# TYPES OF RATES AND CHARGES

## A. GENERAL

There are three types of rates and charges. These are monthly rates, daily rates and nonrecurring charges. Daily rates are described in more detail in Part C.

Competitive Counties are defined in Part 0, Section 3 and the wire centers within such counties are listed in Part 0, Section 8. In Competitive County wire centers, monthly rates and nonrecurring charges for Special Access rate elements are arranged in price bands. The price band for each Competitive County serving wire center is specified in Part 0, Section 8.

For DSR, Express Connect, IEF Service, Packet Services, and Verizon Optical Networking, Price Band rates and charges apply regardless of whether the county is Competitive or Non-Competitive. (N) | (N)

Price Band rates and charges apply regardless of whether the county is Competitive or Non-Competitive for Interexchange Carrier Point of Presence Channel Terminations, Channel Mileage and certain Optional Features and Functions ordered for such Interexchange Carrier Point of Presence Channel Terminations, including Multiplexing. In cases where Channel Mileage crosses price bands, the charge for the higher numbered price band applies.

Price Band rates and charges apply for End User Channel Terminations served by wire centers in Competitive Counties as listed in Part 0 Section 8 and for certain Optional Features and Functions ordered for such End User Channel Terminations (e.g., Bridging). Price Cap rates and charges apply for Non-Competitive End User Channel Terminations and for certain associated optional features and functions ordered for such Non-Competitive End User Channel Terminations as specified in Company's FCC Tariffs.

The three types of rates and charges are described as follows:

### 1. Monthly Rates

Monthly rates are flat recurring rates that apply each month or fraction thereof that a Special Access Service is provided. For billing purposes, each month is considered to have 30 days.

When a Customer's designated premises is served by a serving wire center located in a state other the state in which the Customer's designated premises is located, the rates for Special Access Services for such Customer shall be the Special Access Service rates then in effect for the serving wire center from which the Customer is served.

#### a. Channel Termination Monthly Rates

For Region 1 and Region 11, the channel termination rate structure for DS3 High Capacity Services differs based upon whether or not the channel termination is at a Primary or Secondary Premises. A Primary Premises is a Customer designated premises where a DS3 High Capacity Service circuit/channel is either originated or terminated. Only one end of the channel can be a Primary Premises. A Secondary Premises is any Customer-designated premises other than the Primary Premises.

TYPES OF RATES AND CHARGES

A. GENERAL (Cont'd)

1. Monthly Rates (Cont'd)

a. Channel Termination Monthly Rates (Cont'd)

If one end of a DS3 High Capacity Service channel is either connected to or derived from a higher speed facility, the Customer location with the DS3 High Capacity channel termination is classified as a Secondary Premises. An alternately routed channel termination will have the same classification (primary or secondary) as the associated DS3 High Capacity Service channel termination.

Monthly rates for DS3 High Capacity Services channel terminations at a primary premises apply on a tapered schedule. The rate to be billed for each channel termination is based on a count of the total eligible Switched and Special Access channel terminations that are in service and in billing at the end of the bill period, whether provided on a month-to-month basis, under one or more term pricing plans, or a combination of both.

The following Switched and Special Access channel termination rate elements are eligible for inclusion in the Company's monthly count for the operating territories of Region 1:

- DS3 High Capacity Special Access Services channel terminations (electrical) at a primary premises as described and rated under Part E; and
- DS3 Switched Access Entrance Facilities channel terminations (electrical or optical) (as described in The Verizon Telephone Companies Tariff FCC No. 1, Section 6.8.1).

The following Switched and Special Access channel termination rate elements are eligible for inclusion in the Company's monthly count for the operating territories of Region 11:

- 44.736 Mbps High Capacity Special Access Service standard channel terminations (electrical and optical) at a primary premises as described and rated under Part E; and
- DS3 Switched Access Entrance Facilities standard channel terminations (electrical) in Massachusetts and New York (as described in The Verizon Telephone Companies Tariff FCC No. 11, Section 6.7.1(A).

TYPES OF RATES AND CHARGES

A. GENERAL (Cont'd)
1. Monthly Rates (Cont'd)
a. Channel Termination Monthly Rates (Cont'd)

Before the first billing period of each month, and individually for (i) Region 1, and (ii) Region 11, the Company will count all eligible DS3 High Capacity Special Access Services that are in service at a primary premises. The Company will then count all eligible DS3 Switched Access Entrance Facility channel terminations that are in service at that location as specified in Section 6 of The Verizon Telephone Companies Tariff FCC Nos. 1 and 11. The results are added to obtain the total count for a particular Customer designated premises and determines the applicable rate band. This step is repeated for each Customer designated premises.

When a High Capacity Special Access facility carries both Special Access and Switched Access Service under a shared use arrangement as set forth in Part 0, Section 11, each channel termination will be counted as Special Access. (D)

(D)

The rate band determined by the last count taken shall be used to calculate all charges incurred by and credits due to the Customer for DS3 High Capacity Special Access Services channel terminations established or discontinued during the preceding billing period. The count will not be adjusted for any reason for service order activity occurring after the count is made, including services that were installed prior to the count but were not in billing when the count was taken.

A secondary premises channel termination monthly rate applies to channel terminations at secondary premises locations.

TYPES OF RATES AND CHARGES

A. GENERAL (Cont'd)

2. Nonrecurring Charges

Nonrecurring charges are one-time charges that apply for specific work activity (i.e., installation or change to an existing service). The types of nonrecurring charges that apply for Special Access Service are: installation of service, installation of optional features and functions, service changes, and service rearrangements.

The nonrecurring charge rate structure applicable to the installation of access service may consist of "first" and "additional" charges. For each rate element ordered, the "first" charges apply to the first rate element (e.g., port or channel termination) specified on the service order. The "additional" charges will apply to each additional same-type rate element specified on the same service order, with the same date due, and at or between (A) the same end points, or (B) between or within the same-type multiplexed high capacity systems located in the same wire center and at or between the same end points, provided the service and operating characteristics (e.g., bridging) are identical to the initial service ordered.

For DS3 High Capacity Systems in the operating territories of Region 16, a nonrecurring charge applies for the first Circuit Termination ordered by the Customer, and a separate nonrecurring charge will apply to each additional Circuit Termination to be installed within the same three or twelve capacity system between the same Customer locations.

TYPES OF RATES AND CHARGES

A. GENERAL (Cont'd)

2. Nonrecurring Charges (Cont'd)

a. Installation of Optional Features and Functions

Separate nonrecurring charges apply for the installation of some of the optional features and functions available with Special Access Service.

b. Service Changes

Service changes are changes to existing (installed) services which do not result in either a change in the minimum period requirements as set forth in Part 0, Section 9 (e.g., change from one type of Special Access Service to another or a change from one type of channel termination to another) or a change in the physical location of the point of termination at a Customer designated premises. Changes in the type of service (e.g., type of service termination), or in the type of High Capacity multiplexer (e.g., DS1 to Voice to DS1 to Digital) are treated as disconnects and installations of new service. Changes in the physical location of the point of the termination at the Customer premises are treated as moves and are described and charged for as set forth in Part 0, Section 10. Certain changes in the physical location of the point of termination in a wire center are treated as rearrangements and are described and charged for as set forth in Sections A3g through i following.

Administrative changes, as follow, will be made without charge(s) to the Customer:

- Change of Customer name (i.e., the customer of record does not change but rather the Customer of record changes its name -- e.g., ABC-Long Lines to ABC Communications)
- Change of Customer or Customer's End User premises address when the change of address is not a result of a physical relocation of equipment
- Change in billing data (name, address, or contact name or telephone number)
- Change of agency authorization
- Change of billing account number
- Change of Customer test line number
- Change of Customer or Customer's End User contact name or telephone number
- Change of jurisdiction
- Change of Customer-designated circuit identification at Customer's request

TYPES OF RATES AND CHARGES

A. GENERAL (Cont'd)

2. Nonrecurring Charges (Cont'd)

c. Chargeable Service Changes

All other service changes will be charged for as follows or as specified under the Application of Rates and Charges sections of the particular service being changed:

- If the change involves the addition of another leg to an existing multipoint service, the nonrecurring change charge for the channel termination rate element will apply. The charge will apply only for the leg that is being added.
- If the change involves the addition of an optional feature or function which has a separate nonrecurring charge, that nonrecurring charge will apply.
- In Region 14 and Region 16, if the change involves only changing the type of network interface, with no change in facility, the installation charge associated with each service receiving a network interface change will apply.
- In Region 14 and Region 16, if the change involves changing a two-wire service to a four-wire service or vice versa, the installation charge for each location changed will apply.
- For all other changes, including the addition of optional features without separate nonrecurring charges, a charge equal to a channel termination/SAL rate element first nonrecurring charge will apply. Only one such charge will apply per service, per charge.

TYPES OF RATES AND CHARGES

A. GENERAL (Cont'd)

2. Nonrecurring Charges (Cont'd)

d. Service Rearrangements

(Region 1)

Rearrangement charges apply on a per-termination basis for the following service rearrangements:

- rearranging an existing subtending service from one port to another in the same multiplexer;
- rearranging an existing subtending service from one multiplexer to another like multiplexer in the same wire center;
- rearranging an existing service into a high capacity service multiplexer in the same wire center;
- rearranging an existing service into IntelliMux® Service, in the same wire center;
- rearranging an existing service to a Collocated Interconnection Cross-Connect Service or SPOT Bay Frame and Terminations in the same wire center;
- rearranging a Collocated Interconnection Cross-Connect Service or SPOT Bay Frame and Terminations to a full point-to-point Special Access Service in the same wire center; and
- rearranging an existing service from a facility of one service provider to a like facility of another service provider in the same wire center, even when a change in the Customer of record is necessary.

When services are rearranged as described above, the "Additional" level of price for the Rearrangement Charges may apply to all such rearranged services beyond the first without regard to their end-point locations, so long as they are all of the same service type, have the same date due, and are all being rearranged to the same multiplexer or IntelliMux® Service as the service which is incurring the associated "First" Rearrangement Charge.

When a service is rearranged, existing multiplexed services, if any, subtending the rearranged service will be treated as administrative changes unless the Customer changes service type. If the service type changes, a charge equal to the nonrecurring (i.e., installation) charge for the new type of service channel termination rate element will apply.

TYPES OF RATES AND CHARGES

A. GENERAL (Cont'd)

2. Nonrecurring Charges (Cont'd)

d. Service Rearrangements (Cont'd)

(Region 11)

Service Rearrangements will be charged for as specified under the Application of Rates and Charges sections of the particular service being rearranged or as follows:

- For all other changes (besides the rearrangement charges specified under the particular service sections), including the addition of optional features, multiplexing arrangements without separate nonrecurring charges, a charge equal to a channel termination rate element nonrecurring charge. Only one such charge will apply per service, per change.

TYPES OF RATES AND CHARGES

A. GENERAL (Cont'd)

2. Nonrecurring Charges (Cont'd)

. Service Rearrangements (Cont'd)

(Region 14 and Region 16 only)

- If the change involves the addition of another termination to an existing two-point or multipoint service, installation charges for each location added will apply.
- If the change involves the addition of an optional feature or multiplexing arrangement, the installation charge associated with the optional feature or multiplexing arrangement will apply. When the optional feature or arrangement has no associated nonrecurring charge, one circuit termination nonrecurring charge for the type of service involved (i.e., voice grade circuit termination, DDS circuit termination, etc.) will be applied to the order.
- If the change involves only changing the type of network interface, with no change in facility, the installation charge associated with each service receiving a network interface change will apply.
- If the change involves changing a two-wire service to a four-wire service or vice versa, the installation charge for each location changed will apply.
- If the change involves rearranging an existing subtending service from one port to another in the same multiplexer; or
- If the change involves rearranging an existing subtending service from one multiplexer to another like multiplexer in the same wire center; or
- If the change involves rearranging an existing service into a high capacity service multiplexer in the same wire center; or
- If the change involves rearranging an existing service to a Special Access Cross Connect for Expanded Interconnection Service in the same wire center; or
- If the change involves rearranging a Special Access Cross Connect for Expanded Interconnection Service to a full point-to-point Special Access Service in the same wire center; or
- If the change involves rearranging an existing service from a facility of one service provider to a like facility of another service provider in the same wire center, even when a change in the Customer of record is necessary, then a Rearrangement Charge will apply on a per termination basis.

TYPES OF RATES AND CHARGES

B. RATE CATEGORIES

The following basic rate categories apply to Special Access Service:

- Channel/Circuit Terminations, including WATS Access Connections (**WACs**) (described in Section B1 following)
- Channel/Circuit Mileage (described in Section B2 following)
- Optional Features and Functions (described in Section B3 following)
- Special Access Line (described in Section B4 following)
- Special Transport (described in B5 following)
- Surcharge (described in Part 0, Section 4)
- Message Station Equipment Recovery Charge (described in Part 0, Section 4)

Additionally, ports, nodes and riders as set forth in Part L apply for Special Access connected to Company provided Integrated Optical Service, point to point SONET service, or dedicated SONET ring service. (C)

1. Channel Termination – Region 1, Region 11, and Circuit Termination - Region 16

Included as part of the standard Channel Termination, is a standard channel interface arrangement which defines the technical characteristics associated with the type of facilities to which the access service is to be connected at the Point of Termination (**POT**) and the type of signaling capability, if any. The signaling capability itself is provided as either an optional feature as set forth in Section B3 following.

a. The Channel Termination rate category provides for the communications path between a Customer designated premises and the serving wire center of that premises. The signaling capability itself is provided as an optional feature as set forth in Section B3 following. One Channel Termination charge applies per Customer designated premises at which the channel is terminated. This charge will apply even if the Customer designated premises and the serving wire center are collocated in a Company building, unless a Region 11 Customer establishes an Expanded Interconnection multiplexing node or virtual collocation arrangement, in which case rates and charges set forth in The Verizon Telephone Companies Tariff FCC No. 11 will apply. For WATS Access Line Service in the operating territories of Region 1, the WATS Serving Office (**WSO**) is never considered a Customer premises.

A Channel Termination charge does not apply to High Capacity or Enterprise Services utilizing an Expanded Interconnection multiplexing node or virtual collocation arrangement.

The Channel Termination rate category may also be employed to provide for connections to other service offerings.

TYPES OF RATES AND CHARGES

B. RATE CATEGORIES (Cont'd)

2. Channel Mileage - Region 1, Region 11 and Circuit Mileage - Region 16

The Channel/Circuit Mileage rate category provides for the transmission facilities:

- between the serving wire centers associated with two Customer designated premises
- between a serving wire center associated with a Customer designated premises and a Company Hub
- between a serving wire center and a wire center where connection to an advanced data service occurs
- between two Company Hubs*
- between the serving wire center associated with a Customer designated premises and an Expanded Interconnection multiplexing node or virtual collocation arrangement
- between a serving wire center associated with an end user premises and a WATS Serving Office (**WSO**), a Network Controller location or a Company Hub*
- between an IDSR or DSR central office node or IBT multiplexing node and a Company Intermediate or Super-Intermediate Hub for the purpose of interconnecting two multiplexed facilities
- between two groomed facilities
- between an IDSR or DSR central office node or IBT multiplexing node and a multiplexed or groomed facility with a channel of lesser capacity
- between an IBT Multiplexing node and a multiplexed or groomed NES facility with a lesser channel capacity
- between an Expanded Interconnection multiplexing node or a virtual collocation arrangement and a Company multiplexing Hub, grooming Hub or Frame Relay Service Hub; or, except when Frame Relay Service provides the transport between the Hubs.

A serving wire center associated with a Customer's designated premises may be either the wire center from which the Customer would normally obtain dial tone or an alternate serving wire center. Channel Mileage rates are comprised of a fixed rate element and a per mile rate element.

Channel mileage rates and a nonrecurring charge (ThruPath Connection Charge) apply for each lesser capacity channel arranged between the two multiplexed or groomed facilities, or between the multiplexed or groomed facility and the IDSR or DSR central office node or IBT multiplexing node**, as applicable. The channel mileage charge applies whether the two nodes and/or Hubs involved are within the same wire center or are within different wire centers.

* Includes connection to or between locations where point to point SONET service multiplexing capability occurs. Point to point SONET service is provided under contract.

** An IDSR, DSR, or IBT service that utilizes asymmetrical port combinations may not be associated with ThruPath connections.

TYPES OF RATES AND CHARGES

B. RATE CATEGORIES (Cont'd)

3. Optional Features and Functions

The Optional Features and Functions rate category provides for optional features and functions which may be added to a service to improve its quality or utility to meet specific communications requirements. These are not necessarily identifiable with specific equipment, but rather represent the end result in terms of performance characteristics which may be obtained. These characteristics may be obtained by using various combinations of equipment. Although the equipment necessary to perform a specified function may be installed at various locations along the path of the service, they will be charged as a single rate element.

Examples of Optional Features and Functions that are available include, but are not limited to, the following:

- Signaling Capability
- Hubbing Functions
- Conditioning

A Hub is a Company designated serving wire center which may perform bridging, multiplexing, and/or IntelliMux® reconfiguration functions. The bridging functions performed are to connect three or more Customer designated premises in a multipoint arrangement. The multiplexing functions are to channelize analog or digital facilities to individual services requiring a lower capacity or bandwidth. IntelliMux® Service allows the Customer the capability to reconfigure their special access services.

TYPES OF RATES AND CHARGES

B. RATE CATEGORIES (Cont'd)

4. Special Access Line – Region 14

a. A Special Access Line provides the transmission facilities to a CDL or the facilities between a CDL and the serving wire center. This rate element varies by type of capability (i.e., analog or digital) and type of facility (e.g., Voiceband, Digital Data Service, etc.).

SAL rates for DS3 offerings vary with the level of capacity, number of services and whether the interface provided is electrical or optical.

In the operating territories of Region 14, the selection of a Terminating Option, as defined in the following paragraph, is required for terminating the network portion of a Special Access Line at a CDL. Terminating Options provide a clearly delineated interface which facilitates the design, isolation, and testing of the Special Access. For DS3 Special Access, the Customer may specify either an electrical or optical interface as set forth in Part 0, Section 5B.

In the operating territories of Region 14, Terminating Options provide a clearly delineated interface between Company and Customer facilities at the point of termination at the CDL. Terminating Options facilitate the design, isolation, and testing of the Special Access. The description of each Terminating Option defines the most effective use of the Terminating Option. Where such application is harmful to the network, the Company cannot guarantee technical performance for other than the applications stated below. Terminating Options are nonchargeable.

One Special Access Line charge applies per CDL at which the facility is terminated. This charge applies even if the facilities to the CDL do not transit a serving wire center; this charge also applies if the CDL and the serving wire center are co-located in a Company building.

TYPES OF RATES AND CHARGES

B. RATE CATEGORIES (Cont'd)

5. Special Transport - Region 14

a. Special Transport contains two rate elements, Special Transport Termination and Special Transport Facility. Special Transport Termination rates apply for the termination of each end of the interoffice facility. Special Transport Facility rates apply for each airline mile of the interoffice facility.

The Special Transport rate element provides for DS1 and DS3 transmission facilities between the serving wire centers associated with two CDLs, between a serving wire center associated with an end user's CDL and a WATS Serving Office, between a serving wire center associated with a CDL and a Company Hub Wire Center, between two Company Hub Wire Centers or between a serving wire center associated with a CDL and a serving wire center where connection to Company provided frame relay services and ATM-cell relay services occurs.

The Special Transport element is distance sensitive, except for MetroLAN, and varies with type of capability (i.e., analog or digital) and type of facility (e.g., Voiceband, Digital Data Service, etc.). Special Transport may be provided by more than one telephone company. The method of calculating applicable airline miles for rating purposes for Special Access is specified in Part 0, Section 7C. (D)

(D)
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(D)

TYPES OF RATES AND CHARGES

C. MILEAGE MEASUREMENT

The mileage to be used to determine the monthly rate for the Channel Mileage* is calculated on the airline distance between the locations involved, i.e.:

- the serving wire centers associated with two Customer designated premises, except as set forth in Part 0, Section 2D6;
- a serving wire center associated with a Customer designated premises and a Network Controller location or a Company Hub**;
- a serving wire center associated with a Customer designated premises and a Collocation arrangement;
- a Collocation arrangement and a Company Hub** where multiplexing functions are performed;
- a serving wire center associated with a Customer designated premises and a WATS Serving Office;
- two Company Hubs**

The serving wire center associated with a Customer designated premises is the serving wire center from which the Customer designated premises would normally obtain dial tone unless Alternate Serving Wire Center is also provided.

Except as specified otherwise, there are two rates that apply per band, i.e., a fixed rate per band and a rate per mile. To determine the rate to be billed, first compute the mileage using the V&H coordinates method, as set forth in the NECA 4, then find the band into which the computed mileage falls and apply the rates shown for that band. When the calculation results in a fraction of a mile, always round up to the next whole mile before determining the mileage band and applying the rates. Where the calculated value is zero, no mileage is charged. To determine the price band for the channel mileage rate element when the wire centers involved are located within different price bands, refer to Part 0, Section 8.

When Hubs are involved, mileage is computed and rates applied separately for each section of the Channel Mileage, i.e., Customer designated premises serving wire center to Hub, Hub to Hub and/or Hub to Customer designated premises serving wire center, Collocation arrangement (physical or virtual).

Certain material previously found on this page can now be found on Original Page 16.

* Depending on the operating territory, Channel Mileage may also be referred to as Circuit Mileage or Special Transport.

** Refer to Part 0, Section 12 for more information on Hubs.

TYPES OF RATES AND CHARGES

C. MILEAGE MEASUREMENT (Cont'd)

However, when any service is routed through a Hub for purposes other than Customer specified bridging, multiplexing, grooming, Enterprise Network Reconfiguration Service or Frame Relay Service, or for either IntelliMux® Service or Enterprise Service (e.g., the Company chooses to so route for test access purposes), rates will be applied only to the distance calculated between the serving wire centers associated with the Customer designated premises. (M)

When more than one telephone company is involved in the provision of Special Access Service, the mileage for the per mile component of Channel Mileage for each telephone company is calculated as set forth in Part 0, Section 2D6. (M)

Mileage also applies between DSR nodes, subject to the terms and conditions set forth in Part K Section 4. (N)

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