

REGULATIONS

1. Scope

- 1.1 Long Distance Message Telecommunications Service (LDMTS) is that of furnishing facilities for telecommunications between service points in different local service areas in accordance with the regulations and system of charges specified in this tariff. The message charges specified in this tariff are in payment for all service furnished between the calling and called service points.
- 1.2 The charges specified in this tariff do not contemplate work being performed by North Texas Telephone Company (the Company) employees involved at a time when overtime wages apply, due to the request of the customer, nor do they contemplate work once begun being interrupted by the customer. If the customer requests that overtime labor be performed or interrupts work once begun, an additional charge, based on the additional costs involved applies.
- 1.3 The Company does not undertake to transmit messages but furnishes the use of its facilities to its customers for communications.

2. Availability of Service

- 2.1 In case a shortage of facilities exists at any time either for temporary or protracted periods, the establishment of LDMTS shall take precedence over all others.
- 2.2 At the option of the Company, Billed Number Screening will be furnished to control instances of fraud associated with station-to-station services or in response to a customer request.

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3. Limitations on Duration of Connections

The Company reserves the right to limit the duration of connections when necessary because of a shortage of facilities caused by emergency conditions.

By: Mr. Toney Prather
Issued: June 30, 2015

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4. Liability

- 4.1 In view of the fact that the customer has exclusive control of his communications over the facilities furnished him by the Company, and of the other uses for which facilities may be furnished him by the Company, and because of unavailability of errors incident to the services and to the use of such facilities of the Company, the services and facilities furnished by the Company are subject to the terms, conditions and limitations specified in 4.2, 4.3, 4.4 and 4.5, following.
- 4.2 The Company's failure to provide LDMTS under this tariff shall be excused by labor difficulties, governmental orders, civil commotions, acts of God and other circumstances beyond the Company's reasonable control.
- 4.3 The Company's liability, if any, for its gross negligence or willful misconduct is not limited by this tariff. With respect to any other claim or suit, by a customer or any others, for damages associated with any aspect of the provision of service (including failure to reach a called service point), the Company's liability, if any, shall not exceed an amount equal to the proportionate charge applicable for the period during which such message to the called service point was affected. However, any such mistakes, omissions, interruptions, delays, errors, or defects in transmission of service which are caused or contributed to by the negligence or willful act of the customer, authorized user, or joint user, or which arise from the use of customer premises equipment shall not result in the imposition of any liability whatsoever upon the Company.
- 4.4 The customer indemnifies and saves the Company harmless against claims for libel, slander, or infringement of copyright from the material transmitted over its facilities; against claims for infringement of patents arising from combining with, or using in connection with, facilities of the Company, apparatus and systems of the customer; and against all other claims arising out of any act or omission of the customer in connection with facilities provided by the Company.
- 4.5 When the facilities of other local exchange companies (LECs) are used in establishing connections to points not reached by the Company's facilities, the Company is not liable for any act or omission of the other LECs.

5. Use of Service

The service is provided for use by the customer and may be used by others, when so authorized by the customer, providing that all such usage shall be subject to the provisions of this tariff.

By: Mr. Toney Prather
Issued: August 20, 1999

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6. Abuse and Fraudulent Use

The service is furnished subject to the condition that there will be no abuse or fraudulent use of the service. Abuse or fraudulent use of service includes:

- 6.1 The use of service or facilities of the Company to transmit a message or to locate a person or otherwise to give or obtain information without payment of the charge applicable for service;
- 6.2 The obtaining, or attempting to obtain, or assisting another to obtain or to attempt to obtain LDMTS, by rearranging, tampering with, or making connection with any facilities of the Company, or by any trick, scheme, false representation, or false credit device, or by or through any other fraudulent means or device whatsoever, with intent to avoid the payment, in whole or in part, of the regular charge for such service;
- 6.3 The use of service or facilities of the Company for a call or calls anonymous or otherwise, if in a manner reasonably to be expected to frighten, abuse, torment, or harass another;
- 6.4 The use of profane or obscene language;
- 6.5 The use of the service in such a manner as to interfere unreasonably with the use of the service by one or more other customers.

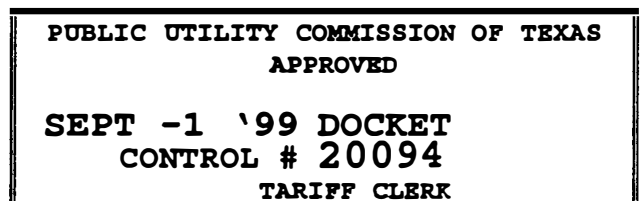
7. Unlawful Purposes

The service is furnished subject to the condition that it will not be used for an unlawful purpose.

8. Obligation of the Customer

- 8.1 The calling party shall establish his identity in the course of any communication as often as may be necessary.
- 8.2 The calling party shall be solely responsible for establishing the identity of the person or persons with whom connection is made at the called service point or service points.

By: Mr. Toney Prather
Issued: August 20, 1999



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9. Payment for Service

- 9.1 The customer is responsible for payment of all charges for services furnished the customer, including charges for services originated or charges accepted at the customer's service point.
- 9.2 A one-time penalty not to exceed five percent (5%) may be applied on commercial or industrial bills (Business) not received by the Company or at the Company's authorized payment agency by the next bill date. For purposes of applying the penalty, the due date should be extended to the first following business day if it would otherwise fall on a weekend or holiday. The one-time penalty shall not apply to residential bills. The penalty on commercial or industrial bills shall not be applied to any balance to which the penalty was applied in a previous billing. The one-time penalty shall only apply on undisputed amounts or if the dispute is resolved in favor of the Company.
- 9.3 If billing for the Company's utility services are found to differ from the Company's tariffed rates, or if the Company fails to bill the customer for such services, a billing adjustment will be calculated by the Company. If the customer is due a refund, an adjustment shall be made for the entire period of the overcharges. If an overcharge is adjusted by the Company within three billing cycles of the bill in error, interest is not applicable. However, if an overcharge is not adjusted by the Company within three billing cycles of the bill in error, interest shall be applied to the amount of the overcharge as specified in the Commission's Substantive Rules relating to Billing. The rate of interest is set annually by the Commission for a twelve-month period and is based on an average of prime commercial paper rates for the previous twelve-month period. {1}

- {1} The rates of interest to be paid on overbillings are established annually on December 1 for the subsequent calendar year by the Commission, as reflected in the Order Setting Interest Rates included in this tariff.

By: Mr. Toney Prather
Issued: August 20, 1999

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10. Billing and Collection of Charges

The charges for messages and chargeable reports are due when billed and are billed and collected by the Company or the LEC from whose service point the messages were sent paid.

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11. Termination of Service for Cause

Service may be discontinued for nonpayment of any sum due the Company, or for a violation of any of the conditions governing the furnishing of service. The due date of the bill shall not be less than 16 days after issuance. If the bill is not paid by the due date, the Company may discontinue service after 10 days written notice to the customer in accordance with the Commission's Substantive Rules relating to Discontinuance of Service.

12. Advance Payments

Applicants for LDMTS, whose financial responsibility is not a matter of general knowledge or who are not connected in a substantial way with a firm, corporation or other concern of established credit, may be required to make advance payments of at least one month's estimated charges.

PUBLIC UTILITY COMMISSION OF TEXAS
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AUG 03 '15 4 4 8 9 3

CONTROL # _____

By: Mr. Toney Prather
Issued: June 30, 2015

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13. Deposits

- 13.1 The Company, in order to safeguard its interests, may require an applicant or a present customer to make a deposit of an amount not to exceed two months exchange service charges plus two months estimated long distance service charges to be applied in payment of any unpaid charges for exchange or long distance service which may be rendered. In accordance with the Commission's Substantive Rules relating to Applicant and Customer Deposit, the required deposit may be based on long distance service charges of the interexchange carriers only in those instances where the Company's tariff provided for billing for an interexchange carrier. Simple interest set annually by the Commission at the rate of not less than six percent (6%) per annum or greater than twelve percent (12%) per annum will be paid on deposits. {1} Payments of the interest to the customer shall be annually if requested by the customer, or at the time the deposit is returned or credited to the customer's account. The deposit shall cease to draw interest on the date it is returned or credited to the customer's account.
- 13.2 An initial deposit may not be required from residential customers unless the customer has more than one occasion during the last 12 consecutive months of service in which a bill for a utility service was paid after becoming delinquent or if the customer's service was disconnected for nonpayment, in accordance with the Commission's Substantive Rules.
- 13.3 If the residential applicant has been a customer of any utility for the same kind of service within the last two years and is not delinquent in payment of any such utility service account, and during the last 12 consecutive months of service did not have more than one occasion in which a bill for such utility service was paid after becoming delinquent and never had service disconnected for nonpayment, applicants are encouraged to obtain a letter of credit history from their previous utility, and utilities are encouraged to provide such information with final bills, in accordance with the Commission's Substantive Rules.
- 13.4 An applicant for service or a present customer, may satisfy a deposit requirement by providing a Contract of Guaranty in an amount not less than the requested deposit from a present customer acceptable to the Company. The guaranty contract shall be on a form provided by the Company which shall include the Company's right to transfer charges from a defaulted bill to the customer, from whom a deposit or a Contract of Guaranty was required, to the Guarantor's account or accounts and the further right to suspend the Guarantor's service pursuant to Subsection 9, Payment for Service, of this tariff.
- 13.5 The fact that a deposit has been made or a guaranty provided, shall in no way relieve the customer from complying with the Company's regulations as to the prompt payment of bills, nor constitute a waiver or modification of the regular practices of the Company providing for the temporary suspension of service or the termination of the service contract for nonpayment of bills.

- {1} The rates of interest to be paid on customer deposits are established annually on December 1 for the subsequent calendar year by the Commission, as reflected in the Order Setting Interest Rates included in this tariff.

By: Mr. Toney Prather
Issued: August 20, 1999

PUBLIC UTILITY COMMISSION OF TEXAS
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13. Deposits (Cont'd)

13.6 Service may be discontinued for failure to furnish a suitable deposit when conditions appear to require the Company to have such credit protection. Initial deposits may be required of applicants or existing customers.

13.7 In accordance with the Commission's Substantive Rules relating to Applicant and Customer Deposit, when a deposit is required on an existing account, the following time frames apply:

13.7.1 Deposits Required During the First Twelve Months of Service Based on Usage

Actual usage must be three times the estimated usage (or three times average usage of most recent three bills) and current usage must exceed \$150 and 150% of the security held before a new deposit is requested. If a deposit is requested, the customer may be required to pay the deposit within 10 days after issuance of written notice of termination and requested deposit, or, in lieu of the deposit, the customer may elect to pay the current usage within 10 days after issuance of written notice of termination and requested deposit.

13.7.2 Deposit Requirements Based on Billing

(A) Commercial

Actual billings of a commercial customer must be at least twice the amount of the estimated billings and a suspension notice has been issued on a bill within the previous 12-month period before a new deposit can be requested. If a deposit is requested, the customer may be required to pay the new deposit within 15 days after issuance of written notice of termination and requested deposit, or, in lieu of the deposit, the customer may elect to pay the current bill by the due date of the bill, provided the customer has not exercised this option in the previous 12 months.

(B) Residential

Actual billings of a residential customer must be at least twice the amount of the estimated billings after two billing periods, and a suspension notice has been issued on a bill within the previous 12-month period before a new deposit can be requested. If a deposit is requested the customer may be required to pay the new deposit within 15 days after issuance of written notice of termination and requested deposit, or, in lieu of the deposit, the customer may elect to pay the current bill by the due date of the bill, provided the customer has not exercised this option in the previous 12 months.

By: Mr. Toney Prather
Issued: August 20, 1999

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14. Definitions

Accessories - Devices which are mechanically attached to, or used with, the facilities furnished by the Company and which are independent of, and not electrically, acoustically or inductively connected to, the conductors in the communications path of the telecommunications system.

Authorized Protective Connection Module - A protective unit designed by the Company and manufactured under the control of the Company quality assurance procedures, which unit is to be incorporated in a conforming answering device.

Billed Number Screening - The term "Billed Number Screening" denotes an arrangement whereby at time of call originations, Bill to Third Number station-to-station or person-to-person collect calls are screened for customer preauthorized or the Company-directed nonacceptance. Screening is based on the "billed to" number.

Call Forwarding - A feature whereby a call placed to a telephone number in one exchange is automatically forwarded via the long distance message telecommunications network to a customer designated telephone number in another exchange. Provision of Call Forwarding is subject to the availability of service components.

Calling Card - A billing arrangement by which a message may be charged to an authorized the Company calling card number.

Communications Systems - Channels and other facilities which are capable, when not connected to the telecommunications network, of two-way communications between customer premises equipment and/or the Company service points.

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By: Mr. Toney Prather
Issued: June 30, 2015

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14. Definitions (Cont'd)

Composite Data Service - The combined use of terminal and data switching equipment provided by a Composite Data Service Vendor with the use of telecommunications services of the Company to perform data switching for others.

Composite Data Service Vendor - A customer that has been certified by the proper state or municipal regulatory body and/or the Federal Communications Commission pursuant to Section 214 of the Communications Act of 1934, as amended, to acquire and operate facilities to perform data switching for others. A customer shall be classified as a Composite Data Service Vendor only with respect to use of those exchange services which are utilized for the provision of composite data service.

Connecting Arrangement - The equipment provided by the Company to accomplish the direct electrical connection of customer premises equipment with the facilities of the Company.

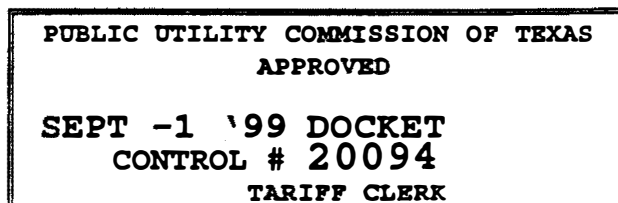
Customer - The person, firm or corporation which orders service and is responsible for the payment of charges and compliance with the regulation of the Company.

Customer Premises Equipment - Devices, apparatus and their associated wiring, provided by a customer, which are used with the services furnished by the Company.

Data Access Arrangement - A protective connection arrangement for use with network control signaling units, or in lieu of the connection arrangement, an arrangement to identify a serving office line and protective service components and procedures to determine compliance with criteria set forth in the Company's General or Local Exchange Tariff.

Data Switching - When used in connection with composite data service, denotes the switching of data (nonvoice) messages by the interchange, controlling and routing of data messages via communications facilities, wherein the information content of the message remains unaltered.

By: Mr. Toney Prather
Issued: August 20, 1999



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14. Definitions (Cont'd)

Demarcation Point - The point of demarcation and/or interconnection between the Company's communications facilities and terminal equipment, protective apparatus or wiring at a subscriber's premises. The Company-installed facilities at, or constituting, the demarcation point shall consist of wire or a jack conforming to Subpart F of Part 68 of the Commission's rules. "Premises" as used herein generally means a dwelling unit, other building or a legal unit of real property such as a lot on which a dwelling unit is located, as determined by the Company's reasonable and nondiscriminatory standard operating practices. The "minimum point of entry" (MPOE) as used herein shall be either (1) the closest practicable point to where the wiring crosses a property line or (2) the closest practicable point to where the wiring enters a multiunit building or buildings. The Company's reasonable and nondiscriminatory standard operating practices shall determine which of (1) or (2) shall apply. The Company is not precluded from establishing reasonable classifications of multiunit premises for purposes of determining which of (1) or (2) above shall apply. Multiunit premises include, but are not limited to, residential, commercial, shopping center and campus situations.

(a) Single Unit Installations. For single unit installations existing as of June 9, 1994 and installations installed after that date the demarcation point shall be a point within twelve inches of the protector or, where there is no protector, within twelve inches of where the telephone wire enters the customer's premises.

(b) Multiunit Installations.

- (1) In multiunit premises existing as of June 9, 1994, the demarcation point shall be determined in accordance with the Company's reasonable and nondiscriminatory standard operating practices. Provided, however, that where there are multiple demarcation points within the multiunit premises, a demarcation point for a customer shall not be further inside the customer's premises than a point twelve inches from where the wiring enters the customer's premises.
- (2) In multiunit premises in which wiring is installed after June 9, 1994, the multiunit premises owner shall determine the location of the demarcation point or points. The multiunit premises owner shall determine whether there shall be a single demarcation point location for all customers or separate such locations for each customer. Provided, however, that where there are multiple demarcation points within the multiunit premises, a demarcation point for a customer shall not be further inside the customer's premises than a point twelve inches from where the wiring enters the customer's premises.

At this time, the Company has elected not to establish a practice of placing the demarcation point at the MPOE for multiunit premises. However, at the customer's request, the Company will place the demarcation point at the MPOE in existing installations, and as appropriate, in new installations. The Company will relocate multiple demarcation points to a single demarcation point at an MPOE in a manner that minimizes any resultant charges or other adverse impact to either building owners or customers. If conforming to the twelve inch limitation is unrealistic or technically impossible, the demarcation point will be the most practicable MPOE.

By: Mr. Toney Prather
Issued: August 20, 1999

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14. Definitions (Cont'd)

Direct Electrical Connection - A physical connection of the electrical conductors in the communications path.

Exchange Access Arrangement (EAA) - A telephone facility which permits access to and from the customer's premises and the telephone exchange network point. A telephone exchange network point is also known as a serving office.

IntraLATA - LDMTS where service point locations are all within the same LATA.

Local Access and Transport Area (LATA) - Denotes a geographic area established for the administration of telecommunications service. It encompasses designated local operating the Company exchanges which are grouped to serve common social, economic and miscellaneous purposes.

Network Control Signaling - The transmission of signals used in the telecommunications system which perform functions such as supervision (control, status and charging signals), address signaling (e.g., dialing), calling and called number identification, audible tone signals (call progress signals indication reorder or busy conditions, alerting, coin denominations, coin collect and coin return tones) to control the operation of switching machines in the telecommunications system.

Network Control Signaling Unit - The terminal equipment furnished for the provision of network control signaling.

By: Mr. Toney Prather
Issued: August 20, 1999

PUBLIC UTILITY COMMISSION OF TEXAS
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14. **Definitions** (Cont'd)

Patron - When used in connection with composite data service, denotes a subscriber to the data switching services of a Composite Data Service Vendor.

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CONTROL # _____

By: Mr. Toney Prather
Issued: June 30, 2015

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14. Definitions (Cont'd)

Sent Paid Service: Sent paid service includes all calls where the person originating the call pays for the call by having the call billed to the originating telephone number. Sent paid calls also include calls from pay telephones when the caller pays for the call by depositing coins.

Service Point - Denotes the demarcation point on the customer's premises where channels provided by or furnished to the customer are terminated for connection to customer premises equipment.

Service Station Line - The Company facilities provided by the customer in isolated and sparsely developed areas where it is not practicable for the Company to make such facilities available.

Station - The network control signaling unit, DATAPHONE data set or other equipment at the customer's premises which enables the customer to establish the communications connection to effect communications through such connections; also denotes a termination of an individual exchange line or PBX trunk provided in accordance with the provisions of this tariff, in the Company switching equipment located in an exchange foreign to the exchange in which the customer is located.

Station-to-Station - A service where the person originating the call, dials the telephone number desired or gives to the Company operator the telephone number of the desired service point, Mobile Telephone Service, PBX or PBX station which is reached directly rather than through a PBX attendant, or gives only the name and address under which the number of the desired service point, Mobile Telephone Service, or PBX is listed, and does not specify a particular person to be reached, nor a particular mobile station to be reached, nor a particular station, department or office to be reached through a PBX attendant.

Station-to-Station services are offered as follows:

"Dial Station-to-Station" is that station-to-station service where the person originating the call, from other than a public coin telephone, dials the telephone number desired and the call is completed without the assistance of a the Company operator and the message is not billed to a number other than the originating number. Dial Station-to-Station service also includes: (1) when an operator records the originating telephone number where no automatic recording equipment is available; (2) when an operator reaches the called telephone number where facilities are not available for dial completion; (3) when an operator places a call for a calling party who identifies himself as being disabled and unable to dial the call because of his disability; and (4) when an operator re-establishes a call which has been interrupted after the called number has been reached and; 5) when an operator places a call for the calling party who declares that he has attempted to complete the call but has been unable to do so due to technical difficulties.

By: Mr. Toney Prather
Issued: August 20, 1999

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14. Definitions (Cont'd)

Station-to-Station (Cont'd)

Station-to-Station calls may be dialed direct, or completed with the assistance of a Telephone Company operator. If the customer utilizes an operator, there are three levels of Operator Assistance service. They are:

- (1) **Non-Automated**: Non-automated service is where the person originating the call dials zero or a special access number (e.g., an 800/888 number), and the operator dials the number and collects billing information for completion of the call. Non-automated service includes service that is not fully automated or semi-automated. When an operator re-establishes a non-automated call which has been interrupted due to a problem on the network after the called number has been reached, no additional operator service charge shall apply.
- (2) **Semi-Automated**: Semi-automated service is where the person originating the call dials zero or a special access number (e.g., an 800/888 number), (or 1+ calls from pay telephones), then dials the desired telephone number, and the operator collects billing information for completion of the call. When an operator re-establishes a semi-automated call which has been interrupted due to a problem on the network after the called number has been reached, no additional operator service charge shall apply.
- (3) **Fully-Automated**: Fully automated service is where the person originating the call dials zero or a special access number (e.g., an 800/888 number), then dials the desired telephone number, and then dials the service selection codes as instructed by the automated billing equipment, and the call is completed without the assistance of an operator. This service also includes the situations described under "Dial Station-to-Station" above.

By: Mr. Toney Prather
Issued: August 20, 1999

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15. Application of Construction Charges

When special construction for individual customers is necessary, special construction charges may apply as set forth in the Company's Local or General Exchange Tariff.

16. Time and Charges

Time and charges on long distance messages may be quoted upon request from the customer. Name association with time and charge details will be provided where facilities permit. The Company reserves the right to determine the facility used where there are multiple facilities.

17. Connections of Terminal Equipment and Communications Systems

Terminal equipment and communications systems may be connected at the customer's premises to LDMTS furnished by the Company where such connections are made in accordance with the provisions of the Company's Local or General Exchange Tariff.

By: Mr. Toney Prather
Issued: August 20, 1999

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18. Method of Applying Rates

18.1 LDMTS rates between points (cities, towns or localities) are based on the air line distance between rate centers. In general, each point is designated as a rate center; certain small towns or localities are adjacent rate centers with which they are closely associated for communication purposes or by community of interest.

18.2 For the purpose of determining air line mileages, vertical and horizontal grid lines have been established across the United States and Canada. The spacing between adjacent vertical grid lines and between horizontal grid lines represents a distance of one coordinate unit. This unit is the square root of 0.1, expressed in statute miles. A vertical (V) and a horizontal (H) coordinate is computed for each rate center from its latitude and longitude location by use of appropriate map projection equations. A pair of V-H coordinates locates a rate center, for determining air line mileages, at a particular intersection of an established vertical grid line with an established horizontal grid line. The distance between any two rate centers is the air line mileage computed as explained in 18.3, following, with fractional miles being considered full miles.

18.3 Determination of Air Line Mileages

To determine the rate distance between any two rate centers proceed as follows:

- (A) Obtain the "V" and "H" coordinates for each rate center.
- (B) Obtain the difference between the "V" coordinates of the two rate centers. Obtain the difference between the "H" coordinates.

Note: The difference is always obtained by subtracting the smaller coordinate from the larger coordinate.

- (C) Divide each of the differences obtained in (B) by three, rounding each quotient to the nearer integer.
- (D) Square these two integers and add the two squares.

If the sum of the squares is greater than 1777, divide the integers obtained in (C) by three and repeat step (D). Repeat this process until the sum of the squares obtained in (D), is less than 1778.

By: Mr. Toney Prather
Issued: August 20, 1999

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18. Method of Applying Rates (Cont'd)

18.3 Determination of Air Line Mileages (Cont'd)

- (E) The number of successive divisions by three in steps (C) and (D) determines the value of "N". Multiply the final sum of the two squares obtained in step (D) by the multiplier specified in the following table for this value of "N", preceding:

<u>N</u>	<u>Multiplier</u>	<u>Minimum Rate Mileage</u>
1	0.9	----
2	8.1	41
3	72.9	121
4	656.1	361
5	5,904.9	1,081
6	53,144.1	3,241

- (F) Obtain square root of product in (E) and, with any resulting fraction, round up to next higher integer. This is the message rate mileage except that when the mileage so obtained is less than the minimum rate mileage shown in (E), preceding, the minimum rate mileage corresponding to the "N" value is applicable.

By: Mr. Toney Prather
Issued: August 20, 1999

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18. Method of Applying Rates (Cont'd)

18.3 Determination of Air Line Mileages (Cont'd)

Example:

Airline Mileage between Dallas, Texas and Paris, Texas.

	<u>Rate Center</u>	<u>V</u>	<u>H</u>
(A)	Dallas	8436	4034
	Paris	<u>8173</u>	<u>3897</u>
(B)	Difference	263	137

(C1) Dividing each difference by three and rounding to nearer integer = 88 and 46

(D1)	Squaring integers and adding,	88 x 88 =	7,744
		46 x 46 =	<u>2,116</u>
	Sum of squared integers		9,860

Sum of squared integers is greater than 1777, so divide integers in (C1) by three and repeat (D1)

(C2) Dividing integers in (C1) by three and rounding = 29 and 15

(D2)	Squaring integers and adding,	29 x 29 =	841
		15 x 15 =	<u>225</u>
	Sum of squared integers		1,066

This sum of squared integers is less than 1778 and was obtained after two successive divisions by three; therefore, "N" = 2.

(E)	Multiply final sum of squared integers	1,066
	by factor 8.1 (corresponding to "N" = 2)	<u>x 8.1</u>
		8,634.6

(F) Square root of 8,634.6 = 92 and a fraction, which is rounded up to 93 miles (fractional miles being considered full miles). The 93 miles is larger than the minimum of 41 rate miles applicable when "N" = 2, so the message rate mileage is 93 miles.

By: Mr. Toney Prather
Issued: August 20, 1999

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19. Distance Learning

Upon submission of an affidavit that complies with the requirements of the Commission's Substantive Rule §26.141, an educational institution, library or a library operated by an institution of higher education or school district, as defined in Substantive Rule §26.141, may obtain a 25% discount on the tariff rate for any tariffed service, except customer-specific contracts, that is used predominantly for distance learning purposes. Services qualifying under the provisions of Substantive Rule §26.141 will receive the 25% discount on each tariffed rate.

20. Educational Percentage Discount Rate (E-Rate)

The percentage discount rates available pursuant to 47 Code of Federal Regulations part 54, subpart F to eligible schools, libraries, and consortia as defined by 47 Code of Federal Regulations part 54, subpart F shall apply to the tariffed rates contained herein. Schools, libraries, and consortia eligible for E-Rates pursuant to 47 Code Federal Regulations part 54, subpart F shall comply with the provisions of 47 Code of Federal Regulations part 54, subpart F in order to receive the intrastate E-Rates.

By: Mr. Toney Prather
Issued: August 20, 1999

<p>PUBLIC UTILITY COMMISSION OF TEXAS APPROVED SEPT -1 '99 DOCKET CONTROL # 20094 TARIFF CLERK</p>
