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August 15, 2000

VIA FACSIMILE (573-552-6176)
AND FEDERAL EXPRESS

Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
301 West High Street, Room 530
Jefferson City, Missouri 65101

FILED²

AUG 15 2000

Missouri Public
Service Commission

TA-2000-664

**Re: In the matter of the Application of Pathnet, Inc. for a Certificate of Service
Authority to Provide Interexchange and Local Exchange
Telecommunications Services**

Dear Mr. Roberts,

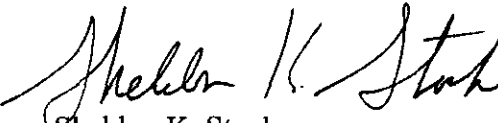
Enclosed are the original and five (5) copies of the Pathnet, Inc. ("Pathnet") Interexchange Services Tariff, PSC MO. NO. 1. The proposed effective date for the tariff is September 29, 2000. The tariff is filed as a result of the certification of Pathnet as an interexchange company in Case No. TA-2000-664 on June 19, 2000. A copy of the tariff will be made available to all parties of record in this matter who request same. The tariff filed herewith contains 65 pages.

We have enclosed one extra copy of the tariff which we would appreciate being date stamped upon receipt and returned to the undersigned in the envelope provided.

Thank you for your attention to this matter.

Yours very truly,

GREENSFELDER, HEMKER & GALE, P.C.

By 
Sheldon K. Stock

SKS/kka
Enclosures
411352.1

cc: Office of the Public Counsel
Gerald J. Waldron, Esq.

200100147

PATHNET, INCORPORATED

INTEREXCHANGE SERVICES TARIFF

**Regulations and Schedule of Rates and Charges
Applicable to the Provision of Interexchange Services
Furnished By Pathnet, Inc.
Within the State of Missouri.**

TABLE OF CONTENTS

Table of Contents	1
Abbreviations of Technical Terms	3
Definitions	4
Section 1: Application of Tariff	7
Section 1.1: Application of Tariff	7
Section 1.2: Tariff Format	8
Section 2: Regulations	10
Section 2.1: Undertaking of the Company	10
Section 2.2: Liability of the Company	13
Section 2.3: Provision of Equipment and Facilities	16
Section 2.4: Prohibited Uses	19
Section 2.5: Obligations of the Customer	20
Section 2.6: Customer Equipment and Channels	23
Section 2.7: Customer Advance Payments	26
Section 2.8: Payment Arrangements	27
Section 2.9: Allowances for Interruptions in Service	32
Section 2.10: Cancellation of Service/Termination Liability	34
Section 2.11: Customer Liability for Unauthorized Use of the Network	35
Section 2.12: Use of Customer's Service by Others	36
Section 2.13: Transfers and Assignments	37
Section 2.14: Notices and Communications	38
Section 3: Application of Rates	39
Section 3.1: Introduction	39
Section 3.2: Rates Based Upon Distance	40
Section 4: Service Areas	41
Section 4.1: Service Areas	41
Section 5: Private Line Services	42
Section 5.1: General	42
Section 5.2: Application of Rates	43
Section 5.3: Service Descriptions	45
Section 5.4: Rates and Charges	49
Section 6: Reserved for Future Use	52
Section 7: Exchange Services	53
Section 7.1: Description	53
Section 7.2: Non-recurring Charges	54
Section 7.3: Monthly Recurring Charges	55

TABLE OF CONTENTS

Section 8: Reserved for Future Use	56
Section 9: Reserved for Future Use	57
Section 10: Reserved for Future Use	58
Section 11: Other Service Arrangements	59
Section 12: Miscellaneous Services	60
Section 12.0: Reserved for Future Use	60
Section 12.1: Restoration of Service	61
Section 12.2: Service Trip Charge	61
Section 13: Special Arrangements	62
Section 13.1: Special Construction	62
Section 13.2: Individual Case Basis Arrangements	64
Section 13.3: Temporary Promotional Programs	65

ABBREVIATIONS OF TECHNICAL TERMS USED IN THIS TARIFF

FCC Federal Communications Commission

IXC Interexchange Carrier

LATA Local Access Transport Area

LEC Local Exchange Carrier (Incumbent)

Link Loop Facility From The Serving Central Office To The End User
Premises

OTC Other Local Telephone Company

V & H Vertical & Horizontal

DEFINITIONS USED IN THIS TARIFF

Access Line: A transmission path, which connects a subscriber location to the carrier's terminal location or switching center.

Advance Payment: Part or all of a payment required before the start of service.

Affiliate: Any other corporation, partnership, trust, incorporated or unincorporated association, joint venture or stock company that directly or indirectly controls, is controlled by, or is under common control with Pathnet.

Bandwidth: The total frequency band, in hertz, allocated for a channel.

Bit: The smallest unit of information in the binary system of notation.

Company, Carrier, or Pathnet, Inc.: Pathnet Inc., the issuer of this tariff, or any of its subsidiaries or Affiliates.

Customer or Subscriber: The person, firm or corporation which orders service and is responsible for the payment of charges and compliance with the Company's regulations.

Dedicated Access Lines ("DAL"): A group of leased lines which interconnect a switching system to a dedicated subscriber.

Dial Pulse (or "DP"): The pulse type employed by rotary dial station sets.

Digital Signal Level 1 ("DS-1"): A 1.544 Mbit/s signal (T1 carrier).

Digital Signal Level 3 ("DS-3"): A 44.736 Mbit/s signal.

Disconnection: The disconnection of a circuit, dedicated access line or port connection being used for existing service.

DSX-1 Panel: Distribution equipment used to terminate and administer DS-1 (1.544 Mbps) circuits.

DSX-3 Panel: Distribution equipment used to terminate and administer DS-3 (44.736 Mbps) circuits.

Dual Tone Multi-Frequency (or "DTMF"): The pulse type employed by tone dial station sets.

Duplex Service: Service which provides for simultaneous transmission in both directions.

Fiber Optic Cable: A thin filament of glass with a protective outer coating through which a light beam carrying communications signals may be transmitted by means of multiple internal reflections to a receiver, which translates the message.

Incumbent Local Exchange Carrier (or "ILEC"): Denotes any individual, partnership, association, joint-stock company, trust or corporation engaged in providing switched communications within an exchange, and which has been defined as an ILEC by the Federal Communications Commission.

Interconnection: The connection of telephone equipment to the network; also, the connection of one carrier with another, i.e., the interface between carriers.

Interexchange Service: Any of the Company's service offerings which provide switched or special (dedicated) communications between Local Exchange Carrier defined exchange service areas. Interexchange Services include, but are not limited to MTS, Toll Free Service and Other Service Arrangements.

Joint User: A person, firm or corporation which is designated by the Customer as a user of services furnished to the Customer by Pathnet, Inc. and to whom a portion of the charges for the service will be billed under a joint user arrangement as specified herein.

Kbps: Kilobits per second, denotes thousands of bits per second.

LATA: A Local Access and Transport Area established pursuant to the Modification of Final Judgment entered by the United States District Court for the District of Columbia in Civil Action No. 82-0192; or any other geographic area designated as a LATA in the National Exchange Carrier Association, Inc. Tariff F.C.C. No. 4.

Mbps: Megabits per second, denotes millions of bits per second.

Multi-Frequency (or "MF"): An inter-machine pulse-type used for signaling between telephone switches or between telephone switches and PBX/key systems.

Other Carrier: A person, firm, corporation, or entity regulated by the PSC or the FCC which subscribes to carriers' communications services and facilities and resells these communications services and facilities to the public for a profit. Unless otherwise indicated herein, the term "other carrier" when used in this tariff includes entities which are brokers of the service (act as intermediaries for the purpose of reselling), those entities which are processors of the service (enhance the value of the service through substantial incurred costs) and those entities which are underlying carriers or providers of facilities.

Other Telephone Company ("OTC"): This term also may be termed Competitive Local Telephone Company ("CLEC"), which denotes any individual, partnership, association, joint-stock company, trust or corporation engaged in providing competitive switched and special communications services within an exchange and is not an ILEC.

Point of Presence ("POP"): Point at which responsibility for handling traffic changes over from the local telephone operating company to the interexchange carrier.

Premises: The space designated by a Subscriber as its place or places of business for termination of service (whether for its own communications needs or for its resale subscribers). A

Network Interface Device is set as a demarcation between the customer premises and the network equipment.

Recurring Charges: The monthly charges to the Customer for services, facilities and equipment, which continue for the agreed upon duration of the service.

Service Commencement Date: The first day following the date on which the Company notifies the Customer that the requested service or facility is available for use, unless extended by the Customer's refusal to accept service which does not conform to standards set forth in the Service Order or this tariff, in which case the Service Commencement Date is the date of the Customer's acceptance. The Company and Customer may mutually agree on a substitute Service Commencement Date.

Service Order: The written request for telecommunications services executed by the Customer and the Company in the format devised by the Company. The signing of a Service Order by the Customer and acceptance by the Company initiates the respective obligations of the parties as set forth therein and pursuant to this tariff, but the duration of the service is calculated from the Service Commencement Date.

Subscriber-Provided Equipment: Terminal equipment, as defined herein, provided by a subscriber.

Terminal Equipment: Devices, apparatus and their associated wiring, such as teleprinters, telephone handsets, data sets, or microprocessors.

T1: The basic 24-channel 1.544 Mbps pulse code modulation system as used in the United States.

User or End User: A Customer, Joint User, or any other person authorized by Customer to use service provided under this tariff.

SECTION 1: APPLICATION OF TARIFF

1.1 Application of Tariff

1.1.1 General

This tariff sets forth the service offerings, rates, terms and conditions applicable to the furnishing of intrastate interexchange telecommunications services by Pathnet, Inc. (hereinafter referred to as the "Company", "Carrier", or "Pathnet, Inc."), with its principal offices at 11720 Sunrise Valley Drive, Reston, VA 20191, to customers within the State of Missouri. This tariff applies to services furnished within the state of Missouri. This tariff is on file with the Missouri Public Service Commission, and copies may be inspected, during normal business hours, at the Company's principal place of business.

The provision of the Company's services is subject to the existing regulations, terms and conditions specified in this tariff and may be revised, added to or supplemented by superseding issues.

Pathnet, Inc. reserves the right to offer its Customers a variety of services as deemed appropriate by the Company.

SECTION 1: APPLICATION OF TARIFF

1.2 Tariff Format

1.2.1 Sheet Numbering

Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 14 and 15 would be 14.1.

1.2.2 Sheet Revision Numbers

Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current sheet version on file with the Missouri Public Service Commission. For example, the 4th revised Sheet 14 cancels the 3rd revised Sheet 14. Because of the various suspension periods, deferrals, etc. that the Missouri Public Service Commission follows in its tariff approval process, the most current sheet number on file with the Commission is not always the tariff page in effect. Consult the Company or Commission for the sheets currently in effect.

1.2.3 Paragraph Numbering Sequences

There are nine levels of alphanumeric coding. Each level is subservient to its next higher level:

- 2.1.
- 2.1.1.
- 2.1.1.A.
- 2.1.1.A.1.
- 2.1.1.A.1.(a).
- 2.1.1.A.1.(a).I.
- 2.1.1.A.1.(a).I.(i).
- 2.1.1.A.1.(a).I.(i).(1).

SECTION 1: APPLICATION OF TARIFF

1.2 Tariff Format (cont'd.)

1.2.4 Explanation of Tariff Revision Symbols

The following symbols shall be used in this tariff for the purposes indicated below. These symbols will appear in the right hand margin, when applicable.

- C Changed Regulation
- D Delete or Discontinue
- I Change Resulting In An Increase To A Rate
- M Moved From Another Tariff Location
- N New
- R Change Resulting In A Reduction To A Rate
- S Matter Appearing Elsewhere or Repeated for Clarification
- T Change in Text or Regulation But No Change In Rate or Charge
- V Signifies Vintage Tariff
- Z Correction

SECTION 2: REGULATIONS

2.1 Undertaking of the Company

2.1.1 Scope

The Company undertakes to furnish competitive interexchange telecommunications service, pursuant to the terms of this tariff, to telecommunications carriers, Internet service providers and other business customers in connection with one-way and/or two-way information transmission between points within the State of Missouri.

Customers and Users may use services and facilities provided under this tariff to obtain access to services offered by other service providers. The Company is responsible under this tariff only for the services and facilities provided hereunder, and it assumes no responsibility for any service provided by any other entity that purchases access to the Company network in order to originate or terminate its own services, or to communicate with its own customers.

2.1.2 Shortage of Equipment or Facilities

- A) The Company reserves the right to limit or to allocate the use of existing facilities, or of additional facilities offered by the Company, when necessary because of lack of facilities, or due to some other cause beyond the Company's control.
- B) The furnishing of service under this tariff is subject to the availability on a continuing basis of all the necessary facilities and is limited to the capacity of the Company's facilities as well as facilities the Company may obtain from other carriers to furnish service from time to time as required at the sole discretion of the Company.

2.1.3 Terms and Conditions

- A) Service is provided on the basis of a minimum period of at least one month, 24-hours per day. For the purpose of computing charges in this tariff, a month is considered to have 30 days.
- B) Customers may be required to enter into written service orders which shall contain or reference a specific description of the service ordered, the rates to be charged, the duration of the services, and the terms and conditions in this tariff. Customers will also be required to execute any other documents as may be reasonably requested by the Company.

SECTION 2: REGULATIONS

2.1 Undertaking of the Company (cont'd.)

2.1.3 Terms and Conditions (cont'd.)

- C) Except as otherwise stated in this tariff, at the expiration of the initial term specified in each Service Order, or in any extension thereof, service shall continue on a month to month basis at the then current rates unless terminated by either party upon 30 days written notice. Any termination shall not relieve the Customer of its obligation to pay any charges incurred under the Service Order and this tariff prior to termination. The rights and obligations which by their nature extend beyond the termination of the term of the Service Order shall survive such termination.
- D) In any action between the parties to enforce any provision of this tariff, the prevailing party shall be entitled to recover its legal fees and court costs from the non-prevailing party in addition to other relief a court may award.
- E) Service may be terminated upon written notice to the Customer if:
 - 1) the Customer is using the service in violation of this tariff; or
 - 2) the Customer is using the service in violation of the law.
- F) This tariff shall be interpreted and governed by the laws of the State of Missouri without regard for its choice of laws provision.
- G) Southwestern Bell or any Other Telephone Company of Missouri must not interfere with the right of any person or entity to obtain service directly from the Company. No person or entity shall be required to make any payment, incur any penalty, monetary or otherwise, or purchase any services in order to have the right to obtain service directly from the Company.

SECTION 2: REGULATIONS

2.1 Undertaking of the Company (cont'd.)

2.1.3 Terms and Conditions (cont'd.)

- H) To the extent that either the Company or any Other Telephone Company exercises control over available cable pairs, conduit, duct space, raceways, or other facilities needed by the other to reach a person or entity, the party exercising such control shall make them available to the other on terms equivalent to those under which the Company makes similar facilities under its control available to its customers. At the reasonable request of either party, the Company and the Other Telephone Company shall join in the attempt to obtain from the owner of the property access for the other party to serve a person or entity.

SECTION 2: REGULATIONS

2.2 Liability of the Company

- A) Except as otherwise stated in this tariff, the liability of the Company for damages arising out of the furnishing of its services, including but not limited to mistakes, omissions, interruptions, delays, or errors, or other defects, representations, or use of these services or arising out of the failure to furnish the service, whether caused by acts or omission, shall be limited to the extension of allowances for interruption as set forth in Section 2.9. The extension of such allowances for interruption shall be the sole remedy of the Customer and the sole liability of the Company. The Company will not be liable for any direct, indirect, incidental, special, consequential, exemplary or punitive damages to Customer as a result of any Company service, equipment or facilities, or the acts or omissions or negligence of the Company's employees or agents.
- B) The Company shall not be liable for any delay or failure of performance or equipment due to causes beyond its control, including but not limited to: acts of God, fire, flood, explosion or other catastrophes; any law, order, regulation, direction, action, or request of the United States Government or of any other government including state and local governments having or claiming jurisdiction over the Company, or of any department, agency, commission, bureau, corporation, or other instrumentality of any one or more of these federal, state, or local governments, or of any civil or military authority; national emergencies; insurrections; riots; wars; unavailability of rights-of-way or materials; or strikes, lock-outs, work stoppages, or other labor difficulties.
- C) The Company shall not be liable for:
 - 1) any act or omission of any entity furnishing to the Company or to the Company's Customers facilities or equipment used for interconnection with the Company's network; or
 - 2) the acts or omissions of common carriers or warehousemen.
- D) The Company shall not be liable for any damages or losses due to the fault or negligence of the Customer or due to the failure or malfunction of equipment or facilities provided by the Customer or third parties.

SECTION 2: REGULATIONS

2.2 Liability of the Company (cont'd.)

- E) The Company does not guarantee nor make any warranty with respect to installations it provides for use in an explosive atmosphere. The Customer indemnifies and holds the Company harmless from any and all loss, claims, demands, suits, or other action, or any liability whatsoever, whether suffered, made, instituted, or asserted by any other party or person(s), and for any loss, damage, or destruction of any property, whether owned by the Customer or others, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, removal, presence, condition, location, or use of any installation so provided. The Company reserves the right to require each Customer to sign an agreement acknowledging acceptance of the provisions of this Section 2.2(E) as a condition precedent to such installations.
- F) The Company is not liable for any defacement of or damage to Customer premises resulting from the furnishing of services or equipment on such premises or the installation or removal thereof, unless such defacement or damage is caused by the negligence or willful misconduct of the Company's agents or employees.
- G) The Company shall be indemnified, defended and held harmless by the Customer from and against all loss, liability, damage and expense, including reasonable attorneys' fees, due to claims for libel, slander, invasion of privacy or infringement of copyright in connection with the material transmitted over the Company's facilities; and any other claim resulting from any act or omission of the Customer or patron(s) of the Customer relating to the use of the Company's facilities.
- H) The entire liability for any claim, loss, damage or expense from any cause whatsoever shall in no event exceed sums actually paid the Company by the Customer for the specific services in the month in which the event giving rise to the liability occurred. No action or proceeding against the Company shall be commenced more than one year after the event giving rise to the liability occurred.
- I) THE COMPANY MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE, EXCEPT THOSE EXPRESSLY SET FORTH HEREIN.

SECTION 2: REGULATIONS

2.2 Liability of the Company (cont'd.)

- J) The Company shall indemnify, defend, and hold harmless the Customer from and against all claims, actions, damages, liabilities, costs and expenses, including reasonable attorneys' fees, for any injury to persons or property, and any interruption of, interference to, or other defect in any service provided by the Company to any third party, if such injury, interruption, interference, or other defect was not caused by any negligent or intentional act or omission of the Customer or any of its officers, employees, agents, invitees, or contractors.
- K) The Company will provide the Customer reasonable notification of planned service-affecting activities. Such activities may include, but are not limited to, equipment or facilities additions, removals or rearrangements and preventative maintenance requiring planned out of service conditions. Generally, such activities are not specific to an individual Customer but affect many Customers' services. No specific advance notification period is applicable to all service activities. The Company will work cooperatively with the Customer to determine the reasonable notification requirements. With some emergency or unplanned service-affecting conditions, such as an outage resulting from cable damage, notification to the Customer may not be possible.

SECTION 2: REGULATIONS

2.3 Provision of Equipment and Facilities

- A) The Company shall use reasonable efforts to make available services to a Customer on or before a particular date, subject to the provisions of and compliance by the Customer with the regulations contained in this tariff. The Company does not guarantee availability by any such date and shall not be liable for any delays in commencing service to any Customer.
- B) The Company shall use reasonable efforts to maintain only the facilities and equipment that it furnishes to the Customer. The Customer may not, nor may the Customer permit others to, rearrange, disconnect, remove, attempt to repair, or otherwise interfere with any of the facilities or equipment installed by the Company, except upon the written consent of the Company.
- C) The Company may substitute, change or rearrange any equipment or facility at any time and from time to time, but shall not thereby alter the technical parameters of the service provided the Customer.
- D) Equipment the Company provides or installs at the Customer Premises for use in connection with the services the Company offers shall not be used for any purpose other than that for which the Company provided it.
- E) The Customer shall be responsible for the payment of service charges as set forth herein for visits by the Company's agents or employees to the Premises of the Customer when the service difficulty or trouble report results from the use of equipment or facilities provided by any party other than the Company, including but not limited to the Customer.
- F) The Company shall not be responsible for the installation, operation, or maintenance of any Customer-provided communications equipment. Where such equipment is connected to the facilities furnished pursuant to this tariff, the responsibility of the Company shall be limited to the furnishing of facilities offered under this tariff and to the maintenance and operation of such facilities. Subject to this responsibility, the Company shall not be responsible for:
 - 1) the transmission of signals by Customer-provided equipment or for the quality of, or defects in, such transmission; or

SECTION 2: REGULATIONS

2.3 Provision of Equipment and Facilities (cont'd.)

- 2) the reception of signals by Customer-provided equipment; or
 - 3) network control signaling where such signaling is performed by Customer-provided network control signaling equipment.
- G) Except as otherwise indicated, Customer-provided station equipment at the Customer's premises for use in connection with this service shall be so constructed, maintained and operated as to work satisfactorily with the facilities of the Company.

2.3.1 Non-routine Installation

At the Customer's request, installation and/or maintenance may be performed outside the Company's regular business hours or in hazardous locations. In such cases, charges based on cost of the actual labor, material, or other costs incurred by or charged to the Company will apply. If installation is started during regular business hours but at the Customer's request extends beyond regular business hours into time periods including, but not limited to, weekends, holidays, and/or night hours, additional charges may apply.

2.3.2 Special Construction

Subject to the agreement of the Company and to all of the regulations contained in this tariff, Special Construction of facilities may be undertaken on a reasonable efforts basis at the request of the Customer. In such cases, charges based on cost of the actual labor, material, or other costs incurred by or charged to the Company will apply. If installation is started during regular business hours but at the Customer's request extends beyond regular business hours into time periods including, but not limited to, weekends, holidays, and/or night hours, additional charges may apply. Special Construction is that construction undertaken:

- A) where facilities are not presently available and there is no other requirement for the facilities so constructed;
- B) of a type other than that which the Company would normally utilize in the furnishing of its services;
- C) over a route other than that which the Company would normally utilize in the furnishing of its services;
- D) in a quantity greater than that which the Company would normally construct;

SECTION 2: REGULATIONS

2.3 Provision of Equipment and Facilities (cont'd.)

2.3.3 Special Construction (cont'd.)

- E) on an expedited basis;
- F) on a temporary basis until permanent facilities are available;
- G) involving abnormal costs; or
- H) in advance of its normal construction.

2.3.4 Ownership of Facilities

Title to all facilities provided in accordance with this tariff remains in the Company, its agents or contractors. Equipment furnished by the Company on the premises of a subscriber is the property of the Company.

SECTION 2: REGULATIONS

2.4 Prohibited Uses

- A) The services the Company offers shall not be used for any unlawful purpose or for any use as to which the Customer has not obtained all required governmental approvals, authorizations, licenses, consents and permits.
- B) The Company may require applicants for service who intend to use the Company's offerings for resale and/or for shared use to file a letter with the Company confirming that their use of the Company's offerings complies with relevant laws and Missouri Public Service Commission regulations, policies, orders, and decisions.
- C) The Company may require a Customer to immediately shut down its transmission of signals if said transmission is causing interference to others.
- D) A Customer, Joint User, or authorized User may not assign, or transfer in any manner, the service or any rights associated with the service without the written consent of the Company. The Company will permit a Customer to transfer its existing service to another entity if the existing Customer has paid all charges owed to the Company for regulated communications services. Such a transfer will be treated as a disconnection of existing service and installation of new service, and Non-recurring installation charges as stated in this tariff will apply.

SECTION 2: REGULATIONS

2.5 Obligations of the Customer

2.5.1 General

The Customer shall be responsible for:

- A) the payment of all applicable charges pursuant to this tariff;
- B) damage to or loss of the Company's facilities or equipment caused by the acts or omissions of the Customer; or the noncompliance by the Customer with these regulations; or by fire or theft or other casualty on the Customer Premises, unless caused by the negligence or willful misconduct of the employees or agents of the Company;
- C) providing at no charge, as specified from time to time by the Company, any needed personnel, equipment space and power to operate Company facilities and equipment installed on the premises of the Customer, and the level of heating and air conditioning necessary to maintain the proper operating environment on such premises;
- D) obtaining, maintaining, and otherwise having full responsibility for all rights-of-way and conduit necessary for installation of fiber optic cable and associated equipment used to provide communications services to the Customer from the cable building entrance or property line to the location of the equipment space described in Section 2.5.1(C). Any and all costs associated with obtaining and maintaining the rights-of-way described herein, including the costs of altering the structure to permit installation of the Company-provided facilities, shall be borne entirely by, or may be charged by the Company to, the Customer. The Company may require the Customer to demonstrate its compliance with this section prior to accepting an order for service;
- E) providing a safe place to work and complying with all laws and regulations regarding the working conditions on the premises at which Company employees and agents shall be installing or maintaining the Company's facilities and equipment. The Customer may be required to install and maintain Company facilities and equipment within a hazardous area if, in the Company's opinion, injury or damage to the Company employees or property might result from installation or maintenance by the Company. The Customer shall be responsible for identifying, monitoring, removing and disposing of any hazardous material (e.g. friable asbestos) prior to any construction or installation work;

SECTION 2: REGULATIONS

2.5 Obligations of the Customer (cont'd.)

2.5.1 General (cont'd.)

- F) complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as may be required with respect to, the location of Company facilities and equipment in any Customer premises or the rights-of-way for which Customer is responsible under Section 2.5.1(D); and granting or obtaining permission for Company agents or employees to enter the premises of the Customer at any time for the purpose of installing, inspecting, maintaining, repairing, or upon termination of service as stated herein, removing the facilities or equipment of the Company;
- G) not creating or allowing to be placed any liens or other encumbrances on the Company's equipment or facilities; and
- H) making Company facilities and equipment available periodically for maintenance purposes at a time agreeable to both the Company and the Customer. No allowance will be made for the period during which service is interrupted for such purposes.

2.5.2 Liability of the Customer

- A) The Customer will be liable for damages to the facilities of the Company and for all incidental and consequential damages caused by the negligent or intentional acts or omissions of the Customer, its officers, employees, agents, invitees, or contractors where such acts or omissions are not the direct result of the Company's negligence or intentional misconduct.
- B) To the extent caused by any negligent or intentional act of the Customer as described in (A), preceding, the Customer shall indemnify, defend and hold harmless the Company from and against all claims, actions, damages, liabilities, costs and expenses, including reasonable attorneys' fees, for (1) any loss, destruction or damage to property of any third party, (2) the death of or injury to persons, including, but not limited to, employees or invitees of either party, and (3) any liability incurred by the Company to any third party pursuant to this or any other tariff of the Company, or otherwise, for any interruption of, interference to, or other defect in any service provided by the Company to such third party.

SECTION 2: REGULATIONS

2.5 Obligations of the Customer (cont'd.)

2.5.2 Liability of the Customer (cont'd.)

- C) The Customer shall not assert any claim against any other Customer or User of the Company's services for damages resulting in whole or in part from or arising in connection with the furnishing of service under this tariff, including but not limited to mistakes, omissions, interruptions, delays, errors or other defects or misrepresentations, whether or not such other Customer or User contributed in any way to the occurrence of the damages, unless such damages were caused solely by the negligent or intentional act or omission of the other Customer or User and not by any act or omission of the Company. Nothing in this tariff is intended either to limit or to expand the Customer's right to assert any claims against third parties for damages of any nature other than those described in the preceding sentence.
- D) Neither Subscriber's landlord nor landlord's officers, agents or employees, the building management or any party in interest to the lease under which Subscriber occupies space in the building shall have any liability to Subscriber arising from the provision or operation of the services and service-related equipment referred to herein, or the interruption or failure thereof from any cause whatsoever.

SECTION 2: REGULATIONS

2.6 Customer Equipment and Channels

2.6.1 General

The Company's services are designed primarily for the transmission of digital telecommunications. A User may transmit or receive information or signals via the facilities of the Company but the Company does not guarantee that such signals will work on Company's equipment unless User's equipment is compatible with the Company's equipment. The Company's services are designed primarily for the transmission of voice-grade telephonic signals or digital signals at the DS-0 to DS-3 level as stated in this tariff.

2.6.2 Station Equipment

- A) Terminal equipment on the User's Premises and the electric power consumed by such equipment shall be provided by and maintained at the expense of the User. The User is responsible for the provision of wiring or cable to connect its terminal equipment to the Company point of connection.
- B) The Customer is responsible for ensuring that Customer-provided equipment connected to Company equipment and facilities is compatible with such equipment and facilities. The magnitude and character of the voltages and currents impressed on Company-provided equipment and wiring by the connection, operation, or maintenance of such equipment and wiring shall be such as not to cause damage to the Company-provided equipment and wiring or injury to the Company's employees or to other persons. Any additional protective equipment required to prevent such damage or injury shall be provided by the Company at the Customer's expense.

2.6.3 Interconnection of Facilities

- A) Any special interface equipment necessary to achieve compatibility between the facilities and equipment of the Company used for furnishing communications services and the channels, facilities, or equipment of others shall be provided at the Customer's expense.
- B) Communications services may be connected to the services or facilities of other communications carriers only when authorized by and in accordance with, the terms and conditions of the tariffs of the other communications carriers which are applicable to such connections.

SECTION 2: REGULATIONS

2.6 Customer Equipment and Channels (cont'd.)

2.6.3 Interconnection of Facilities (cont'd.)

- C) Facilities furnished under this tariff may be connected to Customer-provided terminal equipment in accordance with the provisions of this tariff. All such terminal equipment shall be registered by the Federal Communications Commission pursuant to Part 68 of Title 47, Code of Federal Regulations; and all User-provided wiring shall be installed and maintained in compliance with those regulations.
- D) Users may interconnect communications facilities that are used in whole or in part for interstate communications to services provided under this tariff only to the extent that the User is an "end user" as defined in Section 69.2(m), Title 47, Code of Federal Regulations (1998 edition).
- E) Services furnished by Carrier may be interconnected with services or facilities of other authorized communications common carriers and with private systems, subject to the technical limitations established by Carrier. Service furnished by Carrier is not part of a joint undertaking with such other carriers. Any special interface equipment of Carrier and other participating carriers shall be provided at the Customer's expense.
- F) The Customer is responsible for taking all necessary legal steps for interconnecting his Customer-provided terminal equipment or communications systems with Carrier's. The Customer shall secure all licenses, permits, right-of-ways, and other arrangements necessary for such interconnection.

2.6.4 Inspections

- A) Upon suitable notification to the Customer, and at a reasonable time, the Company may make such tests and inspections as may be necessary to determine that the Customer is complying with the requirements set forth in Section 2.6.2(B) for the installation, operation, and maintenance of Customer-provided facilities, equipment, and wiring in the connection of Customer-provided facilities and equipment to Company-owned facilities and equipment.

SECTION 2: REGULATIONS

2.6 Customer Equipment and Channels (cont'd.)

2.6.4 Inspections (cont'd.)

- B) If the protective requirements for Customer-provided equipment are not being complied with, the Company may take such action as it deems necessary to protect its facilities, equipment, and personnel. The Company will notify the Customer promptly if there is any need for further corrective action. Within ten (10) days of receiving this notice, the Customer must take this corrective action and notify the Company of the action taken. If the Customer fails to do this, the Company may take whatever additional action is deemed necessary, including the suspension of service, to protect its facilities, equipment and personnel from harm.

SECTION 2: REGULATIONS

2.7 Customer Advance Payments

To safeguard its interests, the Company may require a Customer to make an advance payment before services and facilities are furnished. The advance payment will not exceed an amount up to one month of estimated monthly usage charges. In addition, where Special Construction is involved, the advance payment may also include an amount equal to the estimated Non-recurring charges for the Special Construction and Recurring charges (if any) for a period to be set between the Company and the Customer. The advance payment will be credited to the Customer's initial bill.

SECTION 2: REGULATIONS

2.8 Payment Arrangements

2.8.1 Payment for Service

The Customer is responsible for the payment of all charges for facilities and services furnished by the Company to the Customer. The Customer is responsible for payment of any sales, use, gross receipts, excise, access or other local, state and federal taxes, charges or surcharges (however designated) (excluding taxes on the Company's net income) imposed on or based upon the provision, sale or use of the Company's services.

- A) The Company may adjust its rates or impose additional rates on its Customer to recover amounts it is required by governmental or quasi-governmental authorities to collect from or pay to others. The Company may also adjust its rates or impose additional rates to cover the administrative cost of collecting such charges or paying compensation to other entities. Examples of such programs include, but are not limited to, the Universal Service Fund (USF), the Presubscribed Interexchange Carrier Charge (PICC), and compensation to pay telephone service providers for the use of their pay telephones to access the Company's services.

2.8.2 Billing and Collection of Charges

The Customer is responsible for payment of all charges incurred by the Customer or other Users for services and facilities furnished to the Customer by the Company.

- A) Non-recurring charges are due and payable within 30 days after the date of the invoice.
- B) The Company shall present invoices for monthly Recurring Charges, which shall be billed in advance of receipt of such services.
- C) When service does not begin on the first day of the month, or end on the last day of the month, the charge for the fraction of the month in which service was furnished will be calculated on a pro rata basis. For this purpose, every month is considered to have 30 days.

SECTION 2: REGULATIONS

2.8 Payment Arrangements (cont'd.)

2.8.2 Billing and Collection of Charges (cont'd.)

- D) Billing of the Customer by the Company will begin on the Service Commencement Date, which is the day on which the Company notifies the Customer that the service or facility is available for use, except that the Service Commencement Date may be postponed by mutual agreement of the parties, or if the service or facility does not conform to standards set forth in this tariff or the Service Order. Billing accrues through and includes the day that the service, circuit, arrangement or component is discontinued.
- E) If any portion of the payment is received by the Company after the date due, or if any portion of the payment is received by the Company in funds which are not immediately available upon presentment, then a late payment penalty shall be due to the Company. The late payment penalty shall be the portion of the payment not received by the date due, multiplied by a late factor. The late factor shall be the lesser of:
 - 1) a rate of 1.5 percent (1.5%) per month; or
 - 2) the highest interest rate which may be applied under state law for commercial transactions.
- F) The Customer will be assessed a charge of twenty-five dollars (\$25.00) for each check submitted by the Customer to the Company which a financial institution refuses to honor.
- G) Customers have up to 30 days (commencing 5 days after remittance of payment) to initiate a dispute over charges or to receive credits.
- H) If service is disconnected by the Company in accordance with Section 2.8.3 following and later restored, restoration of service will be subject to all applicable installation charges.
- I) All state and local taxes (i.e., gross receipts tax, sales tax, municipal utilities tax) are listed as separate line items and are not included in the quoted rates.

SECTION 2: REGULATIONS

2.8 Payment Arrangements (cont'd.)

2.8.3 Discontinuance of Service for Cause

- A) Upon nonpayment of any past due amounts owing to the Company, the Company may, by giving five (5) days prior written notice to the Customer discontinue or suspend service without incurring any liability.
- B) Upon violation of any of the other material terms or conditions for furnishing service, the Company may, by giving five (5) days prior notice in writing to the Customer discontinue or suspend service without incurring any liability if such violation continues during that period.
- C) Upon condemnation of any material portion of the facilities used by the Company to provide service to a Customer or if a casualty renders all or any material portion of such facilities inoperable beyond feasible repair, the Company, by written notice to the Customer, may discontinue or suspend service without incurring any liability.
- D) Upon the Customer's insolvency, assignment for the benefit of creditors, filing for bankruptcy or reorganization, or failure to discharge an involuntary petition within the time permitted by law, the Company may immediately discontinue or suspend service without incurring any liability.
- E) Upon any governmental prohibition or required alteration of the services to be provided or any violation of an applicable law or regulation, the Company may immediately discontinue service without incurring any liability.
- F) In the event of fraudulent use of the Company's network, the Company may without notice suspend or discontinue service. The Customer will be liable for all related costs as set forth in Section 2.9 of this tariff. The Customer will also be responsible for payment of any reconnection charges.

SECTION 2: REGULATIONS

2.8 Payment Arrangements (cont'd.)

2.8.3 Discontinuance of Service for Cause

- G) Upon the company's discontinuance of service to the Customer under Section 2.8.3(A) or 2.8.3(B), the Company, in addition to all other remedies that may be available to the Company at law or in equity or under any other provision of this tariff, may declare all future monthly and other charges which would have been payable by the Customer during the remainder of the term for which such services would have otherwise been provided to the Customer to be immediately due and payable (discounted to present value at six percent).

2.8.4 Notice to Company for Cancellation of Service

The Customer may cancel service at any time with no prior notice.

2.8.5 Cancellation of Application for Service

- A) Applications for service are non-cancelable unless the Company otherwise agrees. Where the Company permits the Customer to cancel an application for service prior to the start of service or prior to any Special Construction, no charges will be imposed except for those specified below.
- B) Where, prior to cancellation by the Customer, the Company incurs any expenses in installing the service or in preparing to install the service that it otherwise would not have incurred, a charge equal to the costs the Company incurred, less net salvage, shall apply, but in no case shall this charge exceed the sum of the charge for the minimum period of services ordered, including installation charges, and all charges others levy against the Company that would have been chargeable to the Customer had service begun (all discounted to present value at six percent).
- C) Where the Company incurs any expense in connection with Special Construction, or where special arrangements of facilities or equipment have begun, before the Company receives a cancellation notice, a charge equal to the costs incurred, less net salvage, applies. In such cases, the charge will be based on such elements as the cost of the equipment, facilities, and material, the cost of installation, engineering, labor, and supervision, general and administrative expense, other disbursements, depreciation, maintenance, taxes, provision for return on investment, and any other costs associated with the Special Construction or arrangements.

SECTION 2: REGULATIONS

2.8 Payment Arrangements (cont'd.)

2.8.5 Cancellation of Application for Service (cont'd.)

- D) The special charges described in Section 2.8.5(A) through Section 2.8.5(C) will be calculated and applied on a case-by-case basis.

2.8.6 Changes in Service Requested

If the Customer makes or requests material changes in circuit engineering, equipment specifications, service parameters, premises locations, or otherwise materially modifies any provision of the application for service, the Customer's installation fee shall be adjusted accordingly.

2.8.7 Establishment and Re-establishment of Credit

The Company reserves the right to examine the credit record of all Applicants and Subscribers. A Subscriber whose service has been discontinued for nonpayment of bills will be required to pay any unpaid balance due to the Company and to re-establish credit before the Company will resume providing service to the Subscriber.

SECTION 2: REGULATIONS

2.9 Allowances for Interruptions in Service

An interruption in service will be deemed to have occurred only if service becomes unusable to Customer as a result of failure of Pathnet's facilities, equipment or personnel to provide the Service and only where the interruption is not a result of (a) the fault or negligence of Customer, (b) the failure of interconnecting facilities or other equipment not part of the Pathnet facilities or within Pathnet's control, (c) any planned interruption or routine maintenance or (d) other circumstances beyond the control of Pathnet. Interruptions in service, which are not due to the negligence of, or noncompliance with the provisions of this tariff by the Customer or the operation or malfunction of the facilities, power or equipment provided by the Customer, will be credited to the Customer as set forth in Section 2.9.1 for the part of the service that the interruption affects.

2.9.1 Credit for Interruptions

- A) A credit shall be provided at the request of the Customer for any Pathnet POP to POP outage that exceeds 60 minutes. Such outage begins when Customer reports the outage to Pathnet.

Interruption of 24 hours or less

<u>Interruption Length</u>	<u>Credit</u>	<u>Interruption Length</u>	<u>Credit</u>
Less than 30 min	None	30 min – 2 hrs 59 min	1/10 day
3 hrs – 5 hrs 59 min	1/5 day	6 hrs – 8 hrs 59 min	2/5 day
9 hrs – 11 hrs 59 min	3/5 day	12 hrs – 14 hrs 59 min	4/5 day
15 hrs – 24 hrs	One day		

Interruptions Over 24 Hours

Interruptions over 24 hours will be credited 1/5 day for each 3-hour period or fraction thereof. No more than one full day credit will be allowed for any period of 24 hours.

- B) Outage Credits shall not be granted if the malfunction of any end-to-end circuit is due to an outage or other defect occurring in Customer's Interconnection Facilities.
- C) All Outage Credits shall be credited on the next monthly invoice for the affected circuit after receipt of Customer's written request for credit. The total of all Outage Credits applicable to or accruing in any given month shall not exceed the amount payable by Customer to Pathnet for that same month for the affected circuit.

SECTION 2: REGULATIONS

2.9 Allowances for Interruptions in Service (cont'd.)

2.9.1 Credit for Interruptions (cont'd.)

- D) The foregoing states the Customer's sole remedy for service interruption under the Agreement and in no event shall Pathnet be liable for any direct, indirect, incidental, consequential, punitive or special damages to Customer, loss of goodwill, anticipated profit or other claims for indirect damages in any manner as result of any Pathnet service, equipment, facilities, person or system provided or utilized under this Agreement.

2.9.2 Limitations on Allowances

No credit allowance will be made for:

- A) interruptions due to the negligence of, or noncompliance with the provisions of this tariff by, the Customer, authorized User, Joint User, or other common carrier providing service connected to the service of the Company;
- B) interruptions due to the negligence of any person other than the Company, including but not limited to the Customer or other common carriers connected to the Company's facilities;
- C) interruptions due to the failure or malfunction of non-Company equipment or facilities;
- D) interruptions of service during any period in which the Company is not given full and free access to its facilities and equipment for the purpose of investigating and correcting interruptions;
- E) interruptions of service during a period in which the Customer continues to use the service on an impaired basis;
- F) interruptions of service during any period when the Customer has released service to the Company for maintenance purposes or for implementation of a Customer order for a change in service arrangements;
- G) interruptions due to circumstances or causes beyond the control of the Company; and
- H) interruptions that occur or continue due to the Customer's failure to authorize replacement of any element of Special Construction.

SECTION 2: REGULATIONS

2.10 Cancellation of Service/Termination Liability

If a Customer cancels a Service Order or terminates services before the completion of the term for any reason whatsoever, the Customer agrees to pay to the Company termination liability charges, which are defined below. These charges shall become due and owing as of the effective date of the cancellation or termination and be payable within the period set forth in Section 2.8.2.

Upon cancellation or termination of service hereunder, the Customer will make service available for removal, which will be accomplished by the Company in a careful and reasonably expeditious fashion. If the Customer does not make the service or equipment available for removal by the Company, then in addition to all other remedies at law or equity available to the Company, all obligations of the Customer will remain in force and effect until removal is accomplished. The Customer will continue to pay charges for services during such period.

2.10.1 Termination Liability

Customer's termination liability for cancellation of service shall be equal to:

- A) all unpaid Non-recurring charges reasonably expended by Company to establish service to Customer, plus,
- B) any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by Company on behalf of Customer, plus;
- C) all Recurring Charges specified in the applicable Service Order for the balance of the then-current term.
- D) the reasonable removal of all equipment specially ordered to service customers, including: crating, shipping and insurance charges to Richardson, Texas if Pathnet can utilize the equipment.

SECTION 2: REGULATIONS

2.11 Customer Liability for Unauthorized Use of the Network

2.11.1 Unauthorized Use of the Network

Unauthorized use of the Company's network occurs when a person or entity that does not have actual, apparent, or implied authority to use the network, obtains the Company's services provided under this tariff.

2.11.2 Liability of the Customer

- A) The Customer is responsible for all applicable charges under this tariff for unauthorized use of the Company's network that occurs through the Customer's facilities or equipment or at the point of interconnection of the Customer's facilities or equipment to the Company's network.
- B) The Customer is responsible for cooperating with the Company to monitor, identify and eliminate any unauthorized use of the Company's network that occurs through the Customer's facilities or equipment or at the point of interconnection of the Customer's facilities or equipment to the Company's network, and for notifying the Company immediately upon discovery of any unauthorized use.

2.11.3 Discontinuance of Service

If the Company is unable to eliminate unauthorized use of the Company's network that is occurring through the Customer's facilities or equipment or at the point of interconnection of the Customer's facilities or equipment to the Company's network, the Company at any time may discontinue or suspend service to the Customer.

SECTION 2: REGULATIONS

2.12 Use of Customer's Service by Others

2.12.1 Resale and Sharing

Any service provided under this tariff may be resold to or shared with other persons at the option of Customer, subject to compliance with any applicable laws or Missouri Public Service Commission regulations governing such resale or sharing. The Customer remains solely responsible for all use of services ordered by it or billed to its telephone number(s) pursuant to this tariff, for determining who is authorized to use its services, and for notifying the Company of any unauthorized use.

2.12.2 Joint Use Arrangements

Joint use arrangements will be permitted for all services provided under this tariff. From each joint use arrangement, one member will be designated as the Customer responsible for the manner in which the joint use of the service will be allocated. The Company will accept orders to start, rearrange, relocate, or discontinue service only from the Customer. Without affecting the Customer's ultimate responsibility for payment of all charges for the service, each Joint User shall be responsible for the payment of the charges billed to it.

SECTION 2: REGULATIONS

2.13 Transfers and Assignments

Neither the Company nor the Customer may assign or transfer its rights or duties in connection with the services and facilities provided by the Company without the written consent of the other party, except that the Company may assign its rights and duties:

- A) to any subsidiary, parent company or affiliate of the Company; or
- B) pursuant to any sale or transfer of substantially all the assets of the Company; or
- C) pursuant to any financing, merger or reorganization of the Company.

SECTION 2: REGULATIONS

2.14 Notices and Communications

- A) The Customer shall designate on the Service Order an address to which the Company shall mail or deliver all notices and other communications, except that Customer may also designate a separate address to which the Company's bills for service shall be mailed.
- B) The Company shall designate on the Service Order an address to which the Customer shall mail or deliver all notices and other communications, except that Company may designate a separate address on each bill for service to which the Customer shall mail payment on that bill. Mail or other communications should be delivered to:
Pathnet, Inc.
11720 Sunrise Valley Drive
Reston, VA 20191
Attn: General Counsel
- C) All notices or other communications required to be given pursuant to this tariff will be in writing. Notices and other communications of either party, and all bills mailed by the Company, shall be presumed to have been delivered to the other party on the third business day following placement of the notice, communication or bill with the U.S. Mail or a private delivery service, prepaid and properly addressed, or when actually received or refused by the addressee, whichever occurs first.
- D) The Company or the Customer shall advise the other party of any changes to the addresses designated for notices, other communications or billing, by following the procedures for giving notice set forth herein.

SECTION 3: APPLICATION OF RATES

3.1 Introduction

The regulations set forth in this section govern the application of rates for services contained in other sections of this tariff.

SECTION 3: APPLICATION OF RATES

3.2 Rates Based Upon Distance

Where charges for a service are specified based upon distance, the following rules apply:

- A) Distance between two points is measured as airline distance between the rate centers of the originating and terminating telephone lines. The rate center is a set of geographic coordinates, as referenced in the Local Exchange Routing Guide issued by Telcordia Technologies, Inc., associated with each NPA-NXX combination (where NPA is the area code and NXX is the first three digits of a seven-digit telephone number). Where there is no telephone number associated with an access line on the Company's network (such as a dedicated Toll Free Service or WATS access line), the Company will apply the rate center of the Customer's main billing telephone number.
- B) The airline distance between any two rate centers is determined as follows:
 - 1) Obtain the "V" (vertical) and "H" (horizontal) coordinates for each rate center from the above-referenced Telcordia Technologies, Inc. document.
 - 2) Compute the difference between the "V" coordinates of the two rate centers; and the difference between the two "H" coordinates.
 - 3) Square each difference obtained in step (2) above.
 - 4) Add the square of the "V" difference and the square of the "H" obtained in step (3) above.
 - 5) Divide the sum of the squares by 10. Round to the next higher whole number if any fraction is obtained.
 - 6) Obtain the square root of the whole number result obtained above. Round to the next higher whole number if any fraction is obtained. This is the airline mileage.
 - 7) FORMULA= Square Root of: $\frac{(V1 - V2)^2 + (H1 - H2)^2}{10}$

SECTION 4: SERVICE AREAS

4.1 Service Areas

The Company's Private Line and Exchange Services are provided pursuant to this tariff in limited Service Areas (SAs). Services are provided in the following cities.

Geographic Areas in which Full Service is Available

Columbia
Joplin
Kansas City
St. Joseph
St. Louis
Springfield

Full service versions of the Company's local exchange services will be provided to Customers, at Customer premises located in the SAs pursuant to this tariff, to the extent that: (a) the Company has in place and available network facilities extending to such premises; or (b) the Customer's premises is served by an ILEC or any Other Telephone Company operating in the service area of the customer.

SECTION 5: PRIVATE LINE SERVICES

5.1 General

The Company provides intraLATA and interLATA Private Line Service to Customers with transmission speeds ranging from 64 Kbps (DS-0) to 155.52 Mbps (OC-3). Private Line Services are offered on a point-to-point basis. Each Private Line Service is dedicated to the Customer and the entire usable bandwidth for each service is available to the Customer for its exclusive use. Higher bandwidths may be requested and if available may be provided on an individual case basis.

5.1.1 Two Point Service

Two Point Service allows two Customer-designated locations to be connected by one Private Line Service. The service terminated at both locations must be the same speed and the same capacity. Multiplexing can be provided where facilities exist to reach multiple locations.

SECTION 5: PRIVATE LINE SERVICES

5.2 Application of Rates

5.2.1 Recurring Charges

Recurring charges for Private Line Services vary based on the capacity of service, the distance of service, the term plan selected and the monthly revenue commitment made by the Customer. Unless otherwise stated in the description associated with the rate element in this tariff, Private Line Service Recurring charges are applied on a circuit basis. A minimum circuit charge applies which varies by circuit bandwidth.

5.2.2 Term and Volume Discounts

Recurring charges for services purchased under a Term Plan will be fixed for the life of the term. The rate level applicable throughout the Term Plan is based on the volume commitment specified by the Customer at the time service is ordered. Customer may terminate any circuit upon 90 days' notice; provided that if termination occurs (i) prior to the Activation Date, Customer shall reimburse Company for all costs of the implementation of such circuit; or (ii) on or after such date, Customer shall pay: (a) all charges for services previously rendered and (b) the amount due through the end of the applicable circuit lease term.

5.2.3 Non-recurring Charges

Non-recurring Charges (NRC) are one-time-only charges. NRC's may be waived for certain promotions and under the specific terms of individually negotiated contract services.

Notes to Sections 5.2.1 – 5.2.3

1. Charges not described above will be considered special handling and will be assessed on an Individual Case Basis (ICB).
2. All of the above charges are subject to a 30 day notice.
3. All Private Line ancillary service charges to cities not listed will be priced on an Individual Case Basis and will be subject to the terms and charges of the underlying carrier.
4. Special charges incurred by Company on Customer's behalf from any other Carrier will be passed on directly to the Customer.

SECTION 5: PRIVATE LINE SERVICES

5.2 Application of Rates (cont'd.)

5.2.4 Customer Entrance Facility Charges

Customer Entrance Facility Charges apply to connections between the Company POP and Customer POP. These facilities may be between two different buildings or between the Company's suite connected to an OTC suite in the same building. Since costs vary widely by location, the Customer Entrance Facility Charges will be determined on an Individual Case Basis. All other construction charges and individual case basis charges incurred by the Company will be passed through to the Customer.

5.2.5 Order Cancellation Policy

The Company will provide an order confirmation after the Customer places an order for service. If the Customer changes the order, a change order charge will apply based on the scope of the change. If the Customer cancels the order, the Customer must reimburse the Company for all costs incurred to that point. The Customer must notify the Company of service date changes 45 days prior to the due date. Service date changes may be extended by the Customer a maximum of thirty days from the due date. Service date changes for OC-3 bandwidths are restricted to one change, after which the order will be subject to all Recurring and Non-recurring charges applicable to the service.

SECTION 5: PRIVATE LINE SERVICES

5.3 Service Descriptions

Private Line Service allows the Customer to connect two locations with private dedicated service at one of a number of transmission speeds.

5.3.1 DS-0 Voice Grade Services

DS-0 Service is a dedicated Voice Grade channel with a line speed of 64 Kbps. Services that can be provided on a DS-0 channel are multiple types of analog voice lines, including Off Premise Extensions (OPX), 2 wire and 4 wire Tie Lines, Foreign Exchange Services and analog data lines. The local loop may be provided by the Company, the prevailing Incumbent Local Telephone Company or an alternative local access provider, either solely or in combination.

5.3.2 DS-0 Digital Services

DS-0 Services are dedicated digital services operating at 56 Kbps or 64 Kbps. The local loop may be provided by the Company, the prevailing Incumbent Local Telephone Company or an alternative local access provider, either solely or in combination.

5.3.3 DS-1 Service

DS-1 Service is a dedicated, high capacity channel with a line speed of 1.544 Mbps. The service will support both channelized and unchannelized services with AMI or B8ZS line coding provided by the Company, the prevailing Incumbent Local Telephone Company or an alternative local access provider, either solely or in combination.

5.3.4 DS-3 Service

DS-3 Service is a dedicated, high capacity channel with a line speed of 44.736 Mbps. The service will support both channelized and unchannelized services provided by the Company, the prevailing Incumbent Local Telephone Company or an alternative local access provider, either solely or in combination.

SECTION 5: PRIVATE LINE SERVICES

5.3 Service Descriptions (cont'd.)

5.3.5 OC-3 Service

OC-3 Service is a high capacity channel for the full duplex, synchronous, optical transmission of digital data based on the SONET standard at a rate of 155.52 Mbps. The local loop may be provided by the Company, the prevailing Incumbent Local Telephone Company or an alternative local access provider, either solely or in combination.

5.3.6 Multiplexing

Multiplexing is the application of electronic equipment which allows two or more signals to pass over one communications circuit.

Multiplexing services can be ordered with DS-0, DS-1, DS-3, or OC-3 listed above. Multiplexing services are offered where facilities exist for the requested combinations.

5.3.6.1 DS-1-DS-0 multiplexing service enables a DS-1 input and 24 dedicated DS-0 outputs in connection with the Company's DS-0 facility service above.

5.3.6.2 DS-3-DS-1 multiplexing service enables a DS-3 input and 28 dedicated DS-1 outputs in connection with the Company's DS-1 facility service above.

5.3.6.3 OC-3-DS-3/DS-1/DS-0 multiplexing enables an OC-3 input and output as DS-0, DS-1 or DS-3, in above combinations.

5.3.7 Special Construction

Special Construction or arrangement for facilities may be undertaken on a reasonable efforts basis at the request of the Customer, and upon a determination by the Company that Special Construction charges should apply in that particular instance. Special Construction is undertaken:

- (a) where facilities are not presently available;
- (b) where the service is of a type other than that which the Company would normally utilize in the furnishing of its service;
- (c) where the service is requested over a route other than that which the Company would normally utilize in the furnishing of its services;
- (d) where the service is in a quantity greater than that which the Company would normally provide;

SECTION 5: PRIVATE LINE SERVICES

5.3 Service Descriptions (cont'd.)

5.3.7 Special Construction (cont'd.)

- (e) where service is requested on an expedited basis;
- (f) where service is requested on a temporary basis until permanent facilities are available;
- (g) where the service requested involves abnormal costs; or
- (h) where service is requested in advance of the Company's normal construction schedule.

5.3.8 Time and Material Service

This service provides for the Labor and Material charges associated with installation, maintenance, testing and repair deemed to be associated with equipment and facilities not provided by the Company or deemed to be non-standard or non-routine.

The Company shall have no responsibility for the maintenance and repair of any kind with respect to equipment and facilities not provided by the Company. The Company will charge the Customer time, materials and charges listed in Section 5.4 for any maintenance visits with respect to service problems which are determined to arise from equipment or facilities not provided by the company.

When a Customer reports a trouble to the Company for clearance and no trouble is found in the Company's facilities, the Customer shall be responsible for payment of Time and Materials Charges as listed in Section 5.4 for the period of time from when the Company personnel were dispatched to the Customer's premises to when the work is completed. Failure of Company personnel to find trouble in Company facilities will result in no charge if the trouble is actually in those facilities, but not discovered at the time.

If the Customer, after being informed that the trouble is not in Company facilities, wishes to have the maintenance work performed by the Company, and the Company agrees to perform the work, the Time and Material Charges listed in Section 5.4 will apply.

SECTION 5: PRIVATE LINE SERVICES

5.3 Service Descriptions (cont'd.)

5.3.8 Time and Material Service (cont'd.)

At the Customer's request, installation and/or maintenance may be performed outside the Company's regular business hours or in hazardous locations. In such cases, Time and Material Charges listed in Section 5.4 will apply. If installation is started during regular business hours but, at the Customer's request, extends beyond regular business hours into time periods including, but not limited to, weekends, holidays, and/or night hours, additional charges may apply.

SECTION 5: PRIVATE LINE SERVICES

5.4 Rates and Charges

5.4.1 Non-recurring Charges

	DS-0	DS-1	DS-3	OC-3
New Order Installation	\$475.00	\$1,000.00	\$3,000.00	\$8,000.00
Change of Requested Service Date – 1 st *	Free	Free	Free	\$2,000.00
Change of Requested Service Date – 2 nd or more *	\$400.00	\$400.00	\$400.00	3,000.00
Order Change (Pre-Engineering)	\$200.00	\$200.00	\$200.00	\$1,000.00
Order Change (Post-Engineering)	\$400.00	\$800.00	\$1,200.00	\$3,000.00
Order Cancellation (Pre-Engineering)	\$400.00	\$500.00	\$500.00	\$1,000.00
Order Cancellation (Post-Engineering)	\$400.00	\$800.00	\$3,000.00	\$3,500.00
ASR (New or Disconnect) Special Access	\$500.00	\$500.00	\$500.00	\$500.00
ASR Supplement	\$300.00	\$300.00	\$300.00	\$300.00
Order Expedite	\$600.00	\$600.00	\$600.00	\$600.00
Reconfiguration	\$400.00	\$800.00	\$2,500.00	\$5,000.00

- * Customer must notify Pathnet of service date changes 45 days prior to due date. Service date changes can be extended a maximum of 30 days after due date. Service date changes for OC-3 bandwidths are restricted to one change, after which the order will be subject to all Recurring and Non-recurring charges applicable to the service billing.

SECTION 5: PRIVATE LINE SERVICES

5.4 Rates and Charges (cont'd.)

5.4.2 Monthly Recurring Charges

A. DS-0 Service

I. **2-Wire**

	<u>Monthly Fixed Charge</u>	<u>Per Mile</u>
1. IntraLATA	\$150.10	\$7.60
2. InterLATA	\$142.20	\$7.20

II. **4-Wire**

	<u>Monthly Fixed Charge</u>	<u>Per Mile</u>
1. IntraLATA	\$195.70	\$7.60
2. InterLATA	\$185.40	\$7.20

B. DS-1 Service

	<u>Monthly Fixed Charge</u>	<u>Per Mile</u>
1. IntraLATA	\$1,042.06	\$169.10
2. InterLATA	\$987.21	\$160.20

C. DS-3 Service (Electrical Interface)

	<u>Monthly Fixed Charge</u>	<u>Per Mile</u>
1. IntraLATA	\$11,352.50	\$2,791.10
2. InterLATA	\$10,755.00	\$2,644.20

D. OC-3 Service

	<u>Monthly Fixed Charge</u>	<u>Per Mile</u>
1. IntraLATA	ICB	ICB
2. InterLATA	ICB	ICB

* All services assume interoffice transport. If no interoffice transport is required, discounts may be offered.

SECTION 5: PRIVATE LINE SERVICES

5.4 Rates and Charges (cont'd.)

5.4.2 Monthly Recurring Charges (cont'd.)

E. Other Charges

A. Multiplexing	<u>Recurring</u>	<u>Non-recurring</u>
1 M 1/0	ICB	ICB
2 M 1/3 3 OC-3/DS-2	ICB	ICB
4 OC-3/DS-3	ICB	ICB
	ICB	ICB

5.4.3 Customer Entrance Facility Charges

Customer Entrance Facility Charges apply to connections between the Company POP and a Customer POP. These facilities may be between two different buildings or between the Company's suite connected to an OTC suite in the same building. Since costs vary widely by location, the Customer Entrance Facility Charges will be determined on an Individual Case Basis. All other construction charges and individual case basis charges incurred by the Company will be passed through to the Customer.

5.4.4 Special Construction

Charges for Special Construction will be determined on an Individual Case Basis, in accordance with the terms set forth in Section 13.1.

5.4.5 Time and Materials Service

Monday through Friday 8:00 AM to 5:00 PM, excluding Company-recognized holidays	\$112.50 per hour, 4 hour minimum
All other times and days	\$150.00 per hour, 4 hour minimum

Maintenance Charges

Trouble Assistance Ticket per dispatch (work limited to recovery of downed circuits or equipment, not new installations)

Monday through Friday 8:00 AM to 5:00 PM	\$75.00 per hour, 4 hour minimum
After hours	\$95.00 per hour, 4 hour minimum

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P.S.C. Mo. No. 1
Original Page 52
Issued: August 15, 2000
Effective: September 29, 2000

SECTION 6:

RESERVED FOR FUTURE USE

SECTION 7: EXCHANGE SERVICES

7.1 Description

Exchange services are offered to other Local Service Providers (OTCs) and involve the Company's providing link services and transport (Extended Link Service) to the OTC switch. In this offering, the Company will provide DS-0 links or DS-1 links (higher speed if available) from the Company facility in the serving wire center to the end user premises and will also provide DS-0 or DS-1 (higher speed if available) transport from the Company's facility in the serving wire center to the OTC switch. The local loop facilities would be furnished by the Company, the prevailing Incumbent Local Telephone Company or an alternative local access provider, either solely or in combination. The OTC would be responsible for provision of the switch functionality, including local interconnection trunking, dial tone, vertical features, 911, operator services, etc.

SECTION 7: EXCHANGE SERVICES

7.2 Non-recurring Charges

	DS-0	DS-1	DS-3	OC-3
New Order Installation	\$475.00	\$1,000.00	\$3,000.00	\$8,000.00
Change of Requested Service Date – 1 st *	Free	Free	Free	\$2,000.00
Change of Requested Service Date – 2 nd or more*	\$400.00	\$400.00	\$400.00	3,000.00
Order Change (Pre-Engineering)	\$200.00	\$200.00	\$200.00	\$1,000.00
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SECTION 7: EXCHANGE SERVICES

7.3 Monthly Recurring Charges

A. DS-0 Service

I. **2-Wire**

	<u>Monthly Fixed Change</u>	<u>Per Mile</u>
1. IntraLATA	\$150.10	\$7.60
2. InterLATA	\$142.20	\$7.20

II. **4-Wire**

	<u>Monthly Fixed Change</u>	<u>Per Mile</u>
1. IntraLATA	\$195.70	\$7.60
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B. DS-1 Service

	<u>Monthly Fixed Change</u>	<u>Per Mile</u>
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C. DS-3 Service (Electrical Interface)

	<u>Monthly Fixed Change</u>	<u>Per Mile</u>
1. IntraLATA	\$11,352.50	\$2,791.10
2. InterLATA	\$10,755.00	\$2,644.20

D. OC-3 Service

	<u>Monthly Fixed Change</u>	<u>Per Mile</u>
1. IntraLATA	ICB	ICB
2. InterLATA	ICB	ICB

* All services assume interoffice transport. If no interoffice transport is required, discounts may be offered.

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P.S.C. Mo. No. 1
Original Page 56
Issued: August 15, 2000
Effective: September 29, 2000

SECTION 8:

RESERVED FOR FUTURE USE

SECTION 9:

RESERVED FOR FUTURE USE

SECTION 10:

RESERVED FOR FUTURE USE

SECTION 11: OTHER SERVICE ARRANGEMENTS

11.0 Other Service Arrangements

This Section reserved for Other Service Arrangements.

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P.S.C. Mo. No. 1
Original Page 60
Issued: August 15, 2000
Effective: September 29, 2000

SECTION 12: MISCELLANEOUS SERVICES

12.0 Reserved For Future Use

SECTION 12: MISCELLANEOUS SERVICES

12.1 Restoration of Service

A restoration charge applies to the re-establishment of service and facilities suspended because of nonpayment of bills and is payable at the time that the re-establishment of the suspended service and facilities is arranged. The restoration charge does not apply when, after disconnection of service, service is later re-established upon payment of all applicable installation charges. The following rates apply per occasion:

	<u>Non-recurring</u>
Per occasion	\$50.00

12.2 Service Trip Charge

If an on-premise visit by the Company is required for trouble or service difficulties not resulting from Company-provided equipment, a Service Trip Charge and reasonable hourly charges of the technician may be assessed to the Subscriber for the visit by the Company. Rates apply per visit:

	<u>Non-recurring</u>
Per visit	\$50.00, plus hourly charges as set forth in Section 5.4

SECTION 13: SPECIAL ARRANGEMENTS

13.1 Special Construction

13.1.1 Basis for Charges

Where the Company furnishes a facility or service for which a rate or charge is not specified in the Company's tariffs, charges will be based on the costs incurred by the Company and may include:

- A) Non-recurring type charges;
- B) Recurring type charges;
- C) termination liabilities; or
- D) combinations thereof.

13.1.2 Basis for Cost Computation

The costs referred to in Section 13.1.1 preceding may include one or more of the following items to the extent they are applicable:

- A) cost installed of the facilities to be provided including estimated costs for the rearrangements of existing facilities. Cost installed includes the cost of:
 - 1) equipment and materials provided or used,
 - 2) engineering, labor and supervision,
 - 3) transportation, and
 - 4) rights of way;
- B) cost of maintenance;
- C) depreciation on the estimated cost installed of any facilities provided, based on the anticipated useful service life of the facilities with an appropriate allowance for the estimated net salvage;
- D) administration, taxes and uncollectible revenue on the basis of reasonable average costs for these items;
- E) license preparation, processing and related fees;
- F) tariff preparation, processing and related fees;
- G) any other identifiable costs related to the facilities provided; or
- H) an amount for return and contingencies.

SECTION 13: SPECIAL ARRANGEMENTS

13.1 Special Construction (cont'd.)

13.1.3 Termination Liability

To the extent that there is no other requirement for use by the Company, a termination liability may apply for facilities specially constructed at the request of the customer.

- A) The termination liability period is the estimated service life of the facilities provided.
- B) The amount of the maximum termination liability is equal to the estimated amounts for:
 - 1) cost installed of the facilities provided including estimated costs for rearrangements of existing facilities and/or construction of new facilities as appropriate, less net salvage. Cost installed includes the cost of:
 - a) equipment and materials provided or used,
 - b) engineering, labor and supervision,
 - c) transportation, and
 - d) rights of way;
 - 2) license preparation, processing, and related fees;
 - 3) tariff preparation, processing, and related fees;
 - 4) cost of removal and restoration, where appropriate; and
 - 5) any other identifiable costs related to the specially constructed or rearranged facilities.
- C) The applicable termination liability method for calculating the unpaid balance of a term obligation. The amount of such charge is obtained by multiplying the sum of the amounts determined as set forth in Section 13.1.3(B) preceding by a factor related to the unexpired period of liability and the discount rate for return and contingencies. The amount determined in Section 13.1.3(B) preceding shall be adjusted to reflect the redetermined estimate net salvage, including any reuse of the facilities provided. This product is adjusted to reflect applicable taxes.

SECTION 13: SPECIAL ARRANGEMENTS

13.2 Individual Case Basis (ICB) Arrangements

Arrangements will be developed on a case-by-case basis in response to a bona fide request from a Customer or prospective Customer to develop a competitive bid for a service offered under this tariff. Rates quoted in response to such competitive requests may be different than those specified for such services in this tariff. ICB rates will be offered to the Customer in writing and on a non-discriminatory basis. ICB rates will be structured to recover the Company's cost of providing the service and will be made available to the Missouri Public Service Commission Staff upon request on a proprietary basis. ICB rates will not be used for switched services.

SECTION 13: SPECIAL ARRANGEMENTS

13.3 Temporary Promotional Programs

The Company may establish temporary promotional programs wherein it may waive or reduce Non-recurring or Recurring charges to introduce present or potential Customers to a service not previously received by those Customers. The Company's promotional offerings will specify the form and duration of the promotional offering available to Customers and the notice period.