

## Service Quality Standards and Processes

### 1. Introduction

This Agreement contains provisions which are applicable to Local Services, Network Elements, including Ancillary Functions and features, and **Combinations**, access to GTE's poles, conduits and rights of way, and Interconnection Services, and shall apply on a national and/or an individual state basis, as herein specified or as otherwise established by agreement of the parties or by the context in which a quality standard, process or measurement is applied. The service quality standards, processes and procedures, including Direct Measures of Quality (DMOQs), set forth in this Attachment shall apply to GTE's provision and performance of services, systems, processes and related activity under this Agreement, and are in addition to and not in place of or satisfaction of specific performance standards or obligations imposed on GTE elsewhere in this Agreement or in other Attachments to this Agreement. To the extent indicated in this Attachment, related performance obligations are imposed on AT&T, and the indicated service quality standards, processes and procedures shall apply to AT&T's performance of said obligations.

**[ Combinations ]**

- 1.1. Pursuant to Section 10 of this Agreement, Appendix 1 of this Attachment 12 sets forth the service standards, measurements and performance criteria, applicable to Local Services, and Network Elements (including Ancillary functions and features) and **Combinations** provided under this Agreement, and the liquidated damages, payments, or credits to be paid, or other remedies to apply in the event that specified failures of performance occur.

**[ Combinations ]**

- 1.2 The Parties recognize that this Agreement will establish new business processes. The Parties also expect that experience will show whether new measurements are needed or whether existing measurements are not needed. Either Party, therefore, may request the addition, deletion or modification of the measures set forth in the Appendices to this Attachment. In the event that the Parties cannot agree on such addition, deletion or modification, then the Party seeking the addition, deletion or modification may initiate the Dispute Resolution process prescribed in Attachment 1 to this Agreement.

1.3. GTE shall provide services to AT&T that have substantially the same characteristics of timeliness and performance as GTE provides to itself, its affiliates (hereinafter referred to as "GTE's actual performance"). GTE's service performance, as defined by the designated comparable measures, shall be no worse than or no less than the specific performance threshold of GTE's actual performance for the equivalent service, subject to the definitions contained within this Attachment 12. AT&T shall provide performance as defined by the designated comparable measures at no less than the specific performance thresholds contained within this Attachment 12. The calculation of those performance thresholds will be based on a three (3) month rolling average of actual performance unless otherwise specified. Liquidated damages will apply when a Party's performance is worse than the specified performance threshold as described in this Attachment 12.

#### 1.4 Average Non-Recurring Charges

The Average Non-Recurring Charge is the sum of all non-recurring charges applied to service orders issued by AT&T to GTE divided by the total number of AT&T orders issued to GTE. These calculations will be made by service activity and service category, Business (Single/Multi-Line, Centrex, PBX Trunks), Residence, LINK, and ISDN. The Average Non-Recurring Charge will be separately calculated for field work and non-field work orders. These Averages and a weighting factor for field and non-field work will be calculated during a study period to be mutually agreed between the Parties. The initial average non-recurring charge calculation will occur within three (3) months of AT&T's initial issuance of orders. The average non-recurring charge shall be recalculated when there is a non-recurring charge rate change, and annually as part of the Interconnection Agreement Annual Review.

#### 1.5. Average Recurring Charges

The Average Recurring Charge is the sum of all recurring charges applied to service orders issued by AT&T to GTE divided by the total number of AT&T orders. These Averages will be calculated during a study period to be mutually agreed between the Parties. These calculations will be made by service activity and service category, Business (Single/Multi-Line, Centrex, PBX, Trunks), Residence, LINK and ISDN. The initial average recurring charge calculation will occur within three (3) months of AT&T's initial issuance of orders. The average recurring charge shall be recalculated when there is a recurring charge rate change, and annually as part of the Interconnection Agreement Annual Review.

1.6 DMOQs are categorized by the Parties as:

CATEGORY 1;  
CATEGORY 2; or  
CATEGORY 3.

Category 1: Those primary Performance Measures which the Parties agree must be delivered at performance threshold either by state or at a national level or as specified per measure. These DMOQs will carry financial incentives in the form of debits or credits to a Party's bill when a current month's performance is worse than the performance threshold. In addition, gap closure plan incentives will apply to Category 1. (Example: Due Date Commitments Met).

Category 2: Those secondary Performance Measures which are indicators of predicted performance and which the Parties agree must be delivered at or above the performance threshold either at a national level by state as specified in Appendix 2 of Attachment 12. While financial incentives do not apply to these Category 2 DMOQs, gap closure plan financial incentives will apply. (Example: Repair Ticket Closures).

Category 3: Those DMOQs which the Parties may determine to be necessary and appropriate, but which require additional evaluation to permit that determination. The Implementation Team established under this Attachment will review and consider each such Category 3 DMOQ to make the aforementioned determination. If the Implementation Team determines that a Category 3 DMOQ is necessary and appropriate, it will reclassify the DMOQ in question as Category 1 or Category 2.

- 1.7 The Parties' agreement to these standards, processes and procedures does not waive or limit the rights of either Party to initiate the Dispute Resolution processes provided in Attachment 1 to this Agreement, nor to initiate or pursue other administrative, judicial or arbitration proceedings to enforce rights or obligations under this Agreement or under governing law.
- 1.8 The service standards, processes and procedures set forth in this Attachment shall not relieve the Parties of any obligations otherwise imposed by the Telecommunications Act of 1996, by the rules, regulations and guidelines duly promulgated thereunder, or by other applicable state or federal law, nor constitute a waiver by the Parties of any rights relating to such obligations.
- 1.9 As used in this Attachment, Contract Month means a calendar month during the term of this Agreement. Contract Month 1 shall commence on the first day of the first full calendar month following the Effective Date. However, if the

Effective Date is on the first day of a Calendar Month, that month will be Contract Month 1.

## **2. Service Quality**

- 2.1 The Parties recognize that this Agreement will establish new business processes. Except for terms and conditions set forth in state specific provisions contained in this Attachment 12 and the procedures and processes developed to address such provisions, it is the objective of the Parties that the terms and conditions of this Attachment 12 as well as the processes and procedures developed under this Attachment 12, shall be interpreted, implemented and applied evenly on a national basis in all applicable circumstances, subject to individual state requirements. The Parties also expect that experience will show whether new measurements are needed or whether existing measurements are not needed. Either Party, therefore, may request the addition, deletion or modification of the measures set forth in the Appendices to this Attachment. The Parties shall work together to resolve such issues promptly and they expect that resolution of such issues shall take into account and reflect industry solutions and experience in addressing similar issues. In the event that the Parties cannot agree on such addition, deletion or modification, then the Party seeking the addition, deletion or modification may initiate the Dispute Resolution process prescribed in Attachment 1 to this Agreement.
- 2.2 DMOQs. GTE will provide Local Service, Network Elements and Ancillary Functions in accordance with the service parity standards and other measurements of quality ("DMOQs") described and agreed to in this Attachment and in the Appendices to this Attachment. In the event that either Party fails to meet an applicable DMOQ, the procedures described in Appendix 1 shall be followed.
- 2.3 Service Guarantees. The credits and waivers described in Appendix 2 are intended to serve as an incentive for the Parties to fulfill certain of their commitments under this Agreement.
- 2.4 AT&T Supplier Performance Quality Management System. As one method of achieving quality and reliability for services ordered from GTE, GTE agrees to implement the AT&T Supplier Performance Quality Management System described in Appendix 3 to this Attachment.

## **3. Deployment**

- 3.1. Deployment Plan. The Deployment Plan is a staged approach to the implementation of processes, procedures and systems required by this

Agreement. The Deployment Plan describes the Parties' attempt to implement a process for attaining performance at or better than the performance threshold.

The Parties agree to implement the provisions of this Agreement in accordance with the Deployment Plan set forth in Appendix 4 to this Attachment. The Parties agree to negotiate, by the end of Contract Month 1, additional requirements which relate to those obligations of the parties in this Agreement that are not addressed in the Deployment Plan.

Thereafter, the Deployment Plan may be revised from time to time to add any additional requirements established by the Parties as part of the implementation process.

### 3.2. Implementation Team.

The Parties understand that the arrangements and provision of services, network elements and ancillary functions described in this Agreement shall require technical and operational coordination between the Parties. The Parties further agree that it is not feasible for this Agreement to set forth each of the applicable and necessary procedures, guidelines, specifications and standards that will promote the Parties' provision of Telecommunications Services to their respective Customers. Accordingly, the Parties agree to form a team (the "Implementation Team") which shall develop and identify those additional processes, guidelines, specifications, standards, terms and conditions necessary for the provision of the services, network elements and ancillary functions, and for the specific implementation of each Party's obligations hereunder, including those described in the Deployment Plan. Within five (5) days after the Effective Date, each Party shall designate, in writing, not more than four (4) persons to be permanent members of the Implementation Team; provided that either Party may include in meetings or activities such technical specialists or other individuals as may be reasonably required to address a specific task, matter or subject. Each Party may replace its representatives on the Implementation Team by delivering written notice thereof to the other Party. Furthermore, the Deployment Plan will describe the Parties' attempt to implement a process for attaining and maintaining service parity.

### 3.3. Operations Plan.

Within one hundred and twenty (120) days after the Effective Date, the Implementation Team shall reach agreements on the items listed in the Deployment Plan, which shall include processes, procedures, and milestones. The agreements reached by the Implementation Team shall be

documented in an operations manual (the "Operations Plan"). The Operations Plan shall include documentation of the various items described in the agreement which are to be agreed upon by the Parties.

### 3.4. Action of Implementation Team.

The Deployment Plan and the Operations Plan may be amended from time to time by the Implementation Team as the team deems appropriate. Unanimous written consent of the permanent members of the Implementation Team shall be required for any action of the Implementation Team. An escalation process will be put in place to support the resolution of disputed issues. If the Implementation Team and the escalation process are unable to resolve the issue, the existing provisions of the Deployment Plan and Operations Plan shall remain in full force and effect.

### 3.5. Further Coordination and Performance.

Except as otherwise agreed upon by the Parties, on a mutually agreed upon day and time once a month during the Term of this Agreement, the Implementation Team shall discuss the performance of the Parties under this Agreement and apply the principles of the AT&T Supplier Performance Quality Management System. At each such monthly session the Parties will discuss: (i) the administration and maintenance of the interconnections and trunk groups provisioned under this Agreement; (ii) the Parties' provisioning of the services, network elements and ancillary functions provided under this Agreement; (iii) the Parties' compliance with the DMOQs set forth in this Agreement and any areas in which such performance may be improved; (iv) any problems that were encountered during the preceding month or anticipated in the upcoming month; (v) the reason underlying any such problem and the effect, if any, that such problem had, has or may have on the performance of the Parties; and (vi) the specific steps taken or proposed to be taken to remedy such problem. In addition to the foregoing, the Parties, through their representatives on the Implementation Team or such other appropriate representatives, will meet to discuss any matters that relate to the performance of this Agreement, as may be requested from time to time by either of the Parties.

### 3.6. Operational Review

3.6.1. Representatives of AT&T and GTE will meet on a quarterly basis, beginning with the end of the first quarter of 1997, to determine that the service cycle of pre-ordering, ordering, provisioning, maintenance and billing categories are addressed, including the following:

a) Interfaces and processes are operational and the agreed upon numbers of AT&T Customers for residential and business Resale Services are successfully completed per day;

b) Interfaces and processes are operational and the agreed upon numbers of orders for Network Elements, and Ancillary Functions and Combinations are successfully completed per day;

**[ Combinations ]**

c) Interfaces and processes are operational and the AT&T orders for unbundled loops are successfully completed per day;

d) All agreed upon performance standards and DMOQs will be reviewed with respect to the Implementation Plan.

3.6.2. If at any quarterly review it is determined that the requirements of this Agreement and the Act are not being met, the Parties may invoke the dispute resolution proceedings provided in Attachment 1 to this Agreement where allowed by applicable regulatory orders.

#### 4. Processes

The Parties agree to implement the following processes as a means to provide a mechanism for addressing the individual requirements of AT&T in a specific state.

4.1. The Bona Fide Request process set forth in Appendix 5 to this Attachment 12 is to be used when AT&T requests customized Service Orders for certain services, features, capabilities or functionality defined and agreed-upon by the Parties as services to be ordered as Bona Fide Requests. The Parties agree to apply effective FCC regulations, the Act, and other applicable law to the determination of whether GTE will offer any Network Elements in addition to those listed in Section 32.9 of the Agreement.

4.2. New Services. AT&T may request from GTE that facilities, features, capabilities, functionality or services that are not already available under this Agreement at the time of such request be provided under this Agreement by delivering a New Services Request to GTE in accordance with the procedures described in Appendix 6 to this Attachment.

## 5. Capacity Planning

- 5.1 The Parties negotiated and included in this Agreement common provisions which are applicable to Local Services, Network Elements, including Ancillary Functions and features, and **Combinations**, access to GTE's poles, conduits and rights of way, and Interconnection Services for all geographic areas in which GTE provides Telecommunications Services on a national basis. However, the Parties recognize that certain provisions, in addition to pricing, must be handled on a state specific basis to address unique local requirements. These items are described below in this Attachment.

**[ Combinations ]**

- 5.1.1 By the end of Contract Month 1, AT&T will provide a forecast of the quantities of Local Services, Network Elements, **Combinations** and Ancillary Functions to be made available to AT&T during Contract Year 1 on a State-wide basis. The Parties shall meet during the last Contract Month of each Contract Year to agree upon the quantities of Local Services, Network Elements, **Combinations** and Ancillary Functions to be made available to AT&T for the next Contract Year. These quantities shall be sufficient to meet AT&T's anticipated requirements as communicated to GTE. If GTE is not able to meet AT&T's forecast requirements at any time during the term of this Agreement, GTE must document to AT&T within fifteen (15) days of receiving AT&T's forecast the reasons why such requirements cannot be met.

**[ Combinations ]**

- 5.2 In addition, AT&T will furnish a per month quarterly forecast of service order volumes, quantities of Local Services, Network Elements, **Combinations** and Ancillary Functions on a State-wide basis. These forecasts will be furnished at least one month before the beginning of the quarter covered by the forecast. These projections will allow GTE to provide sufficient Staff for the projected demand and to secure appropriate inventories to meet AT&T's requirements. In the event that the first month of AT&T's next quarterly forecast is greater than ten (10%) percent of the last month of the current quarter forecast, AT&T will notify GTE promptly of the increased order volume.

**[ Combinations ]**

- 5.3 If AT&T actual order activity for a quarter is ten (10%) percent less than stated in its forecast submission to GTE for that quarter, then financial



incentives as set forth in Appendix 2 will apply. If AT&T actual order activity for a quarter exceeds the level stated in its forecast submission to GTE for that quarter pursuant to Section 5.2 of this Attachment 12, then as to such order activity in excess of forecast levels, the remedies otherwise applicable for missed service order commitments in the Category 1 and Category 2 DMOQs and preparation of Gap Closure Plans shall not apply.

- 5.4 AT&T will provide forecasts as specified in Sections 5.1 and 5.2 on a sub-State basis, provided, however, that AT&T will provide such forecasts only after the Parties have mutually agreed on a definition of "sub-State" and further provided, that no penalties shall apply to sub-State forecasts.
- 5.5 At the meeting to be held during the last Contract Month of each Contract Year, AT&T will provide GTE with a two (2) year rolling forecast of its growth requirements for Ancillary Functions that will be reviewed jointly on a yearly basis.

**Appendix 1  
to  
Attachment 12**

**DMOQs**

**1. General**

The DMOQs in this Appendix are managed as part of the Supplier Performance Quality Management System (SPQMS).

SPQMS requires that when the monthly results do not meet the performance levels described in Appendix 2 to this Attachment, Gap Closure Plans shall be implemented to improve performance. The intent of a Gap Closure Plan is to identify and implement expeditiously those actions necessary to close performance gaps to the acceptable levels of performance established by the Parties under this Agreement and this Attachment. The Parties anticipate that Gap Closure Plans will typically be of six to nine months' duration.

These Gap Closure Plans include:

- evaluation of the opportunity for continuous improvement, systems enhancements and re-engineering;
- forecasted improvement to the desired DMOQ for each issue or initiative;
- evaluation of pertinent changes in periodic results; and
- a date for compliance with AT&T's expected performance.

The Gap Closure Plans will be reviewed monthly, or more frequently as updated data and analysis are available.

**2. Measurements**

The specific measurements which apply to this Agreement are described in Appendix 2. The Parties agree to meet on an annual basis to discuss whether changes should be made to any DMOQs or performance objectives.

**3. Performance Incentives**

- 3.1. If either Party fails to meet an applicable Category 1 or 2 DMOQ for Three (3) Contract Months in a Six (6) Month period, that Party must thereafter submit to the other Party a draft of a Gap Closure Plan within thirty (30) days of receipt of notice that the DMOQ(s) was (were) not met.

- 3.2. If either Party required under Section 3.1 preceding to deliver a draft Gap Closure Plan to the other Party fails or fails within the prescribed time period to do so, then the other Party shall receive a credit or payment of Five Thousand Dollars (\$5,000.00). Said payment or credit shall be made within three (3) business days of the entitled Party's demand therefor.
- 3.3. AT&T and GTE will agree upon an approval date for the Gap Closure Plan within ten (10) days of the delivery of the draft Gap Closure Plan.
- 3.4. The Party subject to the Gap Closure Plan will commence implementation of the Gap Closure Plan on its approval date. If that Party fails to meet its commitments under the Gap Closure Plan, the other Party shall receive a credit or payment, as appropriate, in the sum of up to Fifteen Thousand dollars (\$15,000) payable on demand within three (3) business days, as described in Sections 3.4.1, 3.4.2 and 3.4.3 below.
  - 3.4.1 Payment of Five Thousand Dollars (\$5,000) for failure to implement the process improvements outlined in the plan. The parties may with mutual agreement modify the process improvements in the plan during the life of the plan.
  - 3.4.2 Payment of Five Thousand Dollars (\$5,000) for failure to achieve performance improvements by the completion date of the approved Gap Closure Plan.
  - 3.4.3 Payment of Five Thousand Dollars (\$5,000) for failure to complete the Gap Closure Plan on schedule.
- 3.5 GTE is committed to service parity at the start of AT&T's Local Service operations. Both parties recognize that a sufficient volume of orders must be processed before a DMOQ can exhibit with a degree of confidence that parity does or does not exist.

The Parties agree to a "transition period" where process data will be accumulated and discussed. This information will assist the Implementation Team in their development and implementation of processes.

For national DMOQs, once AT&T's order volume reaches a level of one hundred fifty (150) orders for three (3) consecutive months, a ninety (90) day grace period will begin, with respect to the performance incentives prescribed for each DMOQ under this Attachment. At the end of that ninety (90) day grace period, those performance incentives shall fully apply.

For State DMOQs, once AT&T's order volume reaches a level of one hundred fifty (150) orders for the State for three (3) consecutive months, a ninety (90) day grace period will begin, with respect to the performance incentives prescribed for each DMOQ under this Attachment. At the end of that ninety (90) day grace period, those performance incentives shall fully apply.

- 3.6 The purpose of the payments described above are to serve as an incentive for the Parties to improve their respective performance, not as a substitute for either Party's right to institute dispute resolution processes under Attachment 1 of this Agreement.

**Appendix 2**  
**to**  
**Attachment 12**  
**DMOQ Categories**

1. Category 1 DMOQs
  - 1.1 Table 1 below lists the Category 1 DMOQs for each of the pre-ordering, ordering and provisioning, interconnection, maintenance and repair, forecasting, and billing classifications. For each Category 1 DMOQ classification, column 1 indicates the number of the DMOQ within the classification. Column 2 indicates which Party has the obligation to meet the DMOQ performance measurement, with a "G" indicating a GTE obligation and an "A" indicating an AT&T obligation. Column 3 indicates whether the relevant DMOQ performance measurement data is compiled on a national level ("N"), by state ("S"), or by each occurrence of the DMOQ ("P"). Column 4 contains a description of each DMOQ within each classification. Column 5 describes, for each DMOQ, the performance measurement that applies to the DMOQ. Column 6 shows the remedy that must be paid by the Party that has the obligation to meet the DMOQ if that Party has failed to meet the performance thresholds set forth in column 5.
  - 1.2. The Parties agree to provide performance at or above the performance thresholds for each applicable DMOQ as indicated in Table 1 following. Each Party also agrees to pay to the other Party the remedies applicable to each DMOQ for which it has an obligation to meet the performance thresholds but has failed to do so.

**TABLE 1**  
**CATEGORY 1 DMOQs**

			DESCRIPTION	MEASURE	REMEDY
			<b>Pre-Ordering/Ordering/Provisioning</b>		
1	G	N	Prompt transmission of Customer Service Record ("CSR") Information	85% of CSRs sent to AT&T by the close of business on business day following receipt of request.	5% of Average Non-Recurring Charges incurred by AT&T for the number of CSRs for which the Quality Standard is not met in the reported month.
2	G	N	Prompt transmission of Firm Order Confirmation ("FOC")	85% of FOCs sent to AT&T by the close of business on business day following receipt of request.	20% of Average Non-Recurring Charges incurred by AT&T for the lines ordered for which GTE failed to meet the Quality Standard in the reported month.
3	G	S	Due Date commitments met	Percent of AT&T Customer install, transfer and change service orders for which service is installed by close of business on the committed due date is not more than 2.5 percent below the percent of GTE customer install, transfer and change service orders.	Waiver of the Average Non-Recurring Charges installation charges for the number of lines by which GTE fails to meet the Quality Standard in the

			DESCRIPTION	MEASURE	REMEDY
					reported month.
4	G	S	% Reporting trouble within 30 days of the date installed	Percent of AT&T customer install, transfer and change service orders which are followed by a customer trouble report within 30 days of service order completion date is not more than 2.5 percent worse than the percent GTE customer install, transfer and change service orders which are followed by a customer trouble report within 30 days of service order completion date.	One month's average recurring charge per trouble report exceeding the Quality Standard in the reported month. (not to exceed one credit per customer line per month).
5	A	S	Service Order Discrepancy: LSRs issued without material errors.	80 percent of LSRs initiated by AT&T do not contain an order discrepancy or error. Twelve (12) months after this measurement becomes effective, the metric shall change to 90 percent.	Payment by AT&T to GTE equal to 20% of the average non-recurring installation charges for the number of lines by which AT&T fails to meet the Quality Standard in the reported month.
6	G	N	PIC Changes completed within 72 hours (or at parity with what GTE provides to itself or any other party, which ever is shorter.)	85% of the time the PIC changes will be completed within 72 hours (or at parity with what GTE provides to itself or any other party, which ever is shorter.)	PIC change charge credit for all PIC changes worse than the quality standard.
			Interconnection		
1	G	S	Trunk orders	Percent of trunk orders by AT&T	Waiver of 100% of

			DESCRIPTION	MEASURE	REMEDY
			completed on or before the Committed Due Date.	completed by GTE on or before the commitment date is not more than 10 percent below the percent of feature group B & D switched access orders by all ordering companies completed by GTE on or before the commitment date.	Average Non-Recurring Charges for trunks ordered for which GTE failed to meet the Quality Standard in the reported month.
2	G	N	Firm Order Confirmation (FOC) time delivery	Percent of trunk orders by AT&T completed by GTE on or before the commitment date is not more than 5 percent below the percent of feature group B & D switched access orders by all ordering companies for which GTE sends FOC within 5 days.	Waiver of 20% of Average Non-Recurring installation charges for trunks ordered for which GTE failed to meet the Quality Standard in the reported month.
3	A	N	Service Order Discrepancy: ASRs issued without material errors.	80% of ASRs initiated by AT&T do not contain a material error or result in a discrepancy. Twelve (12) months after this measurement becomes effective, the metric shall change to 90 percent.	Charge equal to 20% of Average Non-Recurring Charges for installation of trunks ordered for which AT&T failed to meet the Quality Standard in the reported month.
4	G	P	Collocation: Conditioning of space provided for Collocation.	The time AT&T's collocated space is not available to AT&T for installation of equipment by the agreed upon due date.	The credit will be calculated by dividing the monthly recurring charge for such collocated space by 30, times the number of days



			DESCRIPTION	MEASURE	REMEDY
					delayed. This penalty does not apply if the delay circumstances are beyond GTE's control.
5	G	P	Collocation: Outage of AT&T Equipment Collocated in GTE space.	The time AT&T's collocated equipment is out of service due to GTE's failure to comply with its obligations under this agreement.	AT&T will receive an outage credit calculated by dividing the monthly recurring charge for such collocated space by 30, times the number of days of outage. This penalty does not apply if the delay circumstances are beyond GTE's control.
6	G	P	Rights of Way (ROW), Conduit and Pole Attachments Availability.	When ROW, Conduit and Pole-Attachments are not available to AT&T by the agreed upon due date.	AT&T will receive a credit in the amount proportionate to the length of the delay. The credit will be calculated by dividing the annual rental charge by 365 times the number of days delayed. This penalty does not apply if the delay circumstances are

			DESCRIPTION	MEASURE	REMEDY
					beyond GTE's control.
			Maintenance/Repair		
1	G	S	Percent commitments met.	Percent of AT&T customer network trouble reports where commitment met was more than 2.5 percent worse than the percent of GTE customer network trouble reports where commitment was met (excluding reports which are cleared CPE, AT&T Customer error).	One month's flat rate average recurring charge per line out of service for which Quality Standard is not met in the reported month.
2	G	S	Average clearing time - out of service - Designed.	Average repair time (total number of elapsed hours/minutes for out of service AT&T Customer network trouble reports divided by total number out of service customer network trouble reports) for AT&T Customers is more than 10 percent more than the average repair time for GTE Customers (includes only "designed" services).	One month's flat rate average recurring charge per line out of service for which Quality Standard is not met in the reported month.
3	G	S	Average clearing time - out of service - non-designed	Average repair time (total number of elapsed hours/minutes for out of service customer network trouble reports divided by total number out of service customer network trouble reports) for AT&T Customers is more than 10 percent more than the average repair time for GTE customers (includes only POTS and circuits which do not require a design).	One month's flat rate average recurring charge per line out of service for which Quality Standard is not met in the reported month.
4	G	S	Percent reports per 100 (failure	Percent of AT&T Customers making trouble reports (total number of	One month's flat rate average

			DESCRIPTION	MEASURE	REMEDY
			frequency)	AT&T Customer network trouble reports divided by the total access lines multiplied by 100) is not worse than 0.5 percentage points than the percent of GTE customers making trouble reports.	recurring charge per line out of service for which Quality Standard is not met in the reported month.
5	G	S	Percent repeat reports in 30 days	Percent of AT&T Customer repeat trouble reports (total number of AT&T Customer network trouble reports which had a previous network trouble report within the last 30 days divided by the total number of customer network trouble reports multiplied by 100) is not more than 2.5 percent worse than the percent of GTE customer repeat trouble reports.	One month's flat rate average recurring charge per line out of service for which Quality Standard is not met in the reported month.
			Forecasting		
1	A	S	Resale requirements accurately forecast.	Volume of AT&T's resale requirements in a month is not greater than 10% below the amount forecast by AT&T in its most recent quarterly forecast (which shall have been made not later than 30 days prior to the quarter in question.)	20 percent of the Average Non-Recurring Charges for the number of service units below the forecast when the actual volume is greater than 10% and less than or equal to 30% under forecast.  40 percent of the Average Non-Recurring Charges for the number of service units below

			DESCRIPTION	MEASURE	REMEDY
					<p>the forecast when the actual volume is greater than 30% and less than or equal to 40% under forecast.</p> <p>50 percent of the Average Non-Recurring Charges for the number of service units below the forecast when the actual volume is over 40% under the forecast.</p>
			Billing		
1	G	N	Advance notification of late billing associated with the wholesale bill.	GTE agrees to develop, within six months of the Effective Date, a Quality Standard for the percent of notifications received by AT&T prior to late billing based upon a mutually agreed upon financially significant threshold. The documentation provided prior to late billing must include: 1) the anticipated bill date and 2) a reasonably accurate estimate of the adjustment or charge.	GTE will credit AT&T's national resale bill by \$5,000 per month for each month in which commitment is not met.
2	G	N	Timeliness: Delivery of mechanized Customer Service Record (CSR) for wholesale billing	GTE agrees to make by March 30, 1997, an initial assessment of its capability to measure the percent of CSRs received within 10 days of the actual bill date. The Implementation Team will determine the appropriate	GTE will credit AT&T's national resale bill by \$5,000 per month for each month in which commitment

			DESCRIPTION	MEASURE	REMEDY
			verification.	percent of CSRs to be delivered on time.	is not met.

### 1.3. Outage Credits

1.3.1 **Local Services and, Network Elements and Combinations:** Outage credits apply to interruptions of Local Services or, Network Elements or **Combinations**, in accordance with applicable state Public Service Commission requirements.

**[ Combinations ]**

1.3.1.1 If a Local Service or, Network Element or **Combination** is interrupted, AT&T will be entitled to outage credits. An interruption period begins when AT&T reports to GTE that a Local Service or, Network **Element or Combination** is interrupted (or GTE has knowledge that an interruption has occurred through service monitoring or other means). An interruption period ends when the Local Service or, Network Element or **Combination** is repaired and returned to AT&T. A Local Service or, Network Element or **Combination** is considered to be interrupted when there has been a loss of continuity, the Local Service or, Network Element or **Combination** does not operate in accordance with the applicable service standards, or it is otherwise unavailable for use by AT&T. This definition is not intended to conflict with state Public Utility Commission requirements.

**[ Combinations ]**

1.3.1.2 The Implementation Team will evaluate if and set the amount of outage credits for unbundled Network Elements **and Combinations** and determine when they should apply.

**[ Combinations ]**

2. Category 2 DMOQs

- 2.1 Table 2 below lists the Category 2 DMOQs for each of the pre-ordering, maintenance, and billing classifications. For each Category 2 DMOQ classification, column 1 indicates the number of the DMOQ within the classification. Column 2 indicates which Party has the obligation to meet the DMOQ performance measurement, with a "G" indicating a GTE obligation and an "A" indicating an AT&T obligation. Column 3 indicates whether the relevant DMOQ performance measurement data is compiled on a national level ("N"), by state ("S"), or by each occurrence of the DMOQ ("P"). Column 4 contains a description of each DMOQ within each classification. Column 5 describes, for each DMOQ, the performance measurement that applies to the DMOQ.
- 2.2 The Parties agree to provide performance at or above the performance thresholds for each applicable DMOQ as indicated in Table 2 following.

TABLE 2  
CATEGORY 2 DMOQs

			DESCRIPTION	MEASURE
			<b>Pre-Ordering/Ordering/Provisioning</b>	
1	G	N	Average speed of answer per inquiry by GTE's call center within 20 seconds.	80% of the time GTE will answer within 20 seconds
			<b>Maintenance</b>	
1	G	S	Average speed of answer per inquiry by GTE's call center within 20 seconds	80% of the time GTE will answer within 20 seconds.
			<b>Billing</b>	
1	G	N	Timeliness: Charges billed in current wholesale billing period for	GTE agrees to make, by March 30, 1997, an initial assessment of its capability to

			flat rated services.	measure the percent of dollar amount due for service orders billed in the current billing period in which the service order was completed and provide such assessment to AT&T so the Parties can agree on and establish performance thresholds.
2	G	N	Timeliness: Charges billed within 90 days for usage charges.	GTE agrees to make, by March 30, 1997, an initial assessment of its capability to measure the percent of dollar amount due for usage charges billed within 90 days from the date the service was rendered and provide such assessment to AT&T so the Parties can agree on and establish performance thresholds.
3	G	N	Accuracy: Financial accuracy of local OCC bills. Financial accuracy is the percent of total net dollars correctly billed.	GTE agrees to make, by March 30, 1997, an initial assessment of its capability to measure the percent of total net dollars accurately billed, excluding bill correcting adjustments resulting from AT&T's inaccurate LSRs, and provide such assessment to AT&T so the Parties can agree on and establish performance thresholds.
4	G	N	Timeliness: Making corrections and adjustments within agreed timeframes.	GTE agrees to make, by March 30, 1997, an initial assessment of its capability to measure the percent of all corrections and adjustments made within agreed timeframes and provide such assessment to AT&T so the Parties can agree on and establish performance threshold.
5	G	N	Customer Usage Data: File Transfer: GTE will initiate and transmit all files error free and without loss of signal.	Meets Expectations: 6 months of file transfers without a failure.  Note: During the first 6 months after the Effective Date.
6	G	N	Customer Usage Data: Timeliness: Delivery of all messages delivered	GTE's initial service performance threshold will be 94% of all messages delivered

			within 5 days of when the message was recorded.	within 5 days from when the message was recorded. GTE agrees to make, by March 30, 1997, an initial assessment as to what a parity level of performance should be. Within six months of the contract Effective Date, the Parties will agree on an ongoing performance measure and associated penalties.
8	G	N	Customer Usage Data: Accuracy of transmitted customer usage data.	An initial service delivery threshold will be established at 99% of recorded usage data correctly transmitted to AT&T. GTE agrees to make, by March 30, 1997 an initial assessment as to what a parity level of performance should be. Within six months of the contract effective date, the Parties will agree on an ongoing performance measure and associated penalties.



3. Category 3 DMOQs

3.1 Table 3 below lists the Category 3 DMOQs for each of the pre-ordering, ordering and provisioning, maintenance, and billing classifications. For each Category 3 DMOQ classification, column 1 indicates the number of the DMOQ within the classification. Column 2 indicates which Party may have the obligation to meet the DMOQ performance measurement, with a "G" indicating a potential GTE obligation, an "A" indicating a potential AT&T obligation and "T" indicating the party is to be determined. Column 3 indicates whether the relevant DMOQ performance measurement data might be compiled on a national level ("N"), by state ("S"), or by each occurrence of the DMOQ ("P"). Column 4 contains a description of each DMOQ within each classification.

3.2 The Parties agree to form an Implementation Team pursuant to Section 3.2 of Attachment 12, to consider and determine whether each Category 3 DMOQ shall be reclassified as a Category 1 or Category 2 DMOQ or should be removed as a Category 3 DMOQ without reclassification. If the Implementation Team agrees to reclassify a Category 3 DMOQ as either a Category 1 or Category 2 DMOQ, the Implementation Team will also establish a performance threshold and performance remedies for that DMOQ. The Implementation Team will set a schedule for considering and determining any such reclassifications under this Paragraph no later than six months after the Effective Date of this Agreement.

TABLE 3  
CATEGORY 3 DMOQs

			DESCRIPTION
			<b>Pre-Ordering/Ordering/Provisioning</b>
1	A	N	Service Order Discrepancy: LSRs issued without material errors. The Implementation Team will evaluate and produce a plan to migrate from the 90% performance threshold to the 95% target performance threshold.
2	G	N	Real Time Solution: Tracks the time required to receive one or more telephone numbers via a system interface. The interval starts with the request message leaving AT&T's system and ends with the response message arriving at AT&T's system. The DMOQ tracks the percentage of intervals that are less than 5 seconds.

			DESCRIPTION
3	T	N	Real Time Solution: Tracks the time required to receive address confirmation information via a system interface.
4	T	N	Real Time Solution: Service Availability Inquiry Time.
5	T	N	Real Time Solution: Feature Availability Inquiry Time
6	T	N	Real Time Solution: Appointment Schedule Inquiry Time.
7	T	N	Real Time Solution: Customer Service Record (CSR) Inquiry Time.
8	T	N	Disconnect Order Completion Interval. Measures how long it takes to complete a disconnect. Residence: within twenty-four (24) hours after acceptance of a service order. Business: Within four (4) hours after acceptance of a service order if a software change is required. Business: Within twenty-four (24) hours after acceptance of a service order if a central office change is required. Business: Within ninety-six (96) hours after acceptance of a service order if a customer premises visit is required.
9	T	N	Installation line energizing commitments (request for establishment or changes in non-key, non-PBX and party line services that normally involve plant activity.
10	G	N	PIC Migration: Measures the percent of migration notifications sent to AT&T within forty-eight (48) hours of receipt of the migration order. As a measurement of performance standards, this metric will comply with the specific performance level shown below. Measurements will be calculated by Business (single and multi-line, Centrex, PBX trunks), Residence, LINK and ISDN.
11	G	N	Directory Assistance: Tracks the levels of Directory Assistance performance levels for resold services and unbundled network elements.
12	G	N	GTE shall provide LIDB performance standards. AT&T will specify expectations of performance such as 1) at least 99.9% reply rate to all query attempts; 2) Data in LIDB replies shall have at no more than 2% unexpected data value, for all inquiries.
13	A	S	Forecasting. Implementation Teams will work together to define sub-state forecasting levels. The Parties agree that no penalties shall apply to any sub-state levels that may be defined by the Implementation Team.
			Maintenance

			DESCRIPTION
1	G	S	Quoted restoral commitments met.
2	G	S	Status Call to AT&T: when restoral commitments are missed, on trouble progress, or on restoration.
3	T	S	Network event with blocked calls or lost features within one hour.
4	G	S	Time to Restore <ul style="list-style-type: none"> <li>- Out of Service &amp; Visit Required at 4, 8, or 16 hours after initial outage.</li> <li>- Out of Service &amp; No Visit required at 2, 3, or 4 hours after initial outage.</li> <li>- All Other Troubles at twenty-four (24) hours after initial outage.</li> </ul>
			<b>Billing</b>
1	G	N	Timeliness: GTE will mechanically transmit, via Connect: Direct, all usage records to AT&T's Message Processing Center three times per day at expected performance threshold of 99.94% of all messages delivered on the day the call was recorded.
2	G	N	Accuracy: GTE will provide Recorded Usage Data in the format and with the content as defined in the current Bellcore EMR document of expected performance threshold of 99.99% of all recorded records delivered.
3	G	N	DATA PACKS: GTE will transmit to AT&T all data packs error free in the format agreed at an expected performance threshold of 6 months of transmitted data packs without a rejected data pack.
4	G	N	Accuracy: Recorded Usage Data: GTE will ensure that the Recorded Usage Data is transmitted to AT&T error free, the level of detail includes but is not limited to: detail required to rate the call, Duration, and Correct Originating/Terminating information. The error is reported to GTE as a Modification Request (MR). Performance is to be measured at 2 levels defined below. AT&T will identify the priority of the MR at the time of handoff as Severity 1 or Severity 2 at expected performance threshold of less than or equal to 99% of the MR fixed in less than or equal to twenty-four (24) hours and 100% of the MR fixed in less than or equal to 5 days.

			DESCRIPTION
5	G	N	Usage Inquiry Responsiveness: GTE will respond to all usage inquiries within twenty-four (24) hours of AT&T's request for information. It is AT&T's expectation to receive continuous status reports until the request for information is satisfied.
6	G	N	Business and Residence Mechanized wholesale bills adhere to specifications in the (Local Services Billing System e.g. CABS, BOS, SAIR, CRIS, etc.) specifications/requirements document. Accurate bills are those mechanized access bills which pass AT&T's validation edit process the first time at expected performance threshold of less than or equal to 99.5%.
7	T	N	Business and Residence: Billing Period Closure agreements are signed within the agreed timeframe (typically 60 to 90 days) at expected performance threshold of 100% per agreed timeframe.

**Appendix 3  
to  
Attachment 12**

**AT&T Supplier Performance Quality Management System**

AT&T's approach to quality and reliability focuses on the attainment of excellence for products and services ordered from its suppliers and used by AT&T. This excellence is the result of a systematic effort that is sustained over time.

**1. Quality Manual**

By the end of Contract Month 4, GTE will develop a Quality Manual that addresses the requirements described herein for the following :

- Management Responsibility and Support
- Quality System
- Document Control
- Process Control
- Product Development Control
- Alignment of Process Output with Agreed-to Requirements
- Identification of Non-conforming Product or Service
- Analysis of the Identified Non-conformance
- Corrective Action Plans
- Quality Records
- Audits and Reviews
- Training

The Quality Manual will be updated by GTE from time to time as additional process are identified. The Quality Manual and its revisions are subject to review and approval by AT&T.

**2. Process Ownership**

For each process identified in the Quality Manual, GTE will identify those individuals and organizations who have management responsibilities for each process which affects services to be provided to AT&T by GTE.

The initial individuals and organizations will be identified by GTE by the end of Contract Month 1. GTE shall provide prompt updates to AT&T of changes in personnel, organization or linkages.

### 3. Process Definition

For each process included in the Quality Manual, the following items will be addressed:

- a) input requirements;
- b) value-added process functionality; and
- c) output requirements which meet customer satisfaction

### 4. Measurement System

The Quality Manual will define the Measurement System to be used to obtain the data necessary to verify that DMOQs have been met, and to provide data needed to perform source cause and root cause analyses.

Changes to the agreed upon Measurement System must be reviewed with and concurred by AT&T prior to their implementation. GTE will review metrics on a monthly basis with AT&T and will be available for review and analysis, as mutually agreed to be necessary, for all services. Measures shall be AT&T specific and support AT&T service performance requirements.

### 5. Improvement Plan Implementation

GTE will establish monthly service performance and improvement reviews with AT&T.

Documentation will include Gap Closure Plans which result in compliance with agreed to performance standards and include:

- a) evaluation of the opportunity for continuous improvement, systems enhancements and re-engineering;
- b) forecasted improvement to the desired Direct Measure of Quality (DMOQ) for each issue or initiative;
- c) current and improved upon processes;
- d) control processes which GTE management will use for the transitional period;
- e) evaluation of pertinent changes in periodic (monthly, weekly) results;
- f) opportunities for source and root cause analyses; and
- g) a date for compliance with Gap Closure Plans implementation.

These Gap Closure plans will be reviewed monthly or, more frequently as updated data and analyses are available.

6. AT&T Leadership Reviews

GTE Senior Leadership shall meet with AT&T on at least a quarterly basis. GTE shall assure that resources are provided within GTE to support implementation of the Supplier Quality Performance Management Program.

7. Integration of AT&T Requirements

GTE will integrate the techniques of the Supplier Quality Performance Management Program described in this Appendix 3 in all aspects of the work that it performs on AT&T's behalf.

**Appendix 4  
to  
Attachment 12**

**Deployment Plan**

**1. Deployment Plan Activities:**

The Parties agree to complete the activities applicable to them no later than the times indicated for said completion on the following Table:

CONTRACT MONTH*	ACTIVITY
Effective Date	Final agreement on DMOQs and Service Guarantees.
Month 1	<ol style="list-style-type: none"> <li>1. Identification of individuals and organizations with management responsibilities (the Implementation Team) as described in Appendix 3 to Attachment 12.</li> <li>2. Agreement on Supplier Performance Quality Management System (SPQMS), Deployment Plan, activities, Milestones, and Implementation Schedule.</li> <li>3. Capacity planning for Contract Year 1 completed as described in Section 7 to Attachment 12.</li> <li>4. Agreement on escalation and expedite procedures as described in Section 30.2.2 of the Agreement.</li> <li>5. GTE furnishes a list of all emergency telephone numbers as described in Section 28.8 of the Agreement.</li> <li>6. Appointment of a standing arbitrator as described in Attachment 1.</li> </ol>
Month 2	<ol style="list-style-type: none"> <li>1. Identification of single points of contact as described in and within Section 30 of the Agreement, Section 13 of Attachment 2, Sections 3 and 4 of Attachment 3, Section 2 of Attachment 4, Section 9 of Attachment 5, Section 2 of Attachment 6C, Section 5 of Attachment 7, and other Agreement or Attachment sections in this Agreement providing for such single points of contact.</li> <li>2. GTE proposes the process for handling requests for new services, features and/or capabilities as described in Section 4.2 of Attachment 12.</li> </ol>

\* Unless indicated to be a specific date.



<b>Month 3</b>	1. Agreement on the procedures to handle law enforcement agency requests as described in Section 28.11 of this Agreement.
<b>Month 4</b>	1. Quarterly SLT Review of SPQMS with GTE.  2. Development of Quality Manual as described in Appendix 3 to Attachment 12.
<b>Month 5</b>	1. GTE will finalize the process for handling requests for new services, features and/or capabilities as described in Section 4.2 of Attachment 12.  2. Finalize Operations Plan as provided in Section 3.3 of Attachment 12.
<b>Month 7</b>	1. Quarterly SLT Review of SPQMS with GTE.
<b>Month 10</b>	1. Quarterly SLT Review of SPQMS with GTE.
<b>Month 11</b>	1. Annual Review of Performance Results Gap Closure plans per SPQMS.  2. Annual Capacity Planning for Contract Year 2 is completed as described in Section 7 to Attachment 12.

2. The Parties agree to negotiate by the end of Contract Month 4, additional requirements and milestones which relate to those obligations of GTE in this Agreement that are not addressed in the Deployment Plan, including, but not limited to, the implementation of the following:

- Electronic Interfaces as described in Section 29.1 of the Agreement and Section 5.1 of Attachment 4.
- Alternative Routing Capabilities as described in Section 28 of the Agreement.
- Service and Operational Readiness Testing as described in Attachment 29.8 of the Agreement.
- Alternative Interim Agreement for Local Service bills as described in Section 3 of Attachment 6A.
- Procedures for notifying AT&T of changes in retail services as described in Section 25.6 of the Agreement.
- Procedures for referring misdirected requests for AT&T products and services as described in Section 29.3 of the Agreement.
- Customer contact training as described in Section 29.6.6 of the Agreement.
- Procedures for referrals of misdirected calls for repair as described in Section 8 of Attachment 5.
- Replication of Access Billing Supplier Quality Certification Operating Agreement as described in Section 2.1.2 of Attachment 6.

- Interim arrangements for clearinghouse procedures as described in Section 9 of Attachment 7.
- Disaster recovery plans as described in Section 7 of Attachment 5.
- Route Indexing (RI) as described in Section 2.3 of Attachment 8.
- Processes for service ordering and provisioning of Local Services, and Network Elements **and Combinations**.
- Processes for maintenance of Local Services, and Network Elements **and Combinations**.

**[ Combinations ]**

**Appendix 5  
to  
Attachment 12**

**Bona Fide Request Process**

**1. Intent**

The Bona Fide Request process is intended to be used when AT&T requests customized Service Orders for certain services, features, capabilities or functionality defined and agreed-upon by the Parties as services to be ordered as Bona Fide Requests.

**2. Process**

2.1 A Bona Fide Request shall be submitted in writing by AT&T and shall specifically identify the need to include technical requirements, space requirements and/or other such specifications that clearly define the request such that GTE has sufficient information to analyze and prepare a response.

2.2 Although not expected to do so, AT&T may cancel a Bona Fide Request in writing at any time prior to AT&T and GTE agreeing to price and availability. GTE will then cease analysis of the request.

2.3 Within two (2) business days of its receipt, GTE shall acknowledge in writing the receipt of the Bona Fide Request and identify a single point of contact and any additional information needed to process the request.

2.4 Except under extraordinary circumstances, within ten (10) days of its receipt of a Bona Fide Request, GTE shall provide a proposed price and availability date, or it will provide a detailed explanation as to why GTE is not able to meet AT&T's request. If extraordinary circumstances prevail, GTE will inform AT&T as soon as it realizes that it cannot meet the ten (10) day response due date. AT&T and GTE will then determine a mutually agreeable date for receipt of the request.

2.5 Unless AT&T agrees otherwise, all proposed prices shall be consistent with the pricing principles of the Act, FCC and/or the Commission. Payments for services purchased under a Bona Fide Request will be made upon

delivery, unless otherwise agreed to by AT&T, in accordance with the applicable provisions of the Agreement.

2.6 Upon affirmative response from GTE, AT&T will submit in writing its acceptance or rejection of GTE's proposal. If at any time an agreement cannot be reached as to the terms and conditions or price of the request, the Dispute resolution procedures described in Attachment 1 may be used by a Party to reach a resolution.

2.7 If GTE responds that it cannot or will not offer the requested item in the Bona Fide Request and AT&T deems the item essential to its business operations, and deems GTE's position to be inconsistent with the Act, FCC or Commission regulations and/or the requirements of this Agreement, the Dispute resolution procedures described in Attachment 1 may be used by a Party to reach a resolution.

**Appendix 6  
to  
Attachment 12**

**New Services Process**

The Parties shall work cooperatively to establish a New Services Process with the objective of having this process in place within six (6) months following approval of this Agreement.

This process shall include consideration of the following principles:

- 1) AT&T will implement the process by submitting a request to GTE that defines the new services, features and/or capabilities in sufficient detail to permit GTE to analyze the request and prepare a preliminary response.
- 2) As part of the preliminary response, GTE will advise AT&T whether or not the request is technically feasible. If the requested service, feature and/or functionality is technically feasible, GTE will advise AT&T whether or not it is prepared to proceed with development and, if so, furnish a preliminary price estimate for the service, feature and/or functionality.
- 3) Upon affirmative response from GTE, AT&T will submit in writing its acceptance or rejection of GTE's proposal. If at any time an agreement cannot be reached as to the terms and conditions or price of the request, the Dispute resolution procedures described in Attachment 1 may be used by a Party to reach a resolution.
- 4) AT&T and GTE will jointly participate in the development of the new service, feature and/or functionality, using an agreed upon implementation plan.
- 5) Payments for the new service, feature and/or functionality will be made upon delivery, unless otherwise agreed to by AT&T, in accordance with the applicable provisions of the Agreement.
- 6) If GTE responds that it cannot or will not offer the requested service, feature and/or functionality and AT&T deems the item essential to its business operations, and deems GTE's position to be inconsistent with the Act, FCC or Commission regulations and/or the requirements of this Agreement, AT&T may use the Dispute resolution procedures described in Attachment 1 to reach a resolution.

**ATTACHMENT 13**

[This entire Attachment is Intentionally Deleted ]

Attachment 14

AT&T/GTE Pricing Agreement

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**Attachment 14**

**AT&T/GTE Pricing Agreement**

**1. Local Service Resale**

The prices charged to AT&T for Local Service shall be calculated using the avoided cost discount applicable in the State determined on the basis of the retail rate charged to subscribers for the telecommunications service requested, excluding the portion thereof attributable to any marketing, billing, collection, and other costs that will be avoided by GTE, as further specified in Appendix 1 to this Attachment 14.

The prices charged to AT&T shall be GTE's retail prices less the applicable discount amounts. If GTE reduces or increases its retail prices, the prices charged to AT&T shall be equal to the applicable reduced or increased retail prices less the applicable discount amounts.

**1.1 Non-recurring Charges for Customer Local Carrier Changes**

GTE will charge \$3.92 to switch a customer from GTE to AT&T.

**2. Unbundled Network Elements**

The prices charged to AT&T for Network Elements shall be as further specified in Appendix 2 to this Attachment 14.

**3. Collocation**

Prices and terms for collocation are specified in Appendix 3 to this Attachment 14.

**4. Interconnection Services**

GTE will make interconnection arrangements available at all tandem switching and end office switching locations. At the discretion of AT&T, local interconnection may be accomplished via one-way local trunks, or two way local trunks, or AT&T may choose to deliver both local and toll traffic over the same trunk group(s). With respect to the latter scenario, AT&T will have to provide an available Percent Local Usage (PLU) to facilitate billing if it desires application of the local interconnection rate.

Prices and terms for Interconnection Services are specified in Appendix 4 to this Attachment 14.



5. Other

Prices and terms for local number portability, trunking interconnection, E911/911 and pole attachments, conduit and rights-of-way services are specified in Appendix 5, Appendix 6, Appendix 7 and Appendix 8 to this Attachment 14, respectively.

6. Numerous provisions in this Agreement and its Attachments refer to prices or pricing principles set forth in Attachment 14. If a provision references prices in Attachment 14 and there are no corresponding prices already set forth in Attachment 14 for such item, or if any price in any portion of this Agreement, including but not limited to this Attachment 14, appears as "TBD" or is otherwise not set forth in this Agreement, such price shall be considered "To Be Determined" ("TBD"). With respect to all TBD prices, prior to AT&T ordering any such TBD item, the Parties shall meet and confer to establish a price. If the Parties are unable to reach agreement on a price for such item, an interim price shall be set for such item that is equal to the price for the nearest analogous item for which a price has been established (for example, if there is not an established price for a non-recurring charge ("NRC") for a specific Network Element, the Parties would use the NRC for the most analogous retail service for which there is an established price); provided, however, that if the Parties are unable to agree on what is the nearest analogous item for purposes of setting an interim price or if there is no such analogous item, they will submit the dispute to arbitration for purposes of establishing an interim price in accordance with the procedures set forth in Attachment 1. Any interim prices so set shall be subject to modification by any subsequent decision of the Commission. If an interim cost or price is different from the rate subsequently established by the Commission, the Parties shall reconcile any amounts paid during the interim period such that the Parties will be made whole as if the rate(s) established by the Commission had been in effect throughout the interim period. If an interim price is different from the rate subsequently established by the Commission, any underpayment shall be paid by AT&T to GTE, or any overpayment refunded by GTE to AT&T, within forty-five (45) days after the establishment of the price by the Commission.

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### Appendix 1 - Local Service Resale

Beginning with the Effective Date of this Agreement, Resale Services will be priced in accordance with the standards and prices described below.

1. The wholesale discount rate applicable to Local Services Resale shall be 25.40%. The wholesale discount rate shall be applied against the Retail Rate on the Effective Date for each GTE Retail Offering, provided, however, promotional offerings of less than ninety days and services for disabled persons (including free directory assistance) shall not be subject to the wholesale discount.
  - 1.1 "Retail Rates" are the effective rates a GTE retail customer would have paid GTE under the Retail Offering selected by AT&T, taking into consideration all applicable discounts, including, but not limited to, volume, term and time of day.
  - 1.2 A "Retail Offering" is an individual service or package of services that GTE provides at retail prices to its own end-user customers and that AT&T is permitted to resell to its own end-user customers pursuant to Commission order and this Agreement.
2. The discounts and pricing methodology described in this Appendix will remain in effect for three years of this Agreement ("Initial Contract Period") and will apply to all Resale Services ordered by AT&T under this Agreement unless and until amended pursuant to pricing orders applicable to Resale Services provided by GTE to AT&T in this State. Upon expiration of the Initial Contract Period and upon written notice by a Party, the Parties agree to renegotiate the discounts and/or method for calculating wholesale prices for Resale Services, subject to the then applicable pricing standards established in accordance with Applicable Law. A Party may deliver only one request during a Contract Year. If the Parties are unable to agree upon revised discounts and/or pricing methodology within sixty (60) days of the request to renegotiate, a Party may invoke the dispute resolution procedures of Attachment 1. Until such time as the revised discounts and/or pricing methodology are agreed to, or established by the decision of the Arbitrator in the dispute resolution procedure, the discounts and/or pricing methodology described in this Appendix will continue to remain in effect.
3. [Intentionally deleted.]

**Appendix 1 - Annex 1 - Schedule of Wholesale Discounts**

[This Annex 1 to Appendix 1 has been Intentionally Deleted.]

## **Appendix 1 - Annex 2 - Summary of Wholesale Charges**

### Local Services-Residence and Business.

Line Charges: These services should include but not be limited to the exchange line charges, by rate area within the jurisdiction. The price structure should encompass flat rates, measured rate service, one and/or two-party lines and any other subcategory that pertains to that jurisdiction. Line prices that reflect usage for such services as call-packs, extended area service, community calling would be included in this category.

Usage Charges: Includes all usage not captured in the line charge, such as messages or minutes in excess of any limited calling-plan.

Features: Custom calling features and advanced custom calling features as designed to be compatible with single and multi-line residence and business customer exchange lines. Custom calling features would include month and pay per attempt charges. Associated feature discounts for quantity or other marketing bundles would also be included. (Central office features that support CENTRANET and private line services would be included with each specific service category.).

Listings: All forms of directory listings for both local and toll services. Prices for customer listing options such as bold type, dual name, business name and custom advertising for the white and yellow pages are included.

Non-recurring charges: Charges associated with the installation, addition, changing or moving of service and equipment for local service.

Toll Services: Charges for any service that has been ordered by the Commission to be open to intraLATA presubscription whether charged on a per minute of use or other basis. This includes the non-recurring and listing charges associated with installation or record affecting work for toll service or toll usage plans and for listings, advertising and associated services in the 800 service directory.

Operator Services: Charges associated with, but not limited to, obtaining operator assistance for call placement, busy-line verification and interruption, time and weather and, if priced as such, DA call completion.

Directory Assistance Services: Charges associated with the use of directory assistance operators in obtaining local telephone numbers.

Business Trunks and Service Arrangements: Charges associated with PBX trunk arrangements for single and multi-line customers. Included are line and usage charges, features and service arrangements for direct inward (and/or outward) dialing.

ISDN Services: Charges associated with Integrated Services Digital Network Service for residence and business customers for the transmission of voice, data and packet switched signals.

CENTRANET Services: Charges associated with the provision and use of central office based private branch exchange services using equipment located on the premises owned or leased or controlled by GTE and connected by local loops to the premises of the customer or an authorized user.

Private Line Services: Charges associated with the provision and use of dedicated facilities between two or more customer locations.

Inbound/Outbound Services: Charges associated with the provision and use of WATS 800 (inbound) and Wide Area Telephone service (outbound) and other like services.

End User Access Services: Charges associated with the provision and use of common and dedicated facilities to provide access service to end user customers.

**Appendix 2 - Prices for Unbundled Network Elements**

Beginning with the Effective Date of this Agreement, Network Elements and Combinations will be priced in accordance with the standards and prices described in this Appendix 2.

**[ Combinations ]**

The discounts and pricing methodology set forth in this Appendix are set forth pursuant to the Commission's orders and will not be subject to change for the first three (3) years of this Agreement ("Initial Contract Period"), unless and until amended pursuant to the pricing orders applicable to Network Elements and Combinations provided by GTE to AT&T in this State. Upon expiration of the Initial Contract Period and upon written notice by a Party, the Parties agree to renegotiate any or all of the prices, subject to the then applicable pricing standards established in accordance with Applicable Law. A Party may deliver only one request per Contract Year. If the Parties are unable to agree upon revised prices within sixty (60) days of the request to renegotiate, a Party may invoke the dispute resolution procedures of Attachment 1. Until such time as the revised prices are agreed to, or established by the decision of the Arbitrator in the dispute resolution procedure, the prices described in this Appendix will continue to remain in effect except that prices shown as being determined in accordance with a GTE tariff shall change if such tariff changes.

**[ Combinations ]**

## Appendix 2 - Annex 1

## MISSOURI

Summary of PSC Modified Monthly Recurring Costs  
For GTE of the Midwest Inc.

	Geographic Zone 4	Geographic Zone 3	Geographic Zone 2	Geographic Zone 1
<u>Local Loop (including NID)</u>				
2-Wire Loop	\$19.14	\$29.05	\$48.39	\$53.84
4-Wire Loop	\$29.60	\$44.65	\$86.32	\$93.37
<u>Network Interface Device</u>				
Basic NID	\$1.91			
12x NID (per line)	\$1.91			
<u>Cross Connects</u>				
2-Wire	\$1.55			
4-Wire	\$3.10			
DS-1	\$3.17			
DS-3	\$29.71			
<u>Ports</u>				
2 Wire Basic Port	\$3.74			
DS-1 Port	\$102.93			
<u>Local Switching</u>				
MOU (Originating or Terminating)	\$0.0033912			
<u>Entrance Facility</u>				
2 Wire Voice	\$32.29			
4 Wire Voice	\$55.29			
DS1 Standard System	\$102.22			
DS3 Protected, Electrical	\$2,238.13			
DS1 to Voice Multiplexing	\$279.54			
DS3 to DS1 Multiplexing	\$441.07			
<u>Direct Trunked Transport</u>				
Voice Facility per ALM	\$2.46			
DS1 Facility per ALM	\$0.61			
DS1 Per Termination	\$24.50			
DS3 Facility per ALM	\$15.72			
DS3 Per Termination	\$257.83			
<u>Common Transport Termination</u>				
MOU	\$0.0000663			
<u>Common Transport Facility Per Mile</u>				
MOU/ Mile	\$0.0000017			
<u>Tandem Switching</u>				

MOU \$0.0016835

SS7 and Database Queries Lesser or Federal Access Tariffed Rates or Existing Contract Rates

Dark Fiber: 1000 ft./month

24 Fiber Aerial	\$4.30
24 Fiber Underground	\$4.11
24 Fiber Buried	\$3.21
48 Fiber Aerial	\$2.70
48 Fiber Underground	\$2.73
48 Fiber Buried	\$1.94
96 Fiber Aerial	\$1.95
96 Fiber Underground	\$2.09
96 Fiber Buried	\$1.34

Feeder Termination	\$20.36
Equipment/ month	
Interoffice Transport	\$10.06
Termination Equip./ month	
Interoffice Pass-Thru Office	\$20.28
Term. Equip./ month	

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OS/DA

Per Call:	
Mechanized Calling Card	\$0.04
Station-To-Station	\$0.38
Person-To-Person	\$0.91
Busy Verification	\$0.81
Busy Interrupt	\$0.91
Directory Assistance	\$0.41
Directory Connect Plus	\$0.49
Mechanized Intercept (per activation)	\$6.12

Summary of PSC Modified Non-Recurring Charges  
For GTE of the Midwest Inc.

<u>Unbundled Element</u>	<u>Non-Recurring Charge</u>
Per Customer	\$3.92

All other charges not specifically identified above	TBD
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### Appendix 3 - Prices for Collocation

4. **Charges.**

Collocation will be priced on an individual case basis in accordance with the Commission's orders.

5. **Payment.**

AT&T will pay the charges for Collocation upon receipt of an itemized invoice from GTE. GTE will provide AT&T with an itemized invoice of all charges on a per Local Serving Office basis.

## Appendix 4 - Reciprocal Compensation

### 6. Scope.

This Appendix prescribes the methods and means for reciprocal compensation of interconnect traffic between GTE's and AT&T's networks as well as transiting traffic between AT&T and third party LECs or ILECs.

### 7. Interconnecting Local Traffic.

- 7.1 On each three (3) month anniversary of the Interconnection Activation Date in a Market Area, the Parties will review the minutes of usage for interconnect traffic for the prior quarter. If the minutes of usage imbalance for interconnect traffic for that period is less than ten (10%) percent, neither Party shall charge the other for services provided under this Appendix. If an imbalance is greater than ten (10%) percent, then the appropriate party may bill the other using the rates discussed in this Appendix. In the event of a disagreement regarding reciprocal compensation billing, either Party may invoke the dispute resolution procedures of Attachment 1.

### 8. Transiting Traffic.

- 8.1 AT&T shall pay to GTE a Transiting Service Charge for the use of its Tandem Switching as described in Annex 1 to this Appendix 4.

### 9. Information Services Traffic.

The Information Services Billing and Collection Charge is set forth in Annex 1 to this Appendix.

### 10. BLV/BLVI Traffic.

Each party shall charge the other for BLV/BLVI Services on a bill and keep basis.

#### Appendix 4 - Annex 1 - Prices for Reciprocal Compensation

The discounts and pricing methodology set forth in this Appendix are set forth pursuant to the Commission's orders and will not be subject to change for the first three (3) years of this Agreement ("Initial Contract Period"), unless amended pursuant to pricing orders applicable to the services provided to each other by GTE and AT&T listed in this Appendix 4. Upon expiration of the Initial Contract Period, upon written notice by a Party, the Parties agree to renegotiate any or all of the prices, subject to the then applicable pricing standards established in accordance with Applicable Law. A Party may deliver only one request to renegotiate during a Contract Year. If the Parties are unable to agree upon revised prices within sixty (60) days of the request to renegotiate, a Party may invoke the dispute resolution procedures of Attachment 1. Until such time as the revised prices are agreed to, or established by the decision of the Arbitrator in the dispute resolution procedure, the prices described in this Annex will continue to remain in effect.

Dedicated transport -	Direct Trunked Transport Rates: Voice Facility per ALM -- \$2.46 DS1 Facility per ALM -- \$0.61 DS1 Per Termination -- \$24.50 DS3 Facility per ALM -- \$15.72 DS3 Per Termination -- \$257.83
Common transport -	\$0.0000663 per MOU \$0.0000017 per MOU/mile
End Office Switching -	\$0.0033912
Tandem Switching -	\$0.0016835
Information Services Billing and Collection Charge -	TBD

### **Appendix 5 - Prices for Local Number Portability**

Rates for number portability provided by one Party for the other are TBD.

## **Appendix 6 - Prices for Trunking Interconnection**

[This Appendix 6 has been Intentionally Deleted.]

### Appendix 7 - Prices for E911/911 Services

The discounts and pricing methodology set forth in this Appendix are set forth pursuant to the Commission's orders and will not be subject to change for the first three (3) years of this Agreement ("Initial Contract Period"). Upon expiration of the Initial Contract Period, upon written notice by a Party, the Parties agree to renegotiate any or all of the prices, subject to the then applicable pricing standards established in accordance with Applicable Law. A Party may deliver only one request to renegotiate during a Contract Year. If the Parties are unable to agree upon revised prices within sixty (60) days of the request to renegotiate, a Party may invoke the dispute resolution procedures in Attachment 1. Until such time as the revised prices are agreed to, or established by the decision of the Arbitrator in the dispute resolution procedure, the prices described in this Appendix will continue to remain in effect.

Prices for E911/911 service are TBD

## **Appendix 8 - Rights-of-Way, Conduits, Ducts, and Pole Attachments**

**Prices.** The prices charged to AT&T for Rights-of-Way, Conduit and Pole Attachments will be set at the same rates charged by GTE, as of the Effective Date, to cable television providers for access to such outside plant facilities, including the same administrative fees charged by GTE to such providers. AT&T will pay for work needed to condition capacity for AT&T's use and administrative fees and rental fees, as established for cable television providers, associated with AT&T's occupancy of GTE's facilities.

If AT&T requests that a route be made available, AT&T shall provide GTE with such technical information and specifications as are necessary for GTE to determine whether a route sufficient to meet AT&T's request is available. If a route is available, GTE shall advise AT&T as to the availability of the route and shall provide information sufficient for AT&T to determine whether the proposed route would meet AT&T's needs. AT&T shall verify and confirm that based on the information GTE has provided the proposed route would meet AT&T's needs. If AT&T verifies and confirms that the proposed route would meet AT&T's needs and subsequently AT&T notifies GTE that the route does not meet AT&T's needs for reasons including, but not limited to, errors in the information provided to GTE for purposes of identifying the appropriate route or AT&T changing its required specifications, or otherwise through fault of AT&T, AT&T shall bear all costs of preparing the route up until such point and for the costs of modifying the route to meet AT&T's requests. AT&T shall not, however, be responsible for such costs as are associated with preparing, modifying, or repairing such portion of the route as are necessary to meet AT&T's original requests to the extent GTE is at fault for the deviation of the route from the original request. To the extent both Parties are responsible for the deviation or neither Party is responsible, the Parties shall bear the costs of preparing, modifying, or repairing such portion equally.

GTE and AT&T shall agree on a verifiable mechanism or process to ensure that AT&T is properly charged for such work and that, where necessary, costs are allocated and prorated in a nondiscriminatory and competitively neutral manner in accordance with effective and applicable methodology approved by the FCC or the Commission. When AT&T places a request with GTE for work to be performed for AT&T in connection with Rights of Way, Conduit and Pole Attachments, GTE shall submit to AT&T a detailed estimate for such work as soon as practicable after the receipt of the request. GTE shall not commence work on the request until it receives prior authorization from AT&T. All invoices submitted by GTE shall include a detailed itemization of all work covered thereunder.

## ATTACHMENT 15

### RECIPROCAL COMPENSATION FOR CALL TERMINATION AGREEMENT

1. This Attachment describes the reciprocal compensation arrangements between AT&T and GTE for Local Traffic, Toll, and Switched Access Services. The Parties shall compensate each other for transport and termination of such traffic at the rates provided in Attachment 14 (Pricing) and/or the appropriate Parties' Switched Access Tariff. The Parties recognize that the charges set forth in this Attachment may be revised, replaced, supplemented, superseded or eliminated pursuant to Applicable Law. To the extent any such changes result in new or additional charges, such new or additional charges shall apply. Additionally, to the extent charges not set forth in this Attachment are or become applicable to the services for which charges are being applied pursuant to this Attachment or other sections of this Agreement, such charges shall also apply. In no event shall the listing of charges in this Attachment or lack thereof require the payment of charges that have been eliminated or limit the charges due to either Party pursuant to Applicable Law.
2. Compensation for Call Termination
  - A. Reciprocal compensation does not apply in a resale environment.
  - B. The following compensation terms, as specified in Unbundled Network Element pricing listed in Attachment 14, shall apply in all cases where AT&T purchases GTE's unbundled Local Switching:
    1. For Local intra-switch calls between lines connected to GTE's switch where AT&T has purchased GTE's unbundled Local Switching, the Parties agree to impose no call termination charges on each other. GTE's Local Switching charge will apply as described below where the call is :
      - (a) Originated by AT&T's customer and completed to a GTE customer:
        - (1) (For use of the local switch:) Local Switching charge at the originating office will apply to AT&T.
      - (b) Originated by AT&T's customer and completed to the customer of a third party LEC (not affiliated with AT&T) using GTE's unbundled Local Switching:
        - (1) (For use of the local switch:) Local Switching charge at the originating office will apply to AT&T.



- (c) Originated by AT&T's customer and completed to another of AT&T's customers using GTE's unbundled Local Switching.
    - (1) (For use of the local switch:) Local Switching charge at the originating office will apply to AT&T.
  - (d) Originated by a GTE customer and terminated to AT&T's customer using GTE's unbundled Local Switching.
    - (1) No Local Switching charge will apply to AT&T.
  - (e) Originated by the customer of a third party LEC (not affiliated with AT&T) using GTE's Unbundled Local Switching and terminated to AT&T's customers using GTE's unbundled Local Switching.
    - (1) No Local Switching charge will apply to AT&T.
2. For Local inter-switch calls where AT&T has purchased GTE's unbundled Local Switching, the Parties agree to call termination charges as applicable and as described in Attachment 14, Appendix 4, Section 2.
- GTE's charges will apply to AT&T as described below where the call is:
- (a) Originated from AT&T's end-user customer using GTE's unbundled Local Switching and completed to a GTE customer.
    - (1) (For use of the local switch:) Local Switching charge at the originating office will apply to AT&T.
    - (2) A mileage-based transport charge will apply when AT&T uses GTE's transport.
    - (3) (For call termination) Charges for local interconnection/call termination, when applicable, as set forth in Attachment 14, Appendix 4.
  - (b) Originated from AT&T's customer using GTE's unbundled Local Switching and completed to a third party LEC (not affiliated with AT&T) customer using GTE's unbundled Local Switching.
    - (1) (For use of the local switch:) Local Switching charge at the originating office will apply to AT&T.

- (2) A mileage-based transport charge will apply when AT&T uses GTE's transport.
- (c) Originated from AT&T's customer using GTE's unbundled Local Switching and completed to the interconnected network of a third party LEC (not affiliated with AT&T).
  - (1) (For use of the local switch:) Local Switching charge at the originating office will apply to AT&T.
  - (2) A mileage-based transport charge will apply when AT&T uses GTE's transport, and mileage shall be measured between the originating office and the POI of the third party's network.
- (d) Originated from AT&T's customer using GTE's unbundled Local Switching and completed to AT&T's customer using GTE's unbundled Local Switching.
  - (1) (For use of the local switch:) Local Switching charge at the originating office will apply to AT&T.
  - (2) A mileage-based transport charge will apply when AT&T uses GTE's transport.
  - (3) (For use of the local switch:) Local Switching charge at the terminating office.
- (e) Originated by a GTE customer and terminated to AT&T's customer using GTE's unbundled Local Switching.
  - (1) (For use of the local switch:) Local Switching Charge at the terminating office will apply to AT&T.
  - (2) (For call termination) AT&T shall charge GTE for local interconnection/call termination, when applicable, as set forth in Attachment 14, Appendix 4.
- (f) Originated by a customer of a third-party LEC (not affiliated with AT&T) using GTE's unbundled Local Switching and terminated to AT&T's customer using GTE's unbundled Local Switching.
  - (1) (For use of the local switch:) Local Switching charge at the terminating office will apply to AT&T.

- (g) Originated by a customer on the interconnected network of a third-party LEC (not affiliated with AT&T) and terminated to AT&T's customer using GTE's unbundled Local Switching.
  - (1) (For use of the local switch:) Local Switching charge at the terminating office will apply to AT&T.
- 3. For intraLATA toll calls where AT&T has purchased GTE's unbundled Local Switching, charges per Unbundled Network Element pricing listed in Attachment 14 shall apply as follows:
  - (a) Originated by AT&T's customer and completed to a GTE customer.
    - (1) (For use of the local switch:) Local Switching charge plus RIC (Residual Interconnection Charge, also called the Transport Interconnection Charge or the Interconnection Charge), if applicable, and CCLC (Common Carrier Line Charge), if applicable, at the originating office will apply to AT&T.
    - (2) Shared transport charge between the two offices will apply when AT&T uses GTE's transport.
    - (3) (For call termination) End Office Switching charge at the terminating office (Switched Access Rate) will apply to AT&T.
    - (4) CCLC, if applicable, at the terminating office.
    - (5) RIC, if applicable, at the terminating office.
  - (b) Originated by AT&T's customer and completed to the customer of a third-party LEC (not affiliated with AT&T) using GTE's unbundled Local Switching in a distant end office.
    - (1) (For use of the local switch:) Local Switching charge plus RIC, if applicable, and CCLC, if applicable, at the originating office will apply to AT&T.
    - (2) Shared transport charge between the two offices will apply when AT&T uses GTE's transport.

- (c) Originated by AT&T's customer and completed to the network of third-party LEC (not affiliated with AT&T) interconnected with GTE's network.
  - (1) (For use of the local switch:) Local Switching charge, plus RIC, if applicable, and CCLC, if applicable, at the originating office will apply to AT&T.
  - (2) Common transport charge will apply when AT&T uses GTE's transport, and mileage shall be measured between the originating office and the POI of the third party's network.
  - (3) Tandem Switching, where applicable.
- (d) Originated by AT&T's customer and completed to another of AT&T's customers being served through GTE's unbundled Local Switching in a distant office.
  - (1) (For use of the local switch:) Local Switching charge plus RIC, if applicable, and CCLC, if applicable, at the originating office will apply to AT&T.
  - (2) Shared transport charge between the two offices will apply when AT&T uses GTE's transport.
  - (3) (For use of the local switch:) Local Switching charge plus RIC, if applicable, and CCLC, if applicable, at the terminating office will apply to AT&T.
- (e) Originated by a GTE customer and terminated to AT&T's customer using GTE's unbundled Local Switching.
  - (1) (For use of the local switch:) Local Switching charge plus RIC, if applicable, and CCLC, if applicable, at the terminating office.
  - (2) (For call termination:) AT&T will charge GTE Local Switching at the terminating office (Switched Access Rate).
  - (3) (For call termination:) AT&T will charge GTE RIC, if applicable, at the terminating office.
- (f) Originated by the customer of a third-party LEC (not affiliated with AT&T) using GTE's unbundled Local Switching in a distant

end office and terminated to AT&T's customer using GTE's unbundled Local Switching.

- (1) (For use of the local switch:) Local Switching charge plus RIC, if applicable, and CCLC, if applicable, at the terminating office will apply to AT&T.
- (g) Originated by a customer on the network of a third-party LEC (not affiliated with AT&T) interconnected with GTE's network and terminated to AT&T's customer using GTE's unbundled Local Switching.
  - (1) (For use of the local switch:) Local Switching charge plus RIC, if applicable, and CCLC, if applicable, at the terminating office will apply to AT&T.
4. For intrastate Switched Access calls where AT&T is using GTE's unbundled Local Switching for calls originated from or terminated to an IXC for completion:
  - (a) For calls originated from AT&T's customer to AT&T's own IXC switch (or that of an affiliate) for completion.
    - (1) (For use of the local switch:) Local Switching charge at the originating office.
    - (2) Originating RIC and CCLC if such charges are applicable.
    - (3) GTE will charge AT&T's IXC affiliate the following Switched Access elements on a meet-point basis:
      - a. Local Transport
      - b. Tandem Switching
  - (b) For calls originated from AT&T's customer to an IXC's switch not affiliated with AT&T.
    - (1) (For use of the local switch:) Local Switching charge at the originating office.
    - (2) Originating RIC and CCLC if such charges are applicable.

- (3) GTE shall charge the non-affiliated IXC for the following originating Switched Access on a meet-point basis:
  - a. Local Transport
  - b. Tandem Switching
- (c) For calls terminating to AT&T's end-user customer from AT&T's own IXC switch (or that of an affiliate) for completion.
  - (1) (For use of the local switch:) Local Switching charge at the terminating office.
  - (2) Terminating RIC and CCLC if such charges are applicable.
  - (3) GTE will charge AT&T's IXC (affiliate) the following Switched Access elements on a meet-point basis:
    - a. Local Transport
    - b. Tandem Switching
- (d) For calls terminating to AT&T's customer from an IXC switch not affiliated with AT&T.
  - (1) (For use of the local switch:) Local Switching charge at the terminating office.
  - (2) Terminating RIC and CCLC if such charges are applicable.
  - (3) GTE shall charge the IXC for the following terminating Switched Access on a meet-point basis:
    - a. Local Transport
    - b. Tandem Switching
- 5. For interstate Switched Access calls where AT&T is using GTE's unbundled Local Switching for calls originated from or terminated to an IXC for completion:
  - (a) For calls originated from AT&T's customer to AT&T's own IXC switch (or that of an affiliate) for completion.

- (1) (For use of the local switch:) Local Switching charge at the originating office.
  - (2) Originating RIC and CCLC if such charges are applicable.
  - (3) GTE shall charge AT&T's IXC affiliate for the following originating Switched Access on a meet-point basis:
    - a. Local Transport
    - b. Tandem Switching
- (b) For calls originated from AT&T's customer to an IXC's switch not affiliated with AT&T.
- (1) (For use of the local switch:) Local Switching charge at the originating office.
  - (2) Originating RIC and CCLC if such charges are applicable.
  - (3) GTE shall charge the IXC for the following originating Switched Access on a meet-point basis:
    - a. Local Transport
    - b. Tandem Switching
- (c) For calls terminating to AT&T's customer from AT&T's own IXC switch (or that of an affiliate) for completion.
- (1) (For use of the local switch:) Local Switching charge at the terminating office.
  - (2) Terminating RIC and CCLC if such charges are applicable.
  - (3) GTE will charge AT&T's IXC (affiliate) the following Switched Access elements on a meet-point basis:
    - a. Local Transport
    - b. Tandem Switching

- (d) For calls terminating to AT&T's customer from an IXC switch not affiliated with AT&T.
  - (1) (For use of the local switch:) Local Switching charge at the terminating office.
  - (2) Terminating RIC and CCLC if such charges are applicable.
  - (3) GTE shall charge the non-affiliated IXC for the following terminating Switched Access on a meet-point basis:
    - a. Local Transport
    - b. Tandem Switching

C. The following terms apply where AT&T and GTE interconnect using their own networks.

- 1. For Local Traffic and intraLATA Toll traffic originated by AT&T (or CLECs subtending its network) to GTE, AT&T agrees to pay GTE the following:
  - (a) Local calls: Unless otherwise provided in Attachment 14, Bill and Keep shall apply to Local Traffic. In the event traffic (as defined from the point of interconnection) is out of balance, the rate specified in Attachment 14 shall apply.
  - (b) Toll calls: The following GTE Intrastate Switched Access rate elements, if such charges are applicable to intraLATA toll calls.
    - (1) For common switched transport where GTE's tandem is used:
      - (a) Fixed - per minute of use.
      - (b) Variable - per mile per minute of use. Mileage shall be calculated based on the airline miles between the Vertical and Horizontal ("V&H") coordinates of the POI, and the GTE end office or Competitive Local Carrier routing point.
      - (c) Tandem Switching.
    - (2) End Office switching.



- (3) Information Surcharge
  - (4) RIC
  - (5) CCLC
2. For Local Traffic and intraLATA Toll traffic originated from GTE to AT&T, GTE agrees to pay AT&T the following:
- (a) Local calls: Unless otherwise provided in Attachment 14, Bill and Keep shall apply to Local Traffic. In the event traffic (as defined from the point of interconnection) is out of balance, the rate specified in Attachment 14, Appendix 4, Annex 1 shall apply.
  - (b) Toll calls: The following AT&T Intrastate Switched Access rate elements, if such charges are applicable to intraLATA toll calls.
    - (1) For common switched transport where AT&T's tandem is used:
      - (a) Fixed - per minute of use.
      - (b) Variable - per mile per minute of use. Mileage shall be calculated based on the airline miles between the Vertical and Horizontal ("V&H") coordinates of the POI, and the AT&T end office or Competitive Local Carrier/AT&T routing point.
      - (c) Tandem Switching.
    - (2) End Office switching.
    - (3) Information Surcharge
    - (4) RIC
    - (5) CCLC