
EXCHANGE AND NETWORK SERVICES

ZIPLY FIBER OF MONTANA, LLC

d/b/a

ZIPLY FIBER

Consisting of

GENERAL SERVICES

**EXCHANGE AND NETWORK SERVICES
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EXCHANGE AND NETWORK SERVICES

EXPLANATION OF SYMBOLS

The following symbols, when appropriate, are located on the right hand side of the tariff page:

- C - Changed condition or regulation
- D - Discontinued rate, regulation or condition
- I - Increased rate or charge
- M - Material transferred from another sheet in the tariff
- N - New rate, regulation or condition
- R - Reduced rate or charge
- T - Change in text for clarification

**EXCHANGE AND NETWORK SERVICES
GENERAL REGULATIONS**

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**EXCHANGE AND NETWORK SERVICES
GENERAL REGULATIONS**

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EXCHANGE AND NETWORK SERVICES

GENERAL REGULATIONS

Application of Regulations

The regulations set forth herein apply to intraLATA services and facilities furnished within the state of Montana by ZiPLY Fiber of Montana, LLC, hereinafter referred to as the Company, subject to the jurisdiction of the Public Service Commission of the State of Montana.

No officer, employee or agent of the Company has authority to change, amend or waive any rate or regulation approved or prescribed by the Commission. Rates and regulations may be changed or canceled only with the consent or approval of the Commission.

The Company furnishes exchange service and interexchange service throughout the territory it serves, as shown by its filed rates, regulations and maps. The Company also furnishes interexchange toll service to the territory served by connecting companies, subject to their rates and regulations.

Establishment and Furnishing of Services

A. Application for Service

The Company may require an applicant to sign an application form furnished by the Company and to establish his credit as provided in these Regulations before the establishment of service.

The Company will accept oral or written application from a customer for addition to or changes in the existing service of such customer.

An application is merely a request for service and does not in itself bind the Company to serve except under reasonable conditions, nor does it bind the applicant to take service. The Company may refuse to accept an application for service if the service is not to be established within a reasonable time.

An application for service canceled by the applicant or the Company prior to the establishment of the service applied for is subject to the following conditions:

**EXCHANGE AND NETWORK SERVICES
GENERAL REGULATIONS**

Establishment and Furnishing of Services (Continued)

A. Application for Service (Continued)

Canceled by Applicant

If cancellation is requested prior to the start of installation, the application will be canceled by the Company and no charge applies except as specifically covered by written contract or as provided for elsewhere in these Regulations.

If cancellation is requested subsequent to the time installation has been started, the application will be canceled by the Company, and the Company will collect the Service Charge applicable to the telephones actually installed at the time the application is canceled, or such other amounts specifically covered by contract in accordance with these Regulations.

Installation is considered to have been started when the Company incurs any expense which it would not otherwise have incurred as a result of the installation, provided the applicant has advised the Company to proceed with the installation, and the Company has accepted the order.

If cancellation is requested after completion of an installation, it will be treated as a discontinuance of service and the minimum requirement of the rate will be applicable in addition to the installation charge or service charges applicable.

Canceled by the Company

If applicant refuses to comply with the Company's Rules and Regulations prior to the establishment of service, the Company may cancel the application, and any moneys collected from the applicant will be refunded.

B. Advance Payments

At the time an application for service is made, an applicant may be required to pay an amount equal to at least one month's Network Access Rate plus installation charges that may be applicable in addition to such special construction charges as are to be borne by the applicant.

Federal, State or Municipal governmental agencies may not be required to make advance payments.

**EXCHANGE AND NETWORK SERVICES
GENERAL REGULATIONS**

Establishment and Furnishing of Services (Continued)

C. Establishment of Credit

An applicant for residential or business service may establish credit by demonstrating to the Company one of the following:

- Prior service from the Company, or from another telephone company from which the information may be easily verified, within the previous 12 months, during which at least six consecutive month's service was rendered and was not disconnected for failure to pay and no more than one delinquency notice was served upon the customer.
- A satisfactory history of full-time employment during the 12 months previous to the application for service.
- Ownership of significant legal interest in the premises to be served.
- Furnishing of a satisfactory guarantor to secure payment of bills.

D. Deposits

A cash deposit may be required under the following circumstances:

- Applicant has failed to establish satisfactory credit as outlined above.
- Within the 12 months prior to the application for service, the applicant's service of a similar type has been disconnected for failure to pay amounts owing, when due; when there is an unpaid, overdue balance due the Company; or when two or more delinquency notices have been served upon the applicant by any utility during the 12 months previous to the application for service.
- Applicant requests initiation or continuation of service to a premises where prior customer still resides and where any balance for such service to the prior customer is past due or owing.
- Applicant has interfered with the service of the utility within the last five years, if the finding of unauthorized interference or use is made and determined, after notice and opportunity for hearing is provided the customer, and is not in dispute.

In instances where a deposit is required, the amount of the deposit shall not exceed one sixth of estimated annual billings. The amount of the deposit may be adjusted when the actual interchange charges are subsequently found to be more or less than estimated.

**EXCHANGE AND NETWORK SERVICES
GENERAL REGULATIONS**

Establishment and Furnishing of Services (Continued)

D. Deposits (Continued)

When a customer who has made a deposit with the Company transfers his service to a new location within the same exchange, the deposit, less any outstanding balance, shall be transferable and applicable to the new location.

Interest on deposits held will be accrued at the rate of one percent per month.

Deposits plus accrued interest shall be refunded upon the following circumstances:

1. When the customer has for 12 consecutive months paid for service when due, as evidenced by there having been no disconnection of service for nonpayment of amounts due, nor more than two notices of delinquency in the payment of amounts due, during the 12 month period.
2. Upon termination of service any amounts due for service rendered will be deducted from the amount of the deposit plus accrued interest.

Any deposit, plus accrued interest, will be refunded to the customer in the form of a check mailed to the customer no more than 30 days following the termination of service or completion of 12 months of satisfactory payment. If preferred by the customer, the deposit may be refunded by application to the customer's bill.

In lieu of a cash deposit, the Company will accept the written guarantee of a responsible party as surety for a customer account. "Responsible party" for this purpose will mean an individual or business entity which has had service from the Company for the previous 24 months and which has not had service disconnected for nonpayment of amounts due, nor received more than two notices of delinquency during that period.

Deposit requirements will be waived for Lifeline telephone service subscribers unless such subscriber has had a prior credit problem, or has an outstanding bill, with any local exchange carrier. Deposit requirements will also be waived for Lifeline customers who choose to add Toll Denial (see General Regulations, Custom Calling Services) to their line at no cost.

EXCHANGE AND NETWORK SERVICES
GENERAL REGULATIONS

Establishment and Furnishing of Services (Continued)

E. Provision of Equipment

All equipment necessary for the provision of a given service may be furnished and owned by the customer. The customer may be required to provide suitable housing or other protective measures where equipment is to be installed in locations exposed to weather or other hazards. Commercial power will be furnished by the customer at a suitable outlet when and where required.

F. Termination or Re-origination of Calls Received Over a Data Service

The use of the service to terminate or re-originate calls received over a data service onto the public switched network will be subject to business access line charges as well as feature group A usage charges located in the Company's State and Federal Access Tariffs.

G. Customer Billing

The customer is responsible for all charges in conjunction with the services furnished him, including collect toll messages, which have been accepted at the customer's telephone.

Monthly recurring charges are billed in advance and toll charges are billed in arrears. Special billing arrangements may be established for services provided to governmental agencies.

Bills are due when rendered unless otherwise specified on the bill and may be paid at any business office of the Company or at any agency authorized to receive such payments.

Customers have the option of receiving their telephone bill electronically. The bill will include the bill face, (front and back), mandated messages and bill inserts, summary of current charges and section or service total information. It will also include call detail and adds and changes in detail options. See Section 10 of the Price List for rates and special conditions.

EXCHANGE AND NETWORK SERVICES
GENERAL REGULATIONS

Establishment and Furnishing of Services (Continued)

G. Customer Billing (Continued)

If a customer whose bill is rendered monthly fails to pay the charges appearing thereon in full, within 10 days after its date of presentation, the Company may temporarily or permanently disconnect the customer's service. Such disconnection shall not be made until at least 24 hours following notification to the customer of the Company's intention to disconnect service.

Service, which has been temporarily disconnected, will be charged the regular rates for a period not to exceed ten days following the date of disconnection. When service is completely disconnected, charges for service will be discontinued as of the date of disconnection.

Checks Returned By Bank

For each check returned by a bank to the Company for any reason, a service charge will be made and collected by the Company.

The nonrecurring Service Charge is in the Price List, Section 2.

If such a check is received in payment of a delinquent account, the Company may disconnect service immediately as if no payment had been received. Such disconnections shall not take place on a day before a weekend, or holiday or on a weekend or holiday without prior consent of the Public Utility Commission. The Company may require payment of such an account to be made in cash before service is restored.

Late Payment Charge

A late payment charge will apply if payment is not received by the due date printed on the bill for all bills over \$25.00. The charge will also apply in situations where special payment arrangements for overdue charges have been made.

The non-recurring Late Payment Charge is in the Price List, Section 2.

Minimum Contract Period

Except as specified elsewhere in this Tariff, the minimum contract period is one month from the date service or additions to service are established and the minimum charge is the established rate for one month.

EXCHANGE AND NETWORK SERVICES
GENERAL REGULATIONS

Abuse or Fraudulent Use of Service

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

The use of service or facilities of the Company to transmit a message or to locate a person or otherwise to give or obtain information, without payment of the charge applicable for service;

- the obtaining, or attempting to obtain, or assisting another to obtain or to attempt to obtain service, by rearranging, tampering with, or making connection with any facilities of the Company, or by any trick, scheme, false representation, or false credit device, or by or through any other fraudulent means or device whatsoever, with intent to avoid the payment, in whole or in part, of the regular charge for such service;
- the use of service or facilities of the Company for a call or calls, anonymous or otherwise, if in a manner reasonably expected to frighten, abuse, torment, or harass another;
- the use of profane or obscene language;
- the use of the service in such manner as to interfere unreasonably with the use of the service by other customers.

The use of a switching system to automatically connect an incoming call to an outgoing private line or foreign exchange line to permit the incoming caller to extend a call to a distant location over these facilities is considered to be switching of calls, a service normally performed by the Company. The act of providing a switching service for the purpose of circumventing Company charges is deemed to be abuse or fraudulent use of service as described herein. Also, providing a switching service for which a separate charge is made to any person or organization is deemed to be resale of service as described in these General Regulations.

**EXCHANGE AND NETWORK SERVICES
GENERAL REGULATIONS**

Termination of Service by the Company

The Company may refuse to furnish, or may terminate the service and remove its equipment under the following circumstances, provided suitable notice has been given to the customer:

Upon the continuance of any unpaid amount due for a period of 10 days following temporary suspension;

- upon objection to the furnishing of a service made in writing by or on behalf of any governmental law enforcement agency acting within its jurisdiction, on the grounds that such service is or is to be used for an illegal purpose;
- upon the use of a service in such a manner that, in the opinion of the Company, constitutes abuse or fraud or may tend to injuriously affect the efficiency of the Company's plant, property, or service;
- upon a violation of any of the regulations governing the furnishing of a service.

The Company shall refuse to establish service for any applicant, and it shall discontinue and disconnect service to a customer, whenever it has reasonable cause to believe that the use made or to be made of the service, or the furnishing of service to the premises of the applicant or customer, is prohibited under any law, ordinance, regulation, or other legal requirement, or is being or is to be used as an instrumentality, directly or indirectly, to violate or to aid and abet the violation of the law. A written notice to the Company from any official charged with the enforcement of the law stating that such service is being used or will be used as an instrumentality to violate or to aid and abet the violation of the law is sufficient to constitute such reasonable cause.

Termination of Service at Customer's Request

Contracts for service may be terminated prior to the expiration of the contract period provided advance notice is given to the Company and upon agreement to pay all charges due for the service furnished, plus any termination charge which might be applicable.

No minimum or termination charge will apply where a new customer takes over the service of the former customer, provided, the service is to be furnished at the same location without interruption and that the new customer assumes all unpaid charges on the original contract. Minimum and termination charges will apply for any service furnished under the original contract which is not retained by the new customer.

No minimum or termination charge will apply in the event the service is terminated because of the condemnation, destruction, or damage to property by fire or other cause beyond the control of the customer.

**EXCHANGE AND NETWORK SERVICES
GENERAL REGULATIONS**

Telephone Numbers

The customer has no property right to the telephone number nor any right to continuance of service through any particular central office. Should the customer want to be served from a particular central office, he will be required to pay interoffice mileage.

The Company reserves the right to change the customer's telephone number or the central office associated with such number, or both, as may be required for the proper conduct of its business.

Directories

The Company will furnish to its customers, without charge, such directories as are necessary for the efficient use of the service. Copies of other directories may be provided at a nominal charge.

Directories regularly furnished to customers shall remain the property of the Company. No binder, holder, or auxiliary cover, except as provided or authorized by the Company shall be used in conjunction with any directory furnished by the Company.

The Company is not liable for damages arising from errors in or omissions of directory listings for which there is no charge or listings obtained from the "Directory Assistance." In the case of listings for which a charge is made, its liability shall be limited to the monthly rate for each such listing for the charge period during which the error or omission continues.

EXCHANGE AND NETWORK SERVICES
GENERAL REGULATIONS

Obligations of Company

A. Furnishing of Service

The Company's obligation to furnish service is dependent upon its ability to secure and retain, without unreasonable expense, suitable facilities and rights for the construction and maintenance of the necessary circuits and equipment.

Where facilities beyond those normally required are provided to satisfy customer requests, charges based on the additional costs incurred will apply.

When a customer orders installations, moves or changes which cannot be completed during scheduled working hours, he may be required to pay overtime charges. Such overtime charges will be the difference between straight time and overtime, and will be in addition to the normal installation, move or change charge. The customer must agree to this provision before such overtime work will be performed.

When the construction of certain facilities is necessary for the furnishing of a service, the ownership of such facilities will be vested in the Company, even though all or a part of the cost of construction is borne by the customer.

The Company will determine the type of facilities to be provided for the furnishing of a service.

B. Maintenance and Repair

The Company will be reimbursed for the costs associated with customer requests for relocation or rearrangement of facilities.

All costs associated with the maintenance and repair of services furnished by the Company will be borne by the Company except as specified elsewhere in this Tariff.

The Company will be reimbursed for any loss or damage to its facilities on the customer's premises resulting from intentional destruction or any other cause except from fire or unavoidable accidents.

Access to customer's premises, at any reasonable hour, will be given to representatives of the Company for the purpose of inspecting, repairing, testing or removing any part of the Company's facilities.

EXCHANGE AND NETWORK SERVICES
GENERAL REGULATIONS

Obligations of Company (Continued)

C. Allowance for Interruptions

When service is interrupted for a period of at least 24 hours after notice by the customer to the Company, a credit allowance equal to 1/30 of the monthly rate for all services and facilities furnished by the Company rendered useless shall apply for each 24 hours, or major fraction thereof, during which the interruption continues after notice to the Company. Credit allowances in any billing period shall not exceed the total charges for that period for the services and facilities, which were rendered useless.

The Credit will not apply to "out of service" conditions resulting from the willful neglect, misuse or abuse by the customer. The credit will not apply to "out of service" conditions where the outage is in the customer's inside wire, the customer's premises equipment, or otherwise caused by the customer or by customer owned equipment. This credit also will not apply to "out of service" conditions where service has been temporarily or permanently discontinued for nonpayment of bills.

D. Liability

The liability of the Company for damages arising out of mistakes, omissions, interruptions, delays, or errors or defects in transmission occurring in the course of furnishing a service and not caused by the negligence of the customer, shall, in no event, exceed an amount equivalent to the proportionate charge to the customer for the period of service during which such mistake, omission, interruption, delay, or error or defect in transmission occurs.

When the facilities of other companies are used in establishing connections to points not reached by the Company's facilities, the Company is not liable for any act or omission of the other company or companies.

The Company is not liable for any unavoidable damage to the customer's premises resulting from the attachment of its equipment and associated wiring on such premises, or from the installation or removal thereof. Overcharges to a customer shall be refunded to the customer retroactive to the time the overcharge was applied or to the time the overcharge can be documented, either by the Company or the customer.

EXCHANGE AND NETWORK SERVICES

GENERAL REGULATIONS

Aid to Construction

The Company will provide telephone facilities to subdivisions, housing projects, multifamily dwellings, and mobile home parks having five or more individual units under the following conditions:

- Prior to commencement of the installation of facilities the developer (owner) will enter into a written agreement assuming full responsibility for charges due under this Aid to Construction Tariff. A deposit equal to seventy-five percent of the Company's estimated project charges is payable upon execution of the written agreement. Such payment must be received prior to the commencement of any construction activity.
- Upon installation of the facilities covered by the written agreement the developer will pay the difference between the Company's actual construction costs and the amount of prepaid deposit.
- Repayment to the developer of all Aid to Construction charges made for a particular project will be made if, at any time within three years of the date of commencement of construction, ninety percent of the units specified in the written agreement are producing network revenue for the Company. A date beyond which this refund provision will no longer apply will be stated in the written agreement between the developer and the Company.

The Company will undertake to provide all facilities necessary to provide permanent telephone service to the above projects.

Provisions of this Tariff are applicable to all subdivisions, housing projects, multifamily dwellings, or mobile home parks consisting of five or more individual units.

Nothing in this regulation shall be construed as limiting or in any way affecting the right of the Company to collect from the developer any additional charges to which it is entitled by virtue of the provisions of this Tariff or otherwise by law.

**EXCHANGE AND NETWORK SERVICES
GENERAL REGULATIONS**

Temporary Service

A. Establishment of Temporary Service

Temporary telephone service will be provided under the following conditions:

- The applicant for such service will be required to pay to the Company in advance, or otherwise as the Company may elect the net cost of materials, installation, and removal of facilities necessary for the provision of temporary service by the Company.
- If a customer maintains telephone service for 36 consecutive months at a location originally established on a temporary basis, the Company will refund an amount equal to the charge specified in the preceding paragraph, less any Line Extension Charge applicable at the time the temporary service was installed. If the business has not proven its permanency at the end of 36 months, the refund provision will no longer apply.

Nothing in this Regulation shall be construed as limiting or in any way affecting the right of the Company to collect from the applicant for temporary service, any additional charges to which it is entitled by virtue of the provisions of this Tariff or otherwise by law.

EXCHANGE AND NETWORK SERVICES
GENERAL REGULATIONS

Residence Customer Incentive Program

A. Description

The Customer Incentive Program is an offering for potential new residence local exchange customers and existing residence local exchange customers to encourage the retention or continuation of existing services by those existing customers.

B. Terms and Conditions

1. This Customer Incentive Program may be offered to potential new residence local exchange customers. In addition, the Company may provide a retention benefit to any existing residence customer who has retained a service for some period of time.
2. For a potential new residence customer, the Company may provide an incentive offer no more often than once in any one-year period. In retention situations, the Company may provide an incentive no more often than once in any one-year period with respect to any particular service or feature.
3. To qualify for these offers, a residence customer is required to have a satisfactory credit rating with the Company.
4. For a potential new residence local exchange customer, the Company may condition its offers upon the customer remaining with the Company for up to one year. Any minimum period of time shall be identified to the residence customer as part of the offer. In such cases, if the customer terminates service early, the customer may be billed all of the nonrecurring Service Charge(s) and monthly rate(s) waived under this program. The customer is not considered to be opting out if the customer moves to another Company service of equal or greater value.
5. The recipients of the Customer Incentive offer and the amount of the customer incentive offer shall be in the sole discretion of the Company, but the total value of the offer may not exceed the sum set out in C.1., following.

**EXCHANGE AND NETWORK SERVICES
GENERAL REGULATIONS**

Residence Customer Incentive Program (Continued)

B. Terms and Conditions (Continued)

1. The Company shall determine the particular details, including but not limited to periods and duration, class of customers, services, amounts, and geographic area, so long as each such offer to a particular local exchange residence customer is not inconsistent with the provisions of this Tariff and the amount does not exceed the maximum amount set forth in C.1. following. The Company may prohibit use of this program in conjunction with another being marketed by the Company and/or a Company affiliate.
2. Offers may differ based on reasonable criteria, including the following criteria or combinations of criteria below:
 - a. The sales channel through which the products are sold.
 - b. A specific geographic area.
 - c. Existing customers who request to have one or more products disconnected.
 - d. Customers who identify a better competitive offer are available to them. Company representatives may present to these customers multiple offers up to the maximum value under C.1., following.
 - e. Such other facts, criteria, and circumstances as the Company believes is a reasonable basis upon which to distinguish among groups of customers.
8. The Company reserves the right to discontinue this offer.

**EXCHANGE AND NETWORK SERVICES
GENERAL REGULATIONS**

Residence Customer Incentive Program (Continued)

C. Rates and Charges

1. The Customer may be offered one of the following, or the equivalent monetary value, on selected products as determined by the Company:
 - a. A waiver of an amount up to 100% of the current residence nonrecurring Service Charge(s), or
 - b. A waiver of up to three months of the recurring rate(s) or charge(s), or
 - c. A waiver of an amount up to 100% of the current residence nonrecurring Service Charge(s) and up to three months of the recurring rate(s) or charge(s), or
 - d. A benefit or consideration offered or provided that is not associated with a service or product offered by the Company such as CPE, merchandise, or discounts on merchandise offered by others, gift certificates, gift cards or otherwise, in the discretion of the Company. In determining the value of non-cash offers or benefits, the actual cost incurred by the Company, not to exceed the sum of C.1.(c) above, shall be used.
2. The waiver(s) will appear in the form of a credit(s) on the customer's bill. The waiver may be one-time, or spread over a period of up to 12 months in a fashion determined by the Company.
3. Waiver amounts are calculated on the first month's nonrecurring Service Charge(s) and monthly rate(s). The total waived amount will not exceed the value of the total nonrecurring Service Charge(s) plus three months service of the monthly rate(s) or charge(s).

EXCHANGE AND NETWORK SERVICES
GENERAL REGULATIONS

Business Customer Incentive Program

A. Description

The Customer Incentive Program is an offering for potential new business local exchange customers and to existing business local exchange customers to encourage the retention or continuation of existing services by those existing customers.

B. Terms and Conditions

1. This Custom Incentive Program may be offered to potential new business local exchange customers. In addition, the Company may provide a retention benefit to any existing business customer who has retained a service for some period of time.
2. For a potential new business customer, the Company may provide an incentive offer no more often than once in any one-year period. In retention situations, the Company may provide an incentive no more often than once in any one-year period with respect to any particular service or feature.
3. To qualify for these offers, a business customer is required to have a satisfactory credit rating with the Company.
4. For a potential new business local exchange customer, the Company may condition its offers upon the customer remaining with the Company for a minimum of one year. Any minimum period of time shall be identified to the business customer as part of the offer. In such cases, if the customer terminates service early, the customer may be billed all of the nonrecurring Service Charge(s) and monthly rate(s) waived under this program. The customer is not considered to be opting out if the customer moves to another Company service of equal or greater value.
5. The recipients of the Customer Incentive offer and the amount of the customer incentive offer shall be in the sole discretion of the Company, but the total value of the offer may not exceed the sum set out in C.1., following.

**EXCHANGE AND NETWORK SERVICES
GENERAL REGULATIONS**

Business Customer Incentive Program (Continued)

B. Terms and Conditions (Continued)

6. The Company shall determine the particular details, including but not limited to periods and duration, class of customers, services, amounts, and geographic area, so long as each such offer to a particular local exchange business customer is not inconsistent with the provisions of this Tariff and the amount does not exceed the maximum amount set forth in C.1., following. The Company may prohibit use of this program in conjunction with another being marketed by the Company and/or a Company affiliate.
7. Offers may differ based on reasonable criteria, including the following criteria or combinations of criteria below:
 - a. The sales channel through which the products are sold.
 - b. A specific geographic area.
 - c. Existing customers who request to have one or more products disconnected.
 - d. Customers who identify a better competitive offer are available to them. Company representatives may present to these customers multiple offers up to the maximum value under C.1., following.
 - e. Such other facts, criteria, and circumstances as the Company believes is a reasonable basis upon which to distinguish among groups of customers.
8. The Company reserves the right to discontinue this offer.

**EXCHANGE AND NETWORK SERVICES
GENERAL REGULATIONS**

Business Customer Incentive Program (Continued)

C. Rates and Charges

1. The Customer may be offered one of the following, or the equivalent monetary value, on selected products as determined by the Company:
 - a. A waiver of an amount up to 100% of the current business nonrecurring Service Charge(s), or
 - b. A waiver of up to three months of the recurring rate(s) or charge(s), or
 - c. A waiver of an amount up to 100% of the current business nonrecurring rate(s) or charge(s) and up to three months of the recurring Service Charge(s), or
 - d. A benefit or consideration offered or provided that is not associated with a service or product offered by the Company such as CPE, merchandise, or discounts on merchandise offered by others, gift certificates, gift cards or otherwise, in the discretion of the Company. In determining the value of non-cash offers or benefits, the actual cost incurred by the Company, not to exceed the sum of C.1.(c) above, shall be used.
2. The waiver(s) will appear in the form of a credit(s) on the customer's bill. The waiver may be one-time, or spread over a period of up to 12 months in a fashion determined by the Company.
3. Waiver amounts are calculated on the first month's nonrecurring Service Charge(s) and monthly rate(s). The total waived amount will not exceed the value of the total nonrecurring rate(s) or charge(s) plus three months service of the monthly rate(s) or charge(s).

EXCHANGE AND NETWORK SERVICES
EXCHANGE AREAS AND MAPS

LIST OF EXCHANGE AREAS AND LOCAL CALLING AREAS

<u>Originating Exchange</u>	<u>Terminating Exchange</u>
Eureka	Eureka
Libby	Libby
Troy	Troy

Base Rate Ara Maps and Exchange Ara Maps are located in Montana Exchange Maps.

EXCHANGE AND NETWORK SERVICES

LIFELINE ASSISTANCE PROGRAMS

A. LOW INCOME ASSISTANCE PROGRAM (LIFELINE)

1. Regulations

The credit is applicable only to a single residence line at the principal residence of the eligible subscriber.

Lifeline customers are charged the Residence access line rate plus the Federal Subscriber Line Charge. The Low Income Assistance Program discount(s) are then applied to the customer's local bill.

Lifeline subscribers may add optional Toll Denial (see General Regulations, Custom Calling Services) to their line at no cost.

For additional conditions for application of this service see:

Deposits section in General Regulations.

Non-Recurring Charges in the Local Service section.

2. Lifeline

Lifeline is a federal government assistance program available to residence customers who qualify, pursuant to 47 CFR, Subpart E, Section 54.

EXCHANGE AND NETWORK SERVICES

LIFELINE ASSISTANCE PROGRAMS

B. MONTANA TELEPHONE ASSISTANCE PROGRAM (MTAP)

The MTAP provides for a credit against the recurring monthly rate for the provision of local residential service for certain low-income customers.

1. Application

The MTAP credit is only available to residence customers who meet eligibility requirements established by MCA §69.3.1002. To be considered eligible the applicant must be a residential subscriber with a single telephone line at his principal residence who is certified by the Department of Public Health and Human Services as a recipient of Medicaid benefits.

A monthly State discount to eligible subscribers as shown below. In no case will the combined Lifeline and MTAP discount exceed the rate charged for the residential service subscribed to by each individual.

Monthly State Discount \$3.50

2. Funding

The total cost of providing this Assistance Program shall be funded from a uniform monthly increase to each residential access line.

The MTAP will begin with the date the Company receives a valid application from the customer or when new service is established for a qualifying customer. The credit will be prorated on the basis of a 30 day month from the effective date of the customer's application.

The regular service and equipment charges and regulations applicable to the service offering specified in this tariff will apply. The service and equipment charges to change to or from this program due to eligibility status will be waived.

EXCHANGE AND NETWORK SERVICES
ENHANCED UNIVERSAL EMERGENCY NUMBER SERVICE (E9-1-1)

Applicability

Applicable to Enhanced Universal Emergency Number Service (E9-1-1), is an exchange service whereby a public safety answering point (PSAP) designated by the 911 customer may receive calls dialed to the telephone number 911. The service includes facilities and equipment needed to switch and transport to the designated PSAP emergency calls originated by persons within the serving area who dial 911.

Territory

Applicable to the territory within the exchange areas where service is provided from Central Offices and/or operating systems capable of providing E9-1-1 Service as said exchanges are defined on the maps contained in this tariff.

General

Enhanced Universal Emergency Number Service (E9-1-1) consists of the Company's subscribers' names, service addresses and telephone numbers which are provided to a 911 customer for purposes of identifying the location or identity, or both, of a person calling a 911 PSAP.

Terms and Conditions

A. General

1. The 911 customer may use the subscriber records to create and maintain a 911 location database that is used to assist in the process of dispatching public safety agencies.
2. Subscriber Record information provided by the Company is proprietary and the 911 customer will not duplicate and transfer such records to a third party except with Company written authorization. Duplicate copies can be made by the 911 customer for database back up to protect the integrity of the system. Upon termination of Subscriber Records, the records will be returned to the Company, or upon the company's approval, records may be destroyed by the 911 customer.
3. If two or more 911 customers request distribution of the same scrubbed Subscriber Records, both 911 customers will be required to pay the full rates and charges for Subscriber Records. If two or more 911 customers request distribution of the same unscrubbed Subscriber Records, all 911 customers will be charged the rate for unscrubbed Subscriber Records.

**EXCHANGE AND NETWORK SERVICES
ENHANCED UNIVERSAL EMERGENCY NUMBER SERVICE (E9-1-1)**

Terms and Conditions

A. General (Continued)

1. Data format will be in the NENA recommended data exchange format.
2. Method of delivery is electronic download utilizing NENA recommended protocols for data exchange.
3. The company recommends daily data delivery of Subscriber Records but will negotiate other frequency options with the 911 customer.
4. If the 911 customer elects to have Subscriber Records data delivered by other than computer file transfer, there may be additional costs assessed to the 911 customer.
5. The Company will deliver Subscriber Records information to the 911 customer or an entity designated by the 911 customer to perform 911 database services.
6. Subscriber Record unscrubbed data has not been verified with a MSAG and the records do not include the Emergency Service Number (ESN) information.
7. Subscriber Record scrubbed data has been validated with a MSAG provided by the 911 customer or assigned database agent.
8. The 911 customer may request Subscriber Records as either unscrubbed data, or as scrubbed MSAG valid data.

**EXCHANGE AND NETWORK SERVICES
ENHANCED UNIVERSAL EMERGENCY NUMBER SERVICE (E9-1-1)**

Terms and Conditions

B. Company Responsibilities Include:

1. Company provides unscrubbed data
 - (a) Creation of an initial copy of the Company's subscriber records on a full NXX basis only.
 - (b) Creation of daily update files.
 - (c) Creation of an annual refresher file, consisting of a copy of the current subscriber records for the exchanges previously requested by the 911 customer.
 - (d) Providing Subscriber Records for Company exchanges, initially and as changes to Company service occur.
 - (e) Storage of a backup copy for ten calendar days of the Subscriber Records provided to the 911 customer.
 - (f) Correction of Company's corporate records with valid assigned addresses based on standard addressing as determined by the Company, the 911 customer and the addressing authority for the jurisdiction. The 911 customer will communicate the valid addresses to the Company and the Company will update the telephone number records and the Company SAG.
 - (g) Maintaining a point of contact to verify source systems.

**EXCHANGE AND NETWORK SERVICES
ENHANCED UNIVERSAL EMERGENCY NUMBER SERVICE (E9-1-1)**

Terms and Conditions (Continued)

B. Company Responsibilities Include: (Continued)

2. Company provides scrubbed, MSAG valid data
 - (a) Creation of an initial copy of the Company's subscriber records on a full NXX basis only.
 - (b) Creation of daily update files.
 - (c) Providing Subscriber Records for Company exchanges, initially and as changes to Company service occur.
 - (d) Storage of backup copy for ten calendar days of the Subscriber Records provided to the 911 customer.
 - (e) Correction of Company's customer records with valid assigned addresses based on standard addressing as determined by the Company, the 911 customer and the addressing authority for the jurisdiction. The 911 customer will communicate the valid addresses to the Company and the Company will update the telephone number the records and the Company SAG to agree with the 911 customer's MSAG if one is utilized.
 - (f) Maintaining a point of contact to verify source systems.
 - (g) Performing daily error correction activities on Company Subscriber Records within 48 hours of notification on errors resulting from processing of updates to 911 customer's database.
 - (h) Monitoring the Company Subscriber Records database quality for the affected NXX's and initiating corrective actions. Activities include but are not limited to: monitoring the timeliness of updates and error correction, error levels and error types.

**EXCHANGE AND NETWORK SERVICES
ENHANCED UNIVERSAL EMERGENCY NUMBER SERVICE (E9-1-1)**

Terms and Conditions (Continued)

B. Company Responsibilities Include: (Continued)

2. Company provides scrubbed, MSAG valid data (Continued)

- (i) Maintaining the Company SAG to agree with the 911 customer's standard addressing system reflected in the MSAG for the Company affected NXX areas. The Company will validate their Subscriber Records to the SAG prior to delivering the 911 records to the 911 customer.
- (j) Creation of an annual refresher file consisting of a copy of the current subscriber records for the exchanges previously requested by the 911 customer.
- (k) Resolving ANI/ALI inquiries supplied by the 911 customer or database agent within five business days of receipt. Quantities of over 60 ANI/ALI inquiries received in one day from one customer will be considered other than normal workload. When quantities above normal workload are received, the Company will contact the 911 customer to negotiate a completion timeline.
- (l) Distributing the Company's Street Address Guide (SAG) in MSAG format to the 911 customer to facilitate the build of the MSAG.

C. 911 Customer Responsibilities Include:

1. Company provides unscrubbed data

- (a) Entering into an agreement with the Company. The agreement will define the means of delivering Subscriber Records data from the Company to the 911 customer.
- (b) When file transfer is utilized the 911 customer is responsible for providing compatible computer hardware and software to receive Subscriber Records via a dial-up line connection or other agreeable transmission means (i.e. FTP or NDM) to the Company computer. The 911 customer is responsible for providing the line for receiving the subscriber data.

EXCHANGE AND NETWORK SERVICES
ENHANCED UNIVERSAL EMERGENCY NUMBER SERVICE (E9-1-1)

Terms and Conditions (Continued)

C. 911 Customer Responsibilities Include: (Continued)

1. Company provides unscrubbed data (Continued)

- (c) Designating an individual to administer the data, and act as a single point of contact to the Company.
- (d) Developing methods and procedures to facilitate receiving and loading data.
- (e) Creating methods and procedures to ensure that the 911 customer's computer is available to receive Company data at a mutually agreeable time.
- (f) Monitoring transmission of data for successful completion.
- (g) Notifying the Company within one business day of assigned receipt time if transmission is not successful.
- (h) Specifying the geographical area for which Subscriber Records information is required. Subscriber Records will not be provided for less than an entire NXX service area.
- (i) Assuming the responsibility that Company Subscriber Records information shall not be used or disclosed by 911 system agencies or their employees for criminal investigations or civil discovery, except under court order.

2. Company provides scrubbed, MSAG valid data

- (a) Entering into an agreement with the Company. The agreement will define the means of delivering Subscriber Records data from the Company to the 911 customer.
- (b) When file transfer is utilized the 911 customer is responsible for providing compatible computer hardware and software to receive Subscriber Records via dial-up line connection or other agreeable transmission means (i.e. FTP or NDM) to the Company computer if electronic means of deliver is chosen. The 911 customer is responsible for providing the line for receiving the subscriber data.

**EXCHANGE AND NETWORK SERVICES
ENHANCED UNIVERSAL EMERGENCY NUMBER SERVICE (E9-1-1)**

Terms and Conditions (Continued)

C. 911 Customer Responsibilities Include: (Continued)

2. Company provides scrubbed, MSAG valid data (Continued)

- (c) Designating an individual to administer the data, and act as a single point of contact to the Company.
- (d) Developing methods and procedures to facilitate receiving and loading data. Creating methods and procedures to ensure that the 911 customer's computer is available to receive Company data at a mutually agreeable time.
- (e) Monitoring transmission of data for successful completion.
- (f) Notifying the Company within one business day of assigned receipt time if transmission is not successful.
- (g) Specifying the geographical area for which Subscriber records information is required. Subscriber Records will not be provided for less than an entire NXX service area.
- (h) Assuming the responsibility that Company Subscriber Records information shall not be used or disclosed by 911 system agencies or their employees for criminal investigations or civil discover, except under court order.
- (i) Providing a single point of contact to the Company for MSAG and Subscriber Records addressing issues.
- (j) Providing the Company access to verify the 911 records of their subscribers as submitted to the 911 customer.
- (k) Providing written verification to the Company within 72 hours of update of each addition, change or deletion of information in the MSAG as made by the 911 Customer.
- (l) Providing a complete electronic copy of the MSAG to the Company on a quarterly basis without charge.

EXCHANGE AND NETWORK SERVICES
ENHANCED UNIVERSAL EMERGENCY NUMBER SERVICE (E9-1-1)

Terms and Conditions (Continued)

D. Liability

1. General Liability

Emergency Communications Services, hereinafter collectively referred to as ECS, including Emergency Number Service (911), Enhanced Universal Emergency Number Service (E9-1-1) and Emergency Notification Service, are provided by the Company subject to the statutory limitation of liability found in MCA §27.1.735 and the following:

2. Liability of the Company

- (a) The Company's entire liability to the 9-1-1 Customer or any person for interruption or failure of any aspect of ECS shall be limited by the terms set forth in this section, the Rules and Regulations section of this Tariff, and in any sections of other Price Lists which apply to the provision of ECS by the Company. ECS is offered solely to assist the 9-1-1 Customer in providing ECS in conjunction with applicable fire, police, and other public safety agencies. By providing ECS to the 9-1-1 Customer, the Company does not create any relationship or obligation, direct or indirect, to any third party other than the 9-1-1 Customer.
- (b) The Company shall not be liable for civil damages, whether in contract, tort or otherwise, to any person, corporation, or other entity for any loss or damage caused by any act or omission of the Company or its employees, agents or contractors, in the design, development, installation, maintenance, or provision of any aspect of ECS other than an act or omission constituting gross negligence or wanton or willful misconduct. However, in no event shall the Company's liability to any person, corporation, or other entity for any loss or damage exceed an amount equal to the prorated allowance of the tariff rate for the service or facilities provided to the 9-1-1 Customer for the time such interruption to service or facilities continues, after notice by the 9-1-1 Customers to the Company. No allowance shall be made if the interruption is due to the negligence or willful act of the 9-1-1 Customer. In no event shall the Company be held liable or responsible for any indirect, incidental, consequential, punitive, special, or exemplary damages associated with the provision of ECS.

**EXCHANGE AND NETWORK SERVICES
ENHANCED UNIVERSAL EMERGENCY NUMBER SERVICE (E9-1-1)**

Terms and Conditions (Continued)

D. Liability

2. Liability of the Company (Continued)

- (a) The 9-1-1 Customer shall indemnify and hold harmless the Company from any damages, claims, causes of action, or other injuries whether in contract, tort, or otherwise which may be asserted by any person, business, governmental agency, or other entity against the Company as a result of any act or omission of the 9-1-1 Customer or any of its employees, directors, officers, contractors or agents except for Company acts of negligence, gross negligence or willful or wanton misconduct in connection with designing, developing, adopting, implementing, maintaining, or operating any aspect of ECS or for releasing subscriber information, including non-published or unlisted information in connection with the provision of ECS Service.
- (b) The Company shall not be liable or responsible for any indirect, incidental, consequential, punitive, special, or exemplary damages associated with the provision of ECS when any 9-1-1 call originates from a system or line which makes the provision of special location information impossible to provide for technical reasons. These technical reasons can include, but are not limited to, technical inability to provide subscriber information associated with multi-party lines, or private telecommunications services, such as PBXs or shared tenant services and calls originating over Centrex lines.
- (c) The Company accepts no responsibility for obtaining subscriber record information from private telecommunications systems, such as PBXs or shared tenant services, unless provided to the Company by a SP. At the rates set forth herein, the Company will integrate any records provided to it by the PSP in a Company-standard format for inclusion in a 9-1-1 ALI Database. However, by doing so, the Company makes no representation or warranty regarding the accuracy of the data provided to it by a PSP and shall not be liable or responsible for any indirect, incidental, consequential, punitive, special, or exemplary damages associated with the provision of this government agency, or other entity against the Company.

**EXCHANGE AND NETWORK SERVICES
ENHANCED UNIVERSAL EMERGENCY NUMBER SERVICE (E9-1-1)**

Terms and Conditions (Continued)

D. Liability (Continued)

2. Liability of the Company (Continued)

- (a) The Company shall not be liable or responsible for any indirect, incidental, consequential, punitive, special, or exemplary damages associated with the provision of any aspect of ECS when there is a failure of or interruption of ECS due to the attachment of any equipment by a 9-1-1 Customer to Company facilities. The 9-1-1 Customer may, with the prior written consent of the Company, which consent shall not be unreasonably withheld, attaché features, devices, or equipment of other vendors to the equipment or network facilities provided by the Company. Said attachments, devices, or equipment must meet all applicable federal and state registration or certification standards. The Company reserves the right to refuse attachments if the Company determines that said attachments will degrade ECS ordered by the 9-1-1 Customer, Company facilities, or otherwise affect its telephone operations.
- (b) The Company shall not be liable for any civil damages, whether in contract, tort, or otherwise, caused by an act or omission of the Company in the good faith release of information not in the public record, including non-published or non-listed subscriber information to Emergency Response Agencies responding to calls placed to an ECS or Host Providers using such information to provide an ECS Service.
- (c) The Company shall have no liability whatsoever to any person arising from its provision of, or failure to provide, ECS to any subscriber to a non-regulated telephone service (e.g., shared tenant service). It is the obligation of the 9-1-1 Customer to answer, respond to, transfer, terminate, dispatch, or arrange to dispatch emergency services, or otherwise handle all ECS telephone calls that originate from telephones within the 9-1-1 Customer's service area. Neither the 9-1-1 Customer nor the Company shall have any responsibility for ECS calls that carry foreign dial tone, whether they originate within or outside of the 9-1-1 Customer's service area.
- (d) The Company shall not be liable for any mistakes, omissions, interruptions, delays, errors or defects in transmission or service caused or contributed to by the negligence or willful act of any person other than the Company, or arising from the use of 9-1-1 Customer provided facilities or equipment.

**EXCHANGE AND NETWORK SERVICES
ENHANCED UNIVERSAL EMERGENCY NUMBER SERVICE (E9-1-1)**

Rates and Charges

	<u>Monthly Rate</u>
A. Unscrubbed Subscriber Records ¹	
Per 1000 subscriber telephone number records	\$20.00
B. Scrubbed, MSAG Valid Subscriber Records ¹	
Per 1000 subscriber telephone number records	50.00

¹ Rates and charges apply to a minimum of 1000 records. Rates and charges also apply to each additional 1000 records, or fraction of 1000 records. Record count will be reviewed annually to update billing.

Daily record updates will be provided to the customer. The customer will not be billed for any changes in the number of records that occur during the year. Rather, the customer will be billed for the number of records counted at the time of review on the anniversary date of established service.

EXCHANGE AND NETWORK SERVICES

EMERGENCY CONNECT SERVICE

Emergency Connect Service is a LIMITED SERVICE that allows calls to be placed to 911 ONLY. The service does NOT allow for any inbound calling.

Regulations

- This service is available where technically feasible and subject to availability of existing facilities.
- All attempted inbound calls will receive a recording saying the number is not in service.
- Customers will not be given a telephone number of the service and no directory listing services will be available.
- The customer only has the following dialing options:
 - 911 and
 - Where technically feasible, the ability to dial 611 and/or a Call Center.
 - All other calling patterns will receive re-order tone.
- The call origination telephone number (ALI information) going to the 911 center will indicate NO CALL BACK allowed.
- Applicable Non-Recurring charges may apply.
- NO LIABILITY SHALL ATTACH TO THE COMPANY REGARDING USE OF SERVICES OR THE FAILURE OF OR INABILITY TO USE THE SERVICES. FURTHER, COMPANY SHALL NOT BE LIABLE FOR DAMAGES (INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY OR ATTORNEY'S FEES) ARISING FROM ERRORS, MISTAKES, OMISSIONS, INTERRUPTIONS, OR DELAYS OF THE COMPANY, ITS AGENTS, SERVANTS OR EMPLOYEES, IN THE COURSE OF ESTABLISHING, FURNISHING, REARRANGING, MOVING, TERMINATING, OR CHANGING THE SERVICE OF FACILITIES (INCLUDING THE OBTAINING OR FURNISHING OF INFORMATION IN RESPECT THEREOF OR WITH RESPECT TO THE CUSTOMERS OR USERS OF THE SERVICE OR FACILITIES).

Rates and Charges

Monthly Rate

\$4.99

EXCHANGE AND NETWORK SERVICES

SPECIAL CONSTRUCTION

A. Rates and Charges

For construction other than normal, the customer will pay the actual cost above normal cost in accordance with the Special Conditions below. Normal construction includes all distribution facilities, aerial and underground, placed at the option and initiative of the Company.

For changing from one type of construction to another on the customer's property, when done at the customer's request or when required by law, the customer will pay the costs of constructing the new and removing the old construction.

For moving existing construction, when done at the customer's request or when required by law, the customer will pay the actual cost, less salvage.

B. Special Conditions

The company will furnish, install and maintain all wiring necessary to service its customers, except as otherwise provided in this Tariff.

Except where required by law, the type of construction (direct burial, underground conduit or aerial) is the prerogative of the Company.

Interior wiring in buildings necessary to provide telephone service will be furnished by the Company.

If the customer requests underground conduit or direct burial construction to his property line, he will be required to pay the difference between the cost of providing such underground facilities and the estimated cost of constructing equivalent aerial facilities.

If direct burial construction is requested to the property line, the customer may participate to the extent of excavating and backfilling to the specifications of the Company and shall replace lawn, shrubbery, pavement, sidewalks, or other items damaged in the process of construction.

EXCHANGE AND NETWORK SERVICES

SPECIAL CONSTRUCTION

B. Special Conditions (Continued)

If underground conduit construction is used to the property line of the customer by requirement of law or customer's request, the customer will be required to furnish, install and maintain the conduit on his property in accordance with the Company's specifications. If direct burial construction is used to the property line of the customer by requirement of law or at customer's request, the customer will be required to excavate and backfill the trench on his property, or be charged the actual cost for such work done by the Company. The customer shall replace the lawn, shrubbery, pavement, sidewalks or other items damaged in the process of construction or maintenance on his property.

The Company is not liable for any defacement of or damage of the customer's premises resulting from the furnishing of facilities, or from the installation or removal thereof when such defacement or damage is not the result of the negligence of the Company or its agents.

When it is necessary to relocate buried wire or cable or underground conduit and cable at the customer's request, the customer will be charged the actual labor and material cost, less salvage.

Where underground construction will not be within a utility strip or other designated right-of-way and where the Company requires adequate rights for the construction, operation and maintenance of such construction, the customer, or tract owner or developer in the case of real estate subdivisions, will provide the Company with easements, deed restrictions or other appropriate covenants for these rights.

EXCHANGE AND NETWORK SERVICES

LINE EXTENSION CHARGES

A. Applicability

Applicable to charges for line extensions.

B. Territory

Within the exchange areas of all exchanges as said areas are defined on maps contained in the Exchange and Network Services Tariff.

C. Rates and Charges

1. Line Extensions

Cost coverage allowance – The Utility will construct at its expense up to \$2000.00 of outside plant facilities to one service location per applicant.

Applicants may be required to pay an up-front processing fee to cover the expense to engineer and prepare for a requested outside plant facility expansion.

Charges for plant facilities exceeding the cost coverage allowance – All outside plant facility charges in excess of the cost allowance are based upon the Utility's actual cost.

D. Special Conditions

1. General

- a. Line extension charges are applicable in connection with all classes, types and grades of service when established by means of an extension to the Utility's plant consisting of underground cable or wire or pole construction and including extensions by means of poles to be owned by the Utility jointly with others and by means of contacts or contact space on poles of others. All line extensions will be owned and maintained by the Utility.

EXCHANGE AND NETWORK SERVICES

LINE EXTENSION CHARGES

D. Special Conditions (Continued)

1. General (Continued)

- b. All outside plant facilities will be owned and maintained by the Utility. The applicant, however, if mutual agreement is made with the Utility, may clear the right-of-way, furnish and install the underground supporting structure or open and close a trench for buried services, all in accordance with the Utility's construction specifications. Ownership of facilities, structures, etc., so provided by applicant shall be vested to the Utility.
- c. The Utility shall not be obligated to provide trenching and backfilling for the service connection (drop) for additional service on the customer's premises beyond the primary service connection (drop). The necessary wire and fixtures for the service connection (drop) from distribution facilities whether aerial or underground, will be provided at the Utility's expense, except as noted in 1.d. below.
- d. Connection facilities are provided using the Utility's general construction methods. Non-standard connections are not provided unless an applicant specifically requests such an arrangement. Such an arrangement must be feasible and permissible, in which case the applicant will be required to pay in advance a non-refundable amount equal to the estimated total additional cost of arranging the distribution facilities to accommodate the non-standard service connection.
- e. In new residential subdivisions where underground facilities are required by local ordinance or regulation or has been mutually agreed upon by the Utility and the applicant, line extensions will be made in accordance with Condition No. 14.

2. Measurement of Distances

Extension of plant facilities will be made from the Utility's nearest intra-exchange distribution facility to the local demarcation point that separates the Utility's facilities from the customer's wiring. All routing and type of line extension shall be determined by the Utility, over the shortest practical route, subject to the availability of right of way.

EXCHANGE AND NETWORK SERVICES

LINE EXTENSION CHARGES

D. Special Conditions (Continued)

3. Actual Cost Determination

- a. In those circumstances where extensions to outside plant facilities exceed the portion covered by the cost coverage allowance, the applicant, in addition to any material or labor to be furnished by him, will pay in advance the estimated total cost of the Utility's construction that exceeds the cost coverage allowance as prescribed in a contract executed between the Utility and the applicant.
- b. The total cost of the Utility's construction to extend outside plant facilities includes all related expenses, including but not limited to such items as: government land crossings, forestry permits, right-of-way permits, and environmental impact studies.
- c. Where applicants are so located that it is necessary or desirable to use private and or government right-of-way to furnish service, such applicants may be required to provide or pay the cost of obtaining such right-of-way including but not limited to survey costs, in addition to any applicable charges or fees.
- d. A refund will be made within 60 days after completion of the Utility's construction for any amount advanced by the customer, including any applicable processing fees, that exceeds the actual cost less the amount of the cost coverage allowance.
- e. In no instance will the Utility charge more than the actual cost, less the amount of the cost coverage allowance, at the closing of the job order.
- f. In the event that the actual cost of construction exceeds the amount contained in the construction contract, the applicant will be liable for the additional construction cost to the extent the additional cost is beyond the control of the Utility. The applicant will not be charged if the additional cost is due to Utility error in compiling the estimate, or other circumstances within the Utility's control.
- g. At the time that the construction cost estimate is provided to the applicant, the Utility will also provide a written notice describing the circumstances where, if cost exceeds the estimate, the applicant could be liable for additional charges. The notice shall also contain a statement that explains that in the event of a dispute over additional charges, the applicant may file a complaint with the PSC.

EXCHANGE AND NETWORK SERVICES

LINE EXTENSION CHARGES

D. Special Conditions (Continued)

4. Collective Application and Grouping of Applicants

- a. When construction is required to serve a new applicant, a survey is made of all prospects who might be served from the new construction or an extension thereof and who might benefit by being included in the project. Allowances are made only for those prospects making bona fide applications for service.
- b. All applicants are grouped in a single project when there is no more than 1/2 mile of construction between successive applicants. Separate projects are established whenever the construction between any two successive applicants exceeds 1/2 mile. Two or more projects are combined, however, whenever this results in lower charges (or no increase in charges) for all of the applicants involved.

5. Apportionment of Charges

- a. Applicants are divided into two groups. The first group includes all applicants whose collective allowance equals or exceeds the construction required to serve them. No charge is made to such applicants. The second group includes all remaining applicants on the project. The overall charge for the project is divided equally among all applicants in the second group.
- b. Exceptions
 - (1) No applicant is required to pay a higher charge than he would if the project were established for him alone.
 - (2) Charges for extensions to plant on private property are assumed by applicants on whose property such extensions are made and these charges are not included in the over-all charges for the project. Likewise, the cost coverage allowance on private property is not included in the collective allowance for the project.

EXCHANGE AND NETWORK SERVICES

LINE EXTENSION CHARGES

D. Special Conditions (Continued)

6. Payment of Charges

Line extension charges are payable in advance and, except as described in Special Conditions 8, 10, 11 and 13, are not refundable. The charges shall be based on the actual costs for construction in excess of the cost coverage allowance, including but not limited to all cost of materials, labor, engineering, right of way, contracting, etc. The Utility may, however, offer installment billing when the charges exceed \$1,000.00. If an order is cancelled, any collected amounts in excess of the actual engineering and construction costs will be refunded.

7. Charges to Subsequent Applicants

- a. When a new applicant is secured who can be served from an existing project, within three years from the date service was established for the initial project, the entire project is refigured on the basis of the number of customers on which charges for the project are based, plus the new applicant or applicants. The new applicant pays a pro-ration of the line extension charge based upon the number of months (a fraction of a month is counted as a full month) remaining in the original three-year term.
- b. Applicants who can be served by an extension of a project are included in the original project, and the project is refigured as above, provided re-computation of the charges does not increase the charges to the existing customers on the project; otherwise, a new project is established.

8. Adjustment in Charges When Additional Applicants are Connected

- a. When a project is refigured because of the addition of a new customer and a reduction in charge results, a refund is made to existing customers. Re-computation of charges due to the addition of new applicants is made on the assumption that there have been no disconnects.
- b. In the event the Utility attaches toll facilities to the line extension within the three-year period, the Utility will refund a prorated amount to cover the unexpired portion of the line extension charges for that part of the line extension facilities so used.

EXCHANGE AND NETWORK SERVICES

LINE EXTENSION CHARGES

D. Special Conditions (Continued)

9. Disconnects

When one or more subscribers on a project disconnect within the three-year term, no refund is made of the line extension charge. Charges to remaining subscribers are not affected by disconnects.

10. Reuse of Facilities

- a. When a subscriber disconnects service or moves off the project and service is established for a new applicant at the same location, any adjustment in charges is a matter for negotiation between the original subscriber and the new applicant.
- b. Where a customer is disconnected for any reason and subsequently reapplies for service from the same premises, the customer will not be required to pay any additional line extension charges in addition to his total original obligation.
- c. Where a customer has paid line extension charges for service at a premises on a given project and subsequently applies for service at a different premises on the same project, the customer will not be assessed additional line extension charges greater than his original obligation unless additional construction is required.

EXCHANGE AND NETWORK SERVICES

LINE EXTENSION CHARGES

D. Special Conditions (Continued)

11. Temporary or Speculative Business

- a. Line extensions to provide service to an applicant engaged in temporary or speculative business will be made on the condition that applicant pays to the Utility the total cost of the construction and removal of the line necessary in furnishing the service less the salvage value of the materials used.
- b. If a customer maintains for 36 consecutive months a service installation which was originally established on a temporary or speculative basis, and if his business or operation at the end of that time has proven its permanency to the satisfaction of the Utility there will be refunded to the customer an amount equal to the difference between the payment made pursuant to Condition 11.a. above and the normal line extension charge which would have been applicable at the time the customer's service was installed.
- c. In no event shall service installation be classed as temporary or speculative for more than six years. Refund provisions as described in Condition 11.b. apply at the end of not more than six years.

12. Agreement and Arrangements

- a. Agreements, covering periods of not to exceed three years of telephone service, may be required by the Utility as a condition precedent to the establishment of the service when line extensions are necessary.
- b. Arrangements, other than those provided for in this section, may be made when a line extension involves submarine cable, underground crossings of railroads, highways, or power lines, or long river crossings or other unusual or disproportionately large construction expenditures as compared with the usual type of plan construction. Any such arrangements shall be subject to review by the Public Utilities Commission of the State of Montana.

EXCHANGE AND NETWORK SERVICES

LINE EXTENSION CHARGES

D. Special Conditions (Continued)

13. Line Extensions into Real Estate Developments

- a. For purposes of this section, a real estate development is improved land under a definite plan of development into four or more lots.
- b. For the purpose of this Tariff, a developer is any person, Corporation, Partnership or other entity that owns real estate and intends to resell the real estate, which does not have telephone service to the public.
- c. Line extensions into real estate developments, other than set forth in condition 14 following, will be made by the Utility, provided the estimated total cost of such extension is advanced to the Utility by the developer. The amount so advanced will be refunded to the developer proportionately for each new customer connection within the development. The refund per new connection will be determined by dividing the total number of new service connections available in the development into the total amount advanced by the developer for the development. Refunds will only be made based on valid claims from the developer for new connections to such line extension within the development during a period of three years from the date of agreement. Claims must be received within the three-year period plus 60 days. No refunds will be made on any service not retained by the same customer for 12 consecutive months. Refunds will be made at the end of the service year. If the developer elects or fails to provide the necessary advance for the line extension, each individual applicant will be required to pay the necessary line extension charges as set forth in this Tariff.
- d. Adjustment of any substantial difference between the estimated cost advanced by the developer and the reasonable actual cost shall be made within 60 days after completion of the extension.

EXCHANGE AND NETWORK SERVICES

LINE EXTENSION CHARGES

D. Special Conditions (Continued)

14. Line Extensions To and Within New Residential Subdivisions

Line extensions to and within new residential subdivisions shall be made underground where required by local ordinance, by the rules and regulations of a local governmental body, or where underground facilities have been mutually agreed upon by the Utility and the applicants in accordance with the rules of the Public Service Commission of Montana.

15. Processing Fee

An applicant(s) that makes more than 2 requests for line extension charges for the same location during a 12 month period may be required to pay an up-front processing fee to cover the expenses to engineer and prepare for a requested outside plant facility expansion.

16. Relocation of Utility Facilities

When an applicant, customer, association, government entity or political division or other third-party requests a change in the type, location or the relocation of aerial or underground of communications facilities used to provide telephone service, the requestor shall be required to pay the cost incurred by the Utility for such change or relocation of facilities. Payment for the cost of the change or relocation must be made prior to the change or relocation.