RESIDENCE EXCHANGE SERVICE

Dial Tone Line Cell Classification:

For the purposes of determining an Exchange Area Dial Tone Line monthly rate, the Exchange Areas are classified into one of four (4) Dial Tone Line Cells. The Cell classifications are determined by the following criteria. These criteria apply to all wire centers regardless of competitive classification.

Dial Tone Line Cell	Classification Criteria
1	All Philadelphia and Pittsburgh City Exchange Areas or Zones with working pairs per square mile greater than 9,000.
2	All remaining Philadelphia and Pittsburgh City Exchange Areas or zones
3	All Philadelphia and Pittsburgh Suburban Exchange Areas or Zones and all other Central Office districts with more than 500 working pairs per square mile.
4	All remaining Exchange Areas.

Dial Tone Line Reclassification

When an annual review indicates that the number of working pairs per square mile of an Exchange Area or Zone has exceeded or fallen below the above Dial Tone Line Cell criteria for two (2) consecutive study periods, the Exchange Area will be reclassified.

RESIDENCE EXCHANGE SERVICE

A. GENERAL

1. APPLICATION OF PRODUCT GUIDE

a. This Product Guide contains the schedule of rates and specific regulations applicable to Residence local exchange Dial Tone Lines, Local Usage Options and Local Usage furnished within Exchange Areas in Pennsylvania.

b. The rates and charges for classes of service and facilities not specifically shown in this Product Guide are given in other sections of this Product Guide.

c. Regulations

(1) Usage Option Change

Usage Option Changes (e.g., Unlimited to Standard or Budget) are limited to one such change during a billing period.

(2) Monthly Rates

Each Local Area Unlimited Usage Package is associated with a particular Dial Tone Line. The Unlimited Usage Package rates as set forth in this Product Guide apply only to that usage package and will not be applied as the maximum rate for the Local Area Standard, or Budget Usage Options.

d. Residence Exchange Service, Local Calling Areas, Dial Tone Line Cell and Usage Rate Group Classification, and Exchange Area Maps.

(1) The Local Calling Area associated with the Local Usage Options in this Product Guide section are contained in D., preceding (see Unlimited Usage Package Local Calling Area) pertaining to each Exchange Area.

(2) The Dial Tone Line Cell and Usage Rate Group classification for each Exchange Area associated with this Product Guide are contained in Section 37.

RESIDENCE EXCHANGE SERVICE

A. GENERAL (Cont'd)

2. EXCHANGE RATE CLASSIFICATIONS

a. The Local Area Unlimited and Extended Area Unlimited Packages for Residence customers are classified into Usage Rate Groups on the basis of the number of lines in the Local Area Unlimited Usage Package local calling area adjusted by weighting factors which reflect distance.

(l) Lines

The number of lines for each exchange is the sum of the total number of residence and business main lines.

(2) Weighting Factors

The weighting factors are:

- For the exchange itself, each line is counted as "1".

- For each other exchange which may be called on a local basis, the number of lines is multiplied by a factor based on the rate center to rate center distance, as follows:

Mileage Bands	1-10	11-16	17-22	23-30
Distance Factors	1.0	1.5	2.0	2.5

(3) The Weighted Line Rate Groups for Exchange Usage are:

Usage Rate Group	Weighted Lines in Local Calling Area
A	0 - 27,000
D	27,001 - 83,000
F	83,001 - 350,000

RESIDENCE EXCHANGE SERVICE

A. GENERAL (Cont'd)

2. EXCHANGE RATE CLASSIFICATIONS (Cont'd)

b. For the purposes of determining the Dial Tone Line rate, the Pennsylvania Exchanges are classified in Dial Tone Line (D.T.L.) Cells.

3. RECLASSIFICATION OF SERVICE

a. When the Company proposes to reclassify service in an exchange from one Usage Rate Group to another because of an increase or decrease in the total number of weighted lines, notice of the reclassification to the proper Usage Rate Group shall be given. Such notice will be given only (1) when the number of weighted lines has exceeded or fallen below its Rate Group weighted line limits as determined on two consecutive semi-annual reviews or (2) when an additional exchange is added to the local calling area of the exchange and the new number of weighted lines exceeds the upper limit of the Usage Rate Group.

RESIDENCE EXCHANGE SERVICE

B. EXCHANGE SERVICE

Exchange Service consists of two components - the Dial Tone Line and Local Usage.

1. DIAL TONE LINE

The Dial Tone Line provides customers with access to the telephone network. The term Dial Tone Line applies to Residence lines.

2. LOCAL USAGE OPTIONS - DESCRIPTION AND AVAILABILITY

Local Usage, as defined following, is provided to customers under options which differ in the way rates applicable to outgoing usage are charged. With any of the options, the customer can receive at no additional rate an unlimited number of incoming calls. Rates for the Local Usage Options are shown in D. following.

a. Budget Usage Option

(1) With the Budget Usage Option, the customer is charged the applicable rate for each completed outgoing local call. The rate is based upon the Measured Use Rate Schedule shown in D. following.

(2) This option is available to all Residence customers.

(3) Residence customers receive an allowance toward their outgoing local calling charges.

b. Local Area and Metropolitan Area Standard Usage Options

(1) With the Standard Usage Option, the customer pays as stipulated monthly rate for up to a specified amount of outgoing measured use - the Standard Allowance - within a specified measured local calling area. Additional charges accrue for outgoing measured use in excess of the Standard Allowance. Accumulations of usage are based upon the Measured Use Rate Schedule shown in D. following.

(2) This option is available to all Residence customers.

c. Local Area Unlimited Usage Package

(1) With the Local Area Unlimited Usage Package Option, the customer pays a stipulated monthly rate for an unlimited number of outgoing calls within a specified local calling area.

(2) This option is available to all Residence customers.

RESIDENCE EXCHANGE SERVICE

B. EXCHANGE SERVICE (Cont'd)

2. LOCAL USAGE OPTIONS - DESCRIPTION AND AVAILABILITY (Cont'd)

d. Extended Area Unlimited Usage Package

(1) With the Extended Area Unlimited Usage Package Option, the customer pays a stipulated monthly rate for an unlimited number of outgoing calls within a specified local calling area.

(2) This option is available to individual line residence customers only in the specified exchanges.

e. Metropolitan Area Unlimited and Metropolitan Area Unlimited Plus Usage Package

(1) With the Metropolitan Area Unlimited and Metropolitan Area Unlimited Plus Usage Package Options, the customer pays a stipulated monthly rate for an unlimited number of outgoing calls within a specified metropolitan local calling area.

(2) These options are available to individual line residence customers only in the specified exchanges.

f. Hometown-Plus Usage Option

(1) With the Hometown-Plus Usage Option, the customer pays a stipulated monthly rate for an unlimited number of outgoing calls within the Home Exchange plus one or two other exchanges. Customers can select one of the three available options for unlimited calling:

- Home Exchange plus one available contiguous intraLATA toll exchange,
- Home Exchange plus one other local exchange and one available contiguous intraLATA toll exchange or
- Home Exchange plus two available contiguous intraLATA toll exchanges.

For purposes of this service option, an intraLATA toll exchange is an exchange to which toll charges would apply absent selection of that exchange under the Hometown-Plus usage option. Available intraLATA toll exchange(s) are listed in B.2.h. following.

(2) The Hometown-Plus Usage Option shall be provided to those exchange areas where facilities are available for calls to contiguous exchanges for which the Telephone Company is required to offer a residential toll calling option.

RESIDENCE EXCHANGE SERVICE

B. EXCHANGE SERVICE (Cont'd)

2. LOCAL USAGE OPTIONS - DESCRIPTION AND AVAILABILITY (Cont'd)

f. Hometown-Plus Usage Option (Cont'd)

(3) Available to Individual Line residence customers only.

(4) Available to Individual Line residence customers who subscribe to Foreign Exchange (FX) Service or Foreign Central Office (FCO) Service. For customers with FX service the "Home Exchange" will be the FX exchange rather than the customer's local serving exchange.

(5) Hometown-Plus service is not available in combination with the Residence Service Variety Package (RSVP).

(6) Hometown-Plus monthly rates do not apply to Operator Assisted or Conference Calls as described in other parts of this Product Guide. Product Guide rates and charges apply to such calls.

(7) Calls to local exchanges which are in the Hometown-Plus customer's local calling area but not selected by the customer as part of their Hometown-Plus optional calling will be rated on a measured local use basis.

(8) Calls to available contiguous intraLATA toll exchanges which are not selected as part of the customer's Hometown-Plus calling option will be rated as toll in accordance with Product Guide rates.

(9) Product Guide rates and charges apply for all other services provided.

(10) For the purpose of the Hometown-Plus Usage Option the local calling area from which the customer can select a Local Exchange Option shall be the same as the Local Area Unlimited Usage Package.

(11) For Hometown-Plus Usage Option customers, service is on a mixed unlimited and measured local use basis. It is on an unlimited basis for outgoing calls within the Home Exchange and other selected exchanges; it is on a measured local use basis for outgoing calls to non-selected exchanges in the customer's Measured Local Calling Area.

RESIDENCE EXCHANGE SERVICE

B. EXCHANGE SERVICE (Cont'd)

2. LOCAL USAGE OPTIONS - DESCRIPTION AND AVAILABILITY (Cont'd)

f. Hometown-Plus Usage Option Availability

The available Hometown-Plus exchanges and their associated IntraLATA Toll exchange(s) are listed below:

Hometown-Plus Exchange	IntraLATA Toll Exchange(s) Available
Baden	Criders Corners
New Kensington	Leechburg Vandergrift (Verizon North)
Olyphant	Clarks Summit
Pennsburg	Emmaus (Verizon North)
Phila. Subn. Zone 33 (Ambler)	Lansdale
Pitb. Subn. Zone 15 (Coraopolis)	Aliquippa
Pitb. Subn. Zone 16 (Sewickley)	Wexford
Pitb. Subn. Zone 18 (Glenshaw)	Gibsonia Wexford
Pitb. Subn. Zone 21 (Penn Hills)	New Kensington

RESIDENCE EXCHANGE SERVICE

B. EXCHANGE SERVICE (Cont'd)

2. LOCAL USAGE OPTIONS - DESCRIPTION AND AVAILABILITY (Cont'd)

f. Hometown-Plus Usage Option Availability (Cont'd)

The available Hometown-Plus exchanges and their associated IntraLATA Toll exchange(s) are listed below:

Hometown-Plus Exchange	IntraLATA Toll Exchange(s) Available
Springdale	Curtisville
Springtown	Coopersburg
Taylor	Clarks Summit
Wyoming	Harding
Zelienople	Rochester

RESIDENCE EXCHANGE SERVICE

B. EXCHANGE SERVICE (Cont'd)

2. LOCAL USAGE OPTIONS - DESCRIPTION AND AVAILABILITY (Cont'd)

g. Optional Detailed Billing of Measured Local Usage

(1) This option provides the customer with the following details of measured local calls:

- Date
- Time of Day
- Call Band
- Time of Day Rate Classification
- Call Duration
- Amount of Charge

(2) This option is provided only to customers served by electronic switching system central offices.

(3) This option is available with the Budget Usage Option, the Local Area Standard Usage Package, and the Hometown-Plus Usage Option.

(4) Optional Detailed Billing is subject to a one-month minimum.

(5) Detail is supplied in the form of a printed list on the telephone bill.

(6) Optional Detailed Billing rates specified in C. following are in addition to the other applicable usage rates specified in this Product Guide.

(7) Optional Detailed Billing is provided on a per line basis.

(8) This service is not available for Foreign Exchange Dial Tone Lines.

(9) This service is not available to customers who select the Voluntary Toll Restriction Option or who are Company-initiated Toll Denied.

(10) On a once-per-12-month basis, a customer may request measured use call detail and associated charges within 45 days of receiving a bill. The requested information will be provided without charge and will not exceed information from more than the two most recent bills.

RESIDENCE EXCHANGE SERVICE

B. EXCHANGE SERVICE (Cont'd)

3. BUDGET OPTION AND STANDARD USAGE PACKAGE ALLOWANCES

a. The monthly Standard Usage Package rates include an allowance. Residence customers with the Budget Usage Option receive an allowance with their Dial Tone Line. The allowance is only applied toward usage charges which accumulate as set forth in C. following.

b. When Budget or Standard service is established or discontinued during a billing month, the allowance is a pro rata share of the monthly usage allowance. For purposes of administering the allowance, every month is considered to have thirty (30) days.

c. No credit is given for any unused allowance during a billing month, nor is any unused allowance accumulated and/or carried forward over billing months.

d. Where a customer subscribes to more than one Budget Usage Option and/or Standard Usage Package at the same premises, any allowances are combined and the total is applied to the total usage accumulated over all lines except those lines associated with Unlimited Usage Packages. A customer may purchase only one Standard Usage Package per Dial Tone Line.

e. Allowances are not transferable between separate accounts of the same customer.

C. MEASURED METROPOLITAN USE

1. MEASURED USE CHARGES

a. Measured use accumulations are based upon rates shown in D. following and are applicable to completed Metropolitan messages placed on a Dial Station-to-Station basis.

b. Accumulations are based upon the day of the week and the time of day that each initial or additional message period begins as shown in D. following.

c. Measured use rates accumulate on a monthly basis by Metro Call Band and rate application periods commencing on the billing date of the exchange designation.

d. Measured use rates do not apply to messages placed to official numbers located on Telephone Company premises within the local calling area that the general public calls to transact Telephone Company business.

e. Measured use rates do not apply to calls for Directory Assistance or calls for Verification.

2. MEASURED USE RATES

a. Initial and Additional Periods

(1) Initial period rates given in the Table of Rates in D. following are for a connection of one minute or any fraction thereof except for Metro Call Band 1 messages, which are untimed.

(2) Additional period rates given in the Table of Rates in D. following are for each additional minute or any fraction thereof that the connection continues beyond the initial period.

RESIDENCE EXCHANGE SERVICE

C. MEASURED METROPOLITAN USE (Cont'd)

2. MEASURED USE RATES (Cont'd)

b. Timing of Messages

(1) Chargeable time begins when connection is established between the calling station and the called station, Miscellaneous Common Carrier mobile radio system or PBX.

(2) Chargeable time ends when the calling station "hangs up" thereby releasing the network connection. If the called station "hangs up" but the calling station does not, chargeable time ends when the network connection is released by automatic timing equipment in the telephone network.

(3) Chargeable time does not include time lost because of faults or defects in the connection.

c. Discounts and Rate Application Periods

(1) The Metro Call Band 1 Night and Weekend Period rate is applied to each message beginning during the Night and Weekend Period defined in D. following.

(2) The time when connection is established, determined in accordance with the time - standard or daylight saving - determines the rate application period. The rate in effect at the time the connection is established applies to the initial period. The rate for each additional period is the rate in effect at the beginning of each additional period of usage.

d. Determining a Rate

(1) Refer to A.1.d. preceding for information on the local calling area of each Zone.

(2) For Metro Call Band 1 calls, refer to D. following to determine the rate.

(3) For Metro Call Band 2-6 calls, refer to the Table of Rates in D. following. Opposite the Metro Call Band will be found the initial period and additional period rates for measured use for each rate application period. Select the rates for the appropriate rate application period.

RESIDENCE EXCHANGE SERVICE

D. RATES

1. EXCHANGE SERVICE RATE COMPONENTS

Two components are used in determining exchange service rates - the Dial Tone Line and the Local Usage Options.

a. Dial Tone Line Rates

A customer's Dial Tone Line rate is based upon the Exchange Area Cell classification. Each Exchange Area designation falls into Cell 1, 2, 3 or 4.

The Dial Tone Line rate for customers with Foreign Exchange Service or Foreign Central Office Service is the same as for the central office designation associated with the customer's local serving office.

b. Local Usage Option Rates

Residence customers choose one of the following usage options:

Local Area Unlimited Usage Option
Local Area Standard Usage Option
Budget Usage Option
Hometown-Plus Usage Option

A customer's Local Usage Option rate is based upon the option chosen and the Usage Rate Group of the customers Exchange Area.

The Local Usage Option rate for customers with Foreign Exchange Service or Foreign Central Office Service is the same as for the central office designation(s) associated with the foreign office.

RESIDENCE EXCHANGE SERVICE

D. RATES (Cont'd)

1. EXCHANGE SERVICE RATE COMPONENTS (Cont'd)

c. Exchange Service Dial Tone Line and Local Usage Option Rate Schedule

RESIDENCE	Monthly Rate
Dial Tone Line[1]	
Individual (Cells 1, 2, 3 or 4)	$10.08

[1] The Residence Dial Tone Line (DTL) monthly rate includes the Touch Tone Service feature. For each residence DTL(s) not equipped with Touch Tone service (rotary service) as of the effective date of this Product Guide (May 1, 1997), a DTL monthly rate reduction of $.93 will apply per DTL. This reduction will apply as long as such DTL(s) remain equipped as rotary service or until the DTL(s) is disconnected or moved to another location. Any DTL(s) added to an existing customers service or new DTL service as of the effective date of this Product Guide (May 1, 1997) will not receive the DTL monthly rate reduction of $.93. The DTL Customer of Record is responsible for the installation, maintenance and compatibility of any and all customer provided equipment (CPE) associated with the residence DTL(s).

RESIDENCE EXCHANGE SERVICE

D. RATES (Cont'd)

1. EXCHANGE SERVICE RATE COMPONENTS (Cont'd)

c. Exchange Service Dial Tone Line and Local Usage Option Rate Schedule (Cont'd)

By Weighted Line Rate Group Usage Packages (1)	Monthly Rate A	D	F	Suburban	City
Extended Area Unlimited Option [2]	$6.00	$7.45	$9.20	N/A	N/A
Local Area Unlimited Option	3.82	5.22	6.87	6.87	8.87
Local Area Standard Usage Option	2.62	2.62	2.62	2.62	2.62
Budget Usage Option	-	-	-	-	-
Metropolitan Area Unlimited [2]	36.50	36.50	36.50	26.00	21.00
Metropolitan Area Unlimited Plus [2]	40.00	40.00	40.00	N/A	N/A

Hometown-Plus Usage Option [2]	Monthly Rate
- Home Exchange plus one Toll Exchange	$5.50
- Home Exchange plus two Toll Exchanges	7.65
- Home Exchange plus one Local and one Toll Exchange	7.65

	Monthly Allowance
Budget Usage Option	$0.25
Local Area Standard Usage Option	4.00

NOTE:

(1) Available as specified in B.2. preceding.

[2] Effective June 17, 2013, Extended Area Unlimited Option, Hometown-Plus Usage Option, Metropolitan Area Unlimited and Metropolitan Area Unlimited Plus are grandfathered and no longer available to new customers. Extended Area Unlimited Option, Hometown-Plus Usage Option, Metropolitan Area Unlimited and Metropolitan Area Unlimited Plus are still available for resale until February 15, 2014, on which date the foregoing terms shall be effective for resale.

RESIDENCE EXCHANGE SERVICE

D. RATES (Cont'd)

1. EXCHANGE SERVICE RATE COMPONENTS (Cont'd)

d. Additional Monthly Surcharge Rate Per Dial Tone Line, **SoundDeal** Service Plan, Local and Toll Package, all Local Service Package Plans or equivalent exchange access facility.

Exchange	Monthly Rate
Millheim	$ 2.00

RESIDENCE EXCHANGE SERVICE

D. RATES (Cont'd)

1. EXCHANGE SERVICE RATE COMPONENTS (Cont'd)

e. Optional Detailed Billing Rates

	Product Service Charge	Per Message Detail Rates	USOC
Individual Line Residence Customers			
Initial establishment of this service or re-establishment of this service at a different premises	$40.00	$.02	OMD
1st Dial Tone Line - Residence	40.00	.02	OMD
Additional Lines - Residence	6.00	.02	OMD
Adding this service to additional lines after this service has been established			
1st Dial Tone Line - Residence	40.00	.02	OMD
Additional Lines - Residence	6.00	.02	OMD

2. MEASURED USE CHARGES

a. Measured use is accumulated, based upon the rates shown following, for each completed call to points within the Measured Local Calling Area. Charges are applicable to local messages placed on a Dial Station-to-Station basis.

b. Accumulations are based upon the day of the week and the time of day that each message begins as shown in 3. following.

c. The time when connection is established, determined in accordance with the time - standard or daylight saving - determines the rate application period.

d. Measured local use rates accumulate on a monthly basis by rate application periods commencing on the billing date of the exchange designation.

e. Measured local use rates do not apply to messages placed to official numbers located on Telephone Company premises within the local calling area that the general public calls to transact Telephone Company business.

f. Measured local use rates do not apply to calls for Directory Assistance or calls for Verification.

RESIDENCE EXCHANGE SERVICE

D. RATES (Cont'd)

3. RATES AND DISCOUNT PERIOD

a. Dial Station-To-Station Calls - Metro Call Band 1

The rate and discount period for dialed local messages originated by Residence customers is as follows:

Weekday Rate - applies to directly dialed local messages placed, Monday through Friday, 8:00 a.m.* to 10:00 p.m.*.

The rate is $.07 per message

Night and Weekend Rate - applies to directly dialed local messages placed Monday through Friday, 10:00 p.m.* to 8:00 a.m.* and all day Saturday and Sunday

The rate is $.028 per message.

b. Dial Station-To-Station Calls - Metro Call Bands 2-6 ⊗

Metro Call Band	DAY Initial Minute	DAY Additional Minute	EVENING (OFF-PEAK) Initial Minute	EVENING (OFF-PEAK) Additional Minute	NIGHT and WEEKEND Initial Minute	NIGHT and WEEKEND Additional Minute
2	$.09	$.03	$.05	$.02	$.03	$.01
3	.12	.04	.07	.03	.04	.01
4	.15	.06	.09	.04	.05	.02
5	.18	.07	.11	.04	.05	.02
6	.21	.08	.12	.05	.06	.02

DAY RATE - applies to directly dialed station-to-station calls placed Monday through Friday, 8:00 a.m.* to 5:00 p.m.*.

EVENING RATE - applies to directly dialed station-to-station calls placed Monday through Friday, 5:00 p.m.* to 10:00 p.m.*.

NIGHT AND WEEKEND RATE - applies to directly dialed station-to-station calls place Monday through Friday, 10:00 p.m.* to 8:00 a.m.*, and all day Saturday and Sunday.

* The time shown indicates the termination of one rate application period and the beginning of the "next". Calls connected at exactly the time shown are considered in the "next" period.

⊗ Flexibly Priced.

RESIDENCE EXCHANGE SERVICE

E. UNLIMITED USAGE PACKAGE LOCAL CALLING AREAS

The Unlimited Usage Package local calling areas for the Pennsylvania Exchange Areas are shown preceding. Where more than one Unlimited Usage Package Option is available, the local calling area for each option is shown. Where only one local calling area is shown for an exchange, the local calling area shown is for the Local Area Unlimited Usage Package Option.

Service is on an unlimited basis for Unlimited Usage Package customers in their local calling areas. For Budget and Standard customers, the measured use rates, shown in C.3 preceding, apply to all completed outgoing calls made to points within the Measured Local Calling area. Stations bearing the central office designations of all exchanges and zones as covered in the Local Area Unlimited Usage Package calling area constitute the Measured Local Calling area.

For Hometown-Plus Usage Option customers, service is on a mixed unlimited and measured local use basis. It is on an unlimited basis for outgoing calls within the Home Exchange and other selected exchanges; it is on a measured local use basis for outgoing calls to non-selected exchanges in the customer's Measured Local Calling Area.