

ACCESS SERVICE

12. Specialized Service Or Arrangement

12.1 General

Specialized Service or Arrangements may be provided by the Utility, at the request of a customer, on an individual case basis if such service(T) or arrangements meet the following criteria:

- The requested service or arrangements are not offered under other sections of this tariff.
- The facilities utilized to provide the requested service or arrangements are of a type normally used by the Utility in furnishing its other services.
- The requested service or arrangements are provided within a LATA.
- The requested service or arrangements are compatible with other Utility services, facilities, and its engineering and maintenance practices.
- This offering is subject to the availability of the necessary Utility personnel and capital resources.

12.2 Rates and Charges

Rates and charges and additional regulations, if applicable, for specialized services or arrangements provided on an individual case basis are filed following:

Continued

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No.

84-1 AT&T Communications

Answer Supervision associated with Dedicated Access Line Service. Such service is to be utilized by AT&T Communications to provide access lines to its customers served by the Utility end offices LSANCA 02 and CMTNCA 01 (area code 213, prefixes 627 and 637).

	<u>Monthly</u> <u>Rate</u>	<u>Nonrecurring</u> <u>Charge</u>	<u>USOC</u>
Answer Supervision per Dedicated Access Line so equipped	\$27.43 (R)	\$43.51 (R)	ANSTK

NOTE: The preceding rates are in addition to all other rates and charges that may be applicable for the associated Feature Group C or D Switched Access Services and Special Access Services.

Continued

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No.

84-2 AT&T Communications

Specialized Transmission Arrangements associated with Switched Access trunks and Dedicated Access Line Service. Such services to be utilized by AT&T Communications to provide access lines to customers for AT&T WATS equipped with its Special Interconnection and Routing Arrangements. This arrangement is only available from the Utility's central office SNFCCA21 in San Francisco

	<u>Monthly</u> <u>Rate</u>	<u>Nonrecurring</u> <u>Charge</u>	<u>USOC</u>
Specialized Transmission Arrangement, per Connection	\$141.87 (R)	\$50.13 (R)	DWSRS

NOTE: The preceding rates are in addition to all other rates and charges that may be applicable for the associated Switched Access Service and Special Access Service.

Continued

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No.

85-1 AT&T Communications

Answer Supervision associated with Dedicated Access Line Service. Such service is to be utilized by AT&T Communications to provide access lines to its customers served by the Utility end office SNFCCA 21 (area code 415, prefix 624).

	<u>Monthly</u> <u>Rate</u>	<u>Nonrecurring</u> <u>Charge</u>	<u>USOC</u>
Answer Supervision per Dedicated Access Line so equipped	\$30.27 (R)	\$47.29 (R)	ANSTL

NOTE: The preceding rates are in addition to all other rates and charges that may be applicable for the associated Feature Group C or D Switched Access Services and Special Access Services.

Continued

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A.E. Swan

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Managing Director

Resolution No. T-16265

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 90-1 SPRINT COMMUNICATIONS COMPANY

(T)

- (A) The Utility shall, under the terms and conditions set forth herein and at the rates and charges so specified, provide Package Ready Billing and Collection Services to SPRINT Communications Company L.P., a Delaware Limited Partnership (T) (herein after referred to as "SPRINT"). This Specialized Service or Arrangement (herein after referred to as "SSA") will, from time to time, reference sections of the Utility's existing tariff where applicable. Billing and Collection Services, other than Package Ready Service, will be provided pursuant to the Utility's existing tariff (Schedule Cal. P.U.C. No 175-T, Section 8).
- (B) Package Ready Billing and Collection Service (herein after referred to as "Package Ready Service") is a billing service whereby SPRINT creates pre-packaged end user invoice records for all SPRINT charges and credits and sends these Package Invoices to the Utility for incorporation into the Utility's end user bills.
- (C) This SSA will, from the effective date hereof, constitute of Package Ready Service. The term of this SSA shall be from the effective date hereof and continue the terms and conditions and rates and charges for the provision through (C) December 31, 2000, unless terminated sooner as agreed to (C) by the parties.

Renewal after the initial term shall be by mutual agreement and subject to the approval of the appropriate regulatory bodies.

Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 90-1 SPRINT (Cont'd)

(D)

(D)

(D) Package Ready Service following Implementation

(T)

The following bill processing functions will be performed for Package Ready accounts:

- (1) SPRINT will record, rate and store the end user messages within its billing system.
- (2) On a regular basis, SPRINT will extract the end user messages from its system, compute all taxes, surcharges, and directory assistance charges, calculate any recurring or non-recurring charges owed by the end user to SPRINT, and calculate any discounts to which the end user is entitled. The data will be transmitted to the Utility as set forth in 12.2. (F) following.
- (3) Upon receipt of SPRINT's data, the Utility will sort, sequence, format and present it on the end user's invoice. All SPRINT's charges and credits to the end user will be detailed on the invoice and the net amount subtotaled on the invoice and added to the total amount due the Utility.

(T)

Continued

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 90-1 SPRINT (Cont'd)

(D) Cont'd

(T)

(4) The Utility shall provide bill rendering services which shall provide an integrated bill for each end user for which SPRINT has transmitted Package Ready Invoice detail to the Utility.

(5) The Utility shall be responsible for integrating all SPRINT Package Ready Invoice pages, with the local services billing pages of the end user's in the end users' envelopes.

(T)

(C)

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(C)

(6) The Utility shall print the SPRINT section of the integrated end user bill to mutually agreed upon specifications with the total SPRINT charge appearing on the face page of the Utility's end user invoice.

(T)

(7) The Utility shall not merge or display SPRINT Package Ready billing data with any non-SPRINT billing data or non-Package Ready SPRINT billing data on the SPRINT invoice page(s).

(T)

(8) The SPRINT logo of mutually agreed upon size and design shall be printed on every SPRINT Package Ready invoice page.

(T)

(9) Package Ready billing data to be delivered to the Utility shall be solely related to Billing Telephone Number (BTN) residing within the Utility's operating territory, and the Utility shall not bill any end user, on behalf of SPRINT, to which it does not ordinarily render bills.

(T)

(10) SPRINT may elect to resume billing for particular SPRINT end users at any time SPRINT has properly advised the end user.

(T)

Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 90-1 SPRINT (Cont'd)

(E) Guaranteed Minimum Payment

(T)

For each calendar year beginning with the effective date of this minimum payment and continuing until the termination or expiration of this SSA, a yearly minimum payment of \$1,800,000.00 will be made to the Utility for the Package Ready Service based on the following rate elements: Data Transmission, Detailed Message Billing, Text Detail Message and Package Invoice Rendering. This amount shall also be paid without regard to payments for other services provided hereunder, or for payments made by SPRINT for development charges.

(C)

(C)

At the end of each calendar year, beginning with the effective date of the minimum payment, the Utility shall determine the actual billed amounts (Intrastate and Interstate total) in such period and bill SPRINT the difference, if any, between actual billed amounts and the minimum payment amount. In the event the minimum payment becomes effective on a date other than January 1, or in the event of termination hereunder, the minimum payment due in the year the minimum payment becomes effective or the year of the termination shall be determined and prorated based upon the number of months, or part thereof the Package Ready Service was provided.

Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 90-1 SPRINT (Cont'd)

(F) Data Transmission and Confirmation

(T)

- (1) The transfer of data between the Utility and SPRINT shall be accomplished through the use of Network Data Mover (NDM) Communication protocol or other transmission medium (e.g., Magnetic tape) as mutually agreed upon. (C)
- (2) The format of the data transmitted to the Utility shall be in the Exchange Message Interface (EMI) Format.
- (3) SPRINT shall transmit data to the Utility on a regular basis. Any data transmission received from SPRINT which is determined to be unreadable, contain bad data of which no portion can be processed by the Utility, shall be reported to SPRINT immediately, and in no event longer than 12 hours after discovery of the condition. If damage to the file occurs as a result of SPRINT's creation or transmission of the data, the Utility shall not be accountable for the damage nor for any lost revenues associated with the damage. (C)
- (4) If the Utility receives transmissions from SPRINT and the end user is not billed in the Utility's billing cycle identified by SPRINT, the Utility shall hold that end user's SPRINT Package Ready Invoice until the appropriate billing cycle.
- (5) The Utility will perform billing edits on the Package Ready Invoices. Invoices will be considered unbillable and rejected under the following conditions:
 - (a) If after the Package Invoice is recycled to the new cycle as set forth in (F) (4) preceding, and the end user is not found in the new billing cycle, the Utility shall reject the Package Invoice and return it to SPRINT. The Utility shall notify SPRINT of any held and recycled Package Invoices in accordance with the mutually agreed upon return procedures.

Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 90-1 SPRINT (Cont'd)

(T)

(F) (Cont'd)

(5) (Cont'd)

(C)

(b) If any invoice for end user accounts has been received over 50 days past the disconnect date of the Utility billing account.

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(C)

(c) If any previously unbilled message within a particular packaged invoice is older than ninety (90) days preceding the date of the end user's bill, except for collect calls, credit card calls, third party calls, or preferential bill date, which can be billed up to one hundred fifty (150) days.

(C)

(d) If the SPRINT billing telephone number identified for the Package Ready Invoice is not valid within the Utility's territory or is considered foreign exchange.

(C)

(e) If the invoice contains message dates that extend into more than one Utility billing account due to that account being superseded, the entire invoice shall be returned to SPRINT.

(f) If the invoice contains a calling card message that is not within 14 days of the end user initiated disconnect date of the Utility billing account, the entire invoice shall be returned to SPRINT.

(g) If any sent-paid message date within the invoice is older than five days or if a calling card message is greater than 10 days prior to the establish date of the Utility end user billing account the entire invoice shall be returned to SPRINT.

(C)

(h) Package Ready Invoice date will be transmitted in transmission sessions containing multiple packs. All Package Invoice data packs which can be processed shall be processed and not held or rejected as a result of errors occurring in other packs.

(C)

NOTE: Material omitted now appears on 587-G-1.

Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 90-1 SPRINT (Cont'd)

(F) (Cont'd)

(T)

(5) (Cont'd)

(T)

(1) Rejected invoices will be returned to SPRINT within forty-eight (48) hours after discovery of the conditions identified in through preceding.

(6) The Utility shall transmit invoicing information to SPRINT for each end user billed, including an account-level summary of billed messages and adjustment/credit records. This will be transmitted to SPRINT within forty-eight (48) hours of completion of each billing cycle.

(C)

Material formerly on Sheet 587-G.

Continued

Advice Letter No. 18089

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A.E. Swan

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Executive Director

Resolution No.

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 90-1 SPRINT (Cont'd)

(G) Purchase of Accounts Receivables

(T)

(1) The Utility will purchase all accepted message revenues, net of adjustments, unbillables and calculated uncollectibles.

(C)

(2) The Utility will purchase only those receivables of end users to whom the Utility provides local telephone exchange service.

(C)

(3) The uncollectible factor shall be calculated utilizing the Utility's experienced bad debt history for the preceding twelve (12) months. A new SPRINT uncollectible factor shall be computed by the Utility every three (3) months thereafter based upon the actual write-off of SPRINT charges experienced during the preceding twelve (12) month period.

(T)

Any difference between the estimated uncollectible amount and the actual uncollectible amount for a three (3) month period shall be settled between the parties. If the total uncollectible actual exceeds that applied, then SPRINT shall owe the Utility the difference. If the total uncollectible actual is less than that, the Utility shall owe SPRINT the difference. Any uncollectible true-up amount shall be applied to the next purchase of accounts receivables.

(4) There shall be no netting of amounts due from the purchase of accounts receivable by the Utility against any other amounts due for the performance of the Package Ready Service.

(T)

Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 90-1 SPRINT (Cont'd)

(H) Inquiry, End User Adjustments, Treatment and Collection of (T)
SPRINT Charges

(1) SPRINT will be responsible for all end user inquiries concerning the Package Ready portion of the end user bill.

(2) SPRINT shall be responsible for contacts and arrangements with SPRINT End Users concerning the credit, adjustments, and message investigation of SPRINT charges resulting from Package Ready Billing.

(3) SPRINT shall inform the Utility daily of the status of pending adjustments and/or sustained charges.

(4) The Utility shall use its normal treatment and collection procedures to control and collect the end user's total invoice amount due, including all SPRINT charges.

(5) In the event of a dispute over sustained charges between SPRINT and the end user, SPRINT shall instruct end users to deposit disputed amounts with the California Public Utilities Commission (CPUC) pursuant to Rule 10. The Utility shall take no adverse collection action on the amount in dispute.

(6) The Utility shall accept SPRINT gift certificates for end user payment of the total end user balance. The gift certificates shall be in a format acceptable to the Utility and shall conform to the American Banking Standards.

If for some reason SPRINT gift certificates are rejected by the Utility's financial institution, SPRINT shall redeem such gift certificates upon receipt of endorsed certificates from the Utility.

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(D)

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Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 90-1 SPRINT (Cont'd)

(H) (Cont'd)

(T)

- (7) The Utility may participate in the Centralized Credit Check System or other procedures for identification of possible end user credit risks.
- (8) The Utility may send to an outside collection agency all end user accounts which are delinquent in accordance with the Utility's treatment and collection practices.
- (9) The Utility shall notify SPRINT of any presubscribed end user permanently disconnected from the service via the Daily Activity Report (DAR) from CESAR (the Utility's Customer Account Record Exchange (CARE) System).
- (10) The Utility shall not be responsible to collect on behalf of SPRINT for any balance due from end users which may have existed prior to the initiation of Package Ready Billing. If the Utility receives payment from the end user for SPRINT balances due prior to the issuance of the end user's initial Package Ready Invoice, the Utility shall apply this payment as a credit on the end user's current balance.
- (11) The Utility shall, when required, establish and maintain any end user advance payments and/or deposits in accordance with the applicable regulations as set forth in Schedule A2.1.7 - Rule 7.

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ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 90-1 SPRINT (Cont'd)

(I) Text Messages

- (1) A Text Message is a one (1) line description of a SPRINT promotional credit. The Text Message can contain information and/or an actual adjustment to be applied to the SPRINT End User's balance due.
- (2) All Text Messages are subject to the terms and conditions of the Utility's Text Message Advertising standards as agreed to by the parties.
- (3) SPRINT may send a maximum of four (4) Text Messages per invoice to be printed in the SPRINT Discount(s) section of the SPRINT pages of the end user bill.
- (4) The Text Detail Message rate set forth in 12.2.(L) following shall apply to each Text Message.

(C)

(C)

Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 90-1 SPRINT (Cont'd)

(D)

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Continued

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ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 90-1 SPRINT (Cont'd)

(J) General Terms and Conditions

(T)

- (1) Except as otherwise specifically provided for in this SSA, the performance by the Utility of billing services, purchase of accounts receivable, and billing information services shall be as described in Section 8.

(C)
With the exception of the Text Message and End User Backbilling, the Utility's liability shall be limited to the amount of direct damages actually incurred as specified in Section 8.1.3. that may result from the Utility's negligent acts or omissions. Neither the Utility nor SPRINT shall be liable to the other for any lost profits or revenues or for any indirect, incidental, special or consequential damages, including but not limited to lost business profits, whether foreseeable or unforeseeable resulting from the provision of Package Ready Billing Services hereunder.

(D)

(D)

Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 90-1 SPRINT (Cont'd)

(D)

(D)

Continued

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ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 90-1 SPRINT (Cont'd)

(D)

(D)

Continued

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ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 90-1 SPRINT (Cont'd)

(J) General Terms and Conditions (Cont'd)

(T)
(C)

(1) (Cont'd)

(b) Text Message Liability

In the event the Utility misprints a Text Message, the Utility shall use reasonable efforts to correct the error before the Text Message is mailed, and at no charge to SPRINT. If a Text Message is mailed with a material error caused by the Utility, at SPRINT's request the Utility shall, in order to correct the error, mail either a corrected version of the Text Message as mutually agreed upon by the parties on the next month's bill or shall mail a clarification on the next month's bill following discovery by the Utility of the misprint on a specific end user's bill, if the discovery occurs not less than ten (10) days prior to the end user's next month's bill. If discovery occurs within ten (10) days of the end user's next month's bill, the Utility shall include the mutually agreed upon corrected Text Message or the clarification on the end user's next succeeding month's bill. There shall be no charge to SPRINT for the Utilities activities described in this paragraph.

(C)

Continued

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Resolution No.

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 90-1 SPRINT (Cont'd)

(J) General Terms and Conditions (Cont'd) (T)

(1) (Cont'd)

(b) Text Message Liability(Cont'd) (C)

In the event that the Utility, through incorrect targeting due to the fault or negligence of the Utility causes a Text Message to be included in a bill going to an end user other than SPRINT's requested audience, the Utility shall, at SPRINT's request use reasonable efforts to mail a clarification of the error, agreeable to both parties, on the next available month's bill following discovery of the error. (C)

If a Text Message is omitted from all or a portion of the applicable end users' bills, and if such omission is due to the fault or negligence of the Utility, the Utility shall include the omitted Text Message on the next month's bill following discovery by the Utility of the omission from a specific end user's bill, if the discovery occurs not less than ten (10) days prior to the end user's next month's bill. If the discovery occurs within ten (10) days of the end user's next month's bill, the Utility shall include the omitted Text Message on the end user's next month's bill. (C)

Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 90-1 SPRINT (Cont'd)

(J) General Terms and Conditions (Cont'd)

(T)

(1) (Cont'd)

(b) (Cont'd)

(D)

(D)

SPRINT agrees to defend, indemnify and hold the Utility, its officers, directors, and employees harmless from and against all loss, cost, liability, claims, demands, actions, penalties, and damages, including but not limited to attorneys' fees and costs resulting from or arising in connection with SPRINT's Text Messages or the content of its advertising copy, including but not limited to claims or actions for defamation, trademark or trade secret infringement, invasion of privacy or use of false, deceptive or misleading advertising or practices; except that this indemnification provision shall not apply to any loss, cost, liability, claim, demand, action, penalty or damage arising directly from any breach of contract or negligence or willful misconduct on the part of the Utility which resulted in a material change to the meaning of SPRINT's Text messages. The Utility assumes no responsibility for reviewing crediting SPRINT's Text Messages for material which may give rise to liability resulting from or arising in connection with SPRINT's Text Messages or the content of its advertising copy referenced above in this paragraph.

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Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 90-1 SPRINT (Cont'd)

(J) General Terms and Conditions (Cont'd)

(T)

(1) (Cont'd)

(b) (Cont'd)

Any action against the Utility must be brought within twelve (12) months after the alleged act or omission giving rise to SPRINT's cause of action for damages.

(c) End User Backbilling Liability

The Utility will bill previously unbilled SPRINT charges to the end user, provided the associated service was furnished not more than ninety (90) days preceding the date of the end user's bill, except as follows:

- collect calls;
- credit card calls;
- third party calls;
- Where a presubscribed End User has selected a preferential bill date.

For these exceptions, the Utility will bill SPRINT charges to the end user provided the associated service was furnished not more than one hundred fifty (150) days preceding the date of the end user's bill.

In the event the Utility is responsible for the loss or damage of SPRINT traffic, as a result of failure due to acts or omissions of set procedures, the Utility shall be liable for reimbursing SPRINT for such traffic which becomes unbillable.

Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 90-1 SPRINT (Cont'd)

(J) General Terms and Conditions (Cont'd)

(T)

(2) For all other Billing and Collection Services requested by SPRINT and not covered by this SSA, SPRINT shall order such services out of the Utility's existing tariff or arrange for such services through separate agreement.

(3) Information transferred by the Utility to SPRINT or by SPRINT to the Utility pursuant to this SSA will be governed by procedures for handling proprietary information developed by the parties.

(4) Payment Procedures

(a) The Payment Date is defined by adding thirty (30) days to the bill date. SPRINT will have no less than twenty-two (22) days from date of postmark to review and pay bill without penalty.

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(C)

(b) If the payment date falls on a Sunday or a holiday which is observed on a Monday, the payment date shall be the first non-holiday day following such Sunday or holiday.

If such payment date falls on a Saturday or a holiday which is observed on Tuesday, Wednesday, Thursday, or Friday, the payment date shall be the last non-holiday day preceding such Saturday or holiday.

(c) If any portion of the payment is received by the Utility after the Payment Date, then a late payment penalty shall be due to the Utility. The late payment penalty shall be a factor of 0.05% daily charge, not compounded, or as otherwise mandated by Regulatory or governmental authorities.

(C)

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Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 90-1 SPRINT (Cont'd)

(J) General Terms and Conditions (Cont'd)

(T)

(5) Audit or Examination and Information Requests

(C)

(a) As used herein, "Audit" shall mean a comprehensive review of Package Ready Services performed under this SSA; "Examination" shall mean an inquiry into a specific element or process of Package Ready Services performed under this SSA.

(b) SPRINT may perform one Audit and four Examinations per 12-month period commencing with the approval of this SSA.

(c) Upon 45 days written notice by SPRINT to the Utility, SPRINT shall have the right to audit and examine during normal business hours and at reasonable intervals. Within the above described 45-day period, the Parties shall reasonably agree upon the scope of the audit or examination, the documents to be reviewed, and the time, place and manner in which the audit or examination shall be performed.

(d) The Utility agrees to provide the Audit or Examination support, including appropriate access to and use of the Utility's facilities (e.g conference rooms, telephones, copying machine.)

(e) The Utility shall provide an adequate audit trail to ensure that all SPRINT Package Invoices forwarded to the Utility are properly accounted for and controlled. SPRINT and the Utility shall mutually agree upon the requirements necessary for the Utility to provide an adequate audit trail, both through the system and in the exchange of data between SPRINT and the Utility.

(f) Each party shall bear its own expenses in connection with the conduct of the Audit or Examination. The reasonable cost of special data extractions required by SPRINT shall be paid for by SPRINT. If any program is developed to SPRINT's specifications and at SPRINT's expense, the program shall be retained by the Utility.

(C)

Material omitted now appears on Sheet 175-T,587-T-1.

Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 90-1 SPRINT (Cont'd)

(J) General Terms and Conditions (Cont'd)

(T)

(5) (Cont'd)

(e) Information Requests by the Utility SPRINT agrees to cooperate with the Utility by responding to reasonable requests for information in the event SPRINT's performance under this SSA is inconsistent with the terms of this SSA or adversely impacts the Utility's performance under this SSA.

(C)

(C)

NOTE: Material formerly on 587-T.

Continued

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ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 90-1 SPRINT (Cont'd)

(J) General Terms and Conditions (Cont'd)

(T)

(6) Dispute Resolution Procedures

(C)

(a) In the event any controversy, claim, dispute, difference or misunderstanding arises out of or relates to this SSA, the parties shall meet and negotiate in good faith in an attempt to amicably resolve such controversy, claim, dispute, difference or misunderstanding in writing.

(b) In the event the Parties are unable to resolve the controversy, claim, dispute, difference or misunderstanding through good faith negotiations, further dispute resolution procedures shall be as mutually agreed upon by the parties.

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(D)

(D)

Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 90-1 SPRINT (Cont'd)

(K) Rate Regulations

(T)

This section provides a description of the rates set forth in paragraph (L) following which apply to Package Ready Service:

(T)

(1) Data Transmission Charge will apply to each record successfully transmitted between companies to perform billing and collection services and attendant reporting based on an agreed upon communications protocol.

(D)

(D)

(T)

(2) Detailed Message charge will apply to each Package Invoice Message for the posting of message charges and credits to an end user account on the billing statement, including promotional message.

(T)

(3) Package Bill Rendering charge will apply for the preparation and mailing of statements of amounts due from the end user for services received from SPRINT.

A postage escalation factor of 35% shall be applied upon any increase in the United States Postal Service Postage Rates over those rates effective at the time this SSA becomes effective. For each Carrier Route Sort One Ounce (1 oz.) increase, the following amount shall be added to the Bill Rendering rate: Amount x 35% (rounded to the nearest tenth of one cent.)

(D)

(D)

(4) Text Detailed Message Charge will apply to each text message posted to an end user account on the billing statement.

(N)

(N)

Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 90-1 SPRINT (Cont'd)

(K) Rate Regulations (Cont'd)

- | | |
|--|-----|
| | (T) |
| (5) An hourly basic and/or premium development charge as set forth in (L) following will apply to each hour or fraction thereof of Utility programming and administration time expended to meet the customer's specific request. | (C) |
| (6) Computer time required by programmer on a Central Processing Unit (CPU) to develop and code modifications and/or enhancements for SPRINT will be charged on per hour basis, at the rates set forth in (L) following. | (T) |
| (7) A charge for additional paper copies of bill pages requested by SPRINT will apply on a per copy basis. | (T) |
| (8) SPRINT shall reimburse the Utility for any Outside Collection Agency (OCA) expense incurred for the collection based on the ratio of Sprint "recovered dollars" to total "recovered dollars" collected on behalf of the Utility against the end user's Single Balance Due. The term "recovered dollars" refers to charges which have been collected by the OCA on behalf of the Utility. | (T) |

Continued

Advice Letter No. 18089

Issued by

Date Filed: March 4, 1996

Decision No.

A.E. Swan

Effective: APR 13 1996

Executive Director

Resolution No.

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 90-1 SPRINT (Cont'd)

(L) Rate Schedules

(T)

<u>ELEMENTS</u>	<u>RATE</u>
Data Transmission (per record transmitted)	\$0.0020
Detailed Message (per package - invoice message)	
- More than 14 messages	0.0178
- Less than 15 messages	0.0274
Text Detailed Message (per text message)	
- More than 14 messages	0.0178
- Less than 15 messages	0.0274
Package Invoice Rendering* (per package invoice)	0.2552
Bill Copies (per page copied)	0.88

(D)

(D)

(N)

(N)

(D)

(T)

* A postage escalation factor shall be applied
 in accordance with (K) (3) preceding.

Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 90-1 SPRINT (Cont'd)

(L) Rate Schedule (Cont'd)

ELEMENTS (Cont'd)

RATE

		(D)
		(D)
Development Charges:		(N)
(1) Basic, per hour or fraction thereof (applicable to work performed within the Utility's normal work schedule and using the normal work force)	RR	
(2) Premium, per hour or fraction thereof (applicable to work performed outside the Utility's normal work schedule and/or which requires additions to the normal work force)	RR	
Central Processing Unit (per hour or fraction thereof)	RR	(N)
		(N)

RR = Rates shown in Section 8.2.1(3) apply.

Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 90-1 SPRINT (Cont'd)

(D)

(D)

Advice Letter No. 18089

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Executive Director

Resolution No.

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 91-1 US SPRINT

(N)

900 access service in association with US SPRINT's request, by Advice Letter No. 56, filed on November 26, 1990, and Advice Letter Supplement No. 56-A, filed on December 18, 1990, to provide an integrated inbound 800 and 900 services network to the State of California Department of Insurance, under contract.

Per Resolution T-14247 of the C.P.U.C., released December 27, 1990, the Utility is authorized to provide intrastate 900 access to US SPRINT for the sole purpose of enabling the Department of Insurance to operate a low cost insurance rate comparison information program. This arrangement will only be effective until superseded by the Utility's intrastate 900 access tariff, currently pending in association with A.89-09-012, et.al.

The rates and charges for this service are those which are applicable for the associated FGD Switched Access Service.

These are the following: Carrier Common Line, Section 3.8, Local Switching, Section 6.8.3(A) and (B), and Equal Access Recovery Change, Section 6.8.10.

Due to the exclusively intrastate nature of this service, the PIU will be 0.

(N)

Continued

Advice Letter No. 15875
Decision No.

Issued by
M. J. Miller
Assistant Vice President - State Regulatory

Date Filed: Jan. 25, 1991
Effective: **JAN 28 1991**
Resolution No. T-14247

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

(D)

(D)

Continued

Advice Letter No. 15551
Decision No.

Issued by
M. J. Miller

Date Filed: May 15, 1989
Effective: June 22, 1989

Executive Director - State Regulatory

Resolution No. T-13073

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

(D)

(D)

Continued

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

(D)

(D)

Continued

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

(D)

(D)

Continued

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

(D)

(D)

Continued

Advice Letter No. 15551
Decision No.

Issued by
M. J. Miller

Date Filed: May 15, 1989
Effective: June 22, 1989

Executive Director - State Regulatory

Resolution No. T-13073

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

(D)

(D)

Continued

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

(D)

(D)

Continued

Advice Letter No. 15551

Issued by

Date Filed: May 15, 1989

Decision No.

M. J. Miller

Effective: June 22, 1989

Executive Director - State Regulatory

Resolution No. T-13073

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

(D)

(D)

Continued

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

(D)

(D)

Continued

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

86-2 EDS

(SSE #84-09-30)

Megamux equipment at 10860 White Rock, Rancho Cordova and at 1 Beach Street, San Francisco to provide multiplexing service for tariff 1.544 Access Service to AT&T POPs located at SCRM 01 and SNFC 01.

	<u>Monthly Rate</u>	<u>Nonrecurring Charge</u>	<u>USOC</u>
- Per System	\$2558.00	\$84000.00	WZZBU

(D)

(D)

ACCESS SERVICE

(N)

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No.

87-1 MCI Telecommunications Corporation

- (A) The Utility shall, under the terms and conditions set forth in this Specialized Service or Arrangement (hereinafter "SSA") filing and at the rates and charges so specified, provide Universal Line Level Maintenance Services (hereinafter "ULLM Services") to MCI.
- (B) This SSA will, from the effective date hereof, constitute the terms and conditions and rates and charges for the provision of the ULLM Services specified below, unless terminated as provided herein, or terminated by an authorized act of a governmental agency in the lawful exercise of its jurisdiction.
- (C) Under this SSA, the Utility will provide the following services:
 - (1) The Utility will deliver to MCI information contained in the Utility's billing account records for all business accounts as that information exists on the report preparation date provided, however, that such information shall pertain solely to lines and trunks, which can, or upon conversion will be presubscribed to an IC. This information will include the following product characteristics if the Utility's billing account records contain such characteristics for any given account:

(N)

Continued

ACCESS SERVICE

(N)

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

87-1 MCI Telecommunications Corporation (Cont'd)

(C) Under this SSA, the Utility will provide the following services: (Cont'd)

(1) (Cont'd)

Product Characteristics:

- 1 Carrier Identification Code (MCI accounts Only)
- 2 Billing Telephone Number (Published Only)
- 3 Customer Code
- 4 Working Telephone Number (Published Only)
- 5 Hunting Multiline
- 6 Terminal Number
- 7 Customer Type (Business)
- 8 Non-Published Indicator
- 9 Line Indicator (Single/Multi)
- 10 Account Name (Bill Name)
- 11 Account Address (Bill Address, City, State)
- 12 Zip Code
- 13 Serving Wire Center Code (11 Digit Common Language Location Identification or "CLLI")

The Utility will not release any information to MCI under this SSA unless MCI has tariff rules on file with the CPUC substantially identical to those which govern the Utility's release of non-published information or customer credit information, as described in Schedule Cal.P.U.C. No. A2., 2.1.34 Rule No. 34 and 2.1.35 Rule No. 35.

The information will be provided on magnetic tapes and will be in the currently approved Carrier Account Record Exchange (CARE) record layout format. (N)

Continued

ACCESS SERVICE

(N)

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

87-1 MCI Telecommunications Corporation (Cont'd)

(C) Under this SSA, the Utility will provide the following services: (Cont'd)

(2) Within fifteen (15) business days after the CPUC approves this SSA and it becomes effective, the Utility will deliver the tapes provided hereunder to MCI at an address designated by MCI.

Delivery shall be by overnight courier.

(3) Concurrent with delivery of the tapes provided hereunder, the Utility shall deliver to MCI a transmittal notice to the address(es) designated by MCI.

(4) After delivery of the tapes provided hereunder, MCI shall have an acceptance period of thirty (30) days in which to evaluate them to determine if they are readable. If during the acceptance period MCI determines that a tape provided hereunder is not readable, MCI shall promptly notify the Utility. If the tape is unreadable, the Utility shall, at no additional cost to MCI, replace the tape with one that is readable. If the tapes provided hereunder are readable MCI shall accept the tapes. If the Utility has not received written notice that a tape provided hereunder is unreadable within thirty (30) days after delivery of the tapes to MCI, the tapes shall be deemed accepted.

(D) The price for the ULLM Service is set forth in (P) following. In addition, MCI shall pay all taxes applicable to the provision or use of the ULLM Service. (N)

Continued

ACCESS SERVICE

(N)

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

87-1 MCI Telecommunications Corporation (Cont'd)

- (E) MCI shall pay the Utility in full for the ULLM Service in accordance with the provisions set forth in Section 2.4.1 preceding.
- (F) The tapes provided hereunder and the information contained therein shall at all times remain the sole property of the Utility. MCI shall use the tapes provided hereunder and the information contained therein solely in connection with the provision of MCI interexchange telecommunications services, subject to the limitations set forth herein. MCI shall not use the tapes provided hereunder or the information contained therein in connection with the production of telephone directories or the provision of either Directory Assistance Service or Operator Services, and shall not provide the tapes provided hereunder or the information contained therein to any parent, subsidiary, affiliate, or agent of MCI, or to any third party, except as provided in (G) following. MCI may not copy the tapes provided hereunder, in whole or in part, except for internal use as permitted by this SSA. MCI shall hold the tapes provided hereunder and the information contained therein in strictest confidence, and shall take all steps necessary to prevent the transfer or disclosure to, or use of, the tapes provided hereunder or the information contained therein by any person or entity other than MCI. (N)

Continued

ACCESS SERVICE

(N)

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

87-1 MCI Telecommunications Corporation (Cont'd)

(G) MCI may provide the tapes provided hereunder or the information contained therein to a parent, subsidiary, affiliate, or agent of MCI only on the following conditions:

- (1) In no event shall MCI provide to any other party information contained in any line or trunk record if there is a non-published indicator associated with such line or trunk record.
- (2) Before providing such tapes or information to any such party, MCI must enter into a written agreement with such party which (a) includes restrictions on use, copying and disclosure of such tapes and information at least as stringent as those agreed to by MCI hereunder, (b) prohibits such party from providing such tapes or information to any other party, and (c) conforms in all other respects to the terms and conditions of this SSA, except as provided in (G)(1) preceding.
- (3) Before providing such tapes or information to any such party, MCI shall provide to the Utility an executed copy of the agreement described in (G)(2) preceding, and the Utility shall acknowledge in writing its receipt of such agreement.
- (4) MCI shall indemnify the Utility against any loss or damage that may result by reason of MCI's provision of the tapes provided hereunder or the information contained therein to any third party, or by reason of such party's use of such tapes or information.

(N)

Continued

ACCESS SERVICE

(N)

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

87-1 MCI Telecommunications Corporation (Cont'd)

(H) If ULLM Service is cancelled by MCI:

(1) The cancellation date is the date the Utility receives written notice from MCI that the service request is cancelled.

(2) If MCI cancels the order for the ULLM Service prior to the delivery of the tapes provided hereunder and the Utility has performed any work or incurred any expense in connection therewith, or in preparation therefor, the Utility will charge the actual cost incurred not to exceed the total charge for the service(s) ordered.

(3) MCI may not cancel ULLM Service after the delivery of the tapes provided hereunder.

(I) The Utility shall not provide any maintenance as part of the ULLM Service.

(J) Where the tapes provided hereunder or the information contained therein are being used in a fashion contrary to the terms and conditions of the SSA, the Utility shall, in addition to any other remedies the Utility may have, be entitled to require the immediate return of the tapes. In such event, MCI shall immediately return to the Utility or erase from MCI's records all information derived from the tapes.

(K) MCI agrees not to disclose the tape source or otherwise identify the Utility as the tape owner in its use of the tapes provided hereunder without prior written approval from the Utility.

(N)

Continued

ACCESS SERVICE

(N)

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

87-1 MCI Telecommunications Corporation (Cont'd)

(L) The Utility may, at its sole expense, monitor the tapes provided hereunder in any manner to prevent the improper or unauthorized use of the tapes and the information contained therein, and such monitoring may include, but is not limited to, any form of computer control, and planted or varied names, addresses and telephone numbers which are not to be identified or removed under any circumstances by MCI. In the event the Utility discovers that the information or tapes are used in an unauthorized or improper manner, the Utility will, in addition to any other remedies it may have, forthwith notify MCI in writing, and MCI shall take all reasonable steps necessary to terminate such use.

(M) The Utility warrants that during the acceptance period described in (C)(4) preceding, the information provided under this SSA shall be the information contained in the Utility's CRIS data base on the report preparation date, and that the report preparation date will be no more than five (5) business days prior to the transmittal of the information to MCI. If during such acceptance period MCI determines that the information contained on the tapes provided hereunder is not the information contained in the Utility's CRIS database on the report preparation date, MCI shall promptly notify the Utility. If the information contained on the tapes provided hereunder is not the information contained in the Utility's CRIS data base on the report preparation date, the Utility shall, within fifteen (15) days from the date of MCI's notification, cure such defects, by providing MCI the information contained in the Utility's CRIS data base. If the Utility is unable to cure such defects within said fifteen (15) day period, MCI will not be obligated to pay for any information not contained in the Utility's CRIS data base.

(N)

Continued

ACCESS SERVICE

(N)

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

87-1 MCI Telecommunications Corporation (Cont'd)

(M) (Cont'd)

The Utility further warrants that the data base source used for the information provided to MCI hereunder shall be at least as accurate as any currently existing data base source of WTN information provided by the Utility to any other Interexchange Carrier.

Except as otherwise expressly provided in the immediately preceding paragraph and in (C)(4) preceding, MCI agrees to accept the tapes provided hereunder on an "as-is" basis with all faults, errors and omissions, if any, and the Utility does not warrant the accuracy or completeness of the information contained therein. THE UTILITY MAKES NO WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO TAPES PROVIDED HEREUNDER OR THE INFORMATION CONTAINED THEREIN, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. MCI agrees to release the Utility from any and all liability for damages which may arise due to any errors and omissions in the tapes provided hereunder. IN NO EVENT SHALL THE UTILITY BE LIABLE TO MCI OR ANY THIRD PARTY, FOR DIRECT, INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, LOSS OF PROFITS OR LOSS OF ANTICIPATED PROFITS.

(N)

Continued

ACCESS SERVICE

(N)

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

87-1 MCI Telecommunications Corporation (Cont'd)

(N) MCI shall indemnify, hold harmless, and defend the Utility from and against any cost, damage, expense (including attorneys' fees) or liability arising in any manner out of any demand, claim, suit or judgement for damages or injuries however caused which may arise out of MCI's use of the tapes or the information contained therein, provided under this SSA.

(O) MCI will comply with all applicable federal, state and local statutes, regulations, rules, orders, and decisions, in its use of the tapes provided hereunder and the information contained therein. MCI shall indemnify the Utility against any loss or damage that may be sustained by reason of MCI's failure to comply with such federal, state and local statutes, regulations, rules, orders and decisions.

(P) <u>Rate Schedule</u>	<u>Nonrecurring Charge</u>
- Per customer billing telephone number record	\$0.06
- Per each additional line or trunk record	0.06

(N)

ACCESS SERVICES

12. Specialized Service or Arrangement

12.2 Rates and Charges

Case No. 96-1 AT&T Communications

(A) The Utility shall, under the terms and conditions set forth herein (N) and at the rates and charges so specified, provide Billing and Collections Services to AT&T Communications of California, Inc. and American Telephone and Telegraph Company (Interstate Division) (hereinafter collective referred to as "AT&T"). This Specialized Service or Arrangements (herein after "SSA") will, from time to time, reference sections of this Utility's existing tariff where applicable.

This SSA shall, from the effective date hereof, constitute the terms and conditions and rates and charges for the provision of Billing and Collections Services, The term of the SSA shall be from the effective date hereof and will continue for a period of two years, unless terminated, canceled or withdrawn sooner by the Parties.

Renewal after the initial term shall be by mutual agreement and subject to the approval of the CPUC.

(B) General Description

The Utility shall provide Billing and Collection Services to AT&T for telecommunications related services for AT&T Customers located in the Utility's franchised services area for whom the Utility provides local telephone service.

The bills rendered by the Utility to AT&T customers for services provided in AT&T federal and state tariffs or contracts, shall be in accordance with the rates and charges effective in AT&T's tariffs or as specified by AT&T for unregulated services and shall include any application of surcharges or credits which may be necessary as a result of regulatory action within the state or federal jurisdiction. Any changes in rates and charges or the application of taxes, surcharges or credits as requested by AT&T shall be determined on an individual case basis. AT&T shall notify the Utility as to the specific changes that may be required.

(N)

Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 96-1 AT&T Communications (Cont'd)

(N)

(B) Cont'd.

The Utility shall retain billing records associated with the billing of AT&T customers under this SSA for the period currently used for the Utility billing information in compliance with legal and/or regulatory requirements. Different data retention periods require the mutual agreement of both Parties.

All AT&T Intrastate WATS and 800 Services billed by the Utility shall be billed as separate accounts, i.e., not included in the same bill with charges for Long Distance Service ("LDS").

All WATS requirements included in this SSA refer to intrastate AT&T WATS and 800 Services where applicable except as AT&T has taken back some or all message processing (rating) recording, or other billing and collection responsibility for some or all of such services.

All LDS requirements included in this SSA refer to intrastate LDS except as AT&T has taken back some or all message processing (rating), recording, or other billing and collection responsibility for some or all of such services.

The Utility shall purchase AT&T accounts receivable; process adjustments, provide status records, prepare and render customer bills and collect amounts due.

(C) Data Transmission and Confirmation

Network Data Mover (NDM) communication protocol or other transmission medium (e.g., cartridge, magnetic tape) mutually agreed to in writing by both Parties shall be used to transmit all data under this SSA.

AT&T shall transmit data to the Utility each processing day as needed, except on Utility or AT&T processing holidays, or mutually negotiated non-processing days.

(N)

Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 96-1 AT&T Communications (Cont'd)

(N)

(C) Cont'd.

AT&T shall provide data transmission facilities between specified AT&T Data Center and the Utility Data Centers as mutually identified by the Parties.

AT&T shall transmit data to the Utility on a regular basis. Any data transmission which is determined to be unreadable, inaccurate or contains bad data of which no portion can be reprocessed by the Utility, shall be reported to AT&T within 24 hours after discovery of the condition. If damage to the file occurs as a result of AT&T's creation or transmission of the data, the Utility is in no way accountable for the damage nor for any lost revenues associated with the damage. Upon notification by the Utility of a file that has been determined to be unreadable, inaccurate or contains bad data of which no portion can be processed, AT&T shall resent the file within 24 hours of notification from the Utility. The Utility shall make no effort to recover such file that has been determined to be unreadable, inaccurate or contains bad data of which no portion can be processed.

Following the Utility's confirmed receipt of AT&T data, AT&T file detail determined to be lost, damaged, or destroyed as a result of the Utility's processing shall be recovered, if possible, by the Utility. In the event the data cannot be recovered by the Utility, AT&T shall retransmit the data to the Utility within 24 hours of request by the Utility. AT&T shall retain the transmission data records for 45 calendar days.

If the Utility is responsible for the loss or damage of AT&T data, as a result of failure due to acts or omissions of procedures and service responsibilities set forth in this SSA, and AT&T retransmits the data as set forth in the preceding paragraph, the Utility shall reimburse AT&T for the value of those messages that are rejected by the Utility as a result of the Utilities age edits as outlined in (F), following.

(N)

Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 96-1 AT&T Communications (Cont'd)

(N)

(C) (Cont'd)

If the Utility is responsible for the loss or damage of AT&T data, as a result of failure due to acts or omissions of procedures and service responsibilities as set forth in this SSA, and the Utility notifies AT&T within 24 hours of the discovery of this condition, and AT&T is unable to retransmit the data, the Utility shall have no liability to AT&T.

If the Utility is responsible for the loss or damage of AT&T data, as a result of failure due to acts or omissions of mutually agreed upon procedures and services responsibilities as set forth in this SSA, and the Utility does not notify AT&T within the 45 calendar day period, the Utility shall be liable for the loss.

(D) Message Recording

The Utility will capture and record AT&T call details, validate and format them as appropriate, and distribute the call detail records to AT&T for rating. The Utility will transfer AT&T usage to AT&T via the Full Usage Transfer process by which the Utility forwards messages in EMI format to AT&T for rating, rerating or rate verification.

(E) Message Rating

The Utility will validate, associate customer information, rate and tax(if applicable) AT&T messages based on the AT&T schedule of rates.

(F) Message Billing

The Utility is accountable for all AT&T billable records upon successful receipt. For AT&T transmitted messages, the receipt will be at the time the file transmission is complete. AT&T Messages are defined as, but not limited to, customer call details, coin settlement records, miscellaneous charges, and credit records.

(N)

Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 96-1 AT&T Communications (Cont'd)

(N)

(F) (Cont'd)

Where AT&T forwards message files to the Utility for billing, if AT&T fails to meet the mutually agreed-upon standards provided by the Utility for timeliness of receipt of messages in order to meet the Utility's billing period schedule, AT&T shall bear the responsibility for the unbillable or uncollectible AT&T revenues resulting from such failure.

(N)

Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 96-1 AT&T Communications (Cont'd)

(N)

(F) (Cont'd)

Information Service Call messages forwarded by AT&T for billing shall contain the name of the service and a brief description of the service in a form acceptable to the Utility, an indicator for identifying the service as regulated or nonregulated and the telephone number actually dialed by the customer, as well as complying with the Utility's Billing Guidelines for Information Services, which have been provided to AT&T.

The Utility shall bill AT&T charges to the customer, provided the associated service was furnished not more than 90 days preceding the date of the customer's bill except as follows:

- collect calls
- calling card calls
- third party calls
- where a presubscribed customer has selected a preferential bill date.

For the above items, the Utility shall bill AT&T charges to the customer provided the associated service was furnished not more than 150 days preceding the date of the customer's bill.

The Utility will not bill alternately billed calls (collect calls, calling card calls, or third party calls) to the originating telephone number unless AT&T has attempted, either through the Utility or another entity, to bill the alternately billed customer account.

(G) Customer Bill Format

The AT&T charges billed under this SSA shall appear on a separate AT&T page in the customer bill, with charges for both the Utility and AT&T. All charges shall be considered owed to the Utility and shall be reflected in one total balance due.

The AT&T corporate logo shall be displayed on the AT&T pages of the customer bill.

AT&T billing inquiry and account contact numbers shall be displayed on the AT&T pages of the customer bill.

Continued

(N)

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 96-1 AT&T Communications (Cont'd)

(N)

(G) (Cont'd)

Where charges for multiple entities are included in the customer bill, the detail information regarding AT&T charges shall begin on a new page. Page numbering for the AT&T detail pages shall be consecutive. Consistent with legal or regulatory requirements, the last page of AT&T details on the bill should not include entries for any other entity.

All applicable taxes and surcharges shall be displayed separately from other entity charges.

For so long as required by law, a Bill Print Statement shall be provided on the AT&T portion of the bill as follows: "This portion of your bill is provided as a service to AT&T. There is no connection between AT&T and Pacific Bell. You may choose another company for your long distance calls while still receiving your local telephone service from Pacific Bell."

(H) Payment and Remittance Processing

The purchase of the AT&T accounts receivable shall include the provision of recourse for disputed AT&T charges including taxes and surcharges.

The Utility shall also receive and apply customer payments for all AT&T customers billed under this SSA. This shall include treatment, denial, and collection activities.

The Utility shall apply all customer payments to a single balance due on the customer account. Customer specified application of payments shall not be permitted except where mandate by regulatory or other legal authority.

The AT&T Long Distance Certificates shall be processed as a customer payment for any charges appearing on the Utility bill in the same manner as customer checks are processed. AT&T Long Distance Certificates shall comply with the Utility's Gift Certificate Requirements, which have been provided to AT&T.

(N)

Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 96-1 AT&T Communications (Cont'd)

(N)

(H) (Cont'd)

AT&T adjustment transactions shall be processed by the Utility against a single balance due on the customer account. AT&T adjustment transaction shall be processed by the Utility in accordance with AT&T instruction.

(I) Customer Adjustments

AT&T shall be responsible for contacts and arrangements with AT&T customer inquiry activities concerning the credit, adjustments, and message investigation of AT&T charges.

AT&T shall transmit adjustment to the Utility. The Utility shall perform customer adjustments at the request of AT&T.

When AT&T is conducting an investigation of a claim that is \$20 or more, AT&T shall notify the Utility of such claim as soon as possible, and in no event later than two business days after initiation of the claim.

The Utility shall not pursue collection activity on any pending adjustment in dispute status, but shall use it for informational purposes when determining the current payment status of a customer.

AT&T shall issue an adjustment or sustain the charges within 90 days of the customer claim date. If AT&T fails to resolve a customer claim within 90 days of the customer claim date, the Utility may recourse the amount to AT&T in accordance with the recourse adjustment process.

The Utility shall attempt to prevent treatment and application of Late Payment Charges by applying Temporary No Late Payment Charges treatment to the customer's account in accordance with the Utility's treatment and collection procedures.

(N)

Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 96-1 AT&T Communications (Cont'd)

(N)

(I) (Cont'd)

In the event of a dispute over sustained charges between AT&T and the customer, the Utility may advise the customer of Schedule Cal. P.U.C. No. A2.1.10- Rule No. 10 which provides a process by which the customer files a formal complaint along with payment of the disputed intrastate amount with the CPUC. The Utility shall take no adverse collection action on the amount in dispute.

(J) Treatment and Collection Services

The Utility shall use its normal treatment and collection procedures to control and collect unpaid balance due amounts, including all AT&T charges.

The Utility shall, when required, establish and maintain any customer advance payments and/or deposits in accordance with the applicable regulations as set forth in Schedule A2.1.7. - Rule 7.

The single balance due on the customer's bill shall be the amount used to determine treatment, collection and denial activities consistent with applicable regulatory and legal requirements.

The Utility may send to an Outside Collection Agency (OCA) all customer final accounts which are delinquent in accordance with the Utility's treatment and collection practices.

Amounts collected by the Utility or its agent following declaration of final bad debt write-off on an account shall be shared between the Utility and AT&T, consistent with the apportionment of final bad debt at the time of write-off. Associated OCA charges shall be apportioned between the Utility and AT&T in the same manner in which amounts collected by the Utility or its agent are shared with AT&T.

The Utility shall not provide bad debt information (e.g., customer name, customer address, social security number, written-off amounts for toll usage and similar information) that is separately identified or identifiable with AT&T charges on AT&T customer accounts to any credit bureau, data system or data base (other than one wholly owned by the Utility) that maintains credit information.

(N)

Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 96-1 AT&T Communications (Cont'd)

(N)

(K) Purchase of Accounts Receivable

The Utility shall purchase AT&T's accounts receivable based on messages accepted by the Utility for billing to AT&T's customers. All such accounts receivable shall be free of any and all encumbrances which may prevent the Utility from exercising its rights and obligations.

An uncollectible true-up shall be performed on a quarterly basis according to the Quarterly True-Up Schedule. The true-up shall compare the Estimated Bad Debt Allowance for the study quarter with the Realized Net Bad Debt for the true-up quarter.

The uncollectible true-up amount shall be added to or deducted from the Amount Due AT&T. The Journal Interface File (JIF) containing the true-up shall be sent to AT&T at the end of the first month following the study quarter in accordance with the Quarterly True-up Schedule.

Payment of true-up amounts shall be subject to the Late Payment Charge as set forth in (L), following. For purposes of determining applicability of Late Payment Charges, the payment date for true-up amounts shall be 34 calendar days following the date of the JIF containing, or that should contain, the true-up amount.

(N)

Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 96-1 AT&T Communications (Cont'd)

(N)

(L) Payment of Accounts Receivable

The Amount Due AT&T shall be payable by the Utility on the payment date which is determined by adding 34 calendar days to the Customer Bill Date.

Payment must result in immediately available funds on the payment date. If any portion of the amount due AT&T is not received by AT&T on the payment date, or is received in funds which are not immediately available to AT&T, then a Late Payment Charge shall apply. The late payment factor shall be a 0.05% daily charge, not compounded, or as otherwise mandated by regulatory or governmental authorities.

(M) Rates and Charges

The Utility shall provide the billing services as described herein, and AT&T shall be billed for such services based upon the rates and charges as set forth in (O), following.

In the event annual Intrastate and Interstate revenues associated with the Message Billing Charge, 900 Message Billing Charge and Bill Rendering Charge rate elements are less than \$1,000,000.00, an annual minimum payment of \$1,000,000.00 shall apply as set forth in (O), following.

For all other billing and collection services not covered by this SSA, AT&T shall order such services out of the Utility's Section 8 tariff or arrange for such services through separate agreement.

The Carrier Billing Statement containing the billing charges shall be issued once per month.

Payment is due the same date of the month as the bill date in the month following the bill date month, unless the bill is received by AT&T less than 20 days prior to that date, in which case the due date shall be no less than 20 days after AT&T receipt of the bill provided.

(N)

Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 96-1 AT&T Communications (Cont'd)

(N)

(M) (Cont'd)

Payment must result in immediately available funds on the payment date. If any portion of the net settlement amount is received by the Utility in funds which are not immediately available to the Utility, then a Late Payment Charge shall apply. The late payment factor shall be a 0.05% daily charge, not compounded, or as otherwise mandated by regulatory or governmental authorities.

Charges Relating to Disputed Amounts on the Carrier Billing Statement shall be handled as follows:

If AT&T has paid the total billed amount on a statement presented by the Utility for Billing and Collection Services charges, and thereafter disputes the billed amount by filing a claim with all documentation about the claim that is available to AT&T and the claim is resolved in favor of AT&T, then in addition to refunding the overpayment, the Utility shall pay to AT&T a daily charge of 0.05% of the overpayment amount, not compounded, or as otherwise mandated by governmental authorities, calculated from the date the disputed amount was paid by AT&T to the date of the refund; provided that the daily charge shall be due from such date only if AT&T filed such claim promptly after AT&T learned of such claim; otherwise, the daily charge shall be due from the date the claim was filed. The refund amount and the daily charges shall be separately calculated and identified on the Carrier Billing Statement.

If AT&T withholds all or a portion of the payment of the total billed amount due to the Utility because of a dispute over all or a portion of the charges on that bill, and advises the Utility, on or before the Payment date, of the amounts withheld, the Utility shall consider this as a filing of a claim and shall investigate toward a conclusion in a timely manner. If AT&T's position in the dispute is not sustained, AT&T shall remit the appropriate amount of the withheld payment plus a Late Payment Charge of 0.05% of the withheld payment per day, not compounded, or as otherwise mandated by governmental authorities, calculated from the original date the amount was due to the Utility to the date of AT&T's payment of withheld amounts to the Utility in immediately available funds.

(N)

Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 96-1 AT&T Communications (Cont'd)

(N)

(M) (Cont'd)

If AT&T's position in the dispute is sustained, the Utility shall adjust the billed amount appropriately.

If the Utility uncovers an overcharge, the Utility shall notify AT&T of the overcharge and supply AT&T with all available documentation concerning the overcharge. AT&T may thereafter dispute the billed amount as set forth herein based upon the discovery of the overcharge.

Both Parties shall retain such detailed information as may reasonable be required for resolution of the disputed amount during the pendency of the dispute.

(N) Audits and Examinations

Upon 60 days written notice by the requesting Party to the non-requesting Party, the requesting Party shall have the right to audit and examine, during normal business hours and at reasonable intervals to be mutually determined, the non-requesting Party's records, books, and documents, as may reasonable contain information relevant to the operation of the billing process described in this SSA. Within the above described 60 day period, the Parties shall reasonable agree upon the scope of the Audit or Examination, the documents to be reviewed, and the time, place and manner in which the Audit or Examination shall be performed.

(N)

Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 96-1 AT&T Communications (Cont'd)

(N)

O. Rate Schedules

The rates and charges are as follows:

	<u>Rates</u>
Recording per AT&T Message	RR
Assembly and editing per AT&T Message	RR
Provision of message detail per Record Processed	RR
Data transmission Interface Development	ICB rates and and Maintenance charges apply
Rating Service per unit processed	RR
Additional Rating Service Charge per unit above capacity order	RR
Provision of rated Transaction Detail per record processed	RR

(N)

RR = Rates as shown in Section 8 apply.

Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 96-1 AT&T Communications (Cont'd)

(N)

(O) (Cont'd)

	<u>Rates</u>
Message Billing Charge per message billed per Category 41 Credit Record	\$ 0.011
900 Message Billing Charge per 900 message billed (*900 rate shown includes the incremental charge of \$0.0212 for the 900 advance notification)	\$ 0.0231
Bill Rendering Charge per customer bill rendered each billing cycle	\$ 0.24
Annual minimum payment (per Message Billing Charge, 900 Message Billing Charge and Bill Rendering Charge rate elements)	\$1,000,000.00
Mechanized Adjustment Processing Charge per final bill account	\$ 3.25
Inquiry Service per message billed	\$ 0.025
Non-Inquiry Support Equipment Checks (applicable when no Pacific Failure found) per check basis per month	
0 - 10	\$ 0.00
11 - 20	\$150.00
21+	\$195.00

(N)

Continued

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ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 96-1 AT&T Communications (Cont'd)

(N)

(O) (Cont'd)

	<u>Rates</u>
Bill Copies (per page)	\$ 2.50
AT&T Requested Adjustments (per adjustment session)	\$ 4.00
Recourse Adjustments (per adjustment session)	\$ 9.00
Miscellaneous Services (per hour, excludes cost of materials)	\$ 45.00
Development Charges	
- Basic rate per hour or fraction thereof, (applicable to work performed within Pacific's normal work schedule and using the normal work force).	\$ 80.00
- Premium rate per hour or fraction thereof, (applicable to work performed outside Pacific's normal work schedule and using normal using the normal work force)	\$100.00
Central Processing Unit (per hour or fraction thereof)	\$500.00

(N)

Continued

ACCESS SERVICES

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. 96-1 AT&T Communications (Cont'd)

(O) (Cont'd)

	<u>Rates</u>
Customer Account Activity (per service order)	RR
Message Investigation (per hour)	RR

All other Billing and Collection Services requested by AT&T shall be ordered from the existing Pacific tariff, Schedule Cal.P.U.C. No. 175-T, Section 8, or arranged through separate agreement.

(N)

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

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NOTE 1: Not effective until 60 days after the effective date of
Advice Letter No. 16925.

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Continued

Advice Letter No. 16925
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ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

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1(D)

NOTE 1: Not effective until 60 days after the effective date of
Advice Letter No. 16925.

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Continued

Advice Letter No. 16925

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ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

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NOTE 1: Not effective until 60 days after the effective date of
Advice Letter No. 16925.

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Advice Letter No. 16925
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ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

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NOTE 1: Not effective until 60 days after the effective date of
Advice Letter No. 16925.

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ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

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NOTE 1: Not effective until 60 days after the effective date of
Advice Letter No. 16925.

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ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

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NOTE 1: Not effective until 60 days after the effective date of
Advice Letter No. 16925.

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Continued

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ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

12-91-1 MCI Telecommunications
 (SSA No. 0I04-001)

To provide a multi-point digital cross-connect between two customer high capacity systems. Four channels (Nos. 9 thru 12) from one system 102 POIDS (LSANCARCW02-LSANCA03WA) are bridged via a multi-junction unit to Channel 20 on system 102 DSNI (LSANCA03WA-THOKCABC).

	<u>Monthly Rate</u>	<u>USOC</u>
Multi-Junction Unit:	\$64.00	WZZM9

The length of the service period shall be 24 months from the date service is turned over to the customer. A maximum termination liability of \$1,536.00 will be reduced by 1/24th for each month of service rendered.

Case No.

12-91-2 Teleport Communications of San Francisco Inc. (TCSF)
 (ICB No. 0I06-017)

To provide one 90 Mbps High Capacity service between SNFCCA 01/03 Central Office and the TCSF location designated as TCSF MH 0000 (500 block of Pine Street, San Francisco). The photo-optic terminal will be an AT&T DDM 1000, with 1x1 protection to TCSF MH 0425 (400 block of Bush Street, San Francisco), and will be equipped for one DS3 port and 28 T1 ports. Provide ten spare fibers to each location for future use. Hand-off to TCSF will be at 90 Mbps optical signal.

	<u>Monthly Rate</u>	<u>Nonrecurring Charge</u>	<u>USOC</u>
Channel Termination	\$512.00	\$63,105.00	WZZTL

The length of the service period shall be 10 years, with an option for either party to terminate after five years by providing at least 12 months' notice.

(N)

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-1 MCI Telecommunications Corporation

- (A) The Utility shall, under the terms and conditions set forth herein and at the rates and charges so specified, provide billing and collection services to MCI Telecommunications Corporation. This Specialized Service or Arrangement (herein after "SSA") will, from time to time, reference sections of the Utility's existing tariff where applicable. Billing and Collections Services, other than the Invoice Redesign Billing System as described in this SSA, will be provided pursuant to the Utility's existing tariff (Schedule Cal.P.U.C. No. 175-T, Section 8).
- (B) The Invoice Redesign Billing System is a redesign of the previous Invoice Ready process, as described in (E)(5)(a) following. This is a bill-rendering process in which MCI provides necessary data to the Utility for billing end users.
- (C) This SSA shall, from the effective date hereof, constitute the terms and conditions and rates and charges for the provision of the MCI Invoice Redesign Billing System. Except as set forth in (D) following regarding development charges for the original Invoice Ready Billing System, this SSA shall supersede the prior SSA Case No. 88-2. The term of this SSA shall be from the effective date hereof and remain in effect through April 30, 1998, or 48 months after Invoice Redesign Implementation at which time this SSA shall terminate, unless terminated sooner as agreed to by the Parties.

Renewal after the initial term shall be by mutual agreement and subject to the approval of the CPUC.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-1 MCI Telecommunications Corporation (Cont'd)

(D) Invoice Redesign Billing System Development

MCI shall pay the Utility to develop, test, and implement the Invoice Redesign Billing System in accordance with the mutually agreed upon requirements and specifications. Additional enhancements or modifications to the system requested by MCI will be recovered on an individual case basis. MCI shall pay the Utility the balance due for the development of the Invoice Ready Billing System, in accordance with the schedule contained in SSA 88-2.

The Invoice Redesign Billing System will be considered ready for implementation when the following conditions are met:

- (1) The SSA is approved by the CPUC.
- (2) The system successfully operated in accordance with the mutually agreed upon specifications.

(E) Invoice Redesign Billing System following Implementation

The following bill processing functions will be performed for MCI accounts billed under this System:

- (1) MCI shall record and calculate End User charges, including taxes and surcharges; provide billing detail data; package the invoice; and provide post-billing adjustments and text messages to the Utility.
- (2) The Utility shall guide invoices and adjustments to the appropriate End User accounts; verify invoice detail to in-service billing time frames; edit fields, and return rejected and unguidable invoices and adjustments to MCI.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-1 MCI Telecommunications Corporation (Cont'd)

(E) (Cont'd)

- (3) All MCI charges and credits to the End User shall be detailed on the invoice, as provided by MCI, and the net amount subtotaled on the invoice and added to the total amount due the Utility.
- (4) The Utility shall purchase MCI accounts receivable; process adjustments; produce status reports; produce End User bills and perform End User remittance and collection.
- (5) The MCI Invoice Redesign System shall provide MCI with the following upgrades to the Invoice Ready Billing System:
 - (a) The flexibility to create different bill formats for End Users by utilizing the Phrase Summary Record.
 - (i) The Phrase Summary Record will allow MCI to place 01-99 lines of text in succession or separately per section anywhere in the MCI portion of the End User bill.
 - (ii) MCI shall control the indentation, fonts, totals, subtotals, and verbiage on the associated bill lines.
 - (b) The ability to control the order and content of the sections on the End User bill by sending the headers, sub-headers, call details, sub-totals, totals, and other informational lines, according to the mutually agreed upon specifications.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-1 MCI Telecommunications Corporation (Cont'd)

(E) (Cont'd)

- (6) The Utility shall control the printing of call detail, blank lines and page breaking according to the specifications.
- (7) End User bills shall be generated on standard billing cycles and shall be subject to collections activities as set forth in (K) following.
- (8) The Utility shall not merge or display MCI Invoice Redesign billing data with any non-MCI billing data or non-Invoice Redesign MCI billing data on the MCI invoice page(s). Pre-Invoice Redesigned billing data shall be displayed on a separate page(s) from Invoice Redesign billing data.
- (9) The MCI logo of mutually agreed upon size and design shall be printed on every MCI invoice page.
- (10) Invoice Redesign billing data to be delivered to the Utility shall be solely related to Billing Telephone Numbers residing within the Utility's operating territory, and the Utility shall not bill any End User, on behalf of MCI, to which it does not ordinarily render bills.
- (11) Network Data Mover (NDM) will be the communication protocol used by both Parties for the mutual exchange of data according to the specifications set forth in (F) following.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-1 MCI Telecommunications Corporation (Cont'd)

(F) Data Transmission and Confirmation

- (1) Network Data Mover (NDM) is the mutually agreed upon method for transferring data between the Parties. Magnetic Tape shall be the backup medium unless an alternative such as Cartridge is mutually agreed upon.
- (2) The format of the data transmitted to the Utility shall be in the Exchange Message Interface (EMI) Format.
- (3) MCI shall transmit data to the Utility on a regular basis. Any data transmission which is unprocessable or contains bad data shall be reported to MCI immediately upon discovery by the Utility, and in no event later than 24 hours after discovery of the condition. If damage to the file occurs as a result of MCI's creation or transmission of the data, the Utility shall not be accountable for the damage and any lost revenues associated with the damage. Upon notification by the Utility of a file that has been determined to be unprocessable or contains bad data, MCI shall resend the file within one business day of notification from the Utility.
- (4) If MCI data has been lost, damaged, or destroyed as a result of the Utility's processing, the Utility shall attempt to recover the data. In the event the data cannot be recovered by the Utility, MCI shall retransmit the data to the Utility within 12 hours of request by the Utility. MCI shall maintain the transmission data records for a period of 90 days from the date of the original transmission.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-1 MCI Telecommunications Corporation (Cont'd)

(F) Data Transmission and Confirmation (Cont'd)

(5) If the Utility is responsible for the loss or damage of MCI data, as a result of failure due to acts or omissions of the mutually agreed upon procedures and service responsibilities, and MCI retransmits the data as set forth in (F)(4) preceding and as a result the messages become too old to bill, the Utility shall reimburse MCI for the value of those messages that are rejected by the Utility due to the age edits as described in (G)(3) following.

(6) If the Utility is responsible for the loss or damage of MCI data, as a result of failure due to acts or omissions of the mutually agreed upon procedures and service responsibilities, and the Utility notifies MCI within 90 days of the original transmission date, and MCI is unable to retransmit the data as set forth in (4) preceding, MCI shall reimburse the Utility for the value of any messages previously purchased by the Utility.

(7) If the Utility is responsible for the loss or damage of MCI data, as a result of failure due to acts or omissions of the mutually agreed upon procedures and service responsibilities, and the Utility does not notify MCI within 90 days of the original transmission date, the Utility shall be liable for the loss.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-1 MCI Telecommunications Corporation (Cont'd)

(G) Invoice File

- (1) The Invoice File shall be transmitted to the Utility at least six days prior to the End User Bill Round Date. Marketing Summary Records, Billable Messages, and Phrase Summary Records are packaged together to form Invoices. Invoices are grouped together to form Invoice Packs. Each Invoice File shall contain one or more Invoice Packs.
- (2) Upon receipt of the Invoice File, the Utility shall ensure that the proper Invoice Packs have been received in the correct sequence. In the event of an out-of sequence condition, the Utility shall notify MCI as soon as possible, but in no event later than 24 hours after discovery. All such Invoice Packs shall be rejected by the Utility.
- (3) The Utility will perform edit processing on the media contained in the Invoice File. As set forth in the mutually agreed upon specifications, the editing process shall include but is not limited to the following edit categories:
 - (a) If the Utility receives an invoice from MCI and the Utility cannot locate the End User account identified by MCI, the Utility shall attempt to guide that End User's invoice for ten additional processing cycles prior to returning the invoice as unguidable to MCI.
 - (b) The Utility shall reject an invoice for End User accounts which has been received over 50 days past the disconnect date of the Utility billing account.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-1 MCI Telecommunications Corporation (Cont'd)

(G) Invoice File (Cont'd)

(3) (Cont'd)

(c) The Utility shall bill previously unbilled MCI charges to the End User, provided the associated service was furnished not more than 90 days preceding the date of the End User's bill, except as follows:

- collect calls
- calling card calls
- third party calls
- where a presubscribed End User has selected a preferential bill date.

For the above items, the Utility shall bill MCI charges to the End User provided the associated service was furnished not more than 150 days preceding the date of the End User's bill.

(d) The Utility shall return too old to bill messages as described in (c) preceeding as follows:

(i) If any message within a particular invoice is too old to process, the entire invoice shall be returned to MCI with the Rejected Invoice Data File after the Utility's receipt of transmission.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-1 MCI Telecommunications Corporation (Cont'd)

(G) Invoice File (Cont'd)

(3) (Cont'd)

- (ii) All other invoices within the same Invoice Pack shall be processed and not delayed due to the return of invoices containing aged messages. The age of messages shall be determined by comparing the date the message occurred and the standard Bill Round Date for that End User.
- (e) If the Invoice Group contains message dates that extend into more than one billing accounts due to a supersedure, the entire Invoice Group shall be returned to MCI with the Rejected Invoice Data File.
- (f) If the Invoice Group contains a Calling Card Message that is not within 14 days of the End User initiated disconnect date of the billing account, the entire Invoice Group shall be returned to MCI with the Rejected Invoice Data File.
- (g) The Utility shall reject an invoice if the Billing Telephone Number contained in the invoice is not valid within the Utility's territory or is considered foreign exchange.
- (h) The Utility shall reject an invoice if any message date within the invoice is older than five days prior to the establish date of the Utility End User billing account and the entire Invoice Group shall be returned to MCI with the Rejected Invoice Data File.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-1 MCI Telecommunications Corporation (Cont'd)

(G) Invoice File (Cont'd)

(3) (Cont'd)

(i) Except as set forth in (f) preceding, the Utility shall reject an invoice if the invoice contains a message date that is after the disconnect date of the Utility's End User billing account and the entire Invoice Group shall be returned to MCI with the Rejected Invoice Data File; provided, however, that an invoice containing a message date that is within 28 days of the disconnect date of the Utility End User billing account due to an End User being disconnected and reconnected by the Utility within a 72 hour period shall be accepted by the Utility.

(j) The Utility shall reject an invoice if the Phrase Summary Record cannot be guided to a Phrase Test Message Record in the Utility Text Database and the entire Invoice Group shall be returned to MCI with the Rejected Invoice Data File.

(k) The Utility shall reject an invoice if the Calling Plan ICON(s) is not within the valid domain of values agreed upon by the Parties and the entire Invoice Group shall be returned to MCI with the Rejected Invoice Data File.

(4) The Utility shall retain a copy of the Invoice File for 15 calendar days following receipt from MCI.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-1 MCI Telecommunications Corporation (Cont'd)

(H) Text File

The Text file contains Marketing Messages and Phrase Text for inclusion in the MCI portion of the End User bill.

- (1) MCI shall provide the Utility with the Text File on a monthly basis at least 30 days prior to the starting Bill Round Date.
- (2) The Utility shall edit the Text File for errors based on the editing rules in the mutually agreed upon specifications. Failure of the Text File to pass all edits shall cause the Text File to be rejected.
- (3) The Utility reserves the right to reject any Phrase Text which in the Utility's sole opinion does not comply with the Utility's Phrase Text Advertising Standards. The content review and approval process for Marketing Messages shall be in accordance with mutually agreed upon specifications.
- (4) The Utility shall review the content of the Phrase Text for acceptance as follows:
 - (a) The Utility shall advise MCI no later than five business days of receipt whether the Phrase Text is approved or if revisions are required.
 - (b) If the Phrase Text is not approved, the entire Text File shall be rejected and MCI shall send a replacement Text File. The Parties shall work together to expedite the process of producing a Text File that complies with the Utility's Phrase Text Advertising Standards.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-1 MCI Telecommunications Corporation (Cont'd)

(H) Text File (Cont'd)

(4) (Cont'd)

(c) An approved Text File must be received by the Utility five business days before the first Invoice File is successfully received for a given month.

(d) The Utility shall reject any invoice that cannot be guided to an approved Phrase Text.

(I) Adjustment File, Rejected Data Files, and Unbillable Data Files

(1) The Adjustment File will contain End User billing adjustments and shall be transmitted every business day by MCI.

(2) The Utility will perform edits according to the mutually agreed upon edit specifications.

(3) In the event, an account number and/or Bill Round Date changes after MCI transmits the adjustment data, the Utility shall process with the latest available information.

(4) The Utility will retain a copy of the Adjustment File for 15 calendar days after receipt of the Adjustment File from MCI.

(5) The Utility shall return rejected invoices and Adjustments, as described in (G)(3) preceding, to MCI in the Rejected Data Files.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-1 MCI Telecommunications Corporation (Cont'd)

(I) Adjustment File, Rejected Data Files, and Unbillable Data Files (Cont'd)

- (6) The Utility shall calculate the Grand Total Revenue and Grand Total Record Count for the rejected Invoices and Adjustments.
- (7) The Utility shall produce a report designating the cause, by indicating a specific error code, for the Rejected Invoices and Adjustments.
- (8) The Utility shall retain a copy of the Rejected Data Files for one year after transmission of the file to MCI.
- (9) The Utility shall return Unbillable Invoices and Adjustments to MCI in Unbillable Data Files. Invoices and Adjustments are considered unbillable when they cannot be guided to an active End User account within 11 billing cycles as set forth in (G)(3)(a) preceding.
- (10) The Utility shall calculate the Grand Total Revenue and Grand Total Record Count for the Unbillable Invoices and Adjustments.
- (11) The Utility shall produce a report designating the cause, by indicating a specific error code, for the Unbillable Invoices and Adjustments.
- (12) The Utility shall retain a copy of the Unbillable Data Files for one year after transmission of the file to MCI.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-1 MCI Telecommunications Corporation (Cont'd)

(J) End User Contacts

(1) MCI shall be responsible for all End User inquiry activities relating to MCI's Invoice Ready portion of the bill, except for bill payment inquiries.

(2) Account Maintenance

(a) The Customer Account Record Exchange ("CARE") database shall be utilized to provide MCI with the necessary End User account information with which to support the Utility's billing and collection services and MCI account maintenance.

(b) Each Party shall abide by all applicable statutes, rules, orders, decisions, and regulations in protecting the confidentiality of End User information.

(c) PIC-dispute notification shall be provided in the standard CARE format on the next business day following completion of the service order that terminates the End User's account.

(d) The Utility shall notify MCI of all relevant changes to billing cycles, billing telephone number and customer code information through CARE for both new and existing PIC'd End Users.

(e) The Utility shall send service order activity, as agreed to in the CARE process, to MCI on an average of two business days following service order completion. The service order completion activity shall be measured quarterly.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-1 MCI Telecommunications Corporation (Cont'd)

(J) End User Contacts (Cont'd)

(2) (Cont'd)

(f) The Utility currently plans to provide MCI with additional customer information including but not limited to Social Security Number, Suspended Non-Payment indicator and Language Preference indicator pursuant to terms and conditions approved by the CPUC.

(3) End User Adjustments

(a) MCI shall be responsible for contacts and arrangements with End Users concerning the credit, adjustment and message investigation of MCI charges resulting from Invoice Redesign Billing. MCI shall transmit adjustments to the Utility via the daily Adjustment File, as described in (I) preceding.

(b) The Utility shall direct any End User who questions or make claims regarding MCI charges to MCI's Customer Service telephone number.

(c) When End Users contact MCI regarding charges on the MCI invoice, and such inquiry results in the End User disputing an amount billed, MCI shall place the disputed amount in a pending adjustment status and send such data to the Utility as soon as possible but in no event later than two business days after such issuance by MCI.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-1 MCI Telecommunications Corporation (Cont'd)

(J) End User Contacts (Cont'd)

(3) (Cont'd)

(c) Cont'd

The Utility will not pursue collection activity on any pending adjustment in dispute status, but shall use it for informational purposes when determining the current payment status of an End User.

(d) Upon completion of the MCI investigation, MCI shall inform the Utility of the resolution (via an agreed upon process), whether it is a sustained charge or an adjustment. MCI shall make the appropriate adjustment on the End User's next invoice. On an exception basis, MCI may request that the Utility initiate the adjustment.

(e) MCI shall issue an adjustment or sustain the charges within 30 days of the End User claim date. If MCI fails to resolve an End User claim placed by MCI in a pending adjustment status within 30 days of the End User claim date, the Utility may initiate Recourse Adjustment Procedures pursuant as set forth in (J)(4) following.

(f) The Utility shall attempt to prevent treatment and application of Late Payment Charges (LPC) by applying Temporary No Late Payment Charges (TNLPC) treatment to the End User's account in accordance with the Utility's treatment and collection procedures.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-1 MCI Telecommunications Corporation (Cont'd)

(J) End User Contacts (Cont'd)

(3) (Cont'd)

(g) In the event of a dispute over sustained charges between MCI and the End User, MCI shall instruct end users to deposit disputed amounts with the California Public Utilities Commission (CPUC) pursuant to Rule 10. The Utility shall take no adverse collection action on the amount in dispute.

(h) The Utility shall accept MCI gift certificates for End User payment of the total End User balance. Gift certificates shall conform to the American Banking Standards. If MCI gift certificates are rejected by the Utility's financial institution, MCI shall redeem such gift certificates from the Utility.

(4) Recourse Procedures

(a) The Utility shall initiate Recourse Procedures under the following circumstances:

(i) For those unpaid MCI charges for which the Utility cannot deny service by law, regulation, ruling or direction of any governmental authority with appropriate jurisdiction;

(ii) For those instances where an End User pending adjustment is not resolved by MCI within 30 days of the End User's claim date;

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-1 MCI Telecommunications Corporation (Cont'd)

(J) End User Contacts (Cont'd)

(4) (Cont'd)

(a) Cont'd

(iii) Notwithstanding procedures set forth in (J)(2) and (J)(3) preceding, those instances where the End User has reported to the Utility that disputed MCI charges have not been resolved by MCI to the satisfaction of the End User.

(b) MCI reserves the right to pursue collection of the recouped amounts from the End User or may pursue dispute resolution procedures against the Utility for amounts that have been recouped by the Utility to MCI in contravention of procedures set forth in (J)(4)(a) preceding.

(K) Treatment and Collections of MCI Charges

(1) The Utility shall use its normal treatment and collection procedures to control and collect the End User's total invoice amount due, including all MCI charges. The Utility shall provide MCI with advance notice, where possible, of significant changes to the Utility's treatment and collections procedures.

(2) The Utility's normal treatment and collection practices include participating in the Centralized Credit Check System or other procedures for identification of possible End User credit risks.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-1 MCI Telecommunications Corporation (Cont'd)

(K) Treatment and Collections of MCI Charges (Cont'd)

- (3) The Utility may send to an Outside Collection Agency (OCA) all End User final accounts which are delinquent in accordance with the Utility's treatment and collection practices.
- (4) The Single Balance Due on the End User's bill shall be the amount used to determine treatment, collection and denial activities consistent with applicable regulatory and legal requirements.
- (5) The Utility shall notify MCI of any presubscribed End User permanently disconnected from service via the Daily Activity Report (DAR) from CESAR(the Utility's Customer Account Record Exchange (CARE) System).
- (6) The Utility shall, when required, establish and maintain any End User advance payments and/or deposits in accordance with the applicable regulations as set forth in Schedule A2.1.7 - Rule 7.
- (7) The Utility shall apply all cash/payment transactions to a single balance due on an End User's account.
- (8) In the event an End User account is written off by the Utility, any partial payments on an End User account shall be apportioned among the Utility, MCI and other telecommunications providers based on a proration of each entity's share of the outstanding charges.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-1 MCI Telecommunications Corporation (Cont'd)

(L) Purchase of Accounts Receivables

- (1) The Utility will purchase all Invoice Redesign billings, net of adjustments, unbillables and calculated uncollectibles.
- (2) An uncollectible true-up will be performed to determine the difference between the calculated uncollectible amounts accrued for MCI and the actual write-offs realized on MCI final End User accounts. Write-offs are net of any recoveries for the same period being reported. True-ups are calculated by the Utility each calendar quarter. Each jurisdiction, interstate and intrastate, is calculated separately. If the Utility has accrued more than the actual write-offs, the amount over accrued shall be added to the next available monthly purchase settlement. If the actual write-offs are higher than the calculated uncollectible amount accrued for MCI, the Utility shall deduct the amount under accrued from the next available monthly purchase settlement.
- (3) At the time of the quarterly true-up a new uncollectible factor (accrual rate) for each jurisdiction shall be computed. The most recent 12 months of actual performance shall be used to calculate the new factor. Total write-offs less recoveries are divided by total Net Billed Revenue for the 12 month period. (Tax write-off and tax recoveries are not included in the quarterly true-up process.) The resulting historical average percentage is applied to Net Billed Revenue for each jurisdiction to determine the calculated accrual rate for the next quarter.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-1 MCI Telecommunications Corporation (Cont'd)

(L) Purchase of Accounts Receivables (Cont'd)

- (4) Outside Collection Agency (OCA) Fees shall be deducted from the monthly purchase of accounts receivable as set forth in (5) following.
- (5) The Utility shall prorate such OCA fees to MCI as a percent of total fees paid by the Utility to OCA's in a given month. This percent is based on the ratio of MCI Recoveries collected on behalf of the Utility against the End User's Single Balance Due. In the event the OCA fees exceed the monthly Purchase of Accounts Receivable Amount, the Utility shall bill MCI directly for the OCA fees.
- (6) MCI's share of OCA fees shall not exceed 32% of the Invoice Ready Recovery dollars on a calendar year basis. The Utility shall perform a true-up to determine whether the OCA fees for any calendar year, or part thereof, exceeded 32% and shall add any overage to the next purchase of accounts receivable or pay such overage directly to MCI.

(M) Payment of Accounts Receivables

- (1) The Utility shall remit payment to MCI for the Purchase Amount by the Payment Date. If the Payment Date falls on a Saturday, Sunday, or bank holiday, payment for the amount due MCI shall be described in (a) through (c) following.
- (a) If the Payment Date falls on a Sunday or a holiday which is observed on a Monday, the Payment Date shall be the first non-holiday day following such Sunday or holiday.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-1 MCI Telecommunications Corporation (Cont'd)

(M) Payment of Accounts Receivables (Cont'd)

(1) Cont'd

(b) If the Payment Date falls on a Saturday or a holiday is observed on Tuesday, Wednesday, Thursday, or Friday, the Payment Date shall be the last non-holiday day preceding such Saturday or holiday.

(c) The Utility agrees that payment shall be made on the Payment Date or two full business days prior to month's end, whichever is earlier. If the Payment Date is later than two business days prior to month end, MCI agrees to pay an early payment charge on the payment amount for the period between the Payment Date and the actual payment date at the 30-Day Commercial Paper Rate. The Utility shall deduct the early payment charge amount from the payment due MCI.

(2) Any payment received after the Payment Date, shall be subject to a Late Payment Charge. The late payment factor shall be a 0.05% daily charge, not compounded, or as otherwise mandated by regulatory or governmental authorities.

(3) Any Late Payment Charge shall be included in the next applicable payment.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-1 MCI Telecommunications Corporation (Cont'd)

(N) Billing and Collection Service Charge

- (1) The Utility shall bill MCI at the per page rates for an annual bill volumes of 14,400,000 or more as set forth in Rate Schedule (O)(1) following. This billing is subject to true-up at the end of each 12 month period following the commencement of billing. In the event MCI's bill volume for the preceding 12 months does not equal or exceed 14,400,000, the Utility shall recalculate the per page charges for the preceding 12 months at the per page rates for lower volumes contain as set forth in the Rate Schedule (O)(2) following. Any difference will be added to the next Carrier Billing Statement.
- (2) Billing information shall be segregated between interstate and intrastate. The Utility shall calculate the current applicable Percent of Interstate Usage (PIU) using the most current actual usage when applying PIU to usage sensitive rate elements.
- (3) The Carrier Billing Statement, with appropriate backup, shall be mailed to MCI via overnight mailing services. Duplicates shall be provided upon request. MCI shall receive the Carrier Billing Statement no later than 22 days prior to the billing due date. In no event shall MCI have less than 22 days from receipt of the Carrier Billing Statement to pay the bill without penalty.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-1 MCI Telecommunications Corporation (Cont'd)

(N) Billing and Collection Service Charge (Cont'd)

- (4) If the Due Date falls on a Saturday, Sunday or a bank holiday, payment for the Amount Due the Utility shall be as follows:
- (a) If the Due Date falls on a Sunday or a holiday which is observed on a Monday, the Due Date shall be the first non-holiday day following such Sunday or holiday.
- (b) If the Due Date falls on a Saturday or a holiday which is observed on Tuesday, Wednesday, Thursday, or Friday, the Due Date shall be the last non-holiday day preceding such Saturday or holiday.
- (5) Any payment received after the Payment Date, shall be subject to a Late Payment Charge. The late payment factor shall be a 0.05% daily charge, not compounded, or as otherwise mandated by regulatory or governmental authorities.
- (6) Any Late Payment Charge shall be included in the next applicable payment.
- (7) In the event of a billing dispute concerning any charges invoiced to MCI by the Utility, MCI shall notify the Utility in writing of the nature and basis of the dispute as soon as possible and prior to the due date. MCI mail transmission is an acceptable form of notification. The Parties shall use their best efforts to resolve the dispute prior to the due date. (N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-1 MCI Telecommunications Corporation (Cont'd)

(N) Billing and Collection Service Charge (Cont'd)

(8) The Utility shall not retroactively bill MCI for Services rendered when such billing is rendered more than 12 months after the actual rendering of services, unless otherwise governed by tariff or law.

(9) In the event the annual revenues associated with the first and subsequent page rate elements are less than \$5,000,000.00, an annual minimum payment of \$5,000,000.00 will apply as set forth in (O)(2).

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-1 MCI Telecommunications Corporation (Cont'd)

(0) Rate Schedule

(1) The rates and charges as follows are for Annual Invoices of 14,400,000 or more (Average of 1,200,000 per month)

<u>ELEMENTS</u>	<u>RATE</u>
First Bill Page* (Applied to first MCI page of each invoice)	\$0.52
Subsequent Bill Pages* (Applied to all MCI pages after the first page)	0.13
Large Bill Handling* (Applied to pages in excess of three times the number of invoices)	0.16
Central Processing Unit (Per processing hour)	500.00
Program Development Charge (Per basic hour)	80.00
(Per premium hour)	100.00

* Page: Maximum of 66 lines of print

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-1 MCI Telecommunications Corporation (Cont'd)

(O) Rate Schedule (Cont'd)

(2) The rates and charges as follows are for Annual Invoices of less than 14,400,000 (Average of 1,200,000 per month)

<u>ELEMENTS</u>		<u>RATE</u>
First Bill Page* (Applied to first MCI page of each invoice)	\$	0.49
Subsequent Bill Pages* (Applied to all MCI pages after the first page)		0.19
Annual Minimum Payment (per page billing elements)	5,000,000.00	
Central Processing Unit (Per processing hour)		500.00
Program Development Charge (Per basic hour)		80.00
(Per premium hour)		100.00

* Page: Maximum of 66 lines of print

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-2 AT&T Communications of California

(A) The Utility shall, under the terms and conditions set forth herein and at the rates and charges so specified, provide Invoice Derived Billing and Collection Services to AT&T Communications of California, Inc. and American Telephone and Telegraph Company (Interstate Division) (hereinafter collectively referred to as "AT&T"). This Specialized Service or Arrangement (herein after "SSA") will, from time to time, reference sections of the Utility's existing tariff where applicable. This SSA is not intended to change, modify, or amend the terms and conditions of the billing and collections services provided to AT&T under SSA 89-1 dated June 22, 1989.

(B) Invoice Derived Billing ("IDB") is a bill rendering process in which AT&T performs billing functions for selected customers including the calculation of all applicable customer charges and credits for a specific bill period for inclusion in the AT&T portion of the Utility's customer bills.

(C) This SSA shall, from the effective date hereof, constitute the terms and conditions and rates and charges for the provision of IDB for agreed upon services. The term of the SSA shall be from the effective date hereof through December 31, 1999, unless terminated, cancelled or withdrawn sooner by the Parties.

Renewal after the initial term shall be by mutual agreement and subject to the approval of the CPUC.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-2 AT&T Communications of California (Cont'd)

(D) Invoice Derived Billing Development

- (1) AT&T shall pay the Utility to develop, test, and implement the IDB System. Additional enhancements or modifications to the system requested by AT&T will be recovered on an individual case basis.
- (2) The IDB System will be considered ready for implementation when the following conditions are met:
 - (a) The SSA is approved by the CPUC.
 - (b) The system can generate accurate invoices and return data feeds.

(E) Invoice Derived Billing - General Description

- (1) AT&T shall record, rate and calculate customer charges and credits, including taxes and surcharges; provide billing detail data; package the invoice; and provide text messages to the Utility. AT&T shall advise the Utility of post-billing adjustments.
- (2) The Utility shall guide invoices and adjustments to the appropriate customer accounts; verify invoice detail to in-service billing time frames; edit fields, and notify AT&T of any rejected and unguidable invoices.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-2 AT&T Communications of California (Cont'd)

(E) Invoice Derived Billing - General Description (Cont'd)

- (3) All AT&T charges and credits to the customer shall be detailed on the invoice, as provided by AT&T, and the net amount subtotaled on the invoice and added to the total amount due the Utility.
- (4) The Utility shall purchase AT&T accounts receivable; process adjustments; produce status records; produce customer bills and perform customer remittance and collection.

(F) Data Transmission and Confirmation

- (1) Network Data Mover (NDM) communication protocol or other transmission medium (e.g., cartridge, magnetic tape) mutually agreed to in writing by both Parties shall be used to transmit all data under this SSA.
- (2) AT&T shall transmit IDB data to the Utility each processing day, except on the Utility or AT&T processing holidays, or mutually negotiated non-processing days.
- (3) AT&T shall provide data transmission facilities between specified AT&T Data Centers and the Utility Data Centers as mutually identified by the Parties.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-2 AT&T Communications of California (Cont'd)

(F) Data Transmission and Confirmation Cont'd

- (4) AT&T shall transmit data to the Utility on a regular basis. Any data transmission which is determined to be unreadable, contain bad data of which no portion can be reprocessed by the Utility, shall be reported to AT&T immediately upon, and in no way longer than 12 hours after discovery of the condition. If damage to the file occurs as a result of AT&T's creation or transmission of the data, the Utility shall not be accountable for the damage nor for any lost revenues associated with the damage. Upon notification by the Utility of a file that has been determined to be unreadable or contain bad data AT&T shall resend the file within 12 hours of notification from the Utility. The Utility shall make no effort to recover such file that has been determined to be unreadable or contain bad data of which no portion can be processed.
- (5) If AT&T data has been lost, damaged, or destroyed as a result of the Utility's processing, the Utility shall attempt to recover the data. In the event the data cannot be recovered by the Utility, AT&T shall retransmit the data to the Utility within 12 hours of request by the Utility. AT&T shall retain the transmission data records for the number of cycles as mutually agreed upon following the date of original transmission (referred to as "AT&T Retention Period").
- (6) If the Utility is responsible for the loss or damage of AT&T data, as a result of failure due to acts or omissions of the mutually agreed upon procedures and service responsibilities, and AT&T retransmits the data as set forth in (F)(5) preceding, the Utility shall reimburse AT&T for the value of those messages that are rejected by the Utility due to the age edits as described in (G)(3)(b) following.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-2 AT&T Communications of California (Cont'd)

(F) Data Transmission and Confirmation (Cont'd)

(7) If the Utility is responsible for the loss or damage of AT&T data, as a result of failure due to acts or omissions of the mutually agreed upon procedures and service responsibilities, and the Utility notifies AT&T within the AT&T Retention Period, and AT&T is unable to retransmit the data, the Utility shall have no liability to AT&T.

(8) If the Utility is responsible for the loss or damage of AT&T data, as a result of failure due to acts or omissions of the mutually agreed upon procedures and service responsibilities, and the Utility does not notify AT&T within the AT&T Retention Period, the Utility shall be liable for the loss.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-2 AT&T Communications of California (Cont'd)

(G) Invoice File

(1) The Invoice File containing the data to be included in the AT&T portion of the bill shall be transmitted to the Utility two days prior to the Utility's scheduled Customer Bill Date. The Utility shall make reasonable efforts to bill invoices received less than two days prior to the Customer Bill Date on the requested Customer Bill Date. Invoices are made up of toll messages, summary records, and message text codes and are packaged together in Invoice Pack(s). The Invoice File shall contain one or more Invoice Packs.

(a) In the event that AT&T is unable to create and transmit invoices with accurate data within the scheduled time frame as set forth in (G)(1) preceding, AT&T shall transmit Missed Bill Records (MBRs) to the Utility within zero to two days prior to the Utility scheduled Customer Bill Date. The MBR(s) shall provide notification and billing continuity to IDB customers.

(b) Post-billing adjustments are not included in the Invoice File. AT&T may send pre-billing credits or promotional credits via the Invoice File.

(2) Upon receipt of the Invoice File, the Utility shall ensure that the proper Invoice Packs and Missed Bill Record Packs have been received in the correct sequence. In the event of an out-of-sequence condition, the Utility shall notify AT&T as soon as possible by telephone to the appropriate AT&T Data Center. All such Invoice Packs and MBR Packs shall be rejected by the Utility.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-2 AT&T Communications of California (Cont'd)

(G) Invoice File (Cont'd)

(3) The Utility shall perform edit processing on the media contained in the Invoice File. The editing process shall include but is not limited to the validation of the following edit categories as mutually agreed upon by the Parties.

(a) Invoices may be guided to a Utility billing account for no more than 50 days after the disconnect date of the account. Invoices received later than 50 days after the disconnect date of the Utility billing account shall be rejected by the Utility.

(b) The Utility shall bill AT&T charges to the customer, provided the associated service was furnished not more than 90 days preceding the date of the customer's bill, except as follows:

- collect calls
- calling card calls
- third party calls
- where a presubscribed customer has selected a preferential bill date.

For the above items, the Utility shall bill AT&T charges to the customer provided the associated service was furnished not more than 150 days preceding the date of the customer's bill.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-2 AT&T Communications of California (Cont'd)

(G) Invoice File (Cont'd)

(3) Cont'd

- (c) The Utility shall reject an invoice if any message date within the invoice is older than five days prior to the establish date of the Utility billing account.
- (d) The Utility shall reject an invoice if the Invoice contains a message date that is after the disconnect date of the Utility Customer Billing Account.
- (e) The Utility shall reject an invoice if the invoice contains a calling card message date that is more than 14 days after the disconnect date of the Utility Customer Billing Account.
- (f) The Utility shall reject an invoice if the invoice contains message dates that extend into more than one Utility Customer Billing Account.
- (g) The Utility shall reject an invoice if the Billing Telephone Number contained in the Invoice is not valid within the Utility's territory or is considered foreign exchange and billed by another Local Exchange Carrier.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-2 AT&T Communications of California (Cont'd)

(H) Text File

The Text file contains Marketing Messages and Phrase Text for inclusion in the AT&T portion of the customer bill.

- (1) AT&T shall provide the Utility with initial Text Files on an as-needed basis, a minimum of five times a year and a maximum of once a month. The content of Text Files shall comply with the requirements of the Utility's Phrase Text Advertising Standards.
- (2) The Utility shall edit the Text File for errors based on the editing rules in the mutually agreed upon specifications. The editing rules may be modified over time by mutual agreement.
- (3) An Emergency Text File shall be provided on an as-needed basis and shall be implemented to expedite the use of legally mandated messages, to correct Marketing Messages Text and Phrase Text or for such other situations as mutually negotiated.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-2 AT&T Communications of California (Cont'd)

(I) Customer Bill Format

- (1) The AT&T charges billed under this SSA shall appear appear on a separate AT&T page in the customer bill, with charges for both the Utility and AT&T. Each AT&T bill page shall consist of 66 print lines. All charges shall be summarized in one total balance due the Utility.
- (2) The AT&T corporate logo shall be displayed on the AT&T pages of the customer bill.
- (3) AT&T billing inquiry and account contact numbers shall be displayed on the AT&T pages of the customer bill.
- (4) In the event where charges for multiple entities are included in the customer bill, the detail information regarding AT&T charges shall begin on a new page. Page numbering for the AT&T detail pages shall be consecutive. Consistent with legal or regulatory requirements, the last page of AT&T details on the bill should not include entries for any other entity.
- (5) To the extent required by law, the following Bill Print Statement shall be provided on the AT&T portion of the bill: "This portion of your bill is provided as a service to AT&T. There is no connection between AT&T and Pacific Bell. You may choose another company for your long distance calls while still receiving your local telephone service from Pacific Bell."

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-2 AT&T Communications of California (Cont'd)

(J) Payment and Remittance Processing

- (1) The Utility shall purchase the AT&T accounts receivable net of adjustments and include the provision of recourse for disputed AT&T charges including taxes and surcharges.
- (2) The Utility shall receive and apply customer payments for all AT&T customers billed under this SSA. This shall include treatment, denial and collection activities as set forth in (L) (1) through (6) following.
- (3) The Utility shall apply all customer payments to a single balance due on the customer account. Customer specified application of payments shall not be permitted except where mandated by regulatory or other legal authority.
- (4) The AT&T Long Distance Certificates shall be processed as a customer payment for any charges appearing on the Utility bill in the same manner as customer checks are processed.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-2 AT&T Communications of California (Cont'd)

(K) Customer Adjustments

- (1) AT&T shall be responsible for all AT&T customer inquiry activities concerning the credit, adjustments, and message investigation of AT&T charges.
- (2) AT&T shall transmit adjustments to the Utility. The Utility shall perform customer adjustments at the request of AT&T.
- (3) When AT&T is conducting an investigation of a claim that is \$20 or more, AT&T shall notify the Utility of such claim as soon as possible.
- (4) The Utility shall not pursue collection activity on any pending adjustment in dispute status, but shall use it for informational purposes when determining the current payment status of an customer.
- (5) AT&T shall issue an adjustment or sustain the charges within 90 days of the customer claim date. If AT&T fails to resolve a customer claim within 90 days of the customer claim date, the Utility may recourse the amount to AT&T in accordance with the recourse adjustment process.
- (6) The Utility shall attempt to prevent treatment and application of Late Payment Charges by applying Temporary No Late Payment Charges treatment to the customer's account in accordance with the Utility's treatment and collection procedures.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-2 AT&T Communications of California (Cont'd)

(K) Customer Adjustments Cont'd

(7) In the event of a dispute over sustained charges between AT&T and the customer, the Utility may advise the customer of Schedule Cal.P.U.C. No. A2.1.10 - Rule No. 10 (CPUC Rule 10) which provides a process by which the customer files a formal complaint along with payment of the disputed intrastate amount with the CPUC. The Utility shall take no adverse collection action on the amount in dispute.

(L) Treatment and Collection Services

- (1) The Utility shall use its normal treatment and collection procedures to control and collect the customer's total invoice amount due, including all AT&T charges.
- (2) The Utility shall, when required, establish and maintain any customer advance payments and/or deposits in accordance with the applicable regulations as set forth in Schedule A2.1.7. - Rule 7.
- (3) The single balance due on the customer's bill shall be the amount used to determine treatment, collection and denial activities consistent with applicable regulatory and legal requirements.
- (4) The Utility may send to an Outside Collection Agency (OCA) all customer final accounts which are delinquent in accordance with the Utility's treatment and collection practices.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-2 AT&T Communications of California (Cont'd)

(L) Treatment and Collection Services (Cont'd)

- (5) Amounts collected by the Utility or its agent following declaration of final bad debt write-off on an account shall be shared between the Utility and AT&T, consistent with the apportionment of final bad debt at the time of write-off. Associated OCA charges shall be apportioned between the Utility and AT&T in the same manner in which amounts collected by the Utility or its agent are shared with AT&T.
- (6) The Utility shall not provide bad debt information (e.g., customer name, customer address, social security number, written-off amounts for toll usage and similar information) that is separately identified or identifiable with AT&T charges on AT&T customer accounts to any credit bureau, data system or data base (other than one wholly owned by the Utility) that maintains credit information.

(M) High Toll Notification

High Toll Notification is a process that allows AT&T to provide to the Utility High Toll information for the initiation of pre-billing High Toll Treatment on customer accounts when a customer's toll usage exceeds the High Toll Threshold. High Toll Notification information includes: AT&T High Toll Notifiers and Unbilled Itemized Calls (UBIC).

- (1) At the Utility's request, AT&T shall provide a record of a customer's UBIC in order to initiate pre-billing High Toll treatment.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-2 AT&T Communications of California (Cont'd)

(M) High Toll Notification (Cont'd)

(2) AT&T's High Toll Notifiers and UBIC shall be assessed by the Utility's Advance Toll Process and shall be handled in accordance with the methods and procedures used by the Utility for the treatment of High Toll for non-IDB customers.

(N) Expedited Final Bill Process

The Expedited Final Bill Interface is a mechanism that will allow AT&T and the Utility to collaboratively render the final bill to customers in a timely manner.

(1) The Utility shall send to AT&T an Expedited Final Request File for all accounts that have entered final status between the current and previous processing cycle.

(2) Upon receipt of the Expedited Final Request, AT&T shall create and send in the next regular invoice file a final invoice. To ensure that the AT&T final invoice is included on the Utility's final bill, AT&T's invoice must be received by the Utility within two business days of receipt of the Expedited Final Request.

(O) Purchase of Accounts Receivable

(1) The Utility shall purchase all Invoice Derived billings, net adjustments as described in (K) preceding, and minus the amount deducted for Estimated Bad Debt Allowance.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-2 AT&T Communications of California (Cont'd)

(O) Purchase of Accounts Receivable (Cont'd)

- (2) An uncollectible true-up shall be performed on a quarterly basis according to the Quarterly True-Up Schedule. The true-up shall compare the Estimated Bad Debt Allowance for the study quarter with the Realized Net Bad Debt for the true-up quarter.
- (3) The uncollectible true-up amount shall be added to or deducted from the Amount Due AT&T. The Purchase of Accounts Receivable Statement (PARS) containing the true-up shall be sent to AT&T by the end of the first month following the study quarter in accordance with the Quarterly True-up Schedule.
- (4) Payment of a true-up amount shall be subject to the Late Payment Charge as set forth in (P)(2) following. For purposes of determining applicability of Late Payment Charges, the payment date for true-up amounts shall be 34 calendar days following the date of the PARS containing, or that should contain, the true-up amount.

(P) Payment of Accounts Receivable

- (1) The Utility shall remit payment to AT&T for the purchase of accounts receivable by the payment date, which is determined by adding 34 calendar days to the Customer Bill Date.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-2 AT&T Communications of California (Cont'd)

(P) Payment of Accounts Receivable (Cont'd)

- (2) Payment must result in immediately available funds on the payment date. If any portion of the amount due AT&T is not received by AT&T on the payment date, or is received in funds which are not immediately available to AT&T, then a Late Payment Charge shall apply. The late payment factor shall be a 0.05% daily charge, not compounded, or as otherwise mandated by regulatory or governmental authorities.

(Q) Rates and Charges

- (1) The Utility shall provide the billing services as described herein, and AT&T shall be billed for such services based upon the rates and charges set forth in Rate Schedule (S) following. The applicable rates shall apply as follows:
- (a) Except as set forth in (d) and (e) following, in the year 1994, the Utility shall bill AT&T at the Tier IV per page rates as set forth in (S) following.
- (b) Except as set forth in (d) and (e) following, in the year 1995 the Utility shall bill AT&T at the per page rates set forth in (S) following that are consistent with the volume of invoices derived by multiplying AT&T's December 1994 invoice volumes by 12.
- (c) Except as set forth in (d) and (e) following, in the years 1996 through 1999, the Utility shall bill AT&T at the per page rate as set forth in (S) following that are consistent with the volume of AT&T invoices achieved during the previous year.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-2 AT&T Communications of California (Cont'd)

(Q) Rates and Charges (Cont'd)

(1) Cont'd

(d) In the event that during the term of this SSA, a significant change in AT&T's billing volumes occurs, the Parties shall meet within 30 days after the request of either Party for the purpose of agreeing that a different tier rate should be billed by the Utility for the remainder of the current year.

(e) In the event AT&T's volume of invoices for any calendar year does not reach the minimum level required for the per page rates charged by the Utility during that year, the actual volume of invoices generated under this SSA shall be repriced using the appropriate per page rates for that volume of invoices. The adjustment in charges shall appear on the February Carrier Billing Statement immediately following the year for which the rate is being adjusted.

(2) The Utility shall bill AT&T for modifications to the IDB system which may be required to implement billing changes for new and revised customer services on an individual case basis.

(3) In the event the annual revenues associated with the first and subsequent page rate elements are less than \$5,000,000.00, an annual minimum payment of \$5,000,000.00 shall apply as set forth in

(S) following.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-2 AT&T Communications of California (Cont'd)

(Q) Rates and Charges (Cont'd)

- (4) For all other billing and collection services not covered by this SSA, AT&T shall order such services out of the Utility's existing tariff or arrange for such services through separate agreement.
- (5) The Carrier Billing Statement containing the IDB billing charges, shall be issued once per month.
- (6) Payment is due the same date of the month as the bill date in the month following the bill date month, unless the bill is received by AT&T less than 20 days prior to that date, in which case the due date shall be no less than 20 days after AT&T's receipt of the bill provided.
- (7) Payment must result in immediately available funds on the payment date. If any portion of the net settlement amount is received by the Utility in funds which are not immediately available to the Utility, then a Late Payment Charge shall apply. The late payment factor shall be a 0.05% daily charge, not compounded, or as otherwise mandated by regulatory or governmental authorities.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-2 AT&T Communications of California (Cont'd)

(Q) Rates and Charges (Cont'd)

(8) Charges Relating to Disputed Amounts on the Carrier Billing Statement shall be handled as follows:

- (a) If AT&T has paid the total billed amount on a statement presented by the Utility for Billing and Collection Services charges, and thereafter disputes the billed amount by filing a claim with all documentation about the claim that is available to AT&T and the claim is resolved in favor of AT&T, then in addition to refunding the overpayment the Utility shall pay to AT&T a daily charge of 0.05% of the overpayment amount, not compounded, or as otherwise mandated by governmental authorities, calculated from the date the disputed amount was paid by AT&T to the date of the refund; provided that the daily charge shall be due from such date only if AT&T filed such claim promptly after AT&T learned of such claim; otherwise, the daily charge shall be due from the date the claim was filed. The refund amount and the daily charges shall be separately calculated and identified on the Carrier Billing Statement.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-2 AT&T Communications of California (Cont'd)

(Q) Rates and Charges (Cont'd)

(8) Cont'd

- (b) If AT&T withholds all or a portion of the payment of the total billed amount due to the Utility because of a dispute over all or a portion of the charges on that bill, and advises the Utility, on or before the payment date, of the amounts withheld, the Utility shall consider this as a filing of a claim and shall investigate toward a conclusion in a timely manner. If AT&T's position in the dispute is not sustained, AT&T shall remit the appropriate amount of the withheld payment plus a Late Payment Charge of 0.05% of the withheld payment per day, not compounded, or as otherwise mandated by governmental authorities, calculated from the original date the amount was due to the Utility to the date of AT&T's payment of withheld amounts to the Utility in immediately available funds.
- (c) If AT&T's position in the dispute is sustained, the Utility shall adjust the billed amount appropriately.
- (d) If the Utility uncovers an overcharge, the Utility shall notify AT&T of the overcharge and supply AT&T with all available documentation concerning the overcharge. AT&T may thereafter dispute the billed amount as set forth herein based upon the discovery of the overcharge.
- (e) Both Parties shall retain such detailed information as may reasonably be required for resolution of the disputed amount during the pendency of the dispute.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

(N)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-2 AT&T Communications of California (Cont'd)

(R) Audits and Examinations

Upon 60 days written notice by the requesting Party to the non-requesting Party, the requesting Party shall have the right to audit and examine, during normal business hours and at reasonable intervals to be mutually determined, the non-requesting Party's records, books, and documents, as may reasonably contain information relevant to the operation of the IDB process described in this SSA. Within the above described 60 day period, the Parties shall reasonably agree upon the scope of the Audit or Examination, the documents to be reviewed, and the time, place and manner in which the Audit or Examination shall be performed.

(N)

ACCESS SERVICE

12. Specialized Service or Arrangements (Cont'd)

12.2 Rates and Charges (Cont'd)

Case No. (Cont'd)

94-2 AT&T Communications of California (Cont'd)

(S) Rate Schedule

The rates and charges as follows are for Annual Invoices of:

<u>ELEMENTS</u>		<u>RATE</u>	
TIER IV - 80,000,000 or more			
First Bill Page*	\$	0.48	
Second and each add'l Bill Page*		0.13	z
TIER III - 60,000,000 to 79,999,999			
First Bill Page*		0.50	
Second and each add'l Bill Page*		0.13	z
TIER II - 30,000,000 to 59,999,999			
First Bill Page*		0.51	
Second and each add'l Bill Page*		0.13	z
TIER I - 29,999,999 or less			
First Bill Page*		0.52	
Second and each add'l Bill Page*		0.13	z
Annual Minimum Payment		5,000,000.00	
(Per page billing elements)			
Program Development Charge			
(Per basic hour)		80.00	
(Per premium hour)		100.00	
Central Processing Unit		500.00	
(Per processing hour)			

z - To correct material originally filed in Advice Letter No. 16951.

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Issued by

A. E. Swan

Executive Director

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