9	Original	46	Original
10	Original	47	Original
11	Original	48	Original
12	Original	49	Original
13	Original	50	Original
14	Original	51	Original
15	Original	52	Original
16	Original	53	Original
17	Original	54	Original
18	Original	55	Original
19	Original	56	Original
20	Original	57	Original
21	Original	58	Original
22	Original	59	Original
23	Original	60	Original
24	Original	61	Original
25	Original	62	Original
26	Original	63	Original
27	Original	64	Original
28	Original	65	Original
29	Original	66	Original
30	Original	67	Original
31	Original	68	Original
32	Original		
33	Original		
34	Original		
35	Original		
36	Original		
37	Original		

Issued: May 29, 2007

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Vice President

CHECK SHEET - (cont.)

Current sheets in the tariff are as follows:

<u>Sheet</u>	<u>Revision</u>	<u>Sheet</u>	<u>Revision</u>
69	Original		
70	Original		
71	Original		
72	Original		
73	Original		
74	Original		
75	Original		
76	Original		
77	Original		
78	Original		
79	Original		
80	Original		
81	Original		

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Issued: May 29, 2007

Issued by:

Effective:

Robert E. Heath  
Vice President

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**APPLICATION OF PRICE LIST**

This price list sets forth the service offerings, rates, terms and conditions applicable to the furnishing of intrastate communications services within the State of Arizona by American Fiber Network, Inc. (hereinafter "The Company").

The Company has been authorized by the Public Service Commission of Arizona to provide competitive local exchange and interexchange services as a Reseller. The rates and rules contained herein are subject to change pursuant to the rules and regulations of the Public Service Commission of Arizona.

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Issued: May 29, 2007

Issued by:

Effective:

Robert E. Heath  
Vice President

**EXPLANATION OF SYMBOLS REFERENCE MARKS AND ABBREVIATIONS OF  
TECHINICAL TERMS USED IN THIS PRICE LIST**

The following symbols shall be used in this price list for the purpose indicated below:

- C To signify changed listing, rule, or condition which may affect rates or charges.
- D To signify discontinued material, including listing, rate, rule or condition.
- I To signify increase.
- L To signify material relocated from or to another part of the price list schedules with no change in text, rate, rule or condition.
- N To signify new material including listing, rate, rule or condition
- R To signify reduction.
- S To signify reissued matter.
- T To signify a change in wording of text but not a change in rate, rule or condition.

**SERVICE AREA**

This price list sets forth service offerings, rates, terms and conditions applicable to the furnishing of the Company's end user intrastate telecommunications services to Customers within the State of Arizona.

Customer Contact - For establishment of service, complaints and inquires regarding service and billing, or reporting or inquiring about network outages or service problems.

American Fiber Network, Inc.  
9401 Indian Creek Pkwy, Suite 140  
Overland Park, KS 66210  
Customer Service: Toll Free 1-800-864-0583  
Maintenance Toll Free: 1-800-864-0583

Commission Contact - For complaints, inquiries and matters concerning rates, terms or conditions of this price list.

American Fiber Network, Inc.  
Robert E. Heath, Vice President  
9401 Indian Creek Pkwy, Suite 140  
Overland Park, KS 66210  
Direct: (913) 338-2658  
Fax: (913) 661-0538

## 1.0 DEFINITIONS

The following definitions are used throughout this price list.

**Access Lines:** A telephone facility which permits access to and from both the Customer's premises and the telephone exchange or serving central office.

**Advance Payment:** A payment required before the start of service. It may consist of any required construction cost, all appropriate non-recurring charges, and an estimate of the first months recurring charges.

**Agent:** A business representative authorized by the Company, whose function is to bring about, modify, affect, accept performance of; or terminate contractual obligations between the Company and its applicants or Customers.

**Applicant:** A person who applies for telecommunications service. Includes persons seeking reconnection of their service after Company-initiated termination.

**Application:** A request made in writing for telephone service.

**Authorized User:** A person, firm or corporation, which is authorized by the Company to be connected to the service of the Customer or joint user.

**Automatic Number Identification (ANI):** Allows the automatic transmission of caller's billing account telephone number to a local exchange company, interexchange carrier or a third party subscriber. The primary purpose of ANI is to allow for billing of toll calls.

**Basic Rate Area:** A specific area, within which the schedule rates for local exchange service apply without exchange line mileage or without special rates in lieu of mileage.

**Bit:** The smallest unit of information in the binary system of notation.

1.0 DEFINITIONS - (cont.)

CCS: One hundred call seconds or one hundred seconds of telephone conversation. One hour of traffic is equal to 36 CCS.

Call Blocking: Provides a user the ability to have their number not delivered to the called station.

Call Hold: Allows the user to hold one call for any length of time provided that neither party goes on-hook.

Call Park: Allows a station line to park a call against its own line number. The parked call can be retrieved from any station line by dialing a feature code and the line number against which the call is parked.

Central Office: Company facilities where subscribers' lines are joined to switching equipment for connecting other subscribers to each other, locally and long distance.

Company or American Fiber Network, Inc.: The issuer of this price list.

Customer or Subscriber: The person, firm or corporation which orders service and is responsible for the payment of charges and compliance with the Company's regulations.

Dial Pulse (or "DP"): The pulse type employed by rotary dial station sets.

Dual Tone Multi-Frequency (or DTMF): The pulse type employed by tone dial station sets.

Duplex Service: Service which provides for simultaneous transmission in both directions.

Fiber Optic Cable: A thin filament of glass with a protective outer coating through which a light beam carrying communications signals may be transmitted by means of multiple internal reflections to a receiver, which translates the message.

1.0 DEFINITIONS - (cont.)

Kbps: Kilobits per second, denotes thousands of bits per second.

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

Mbts: Megabits, denotes millions of bits per second.

Multi-Frequency or (MF) : An inter-machine pulse-type used for signaling between telephone switches or between telephone switches and PBXI key systems.

N on listed Service: Means a Customer is not listed in the published directory, but is listed in the directory assistance database.

Non-Published Service: Means a Customer is not listed in the published directory or in the directory assistance database.

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

Service Commencement Date: The first day following the date on which the Company notifies the Customer that the requested service or facility 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 price list, 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 a Service Order by the Customer and

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Issued: May 29, 2007

Issued by:

Effective:

Robert E. Heath  
Vice President

1.0 DEFINITIONS - (cont.)

acceptance by the Company initiates the respective obligations of the parties as set forth therein and pursuant to this price list, but the duration of the service is calculated from the Service Commencement Date.

Shared: A facility or equipment system or subsystem that can be used simultaneously by several Customers.

Shared Inbound Calls: Refers to calls that are terminated via the Customer's LEC-provided local exchange access line.

Shared Outbound Calls: Refers to calls in Feature Group D exchanges whereby the Customer's local telephone lines are presubscribed by the local exchange company to the Company's outbound service such that "1 + 10-digit number" calls are automatically routed to the Company's network. Calls to stations within the Customers LATA may be placed by dialing "10 + XXX'1 or "101XXXX"11'10XXX" plus 1 + 10-digit number.

User or End User: A Customer or any other person authorized by a Customer to use service provided under this price list.

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## 2.0 REGULATIONS

### 2.1 Undertaking of the Company:

#### 2.1.1 Scope

The Company undertakes to furnish communications service pursuant to the terms of this price list in connection with one-way and/or two-way information transmission between points within the State of Arizona.

The services offered herein may be used for any lawful purpose. There are no restrictions on sharing or resale of the Company's services. However, the Customer remains liable for all obligations under this price list even if such sharing or resale arrangements exist regardless of the Company's knowledge of these arrangements. If service is jointly ordered by more than one Customer, each is jointly and severally liable for all obligations.

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

Company 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 any tariff or price list of such other communications carriers.

The Company may require a Customer to immediately shut down its transmission of signals if said transmission is causing interference to others.

The services of the Company are furnished for the transmission of voice communications but may also be used for data, facsimile, signaling, metering, or other similar communications, subject to the transmission capabilities of the technologies or

## 2.0 REGULATIONS - (cont.)

combination of technologies available. Service is available twenty-four hours a day, seven days a week.

## 2.2 Shortage of Equipment or Facilities

The Company reserves the right to limit or to allocate the use of its existing and future facilities when necessary because of a lack of facilities or due to any cause beyond the Company's control.

The furnishing of service under this price list is subject to the availability on a continuing basis of all facilities necessary to provide the service. Services will be provided using the Company's fiber optic and other facilities as well as facilities the Company may obtain from other carriers.

## 2.3 Selection of Transmission

The Company selects and/or arranges for directly or with its underlying carrier(s) the channels and/or service components and underlying network facilities used to provide service. The Company may modify or change the channels, service components and underlying Company facilities or underlying carrier at any time subject to Part 68 of the FCC's Rules and Regulations and this price list.

## 2.4 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 preventive 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

## 2.0 REGULATIONS - (cont.)

or unplanned service-affecting conditions, such as outage resulting from cable damage, notification to the Customer may not be possible.

### 2.5 Provision of Equipment and Facilities

The Company shall use reasonable efforts to make available services to a Customer on or before a particular date, subject to the provisions of and compliance by the Customer with the regulations contained in this price list. The Company does not guarantee availability by any such date and shall not be liable for any delays in commencing service to any Customer.

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

### 2.6 Terms and Conditions

Service is provided on the basis of a minimum term of at least one-month, 24-hours per day. For purposes of this price list, a month is considered to have 30 days. All calculations of dates set forth in this price list shall be based on calendar days, unless otherwise specified herein. This price list shall be interpreted and governed by the laws of the State of Arizona.

### 2.7 Non-routine Installation and Special Construction

#### 2.7.1 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.

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Issued: May 29, 2007

Issued by:

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Vice President

2.0 REGULATIONS - (cont.)

2.7 Non-routine Installation and Special Construction -  
(cont.)

2.7.2 Special Construction

Subject to the agreement of the Company, special construction of facilities may be undertaken on a reasonable efforts basis at the request of the Customer. Special construction may include that construction undertaken:

- (a) where facilities are not presently available;
- (b) of a type other than that which the Company would normally utilize in the furnishing of its service;
- (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 utilize in the furnishing of its services;
- (e) on an expedited basis;
- (f) on a temporary basis until permanent facilities are available;
- (g) involving abnormal costs; or
- (h) in advance of normal construction.

Special construction will be undertaken at the discretion of AFN consistent with budgetary responsibilities and consideration for the impact on AFN's other Customers and contractual responsibilities.

2.0 REGULATIONS - (cont.)

2.8 Ownership of Facilities

Title to all facilities and equipment, and related plans and proposals, provided by the Company in furnishing service remains with the Company, its agents or contractors. Such facilities and equipment, plans and proposals shall be returned to the Company by the Customer whenever requested, within a reasonable period following the request in as good condition as reasonable wear will permit.

2.9 Government Authorization

The provision of the Company's services is subject to and contingent upon the Company obtaining and retaining all governmental authorizations that may be required or be deemed necessary by the Company. The Company shall use reasonable efforts to obtain and keep in effect all such Governmental authorizations. The Company shall be entitled to take, and shall have no liability for, any action necessary to bring its facilities and/or services into conformance with any requirement or request of the Federal Communications Commission or other governing entity or agency.

2.10 Rights-of-Way

Provisioning of the Company's services is subject to and contingent upon the Company's ability to obtain and maintain rights-of-way and access to private property necessary for installation of the facilities used to provide the Company's services to the Customer's service point as agreed to by the Company.

2.11 Liability of the Company

The liability of the Company for damages arising out of the furnishing of its services, including but not limited to mistakes, outages, omissions, interruptions, delays, errors, or other defects, representations, failures arising

2.0 REGULATIONS - (cont.)

out of the use of these services or failure to furnish service, whether caused by act, omission or negligence, shall be limited to extension of allowances as set forth in the section of this price list on Allowances for Interruptions in Service. The extension of such allowances for interruption shall be the sole remedy of the Customer or other person, and the sole liability of the Company. The Company will not be liable for any direct, indirect, incidental, special, consequential, exemplary or punitive damages to the Customer as a result of any Company service, equipment or facilities, or the acts or omissions or negligence of the Company's employees or agents.

The Company shall not be liable for any delay or failure of performance of equipment due to causes beyond its control, including but not limited to:

acts of God, fire, flood, explosion or other catastrophes; any law, order, regulation, direction, action or request of the United States government, or of any other government, including state and local agency, commission, bureau, corporation, or other instrumentality of any one or more of these federal, state or local governments, or of any civil or military authority; national emergencies; insurrections; riots; wars; unavailability of rights-of-way or materials; or strikes, lockout, work stoppages, or other labor difficulties.

The Company shall not be liable for any act, omission or defect of any entity furnishing to the Company or to the Customer services, facilities or equipment used for or with the Company's services; or for the acts or omissions of common carriers or warehousemen.

With respect to any service or facility provided by the Company, the Customer shall indemnify, defend and hold harmless the Company from and against all claims, actions, damages, liabilities, costs and expenses, for:

(a) any loss, destruction or damage to property of the

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Issued: May 29, 2007

Issued by:

Effective:

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2.0 REGULATIONS - (cont.)

Customer or any third party, or the death or injury of any person, to the extent caused by or resulting from the negligent or intentional act or omission of the Customer, its employees, agents, representatives or invites; and

(b) any damages or losses due to the fault or negligence of the Customer or due to the failure of malfunction of Customer-provided equipment or facilities.

The Company does not guarantee nor make any warranty with respect to installations it provides for use in an explosive atmosphere. The Customer indemnifies and holds the Company harmless from any liability whatsoever, and for any damages caused or claimed to have been caused in any way, directly or indirectly, as a result of any such installation.

The Company is not liable for any defacement of or damage to Customer's premises resulting from the furnishing of services or equipment or the installation or removal thereof; unless such defacement or damage is caused by the willful misconduct of the Company's employees or agents.

The Company shall be indemnified, defended and held harmless by the Customer against any claim, loss, expense, damage or liability arising from Customer's use of services involving claims for libel, slander, invasion of privacy, or infringement of copyright, patent, trade secret, or proprietary or intellectual property right of any third party arising from any act or omission by the Customer, including without limitation, the Customer's own communications or use of the Company's services and facilities in a manner not contemplated by this price list or any agreement between the Customer and the Company.

The Company's entire liability, if any, for any claim, loss, damage or expense from any cause whatsoever shall in no event exceed sums actually paid the Company by the Customer for the specific services giving rise to the

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Issued: May 29, 2007

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2.0 REGULATIONS - (cont.)

claim. No action or proceeding against the Company shall be commenced more than one year after the service is rendered.

With respect to the furnishing of Company's services to public safety answering points or municipal emergency service providers, the Company's liability, if any, will be limited to the lesser of:

a) the actual monetary damages incurred and proved by the Customer as the direct result of the Company's action, or failure to act, in providing the service; or

(b) the sum of \$1,000.00.

In the event parties other than Customer, including but not limited to joint users and the Customer's Customers, shall have use of the Company's service directly or indirectly through the Customer, then the Customer agrees to forever indemnify and hold the Company harmless from and against any and all such claims, demands, suits, actions, losses, damages, assessments or payments which may be asserted by said parties arising out of or relating to the Company's furnishing of service.

THE COMPANY MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESSED 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.

2.12 Indemnification

With respect to any service or facility provided by the Company, the Customer shall indemnify, defend and hold harmless the Company from and against all claims, actions, damages, liabilities, costs and expenses; for:

(a) any loss, destruction or damage to property of the Customer or any third party, or the death or injury of any person, to the extent caused by or resulting from

Issued: May 29, 2007

Issued by:

Effective:

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the negligent or intentional act or omission of the Customer, its employees, agents, representatives or invitees; and

(b) any claim, loss, damage, expense or liability for infringement of any copyright, patent, trade secret, or any proprietary or intellectual property right of any third party, arising from any act or omission by the Customer, including without limitation, use of the Company's services and facilities in a manner not contemplated by this price list or any agreement between the Customer and the Company.

2.13 Allowances for Interruptions in Service

A credit allowance will be given for interruptions of service, subject to the provisions of this section.

2.13.1 Credit for Service Interruptions

A credit allowance will be made when an interruption occurs because of a failure of any component furnished by the Company under this price list. An interruption in service is considered to exist when a circuit, service or facility is unusable.

An interruption period begins when the Customer reports a circuit, service or facility to be interrupted and releases it for testing and repair. An interruption period ends when the circuit, service or facility is operative.

If the Customer reports an interruption but declines to release the circuit, service or facility for testing and repair, no interruption period will be deemed to exist.

A credit allowance is applied on a pro rata basis, dependent on the duration of the interruption, against the monthly recurring charges payable by Customer under this price list, and shall be expressly

2.0 REGULATIONS - (cont.)

indicated on the next Customer bill. Only those facilities on an interrupted portion of a circuit or service will receive a credit.

For calculating credit allowances, every month is considered to have 30 days. The credit allowance(s) for an interruption or for a series of interruptions shall not exceed any applicable monthly rates.

2.13.2 Limitations on Allowances

No credit allowance will be made for:

(a) interruptions due to the negligence of; or noncompliance with the provisions of this price list by, the Customer, authorized user or joint user.

(b) interruptions of service during any period in which the Company is not given full and free access to its facilities and equipment for the purpose of investigating and correcting interruptions;

(c) interruptions of service during a period in which the Customer continues to use the service on an impaired basis;

(d) interruptions of service during a period when the Customer has released service to the Company for maintenance purposes or for implementation of a Customer order for a change in service arrangements; and

(e) interruption of service due to circumstances or causes beyond the control of Company.

2.14 Obligations of the Customer

The obligations of the Customer shall include the following:

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Issued: May 29, 2007

Issued by:

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(a) The Customer shall be responsible for any damage to or loss of the Company's facilities or equipment caused by the acts or omissions of the Customer.

(b) The Customer shall provide at no charge, as specified by the Company, any personnel, equipment, space, power, heating and air conditioning needed to operate, and maintain a proper operating environment for the Company's facilities and equipment installed on the Customer's premises;

(c) If required by the Company, the Customer shall obtain, maintain, and otherwise have fully responsibility for all rights-of-way and conduit necessary for installation of the Company's facilities from the building entrance or property line to the location of the Company's equipment space on the Customer's premises. The Customer may be required to bear any costs associated with obtaining and maintaining the rights-of-way described herein, including building modification costs. The Customer shall also be responsible for complying with all applicable laws, and obtaining all required permits or other approvals related to the location and installation of the Company's facilities and equipment in the Customer's premises or within the rights-of-way for which the Customer is responsible. The Customer and the Company may mutually agree to enter into a contract under which the Company will provide some or all such non-regulated services and facilities.

(d) The Customer shall grant or obtain permission for the Company's employees or agents to enter the premises of the Customer at any time for the purpose of installing, inspecting, maintaining, repairing, or removing the facilities or equipment of the Company and/or inspecting the Customer-provided equipment which is connected to the Company's facilities.

(e) The Customer shall be responsible for the provision, operation and maintenance of any Customer-

2.0 REGULATIONS - (cont.)

provided terminal equipment connected to the Company's equipment and facilities, and for ensuring compatibility with the Company's equipment and facilities. The Customer shall be responsible for ensuring that the Customer-provided equipment shall not cause damage to the Company's equipment, facilities and wiring or injury to the Company's employees or to other persons. Upon the Company's request, the Customer will submit to the Company a complete manufacturer's specification sheet for each item of the Customer provided equipment that is or is proposed to be attached to the Company's facilities. The Company may provide, at the Customer's expense, any additional protective equipment required, in the sole opinion of the Company, to prevent damage or injury resulting from the connection by any Customer-provided equipment.

(f) The Customer warrants that the services pursuant to this price list are intrastate in nature.

(g) The Customer shall cooperate with the Company to plan, coordinate and undertake any actions required to maintain maximum network capability following natural or manmade disasters which affect telecommunications services.

2.15.1 Prohibited Uses

The Customer shall not use or allow the use of the Company's facilities or equipment installed at the Customer's premises for any purpose other than that for which the Company provides it, without the prior written consent of the Company.

2.15.2 Abuse

The abuse of Company Services is prohibited. Abuse includes, but is not limited to, the following activities:

2.0 REGULATIONS - (cont.)

(a) Using service to make calls which might reasonably be expected to frighten, torment, or harass another; or

(b) Using service in such a way that it interferes unreasonably with the use of Company services by others.

2.15.3 Fraudulent Use

The fraudulent use of; or the intended or attempted fraudulent use of service is prohibited. Fraudulent use consists of using or attempting to use service with the intent to avoid the payment, either in whole or in part, of the price listed charges for the service including but not limited to:

(a) Rearranging, tampering with, or making connections not authorized by this price list to any network components used to furnish service; or

(b) Using fraudulent means or devices, tricks, schemes, false or invalid numbers, false credit devices, or electronic devices.

2.16 Customer Equipment and Channels

2.16.1 General

A Customer 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 price list. A Customer 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 price list.

2.0 REGULATIONS - (cont.)

2.16.2 Interconnection of Facilities

(a) 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.

(b) 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 or price lists of the other communications carriers which are applicable to such connections.

(c) Facilities furnished under this price list may be connected to Customer provided terminal equipment in accordance with the provisions of this price list. 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.

2.16.3 Inspections

(a) 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 herein 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.

(b) If the protective requirements for Customer-

2.0 REGULATIONS - (cont.)

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.

2.17 Payments

Obligations of the Customer with regard to payments shall include:

(a) The Customer shall pay outstanding charges in full within 30 days of the invoice date. Charges normally will be invoiced in advance, with monthly recurring charges invoiced on or about the first of the month for which the charges apply. Amounts not paid within thirty (30) days after the date of the invoice are considered delinquent and are subject to Late Payment Charges pursuant to section 2.16.1 of this price list.

The Customer is responsible for safeguarding the service from use by unauthorized persons, and to pay all charges for use of the service by any persons whether or not authorized by the Customer, except in those instances where it has been determined that the Customer's present and former employees, agents and authorized users were not responsible for calls billed to the Customer via third party billing and the Company did not verify that the charges for the call would be accepted. The Customer is not responsible for unauthorized use of service to the extent such use is proximately caused by the Company's willful or negligent act.

2.0 REGULATIONS - (cont.)

(b) If required by the Company, the Customer shall make an advance payment before services are furnished, which advance payment will be credited to the Customer's initial bill. The Company may require such an advance payment, which may be in addition to a deposit, if the Company considers this action necessary to safeguard its interests.

(c) The Customer is responsible for payment of any sales, use, gross receipts, excise, access or other local, state and federal taxes, charges or surcharges (excluding taxes on the Company's net income) imposed on or based upon the provision, sale or use of the Company's services.

(d) A \$25.00 service charge shall be imposed for any payment for which a draft is returned for insufficient funds.

(e) Any Customer who has been underbilled for services rendered will be notified by the Company upon the discovery of the underbilling. Notification will include the reason(s) that the underbilling occurred. The Customer is responsible for payment of unbilled charges for services rendered up to and including twenty-four (24) months prior to the issuance of the notification to the Customer.

2.17.1 Late Payment Charge

A Late Payment Charge of 1.50 percent (1 1/2%) will apply to each Customer bill when the previous months bill has not been paid in full, leaving an unpaid balance carried forward. The late payment charge is applied to the total unpaid amount carried forward and is included in the total amount due on the current month's bill. The amount of the late payment penalty shall be indicated on the Customer's bill.

2.17.2 Disputed Bills

2.0 REGULATIONS - (cont.)

Any Customer who disputes a portion of a bill rendered for Company services shall pay the undisputed portion of the bill and provide written notice to the Company that such unpaid amount is in dispute within thirty (30) days of receipt of the bill. If such written notice is not received by the Company within thirty (30) days as indicated above, the bill statement shall be deemed to be correct and payable in full by the Customer.

(a) In the event a Customer and the Company cannot resolve the dispute to their mutual satisfaction, the Customer may contact the Public Service Commission of Arizona in accordance with the Commission's rules of procedure.

(b) Once the investigation is completed the Customer shall submit payment of any outstanding amounts deemed due, to the Company, within five (5) working days.

2.17.3 Moves Adds and Changes

Upon written request from the Customer, the Company will transfer an existing service from one location to another, change from one class of service to another, or add additional services or features to specific lines and equipment. The Company may charge the Customer a non-recurring charge for such service.

2.18 Deposits

(a) If the Customer cannot establish a satisfactory credit standing with the Company, the Customer shall make a deposit before a service is furnished or continued. Such deposit shall be held as a guarantee for the payment of charges. The Company may require such a deposit, which may be in addition to an advance payment, if the Company considers this action necessary to safeguard its interests. The deposit shall not exceed two-twelfths (2/12) of estimated

2.0 REGULATIONS - (cont.)

annual billings. At any time, at its option, or after twelve (12) months of service if the Customer has not been delinquent in the payment of the Company bills, the Company may return the deposit or credit it to the Customer's account. When a service is discontinued the amount of any applicable deposit will be applied to the Customer's account and any credit balance remaining will be refunded.

(b) Interest on deposits held shall be accrued at the rate applicable to the Company's escrow account in which such deposits.

(c) Upon termination of service, the Company shall return to the Customer the amount then on deposit plus accrued interest, less any amounts due to the Company due to the Company by the Customer for service rendered on the telephone account for which the deposit was collected.

(d) Any deposit, plus accrued interest, may be applied to the Customer's telephone account following completion of twelve months' satisfactory payment. The credit will be applied against service in the 13th and, if appropriate, subsequent months once satisfactory credit is established. Upon the Customer's request, the refund shall be made in the form of a check issued and mailed to the subscriber no longer.

2.19 Grounds for Refusal of Service

The Company may refuse to establish service if any of the following conditions exist:

(a) The applicant has an outstanding amount due for similar utility services and the applicant is unwilling to make acceptable arrangements with the utility for payment.

(b) A condition exists which in the utility's judgment

2.0 REGULATIONS - (cont.)

is unsafe or hazardous to the applicant, the general population, or the utility's personnel, agents or facilities.

(c) Refusal by the applicant to provide the utility with a deposit when the customer has failed to meet the credit criteria for waiver of deposit requirements.

(d) The Customer is known to be in violation of the utility's price lists filed with the Commission.

(e) Failure of the Customer to furnish such funds, suitable facilities, and/or rights-of-way necessary to serve the Customer and which have been specified by the utility as a condition for providing service.

(f) The Applicant falsifies his/her identity for the purpose of obtaining service.

2.20 Discontinuance of Service

2.20.1 With Written Notice to the Customer

The Company may, upon reasonable written notice to the Customer, discontinue services for any of the following reasons:

(a) for nonpayment of any amounts owing to the Company;

(b) the premises have been vacated by the Customer;

(c) for tampering with the Company's property;

(d) for violation of rules, service agreements, or filed price lists;

(e) for use of Customer equipment which adversely affects the Company's property, facilities, or

2.0 REGULATIONS - (cont.)

service to its other Customers, or upon condemnation of any material portion of the facilities used by the Company to provide service to a Customer, or if a casualty renders all or any material portion of such facilities inoperable beyond feasible repair; or

(f) for any governmental prohibition, or required alteration of the services provided, or any violation of any applicable law or regulation, or unlawful use of service or use of service for unlawful purposes, the Company may immediately discontinue or suspend service; or

(g) for fraudulent obtaining or use of service, including, but not limited to:

(1) providing false information to carrier the Company regarding the Customer's identity, address, creditworthiness, or current or planned use of common communications;

(2) using or attempting to use service by rearranging, tampering with, or making connection to the Company's service where not authorized by this price list;

(3) using tricks, schemes, false or invalid numbers, false credit devices, electronic devices; or

(4) any other fraudulent means or device.

Whenever a fraudulent obtaining or use of a service is detected, the Company may discontinue service without notice, as described in 2.21.2 of this price list; provided, however, that if the Customer makes immediate payment for the estimated amount due for the service that had been fraudulently obtained, and for all costs resulting from such fraudulent use, the Company may choose to continue such service, subject

2.0 REGULATIONS - (cont.)

to any applicable deposit requirements.

2.20.2 Without Written Notice to the Customer

The Company may deny or discontinue the furnishing of any and/or all service(s) to a Customer immediately and without prior notice to the Customer and without the Customer's permission for one or more of the following reasons:

(a) Dangerous Condition. A condition immediately dangerous or hazardous to the life, physical safety, or property exists, or it is necessary to prevent a violation of federal, state or local safety or health codes.

(b) Ordered to Terminate Service. The Company is ordered to terminate service by any court, the Public Service Commission of Arizona, or any other duly authorized public authority.

(c) Services Obtained Illegally. The services(s) was (were) obtained, diverted or used without the authorization or knowledge of the Company.

(d) Customer Unable to be Contacted. The Company has tried diligently to provide reasonable notice to the Customer, but has been unsuccessful in its attempt to contact the Customer.

(e) Misrepresentation of Identity. The Customer has misrepresented the Customer's identity for purposes of obtaining telephone service and either does not have or has an inadequate security deposit on file with the Company and has an outstanding bill exceeding one hundred dollars (\$100).

2.20.3 Upon Customer Request

The Company will, upon Customer request, discontinue

## 2.0 REGULATIONS - (cont.)

or suspend services due to the Customer's:

- (a) insolvency;
- (b) assignment for the benefit of creditors;
- (c) filing for bankruptcy or reorganization; or
- (d) failure to discharge an involuntary petition in bankruptcy within the time permitted by law.

### 2.21 Cancellation of Service

If the Customer cancels a service order or terminates service before the completion of the term of service specified in the service order for any reason, the Customer agrees to pay to the Company all costs, fees, and expenses reasonably incurred in connection with special construction and with the term of service. In addition, the Customer may be liable for termination charges up to a maximum amount equal to the total of charges applicable for the remaining term specified in the service order.

### 2.22 Termination of Service

(a) After the expiration of the initial contract period and if no new contract period is agreed upon, in writing, by the Company and Customer, service may be terminated upon 30 days advance notice to the Company and payment of all charges due to the date of termination of the service, including charges calculated at a month-to-month rate after the expiration of the contract period.

(b) Prior to the expiration of the initial contract period, service may be terminated upon 30 days advance notice to the Company and upon payment of the termination charges hereinafter provided, in addition to all charges for the period service has been rendered.

2.0 REGULATIONS - (cont.)

(c) The Customer is liable for termination charges up to a maximum amount equal to the total charges applicable for the remaining contract term.

(d) The Customer may terminate service prior to the expiration of the term without liability if the Customer orders new service through the Company with a length and a minimum monthly billing commitment exceeding the original agreement. The former service will terminate on the start date of the new service.

2.23 Changes in Equipment and Services

The Company may substitute, change or rearrange any equipment, facility or system used in providing services at any time and from time to time, but shall not thereby materially decrease the technical parameters of the services provided pursuant to the Customer's service order.

The Customer shall not cause or allow any facility or equipment of the Company to be rearranged, moved, disconnected, altered or repaired without the Company's prior written consent.

Upon receipt of a written request from the Customer, the Company will add, delete or change locations or features of specific circuits and/or equipment. The Customer shall be liable for nonrecurring charges for such change. If a request for deletion of a service represents a cancellation prior to the applicable term of service, the Customer will be subject to termination charges.

2.24 Restoration of Service

A reconnection charge of \$50.00 shall be imposed on any Customer whose service has been discontinued pursuant to the provisions of Section 2.20 of this price list. The Company reserves the right to impose additional advance payment and/or deposit requirements on such Customers prior to restoral of service, and to refuse to restore service until all amounts due have been paid.

2.0 REGULATIONS - (cont.)

Should the Customer request that service be restored during a period other than regular working hours, such as evenings or weekends, the Customer may be required to pay an after-hour charge for service reconnection.

2.25 Assignment

The Company may, without obtaining any further consent from the Customer, assign any of its rights, privileges or obligations under this price list: to any subsidiary, parent company or affiliate of the Company; pursuant to any sale or transfer of substantially all the business of the Company; or pursuant to any financing, merger or reorganization of the Company.

The Customer may, upon prior written consent of the Company, which consent shall not be unreasonably withheld, assign its fights, privileges or obligations under this price list: to any subsidiary, parent company or affiliate of the Customer; pursuant to any sale or transfer of substantially all the business of the Customer; or pursuant to any financing, merger or reorganization of the Customer. The Company reserves the right to terminate service if the Customer makes any assignment, transfer, or disposition of its rights, privileges or obligations under this price list without the consent of the Company. Any lawful successor to the Customer, or any other entity which accepts Company's service shall be obligated to pay to Company any amounts due.

2.26 License, Agency or Partnership

No license, expressed or implied, is granted by the Company to the Customer by virtue of an agreement for the furnishing of service hereunder. Neither the Customer nor any joint or authorized users shall represent or otherwise indicate to its Customers or others that the Company jointly participates in the Customer's or joint user's services. The relationship between the Company and the Customer shall not be that of partners or agents for one or the other, and shall not be deemed to constitute a

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Issued: May 29, 2007

Issued by:

Effective:

Robert E. Heath  
Vice President

## 2.0 REGULATIONS - (cont.)

partnership or agency agreement, unless such relationship or agreement is expressly agreed to in writing by both the Company and the Customer.

### 2.27 Proprietary Information

Neither the Company nor the Customer or any joint or authorized user shall disclose any plans, drawings, trade secrets or other proprietary information of the other party which is made known in the course of the furnishing of service hereunder, except as may be required by law, without prior written consent.

### 2.28 Promotions

The Company reserves the right, from time to time, to provide promotional offerings. These offerings may include the waiver of non-recurring charges, such as installation charges, and the discounting of the monthly charge for a service, by not more than 15%, over a period of time not to exceed six (6) months.

### 3.0 LOCAL EXCHANGE SERVICES

#### 3.1 Application to Local Exchange Services

This section contains the regulations and rates applicable to the provision of Local Exchange Services by American Fiber Network, Inc. The Company will offer Resold and facility-based Local Exchange Services in the Qwest serving areas.

#### 3.2 General

Local Exchange Services provide the Customer with connection to the public switched telecommunications network. In addition, Local Exchange Service provides the Customer with a unique telephone number address on the public switched telecommunications network. Each Local Exchange Service enables users to:

- (a) receive calls from other stations on the public switched telecommunications network;
- (b) access other services offered by the Company as set forth in this price list;
- (c) access certain interstate and international calling services provided by the Company;
- (d) access the Company's operators and business office for service related assistance;
- (e) access emergency services by dialing 0 or 9-1-1;and
- (f) access services provided by other common carriers which purchase the Company's Switched Access Services as provided under the Company's Federal and State tariffs or price lists, or which maintain other types of traffic exchange arrangements with the Company, or which accept 10XXX, 800 or other casual traffic originated through the Company's Local Exchange Services.

### 3.0 LOCAL EXCHANGE SERVICES - (Cont.)

#### 3.3 Termination of Service

The Customer will be billed a Termination Charge if service is discontinued by the Customer under the provisions of the regulations specified in this price list.

#### 3.4 Service Descriptions

Local Exchange Services are categorized as Residential Service, Simple Business Service, Basic Business Service and Digital Trunk Service.

##### 3.4.1 Residential Service

3.4.2 The Simple Business line provides the Customer a single, voice grade channel which can be used to place or receive one call at a time. The Simple Business line is provided for connection of customer-provided single station sets or facsimile machines to the public switched telecommunications network.

##### 3.4.3 Basic Business Line

The Basic Business line provides the Customer the same functionality as Simple Business line service, but may be configured to include the feature of Hunting so that incoming calls to a busy line will overflow to other of the Customer's lines which are not busy.

3.0 LOCAL EXCHANGE SERVICES - (cont.)

3.4 Service Descriptions - (cont.)

RESERVED FOR FUTURE USE

3.0 LOCAL EXCHANGE SERVICES - (cont.)

3.4 Service Descriptions - (cont.)

3.4.4 Optional Features

3.4.4.1 Call Blocking

Allows a Customer to control the disclosure of his/her name and or telephone number to a subscriber of Caller Identification by dialing a code before each call to change the indicator from public to private.

3.4.4.2 Call Forwarding Variable

Allows the Customer to forward incoming calls to another number by dialing a code, plus the number to receive the call. Call Forward - Variable will work on one trunk at a time when used with PBX trunks. This feature also removes that trunk from rotary hunting during use.

3.4.4.3 Call Forward - Busy

Allows incoming calls to a busy station to be routed to a preselected station line within the same system or outside the system. Internal calls can be arranged to be forwarded to a number different than external calls.

3.4.4.4 Call Forwarding Don't Answer

Allows incoming calls to be automatically routed to a preselected station line in the same system or outside the system, when the called station is not answered after a preset number of rings. Internal calls can be arranged to be forwarded to a number different from DID calls.

3.0 LOCAL EXCHANGE SERVICES - (cont.)

3.4 Service Descriptions - (cont.)

3.4.4 Optional Features - (cont.)

3.4.4.5 Call Rejection

Enables the Customer to reject calls, from up to 15 numbers, of calling parties by dialing a code and the telephone numbers of calls to be rejected. Any call attempts to the Customer will be prevented from terminating to the customer and will instead be connected to an announcement informing the caller that the call is not presently being accepted by the called party. A Customer may also reject future calls from the most recent call received by dialing a code after completing the call.

3.4.4.6 Call Transfer

Allows the Customer to transfer an incoming call to a third party or add a third party to an existing call, forming a three party connection, and then to leave the connection without disconnecting the call.

3.4.3.7 Call Waiting

When a Customer is talking on the telephone, a short tone signals that a call is waiting. The tone is heard only by the Call Waiting Customer, while the incoming caller hears a regular ringing signal. Flashing the switchhook holds the first call while the second is answered. The Customer can alternate between calls by flashing the switchhook.

3.0 LOCAL EXCHANGE SERVICES - (cont.)

3.4 Service Descriptions - (cont.)

3.4.4 Optional Features - (cont.)

3.4.4.8 Caller Identification - Name and Number

Allows for the automatic delivery of a calling party's name and telephone number (including non-published and non-listed telephone numbers) to the called Customer, which gives the called Customer an opportunity to decide whether to answer the call immediately or not. The name and number are displayed on Customer provided equipment.

3.4.4.9 Caller Identification - Number

Allows for the automatic delivery of a calling party's telephone number (including non-published and non-listed telephone numbers) to the called Customer, which gives the called Customer an opportunity to decide whether to answer the call immediately or not. The name and number are displayed on Customer provided equipment.

3.4.4.10 Continuous Redial

Allows Customer to dial a code that will cause the feature to automatically redial the last number the Customer dialed. If the called number is busy, the feature will redial the called number for a limited period of time. A distinctive ring alerts the customer when the called number becomes available. This service is available on a usage or subscription basis.

3.0 LOCAL EXCHANGE SERVICES - (cont.)

3.4 Service Descriptions - (cont.)

3.4.4 Optional Features - (cont.)

3.4.4.11 Directed Call Pick-up

Allows a Customer to answer a call, during the ringing cycle, that is directed to another line by dialing a preset access code and the telephone of the line to be answered. Both the originating line and the line to be answered must be equipped with the feature.

3.4.4.12 Directed Call Pick-up with Barge-In

Allows the Customer to answer a call directed to another line which has been answered or is ringing by a preset access code and the telephone number of the line to be answered. Both the originating line and the line to be answered must be equipped with the feature.

3.4.4.13 Distinctive Call Alert

Allows a Customer to receive an audible Call Waiting tone or Distinctive Ringing signal from a line equipped with Call Waiting. If the called line is idle, a Distinctive Ringing signal will be heard. If the called line is busy, the called line will receive a Call Waiting tone.

3.0 LOCAL EXCHANGE SERVICES - (cont.)

3.4 Service Descriptions - (cont.)

3.4.4 Optional Features - (cont.)

3.4.4.14 Hot Line

Allows a customer, without dialing, to establish a switched connection to a predetermined number when the customer's telephone goes off-hook. No dialing is required and the call is processed automatically to the predetermined telephone number.

3.4.4.15 Hunting

Basic Hunting - Available to Customers with two or more individual line services, so that incoming calls to a busy line will overflow to other of the Customer's lines not busy. The following types of hunting are available; basic hunting, circular, and preferential.

Circular Hunt - an option of Hunting Service that allows for hunting to start at the dialed number and continues in ascending order to the last number in the hunt group. Hunting then proceeds to the first number of the hunt group and continues through the group until an idle line is reached or the number just preceding the dialed number is reached.

Preferential Hunt - an option of Hunting Service that enables incoming calls to a specific number within the hunt group to hunt over a unique hunting sequence of lines within the hunting group. The unique hunting sequence is other than that encountered when a caller dials the first telephone number in the hunt group.

3.0 LOCAL EXCHANGE SERVICES - (cont.)

3.4 Service Descriptions - (cont.)

3.4.4 Optional Features - (cont.)

3.4.4.16 Last Call Return

Allows the Customer to dial a code that will cause the feature to automatically redial the number of the last incoming call to that line, whether the call was answered or not. The Customer does not have to know the number of the calling party. If the calling party's number is blocked, by the calling party, the service will not return the call. If the called number is busy the feature will redial the called number for a limited period of time. A tone alerts the Customer when the called line is available. This service is available on a usage subscription basis.

Last Call Return Customers who do not wish to receive blocked calls can activate Anonymous Call Rejection by pressing \*77 (1177 on rotary telephones). The code to deactivate is \*87 (1187 on rotary telephones). While the feature is activated, incoming blocked calls are routed to an announcement in the central office. Anonymous Call Rejection is automatically available to business Customers where technically feasible; and to monthly (subscription) Customers only.

3.4.4.17 Priority Call

Allows a Customer to assign a maximum of 15 callers' telephone numbers to a special list. The Customer will hear a distinctive ring at his/her location when calls are received from callers' telephone numbers on that list.

3.0 LOCAL EXCHANGE SERVICES - (cont.)

3.4 Service Descriptions - (cont.)

3.4.4 Optional Features - (cont.)

3.4.4.18 Speed Calling - Send 30

Allows the Customer to call a preselected group of telephone numbers by dialing 1 or 2 digits rather than the actual number. Speed Calling is available with an 8 or 30 telephone capacity. Speed Calling will be provided to PBX Customers only on the basis that all trunks must be equipped with speed calling and have a common numbering plan.

3.4.4.19 Three-Way Calling

Allows the Customer to add a third Customer on an established local or long distance connection without operator assistance. The third Customer may be called by the Customer initiating the Three-Way Calling on either a local or long distance basis.

3.0 LOCAL EXCHANGE SERVICES - (cont.)

3.4 Service Descriptions - (cont.)

(RESERVED FOR FUTURE USE)

3.0 LOCAL EXCHANGE SERVICES - (cont.)

3.4 Service Descriptions - (cont.)

3.4.5 Centrex Service

Centrex Service is a flat rated central office based business service with capabilities and features provisioned by the use of a common block of numbers. All lines within the common block have access to a predetermined group of system features.

3.4.6 PBX Trunks

PBX trunks provide the Customer with a voice analog or digital voice grade circuit to connect the Customer's PBX or trunk-capable key systems to the Company's switch for access to the public switched network. PBX trunks can be arranged in the following configuration:

Two-way - Calls can be routed either in or out.

In-only - Calls can only come in, no out bound calls can come in.

Out-only - Only outbound calls can be placed, no in bound calls can come in.

Trunks can also be configured with Direct Inward Dialing (DID) capacity. DID services is a trunking arrangement which permits incoming calls from the exchange network to reach a specific PBX station directly without an attendant's assistance.

3.0 LOCAL EXCHANGE SERVICES - (cont.)

3.4 Service Descriptions - (cont.)

3.4.7 Digital Trunk Service

Digital Trunk Service provides digital exchange service to the End User. Digital Trunks include digital switched facilities, common equipment, local exchange switching, and flat usage trunks for access to the public switched and toll networks. Digital Trunk Service is available as "Advanced Trunk Service" or "Basic Trunk Service", or as a combination of Advanced and Basic Service.

- (a) Advanced Trunk Service is DID capable.
- (b) Basic Trunk Service is non-DID.

Each digital trunk facility utilizes twenty-four channels and can be configured as "in-only," "out-only," or "two-way."

3.0 LOCAL EXCHANGE SERVICES - (cont.)

3.4 Service Descriptions - (cont.)

3.4.8 Direct Inward Dialing (DID) Service

DID Service is an optional feature which can be purchased in conjunction with Company-provided Trunk Service. DID Service transmits the dialed digits for all incoming calls allowing the customer's PBX to route incoming calls directly to individual stations corresponding to each individual DID number. Charges for DID capability and DID number blocks apply in addition to charges specified for Trunk Service.

One DID Additive charge applies for each DID-equipped trunk or DID-equipped channel or channel group.

A Block Compromise Charge will apply for each number a Customer wishes to remove from a reserved DID block of numbers.

3.4.9 Direct Outward Dialing (DOD) Service

DOD Service is an optional feature which can be purchased allowing the Customer to access and dial outside numbers directly without the intervention of the company operator.

3.4.10 Uniform Access Solution (UAS)

Uniform Access Solution provides an arrangement that allows channels to function with one number per channel group. UAS includes a DS-1 facility with common equipment and a network connection which provides switching for local exchange and toll network access. Each DS-1 facility utilizes 1 through 24 channels configured with trunk-side termination and one number functionality.

3.0 LOCAL EXCHANGE SERVICES - (cont.)

3.4 Service Descriptions - (cont.)

3.4.11 ISDN - Primary Rate Interface (ISDN-PRI)

The basic PR' service structure consists of 23 B-channels and one DH channel, or 24 B channels, for a total transmission rate of 1.544 Mbit/s, which is equivalent to a T1 facility. Each 64 Kbit/s B-channel carries user information such as voice calls, circuit-switched data, or video. The D-channel is a 64 Kbit/s channel that is used to carry the control or signaling information.

3.4.11.1 ISDN-PRI Configuration Options

a) 23 B + D: This service configuration provides for 23 B-channels and 1 D-channel. The B-channels carry user information such as voice calls, circuit-switched data, or video, while the D-channel handles signaling information. When equipped, the D-channel can control a maximum of 459 B-channels. The B-channels may be provisioned on the same facility as the D-channel or on other PRS T1 facilities.

b) 24 B: This service configuration provides for 24 B-channels. The B-channels carry user information such as voice calls, circuit-switched data, or video. The signaling information is provided by the D-channel on the first T1 facility.

c) 23 B + Back-up D: This service configuration provides for 23 B-channels and a back-up D-channel. The back-up D-Channel is used if the primary D-channel, which provides signaling for multiple T1 facilities, fails. All active calls are maintained during the switchover to the back-up D-channel.

3.0 LOCAL EXCHANGE SERVICES (cont.)

3.4 Service Descriptions (cont.)

3.4.11 ISDN - Primary Rate Interface (ISDN-PRI)  
(cont.)

3.4.11.2 Standard Features for ISDN- PRI

a) Calling Number Identification (CNI)  
Displays the call identification information and the calling party's directory number (including nonpublished and non-listed directory numbers) prior to the call being answered. Callers have the ability to block the delivery of calling party information to the terminating number.

b) CNI Blocking - All Calls

This feature allows all outgoing calls to have the associated call identification information blocked.

c) Circuit Switched Data

This feature allows the transmission of circuit-switched data on a voice circuit.

d) Direct Inward Dialing (DID) Service

This feature allows users to place or receive calls by passing the attendant.

### 3.0 LOCAL EXCHANGE SERVICES - (cont.)

#### 3.5 Miscellaneous Charges

##### 3.5.1 Reserved Number Service

Reserved Number Service allows the Customer to reserve a number, or a block of numbers, for future use. A reserved block of numbers can only be assigned to a single Customer for use within a single rate center unless numbers are removed from the block subject to a Block Compromise Charge.

##### 3.5.2 Directory Assistance

Allow the Customer to request assistance in determining the listed telephone number of a specified person.

##### 3.5.3 Directory Call Completion

Provides assistance in determining the listed telephone number of a specified person at the Customer's request and then connects the Customer's call to that telephone number.

##### 3.5.4 Trunk Change Charge

If the Customer requests a change in number, configuration or type of trunks or Trunk Service, a Trunk Change Charge may apply.

##### 3.5.5 Miscellaneous Fee

In addition to the rates and charges described in this price list, the Customer is responsible for payment of a transfer charge when transferring any existing account or line from their current Local Exchange Carrier to the Company.

3.0 LOCAL EXCHANGE SERVICES - (cont.)

3.5 Miscellaneous Charges - (cont.)

3.5.6 E-911 TRS. Universal Service

In addition to the rates and charges described in this price list, the Customer is responsible for payment of any taxes, charges or surcharges ordered by the Public Service Commission of Arizona, the Arizona State Legislature, or local and county governments. These surcharges may include, but are not limited to Enhanced 911, Telecommunications Relay Service (IRS), and Universal Service.

3.5.7 Subscriber Line Charge

In addition to the rates described in this price list, the Customer will be responsible for payment of the Subscriber Line Charge which is assessed to the Company by the Local Exchange Carrier for each resold local exchange line.

3.0 LOCAL EXCHANGE SERVICES (cont.)

3.6 Initial Rates and Charges

3.6.1 Residential and Business Service Rates and Charges

	ILEC Service Territory	
	<u>Qwest (MRC)</u>	<u>Set-Up</u>
Residential	\$13.18	\$27.50
Simple Business Basic		
Business	\$30.40	\$42.50
Optional Features:	<u>Resi.</u>	<u>Bus.</u>
Call Blocking	\$4.00	\$4.00
Call Forwarding Var.	\$2.75	\$4.30
Call Forwarding- Busy	\$0.30	\$2.50
Call Forwarding-Don't Ans	\$0.65	\$3.50
Call Rejection	\$4.00	\$4.00
Call Transfer	\$5.50	\$5.50
Call Waiting	\$3.00	\$7.00
Caller Identification- Number	\$5.85	\$7.45
Caller Identification Name & Number	\$5.85	\$7.45
Continuous Redial	\$2.25	\$3.00
Directed Call Pick-up	\$0.75	\$0.75
Directed Call Pick-up/Brg	\$0.75	\$0.75
Distinctive Call Alert	\$0.75	\$0.75
Hot Line	\$1.75	\$1.75
Priority Call	\$2.25	\$3.00
Speed Call - 8	\$1.75	\$2.50
Speed Call - 30	\$2.50	\$4.00
Three-way Calling	\$2.50	\$3.50
Hunting (per line)	\$8.00	\$8.00

Issued: May 29, 2007

Issued by:

Effective:

Robert E. Heath  
Vice President

3.0 LOCAL EXCHANGE SERVICES (cont.)

3.6 Initial Rates and Charges

3.6.2 Centrex Service Rates and Charges

ILEC Service Territory  
Qwest

	<u>Installation</u> <u>Charge</u>	<u>Term</u>
Per line	\$ 95.00	\$40.00
System Set Up	\$260.00	\$80.00

3.0 LOCAL EXCHANGE SERVICES - (cont.)

3.6 Initial Rates and Charges - (cont.)

3.6.3 PBX Trunk Service Rates and Charges - Analog

Monthly Rates

ILEC Service Territory  
Qwest

	<u>Installation Charge</u>	<u>Monthly</u>
Two Way	\$ 65.00	\$65.71
One Way Incoming to CPE	\$ 65.00	\$65.71

3.0 LOCAL EXCHANGE SERVICES - (cont.)

3.6 Initial Rates and Charges - (cont.)

3.6.4 Digital Trunk Services

Monthly Rates

ILEC Service Territory  
Qwest

Installation  
Charge                      Monthly

Basic Trunks

In-Only w/Hunting	\$114.00	\$57.00
Out-Only	\$114.00	\$57.00
Two-Way w/Hunting	\$114.00	\$57.00

Basic/Combo

Transport	\$900.00	\$360.00
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Advanced Trunks

In-Only DID		
w/Hunting	\$154.00	\$77.00
Out-Only	\$154.00	\$77.00
Two-Way DID		
w/Ans Sup.	\$154.00	\$77.00

Advanced Transport	\$154.00	\$77.00
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3.0 LOCAL EXCHANGE SERVICES - (cont.)

3.6 Initial Rates and Charges - (cont.)

3.6.5 Direct Inward Dial (DID) Service Rates and  
Charges

Monthly Rates

	Installation <u>Charge</u>	ILEC Service Territory Qwest <u>Monthly</u>
DID Number -	\$ 4.00	\$ 1.00
DID Blocks of 20	\$40.00	\$20.00
Reserved DID Number	\$ 4.00	\$ 1.00
Reserved DID Numbers	\$40.00	\$20.00
- Blocks of 20	\$40.00	\$20.00

Non-Recurring Charge

Block Compromise Charge \$450.00

3.0 LOCAL EXCHANGE SERVICES - (cont.)

3.6 Initial Rates and Charges - (cont.)

3.6.6 Uniform Access Solutions (UAS)

Monthly Rates

ILEC Service Territory  
Qwest

	<u>Installation</u> <u>Charge</u>	<u>Monthly</u>
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Trunk & Transport	\$1800	\$ 900
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3.0 LOCAL EXCHANGE SERVICES - (cont.)

3.6 Initial Rates and Charges - (cont.)

3.6.7 ISDN-PRI Service

	ILEC Service Territory Qwest Installation <u>Charge</u>	<u>Monthly</u>
Voice & Data 23B+D	\$1025	\$ 400
Data Only PRI 23B+D	\$1025	\$ 400
Data Only FRI 24B	\$1025	\$ 400

3.0 LOCAL EXCHANGE SERVICES - (cont.)

3.6 Initial Rates and Charges - (cont.)

3.6.8 Other Rates and Charges

	ILEC Service Territory
	<u>Qwest</u>
Trunk Change Charge	\$400.00
Line Change Charge	\$32.00
	<u>Rate Per Call</u>
Directory Assistance	\$1.25
	<u>Rate Per Customer</u>
Migration Fee	\$25.00
	<u>Rate Per Line</u>
Moves, Adds and Changes	\$56.00

4.0 Coinless Pay Telephone Service Provider Access Line Service

The Company provides Coinless Pay Telephone Service Provider Access Line Service for connection of coinless programmable Customer-provided Pay Telephone equipment to the public switched network, where equipment, facilities and operating conditions permit. Coinless PSP Access Lines provide the PSP Customer with a single, analog, voice-grade telephonic communications channel that can be used to place one call at a time.

4.1 Regulations

- 4.1.1 The PSP Customer is responsible for all local and long distance usage charges billed to the Coinless PSP Access Line.
- 4.1.2 Unless otherwise permitted by Commission rule or order, only one pay telephone instrument may be connected to each PSP Access Line. Extensions must be configured and wired so that only one telephone will operate on the line at one time.
- 4.1.3 Exchange users of Coinless PSP service must be permitted access at no charge to Universal Emergency Number 9-1-1 Services, local and toll operators, Toll Free Service numbers, and 101XXX+0/950-XXX+0 access codes. No charge access must also be provided to report troubles, complaints or request refunds. This rule does not apply to pay telephones provided for inmate use at correctional or confinement institutions.
- 4.1.4 The Company will not make or offer refunds on behalf of the Coinless PSP provider.

4.0 Coinless Pay Telephone Service Provider Access Line Service -  
(cont.)

4.1.5 The Customer is responsible for the installation, operation and maintenance of any pay telephone set used in connection with this service beyond the Company's local loop demarcation point. Pay telephone sets must comply with any applicable FCC Part 68 rules.

4.1.6 The PSP Customer is responsible for installing on or adjacent to each pay telephone in prominent display in signage or screen indicating the following information in well-lighted and clearly legible form. These requirements may be met by a combination of instructions within the Customer's discretion.

- Cost information for local and sent-paid long distance calls;
- Any time limit on a local call;
- Dialing Instructions, including how to reach local and long distance operators;
- No charge telephone numbers:
  - 911
  - owner/operator of the telephone
  - refunds, repairs, and complaints.
- Identification by name of the owner/operator and operator service provider;
- Statement that no incoming calls are allowed;
- Address of the instrument;
- Telephone number or identification number of the instrument.

4.0 Coinless Pay Telephone Service Provider Access Line Service -  
(cont.)

Recurring charges for Coinless PSP Lines are billed monthly in advance. Usage charges, if applicable, are billed in arrears. Usage charges apply for calls placed from the PSP Line subscribed to by the PSP Customer. Nonrecurring charges for installation or rearrangement of service are billed on the next month's bill immediately following work performed by the Company.

Each Access Line is provided with touchtone signaling and blocking and screening functions at no additional charge. Calls placed to Directory Assistance from PSP Lines will be billed to the PSP Customer at rates and charges found in this tariff. Intrastate calls placed using the Company's operator assistance will be billed according to the operator assisted rate schedules of this tariff.

Nonrecurring Charges

	<u>Qwest</u>
Each Coinless PSP Line Install	\$60.00
Each Coinless PSP Line Conversion	\$ 6.00
Each PSP Line Add Feature Fee	\$ 5.00
Each PSP Line Suspension Fee	\$20.00
Each PSP Line Restore Fee	\$ 5.00
Each PSP Line Disconnect Fee	\$ 5.00

Recurring Charges

Payphone Access Service	\$11.13
Fraud Protection	\$ 0.11

## 5.0 SWITCHED ACCESS SERVICES

### 5.1 Application to Switched Access Services

This section contains particular regulations, rates and charges applicable to the provision of Switched Access Services by the Company.

### 5.2 Explanation of Abbreviations

CCS	Common Channel Signaling
CCSAC	Common Channel Signaling Access Capacity
DLR	Design Layout Report
FGD	Feature Group D
LIDB	Line Information Data Base
PIU	Percent Interstate Usage
SPOI	Signaling Point of Interface
SS7	Signaling System 7
STP	Service Transfer Point
SWC	Serving Wire Center

### 5.3 General Service Description

Switched Access Service, which is available to Customers for their use in furnishing their own services to End Users, provides a two-point electrical communications path between a Customer's premises and an End User's premises. It provides for the use of terminating, switching, transport facilities and common subscriber plant of the Company. Switched Access Service provides for the ability to originate calls from an End User's premises to an End User's premises in the LATA where it is provided.

5.0 SWITCHED ACCESS SERVICES - (cont.)

5.4 FGD Service Description

FGD Service provides a trunk-side termination through the use of end office or access tandem switch trunk equipment. Wink-start, start pulsing and answer-supervisory signaling are sent by the terminating office. Disconnect-supervisory signaling is sent from the originating or terminating office. When FGD uses SS7 out of band signaling, no signaling will be done via the message channel.

FGD Service is provided with multi-frequency address signaling or SS7 out of band signaling. Up to 12 digits of the called party number dialed by the Customer's End User using dual-tone multi-frequency or dial-pulse address signals will be provide by the Company's equipment to the Customer's premises where the Switched Access Service terminates. Such address signals will be subject to the ordinary transmission capabilities of the switched transport provided.

5.0 SWITCHED ACCESS SERVICES - (cont.)

5.4 FGD Service Description - (cont.)

The access code for FGD switching is a uniform access code of the form 10XXX or 10lXXX. These uniform access codes will be the assigned access numbers of all FGD access provided to the Customer by the Company. No access code is required for calls to a Customer over FGD Switched Access Service if the End User's telephone service is arranged for presubscription to that Customer.

Where no access code is required, the number dialed by the Customer's End User shall be a seven or ten-digit number for calls in the North American Numbering Plan (NANP). For international calls outside the NANP, a seven to twelve-digit number may be dialed. The form of the numbers dialed by the Customer's End User is NXX-XXXX, 0, 00, or 1 + NXX-XXX, NPA + NXX-XXX, 0, 00 or 1 + NPA + NXX-XXXX, and, when the end office is equipped for International Direct Dialing, 01 + CCNN or 011 + CC +NN.

5.0 SWITCHED ACCESS SERVICES - (cont.)

5.4 FGD Service Description - (cont.)

When the 10XXX or 101XXX access code is used, FGD switching also provides for dialing the digit 0 or 00 for access to the Customer's operator, 911 for access to emergency reporting service, or at the Customer's option, the end-of-dialing digit (#) for cut-through access to the Customer's premises.

5.0 SWITCHED ACCESS SERVICES - (cont.)

5.5 Presubscription

Presubscription is a procedure whereby an End User or location provider may select and designate to the Company an interexchange carrier(s) to access, without dialing an access code for calls leaving the local service area of the Company. The interexchange carriers are referred to as the End User's or location provider's primary interexchange carrier. The End User or location provider will be allowed to select a primary interexchange carrier for intraLATA calls and a primary interexchange carrier for interLATA calls.

Should a caller wish to use the services of an interexchange carrier other than the primary interexchange carrier, it is necessary for the caller to dial the necessary access code(s) to reach that interexchange carrier's services.

5.0 SWITCHED ACCESS SERVICES - (cont.)

5.5 Presubscription - (cont.)

5.5.1 Application of Charges on Presubscription

(a) End users or location providers placing orders for service will be asked to select a primary interexchange carrier at the time they place an order with the Company for Local Exchange Service. There will be no charge for this selection.

(b) End users or location providers that choose to change their primary interexchange carrier within one month of the effective date of their new service will not be charged for the change.

(c) Subsequent to a one-month period following installation of Local Exchange Service, for any change in selection, including a change from one access code to another access code for the same interexchange carrier, a nonrecurring charge applies. The nonrecurring charge for a primary interexchange carrier (PIC) change is billed to the End User who is the subscriber to the Local Exchange Service. However, an interexchange carrier may, at its option, may elect to pay the charge for any End User and/or location provider at any time. The nonrecurring charge for a PIC change is set forth in this price list.

5.5.2 Dispute Application for Presubscription

If the End User or location provider disputes a PIC change, the Company will investigate the origin of the change and shall restore the End User or location provider to their previous PIC. If the change was due to Company error, the End User or location provider will be returned to their previous primary interexchange carrier free of charge. If the change was submitted by an interexchange carrier, and the interexchange carrier is unable to produce the signed End User or location provider Letter of Authorization (LOA), the nonrecurring charges will be assessed to

5.0 SWITCHED ACCESS SERVICES-(cont.)

5.6 Presubscription - (cont.)

5.5.2 Dispute Application for Presubscription -  
(cont.)

the unauthorized interexchange carrier.

If there is a conflict between an End User, a location provider, or their respective agent, on the one hand, and an interexchange carrier on the other hand, over the designation of the primary interexchange carrier, the Company will honor the designation selected by the End User, location provider or their respective agent, regardless of any contractual obligations the End User, location provider or agent may have with one or more interexchange carriers.

If there is a conflict between an End User and/or location provider, on the one hand, and their agent on the other hand, over the designation of the primary interexchange carrier, the Company will honor the designation selected by the End User and/or location provider, regardless of any contractual obligations the End User and/or location provider may have with one or more interexchange carriers or agents.

The nonrecurring charge for an Unauthorized PIC change is set forth in this price list.

5.5.3 Cancellation of Interexchange Participation for Presubscription

If an interexchange carrier elects to discontinue all of its FGD service in the end office, the interexchange carrier is obligated to do the following:

(a) Notify the Company of the cancellation of their FOD service; and

5.0 SWITCHED ACCESS SERVICES - (cont.)

5.5 Presubscription - (cont.)

5.5.3 Cancellation of Interexchange Participation for  
Presubscription - (cont.)

(b) Contact all End Users or location providers that are presubscribed to the canceling interexchange carrier as their primary interexchange carrier. Inform these End Users or location providers of the cancellation and request the End Users or location providers to contact the Company to select a new primary interexchange carrier.

The Company will bill the canceling interexchange carrier the service order charge for each End User and location provider the interexchange carrier has predesignated to it. Such charge will not apply to the canceling interexchange carrier where the canceling interexchange carrier transfers or assigns its FGD services and the associated 10XXX or 101XXX code to another interexchange carrier in such manner that the Company does not change End User or location provider records or End User and/or location provider PIC designation, or if another interexchange carrier elects to pay the service order charge on behalf of the canceling interexchange carrier.

5.5.4 Interexchange Carrier Initiated Conversions for  
Presubscription

When an interexchange carrier requests that their End User and/or location provider be changed from one access code to another access code on a mass conversion basis, e.g., an interexchange carrier using two or more PIC designations or an interexchange carrier assuming ownership of another interexchange carrier's End Users and/or location providers etc., charges as set forth in this price list shall apply.

5.0 SWITCHED ACCESS SERVICES - (cont.)

5.6 Rates

5.6.1 Application of Rates

The rates associated with Carrier Common Line Service, Switched Transport Service and Local Switching Service are applied to all access minutes of use that originate and terminate at the Company's local leased port.

5.6.2 Rate Categories

Following is a description of the rate categories for the facilities required to provide Switched Access Services to the Customer.

5.6.2.1 Carrier Common Line Service

Carrier Common Line Service provides for the use of the Company's common lines by Customers for access to End Users to furnish intrastate telecommunications service.

5.6.2.2 Switched Transport Service

Switched Transport Service provides the transmission facilities between the Customer's premises and the end office switch(es) where the Customer's traffic is switched to originate or terminate its communications.

5.0 SWITCHED ACCESS SERVICES - (cont.)

5.6 Rates - (cont.)

5.6.2 Rate Categories (cont.)

5.6.2.3 Local Switching Service

Local Switching Service provides a switch path from the Company's local subscribers to its local switches.

5.6.2.4 Universal Service Fund

The Universal Service Fund rate will be applied to all intrastate switched access minutes of use.

5.6.3 Rating and Billing of Transport Where More Than One Company is Involved.

Switched Access Service to a Customer may involve more than one Company for the provision of transport service. Each Company will provide its portion of transport to the interconnection point with the next Company. The mileage used to calculate charges for the Company's Transport Service will be based the Company's percentage of network facilities used to provide the service. Other companies involved with the transport service may bill according to their own tariffs or price lists.

5.6.4 Carrier Common Line Service Rates

	Rate Per <u>Access Minute</u>
Terminating, per access minute	<u>Qwest</u> \$.021
Originating, per access minute	\$.021

5.0 SWITCHED ACCESS SERVICES - (cont.)

5.6 Rates - (cont.)

5.6.5 Switched Transport Service Rates

	Rate Per Access Minute	
	Qwest	
	Fixed	Per Mile
Switched Transport	.01	.01

5.6.6 Local Switching Service Rates

	Rate Per Access Minute
	Qwest
Local Switching	\$.01757
800 DB query	\$.0035

5.6.7 Presubscription Rates and Charges

	<u>Non-Recurring Charge</u>
PIC Change, per line	\$10.00
Unauthorized PIC Change, per line	\$20.00
Interexchange Initiated Conversion, per line	\$10.00

Issued: May 29, 2007

Issued by:

Effective:

Robert E. Heath  
Vice President