BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of)	
Nationwide Long Distance Service, Inc. for)	
a Certificate of Service Authority to Provide)	Case No. XA-2006-0409
Interexchange Telecommunications Services)	Tariff No. YX-2006-0803
and to Classify such services and the)	
company as competitive)	

OFFICE OF THE PUBLIC COUNSEL'S MOTION TO REJECT TARIFF OR IN THE ALTERNATIVE, SUSPEND TARIFF AND FOR HEARING

The Office of the Public Counsel asks the Public Service Commission to reject the tariff submitted as part of Nationwide Long Distance Service, Inc.'s application for a Certificate of Service Authority to Provide Interexchange Telecommunications Service in Missouri. In the alternative, Public Counsel requests suspension of the tariff and an evidentiary hearing.

Public Counsel states that the tariff establishes a "carrier cost recovery charge" that is not authorized by law and is unlawful, unjust and unreasonable because:

- 1) the "carrier cost recovery charge" is not adequately identified or defined and is vague, overbroad, and fails to provide a reasonable basis for the charge;
- 2) this fee to recover costs of TeleRelay service is misleading and deceptive because an IXC, like the applicant, does not bill and collect the surcharge for the Relay Missouri program from customers and the applicant will not incur billing and collection costs and cannot recover these costs that it does not incur;
- 3) this fee is not authorized by law since Relay Missouri Program is funded as provided in Section 209.255, RSMo and the charge conflicts with Sections 209.257 and 209.259.3

RSMo governing fees for collecting the Relay Missouri surcharges. The statutes only apply to local exchange companies and not to IXCs like the applicant.

- 4) this fee to recover costs for "National Number Portability" is misleading and deceptive because number portability is an obligation of local exchange companies and wireless carriers and not long distance companies. Also, long distance service does not require number portability and does not require a change in the long distance customer's telephone number;
- 5) this fee to recover "Federal Regulatory Fees" is misleading and deceptive and fails to adequately define the basis for the surcharge and the fee should not be permitted because as regulatory fees are the carrier's costs of doing business and should not be directly charged to the customer.

Public Counsel further states as its specific reasons for its motion:

1. Section 4.10 of the proposed tariff provides:

"In order to recover costs the Company incurs with regard to TeleRelay service, National Number Portability and Federal Regulatory fees, a \$.99 monthly surcharge will be assessed per account per month. This surcharge will appear as a separate line item on your invoice."

TeleRelay Charge

- 2. The term "TeleRelay service" is not defined or explained in the tariff, and therefore, the tariff is vague and does not provide reasonable notice of the purpose of the charge or how much of the charge relates to that service.
- 3. If the "TeleRelay service" refers to a service for the hearing impaired, then the tariff is unlawful because this method of "recovering costs" is contrary to

Section 209.257 and 209.259.3, RSMo 2000 that provides for the amount and manner of the collection of charges for the Relay System and the cost recovery system for the Company

4. Section 209.255.1, RSMo

The commission shall establish a rate recovery mechanism to recover the costs of implementing and maintaining the [program] programs provided for in section

5. Section 209.253, RSMo

which shall be applied to each basic telephone access line. Any surcharge established by such rate recovery mechanism shall not be imposed upon more than one hundred basic telephone access lines per subscriber per location. Any surcharge established by such rate recovery mechanism shall not be imposed on any telephone line used to provide pay telephone service. The surcharge may appear on the bill of each local exchange telephone subscriber identified separately as a deaf relay service and equipment distribution program fund surcharge. The commission shall not vary the amount of the surcharge between telephone companies nor between the class or grade of customers of any telephone company. The surcharge provided for in this section shall be exempt from the taxes provided for in chapter 144, RSMo, and the surcharge shall not be construed as gross receipts or revenue of the company collecting such for the purpose of local taxation.

2. Each basic telephone access line subscriber is liable for the payment of any surcharge provided for in subsection 1 of this section. The local exchange telephone company shall not be liable for any uncollected surcharge, nor shall it have any obligation to initiate any action to enforce the collection of the surcharge.

6. Section 209.259. 3, RSMo

Concurrent with the review of the surcharge, the commission shall review the percentage deducted and retained by the local exchange telephone company provided in section 209.257 and if necessary shall order adjustments to the percentage to assure a just and reasonable compensation to the local exchange telephone company. Where the review of the surcharge determines that excess funds are available, the commission may order the suspension of the deaf relay service and

- equipment distribution program fund surcharge for a period which the commission deems appropriate.
- 7. The tariff is unreasonable and unlawful for Relay since Section 209.255, 209.259.3, and 209.257, RSMo only authorize Relay Missouri surcharges as set by the PSC, including a commission for LECs.

National Number Portability

- 8. "National Number Portability" cost recovery charge is misleading and is not authorized by law. Number portability is a function applicable to local exchange companies (ILEC and CLECs) and wireless carriers and not to IXCs like the applicant. IXCs do not have portability obligations and cannot properly recover costs via a surcharge that they do not incur. In addition, federal law and FCC rules do not authorize IXCs to levy a "national number portability" charge on the long distance customer.
- 9. Local Number Portability is the "ability of users of telecommunications services to retain, at the same location, existing telecommunications numbers without impairment of quality, reliability, or convenience when switching from one telecommunications carrier to another." (Federal Telecommunications Act of 1996) A customer can change long distance carriers without changing the local telephone number. The identity of the IXC is at the local switch and is not dependent on certain NXXs or telephone numbers assigned to a local customer.
- 10. If this charge is some attempt by the IXC to recover charges paid to local telephone companies related to Local Number Portability, it is not identified as such a charge and, in fact, is undefined.

Regulatory Fees

11. "and Federal Regulatory fees "is so overbroad and vague that it is meaningless. It fails to provide a definition or amount attributable to these "regulatory fees" Regulatory fees are a cost of doing business for the Company and, therefore, should be factored into the rates. To pass through this company's expense directly to the customers is arbitrary and unreasonable and not in the public interest. It rewards efficiency and distorts the true cost of service. The amount of the \$.99 fee attributable to "federal regulatory fees" is not provided in the tariffs or otherwise identified. The customer is denied a fair opportunity to know the amount and purpose for the charge.

Does Not Comply with Disclosure Rule 4CSR240-33.045

- 12. The line item "carrier cost recovery charge" is vague, overbroad, and fails to sufficiently and clearly describe the nature and the purpose of the charge.
- 13. The proposed tariff violates 4 CSR 240-33.045, Requiring Clear Identification and Placement of Separately Identified Charges on Customer Bills. The rule provides:
 - (1) All telecommunications companies shall provide a clear, full and meaningful disclosure of all monthly charges and usage sensitive rates that are applicable to the services the customer has ordered or is considering ordering. Such disclosure shall be provided prior to an agreement for service. This disclosure shall be in addition to the itemized account of monthly charges during the customer's first billing period for the equipment and service for which the customer has contracted, as required by 4 CSR 240-33.040(8). Allowed charges that may vary, depending on the location of the customer or the amount of the customer bill, can simply be identified without specifying the specific dollar amount that would be applied to the customer.
 - (2) Telecommunications companies shall not include on a customer's bill any charge misrepresented as governmentally mandated or specifically authorized by:

- (A) Disguising it;
- (B) Naming, labeling or placing it on the bill in a way that implies that it is governmentally mandated or specifically authorized; or
- (C) Giving it a name or label that is confusingly similar to the name or label of a governmentally mandated or specifically authorized charge.
- (3) Governmentally mandated or specifically authorized charges include, but are not limited to, separately identified charges to recover costs associated with any monthly charge mandated or specifically authorized by federal, state or local government. These monthly charges shall be identified on the customer's bill in easy to understand terms and in a manner consistent with their purpose or applicability.
- (4) Companies imposing separately identified charges that appear to be governmentally mandated or specifically authorized charges shall provide, upon request by the commission staff, such federal, state or local government order, decision, ruling, mandate or other authority on which it relies in placing such a charge on the customer's bill.
- (5) To challenge the authority or legality of a tariffed charge under this rule, a party shall file a complaint pursuant to 4 CSR 240-2.070. The commission may order removal or modification of any charge it finds does not comport with this rule. Nothing in this rule will preclude the commission from suspending or rejecting company tariffs when similar or identical tariffs have been approved for other companies.
- (6) Any telecommunications company that serves as a billing agent for another entity shall not be held liable for any violation of this rule for that portion of the customer bill that relates to that other entity.
- (7) This rule establishes minimum requirements for clarity in billing separately identified charges.
- 14. The rule was intended to make telephone bills easier to understand and to give to Missouri customers meaningful disclosure of the true cost of telecommunications services. The rule protects consumers so that carriers do not engage in deceptive, misleading, confusing, vague and meaningless labeling of bill charges. At a minimum, the consumer has the right to know the cost of the services, including all the "add ons" and extra charges that are not readily apparent or are not often quoted as part of the usage or monthly charge.

- 15. On August 16, 2004, the Commission filed comments with the FCC joining the concern of state regulatory bodies and utility consumer advocates over the explosion of line item charges. Separate line item fees distort the actual costs and true rates by shifting to a line item change normal operating expenses that are traditionally included in rates. Comparison of rates becomes difficult, if not impossible. It rewards inefficient companies that do not control costs, since they can bill those costs directly to the customer. It erodes competition by driving competitors to engage in this same practice that only creates low, artificial rates that do not reflect the true cost of the service.
- 16. Line item charges, such as the applicant's carrier cost recovery charge, diminish a consumer's ability to understand the purpose and origin of the charges, and undermines informed consumer choice. The PSC's duty is to protect the consumer; competitive forces cannot, and should not be the ultimate policing agent to constrain practices that mislead, deceive, and confuse the consumer.

Wherefore, Public Counsel asks the Public Service Commission to reject the tariff, or in the alternative, suspend the tariff before its effective date and before the application is considered.

Respectfully submitted,

OFFICE OF THE PUBLIC COUNSEL

/:/ Michael F. Dandino

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was mailed, emailed or hand delivered this 9th day of May, 2006 to the following attorneys of record:

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April 18, 2006

VIA OVERNIGHT DELIVERY

Ms. Colleen Dale Chief A.L.J./Executive Secretary Missouri Public Service Commission 200 Madison Street, Suite 100 Jefferson City, MO 65102 (573) 751-3234



Re: Nationwide Long Distance Service, Inc. - Interexchange

Dear Ms. Dale:

I hereby seek to appear in Nationwide Long Distance Service, Inc.'s Application for Certificate of Service Authority to Provide Interexchange Telecommunications Services Within the State of Missouri.

Enclosed please find an original and eight (8) copies of the Acknowledgement Receipt of \$100.00 as required by Rule 6.01(m) for myself from the Clerk of the Supreme Court along with the Application for Certificate of Service Authority to Provide Interexchange Telecommunications Services Within the State of Missouri.

Please send notification of the filing of this application to lsteinhart@telecomcounsel.com. I have also enclosed an extra copy of this letter to be date stamped and returned to me in the enclosed, self-addressed, postage prepaid envelope.

If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me.

Please note that this Application is being submitted by myself and Judith A. Rau, Esq., Missouri Counsel, Bar # 24856.

Respectfully submitted,

Lance J.M. Steinhart

Attorney for Nationwide Long Distance Service, Inc.

Enclosures

cc: Alicia G. Treder

Office of Public Counsel

Office of General Counsel

TITLE SHEET

MISSOURI INTEREXCHANGE TELECOMMUNICATIONS TARIFF

OF

NATIONWIDE LONG DISTANCE SERVICE, INC.

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service or facilities for Telecommunications Services furnished by Nationwide Long Distance Service, Inc. ("NLDS"), with principal offices at 2000 Town Center, Suite 1900, Southfield, Michigan 48075, toll free telephone number (800) 853-7409. This tariff applies for services furnished within the State of Missouri for business and residential service. 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.

Nationwide Long Distance Service, Inc., operates as a competitive telecommunications company as defined by Case No. TO-88-142 within the State of Missouri.

All services will be provided in accordance with Commission rules and regulations.

DATE OF ISSUE: April 20, 2006

WAIVER OF RULES AND REGULATIONS

392.210.2	Establish Uniform System of Accounts for Annual reports
392.240(1)	Setting just and reasonable rates
392.270	Ascertain Property values
392.280	Establish Depreciation accounts
392,290	Issuance of securities
392.300.2	Acquisition of stock
392.310	Issuance of stock and debt
392.320	Stock Dividend Payment
392.330	Issuance of securities, debts and notes
392.340	Reorganization(s)
4 CSR 240-10.020	Depreciation fund income
4 CSR 240-30.040	Uniform System of Accounts

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P.S.C. MO. TARIFF NO. 1 ORIGINAL SHEET 3

RESERVED FOR FUTURE USE

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TARIFF FORMAT

- A. 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 pages 11 and 12 would be page 11.1.
- B. Sheet Revision Numbers: Revision numbers also appear in the upper right corner of each sheet where applicable. These numbers are used to indicate the most current page version on file with the Commission. For example, 4th Revised Sheet 13 cancels 3rd Revised Sheet 13.
- C. Paragraph Numbering Sequence: There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:

2. 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)

SYMBOLS

The following are the only symbols used for the purposes indicated below:

- (C) to signify change in regulation
- (D) to signify a deletion
- (I) to signify a rate increase
- (L) to signify material relocated in the tariff
- (N) to signify a new rate or regulation
- (R) to signify a rate reduction
- (T) to signify a change in text, but no change in rate or regulation

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Access Line - An arrangement from a local exchange telephone company or other common carrier, using either dedicated or switched access, which connects a Customer's location to location or switching center.

<u>Authorization Code</u> - A numerical code, one or more of which may be assigned to a Customer, to enable the Company to identify the origin of the Customer so it may rate and bill the call. Automatic number identification (ANI) is used as the authorization code wherever possible.

<u>Commission</u> - Used throughout this tariff to mean the Missouri Public Service Commission.

<u>Company or NLDS</u> - Used throughout this tariff to mean Nationwide Long Distance Service, Inc., a Nevada Corporation.

<u>Customer</u> - The person, firm, corporation or other legal entity which orders the services of the Company or purchases a Company Prepaid Calling Card and/or originates prepaid calls using such cards, and is responsible for the payment of charges and for compliance with the Company's tariff regulations.

<u>Dedicated Access</u> - The Customer gains entry to the Company's services by a direct path from the Customer's location to the Company's point of presence.

<u>Holiday</u> - New Year's Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. Holidays shall be billed at the evening rate from 8 a.m. to 11 p.m. After 11 p.m., the lower night rate shall go into effect.

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<u>Prepaid Account</u> - An inventory of Telecom Units purchased in advance by the Customer, and associated with one and only one Authorization Code as contained in a specific Prepaid Calling Card.

<u>Prepaid Calling Card</u> - A card issued by the Company, containing an Authorization Code which identifies a specific Prepaid Account of Telecom Units, which enables calls to be processed, account activity to be logged, and balances to be maintained, on a prepayment basis.

Resp. Org - Responsible Organization or entity identified by a Toll-Free service Customer that manages and administers records in the toll free number database and management system.

<u>Switched Access</u> - The Customer gains entry to the Company's services by a transmission line that is switched through the local exchange carrier to reach the Company's point of presence.

<u>Telecom Unit</u> - A measurement of telecommunications service equivalent to one minute of usage between any two points within the State of Missouri.

<u>Telecommunications</u> - The transmission, between or among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent and received.

<u>Underlying Carrier</u> - The telecommunications carrier whose network facilities provide the technical capability and capacity necessary for the transmission and reception of Customer telecommunications traffic.

SECTION 2 - RULES AND REGULATIONS

2.1 Undertaking of the Company

This tariff contains the regulations and rates applicable to intrastate interexchange telecommunications services provided by the Company for telecommunications between points within the State of Missouri. Services are furnished subject to the availability of facilities and subject to the terms and conditions of this tariff in compliance with limitations set forth in the Commission's rules. The Company's services are provided on a statewide basis and are not intended to be limited geographically. The Company offers service to all those who desire to purchase service from the Company consistent with all of the provisions of this tariff. Customers interested in the Company's services shall file a service application with the Company which fully identifies the Customer, the services requested and other information requested by the Company. The Company reserves the right to examine the credit record and check the references of all applicants and Customers prior to accepting the service order. The service application shall not in itself obligate the Company to provide services or to continue to provide service. The Company may act as the Customer's agent for ordering access connection facilities provided by other carriers or entities when authorized by the Customer, to allow connection of a Customer's location to a service provided by the Company. The Customer shall be responsible for all charges due for such service arrangement.

- 2.1.1 The services provided by the Company are not part of a joint undertaking with any other entity providing telecommunications channels, facilities, or services, but may involve the resale of the Message Toll Services (MTS) and Wide Area Telecommunications Services (WATS) of underlying common carriers subject to the jurisdiction of this Commission.
- 2.1.2 The rates and regulations contained in this tariff apply only to the services furnished by the Company and do not apply, unless otherwise specified, to the lines, facilities, or services provided by a local exchange telephone company or other common carriers for use in accessing the services of the Company.
- 2.1.3 The Company reserves the right to limit the length of communications, to discontinue furnishing services, or limit the use of service necessitated by conditions beyond its control, including, without limitation: lack of satellite or other transmission medium capacity; or when the use of service becomes or is in violation of the law or the provisions of this tariff.

2.2 Use of Services

- 2.2.1 Services may be used for any lawful purpose consistent with the transmission and switching parameters of the telecommunications facilities utilized in the provision of services, subject to any limitations set forth in this Section 2.2.
- 2.2.2 The use of services to make calls which might reasonably be expected to frighten, abuse, torment, or harass another or in such a way as to unreasonably interfere with use by others is prohibited.
- 2.2.3 The use of services without payment for service or attempting to avoid payment for service by fraudulent means or devices, schemes, false or invalid numbers, or false calling or credit cards is prohibited.

- 2.2.4 Services are available for use 24 hours per day, seven days per week.
- 2.2.5 The Company does not transmit messages, but the services may be used for that purpose.
- 2.2.6 Services may be denied for nonpayment of undisputed charges or for other violations of this tariff, as set forth in Section 2.5.1 of this tariff.
- 2.2.7 Customers shall not use the service provided under this tariff for any unlawful purpose.
- 2.2.8 The Customer is responsible for notifying the Company immediately of any unauthorized use of services.

2.3 Liability of the Company

- 2.3.1 The Company shall not be liable for any claim, loss, expense or damage for any interruption, delay, error, omission, or defect in any service, facility or transmission provided under this tariff, if caused by the Underlying Carrier, an act of God, fire, war, civil disturbance, act of government, or due to any other causes beyond the Company's control.
- 2.3.2 The Company shall not be liable for, and shall be fully indemnified and held harmless by the Customer against any claim, loss, expense, or damage for defamation, libel, slander, invasion, infringement of copyright or patent, unauthorized use of any trademark, trade name or service mark, proprietary or creative right, or any other injury to any person, property or entity arising out of the material, data or information transmitted.
- 2.3.3 No agent or employee of any other carrier or entity shall be deemed to be an agent or employee of the Company.

- 2.3.4 The Company's liability 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 shall not exceed an amount equal to the charges provided for under this tariff for the long distance call for the period during which the call was affected. No other liability in any event shall attach to the Company.
- 2.3.5 The Company shall not be liable for and shall be indemnified and saved Harmless by any Customer or by any other entity from any and all loss, claims, demands, suits, or other action or any liability whatsoever, whether suffered, made, instituted, or asserted by any Customer or any other entity for any personal injury to, or death of, any person or persons, and for any loss, damage, defacement or destruction of the premises of any Customer or any other entity or any other property whether owned or controlled by the Customer or others. This provision shall not exempt the Company from liability for the gross negligence, recklessness or intentional acts or omissions of Company, its agents and employees.
- 2.3.6 The Company shall not be liable for any indirect, special, incidental, or consequential damages under this tariff including, but not limited to, loss of revenue or profits, for any reason whatsoever, including the breakdown of facilities associated with the service, or for any mistakes, omissions, delays, errors, or defects in transmission occurring during the course of furnishing service.
 - 2.3.7 The remedies set forth herein are exclusive and in lieu of all other warranties and remedies, whether express, implied, or statutory, INCLUDING WITHOUT LIMITATION IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

2.4 Responsibilities of the Customer

2.4.1 The Customer is responsible for placing any necessary orders and complying with tariff regulations. The Customer is also responsible for the payment of charges for services provided under this tariff.

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- 2.4.2 The Customer is responsible for charges incurred for special construction and/or special facilities which the Customer requests and which are ordered by the Company on the Customer's behalf.
- 2.4.3 If required for the provision of services, the Customer must provide any equipment space, supporting structure, conduit and electrical power without charge to the Company.
- 2.4.4 The Customer is responsible for arranging access to its premises at times mutually agreeable to the Company and the Customer when required for Company personnel to install, repair, maintain, program, inspect or remove equipment associated with the provision of services.
- 2.4.5 The Customer shall cause the temperature and relative humidity in the equipment space provided by Customer for the installation of equipment to be maintained within the range normally provided for the operation of microcomputers.

- 2.4.6 The Customer shall ensure that the equipment and/or system is properly interfaced with facilities or services, that the signals emitted into network are of the proper mode, bandwidth, power and signal level for the intended use of the subscriber and in compliance with criteria set forth in this tariff, and that the signals do not damage equipment, injure personnel, or degrade service to other Customers. If the Federal Communications Commission or some other appropriate certifying body certifies terminal equipment as being technically acceptable for direct electrical connection with interstate communications service, the Company will permit such equipment to be connected with its channels without the use of protective interface devices.
- 2.4.7 The Customer must pay the Company for replacement or repair of damage to the equipment or facilities of the Company caused by negligence or willful act of the Customer or others, by improper use of the services, or by use of equipment provided by Customer or others.
- 2.4.8 The Customer must pay for the loss through theft of any Company equipment installed at Customer's premises.
- 2.4.9 If the Company installs equipment at Customer's premises, the Customer shall be responsible for payment of any applicable installation charge.

2.4.10 The Customer must use the services offered in this tariff in a manner consistent with the terms of this tariff and the policies and regulations of all state, federal and local authorities having jurisdiction over the service.

2.5 Cancellation or Interruption of Services

- 2.5.1 Without incurring liability, upon ten (10) working days' (defined as any day on which the company's business office is open and the U.S. Mail is delivered) written notice to the Customer, the Company may immediately discontinue services to a Customer or may withhold the provision of ordered or contracted services:
 - 2.5.1.A Nonpayment of a delinquent charge except for basic local exchange service;
 - 2.5.1.B Failure to post a required deposit or guarantee;
 - 2.5.1.C Unauthorized use of telecommunications company equipment in a manner which creates an unsafe condition or creates the possibility of damage or destruction to such equipment;
 - 2.5.1.D Failure to comply with terms of a settlement agreement;
 - 2.5.1.E Refusal after reasonable notice to permit inspection, maintenance or replacement of telecommunications company equipment;
 - 2.5.1.F Material misrepresentation of identity in obtaining telecommunications company service; or
 - 2.5.1.G As provided by state or federal law.

At least 24 hours preceding a discontinuance, the Company shall make reasonable efforts to advise the Customer of the proposed discontinuance.

- 2.5.2 Without incurring liability, the Company may interrupt the provision of services upon reasonable notice in order to perform tests and inspections to assure compliance with tariff regulations and the proper installation and operation of Customer and equipment and facilities and may continue such interruption until any items of noncompliance or improper equipment operation so identified are rectified.
- 2.5.3 Traffic to certain NXX exchanges, or calls using certain Customer authorization codes, may be blocked when the Company deems it necessary to take such action to prevent unlawful use of its service. The Company will restore service as soon as it can be provided without undue risk, and will, upon request by the Customer affected, assign a new authorization code to replace the one that has been deactivated.
- 2.5.4 The Customer may terminate service upon thirty (30) days written or oral notice for the Company's standard month to month contract. Customer will be liable for all usage on any of the Company's service offerings until the Customer actually leaves the service. Customers will continue to have Company usage until the Customer notifies its local exchange carrier and changes its long distance carrier. Until the Customer so notifies its local exchange carrier, it shall continue to generate and be responsible for long distance usage.

2.6 Credit Allowance

- 2.6.1 Credit may be given for disputed calls, on a per call basis.
- 2.6.2 Credit shall not be issued for unavailability of long distance services.

Please also see Section 3.2 of this tariff

2.7 Restoration of Service

The use and restoration of service shall be in accordance with the priority system specified in part 64, Subpart D of the Rules and Regulations of the Federal Communications Commission.

2.8 Deposit

The Company does not require deposits.

2.9 Advance Payments

The Company does not require advance payments.

2.10 Payment and Billing

- 2.10.1 Service is provided and billed on a billing cycle basis, beginning on the date that service becomes effective. A late fee of 1.5% per month will be assessed upon any unpaid amount commencing 30 days after rendition of bills.
- 2.10.2 The customer is responsible for payment of all charges for services furnished to the Customer, as well as to all persons using the Customer's codes, exchange lines, facilities, or equipment, with or without the knowledge or consent of the Customer. The security of the Customer's Authorization Codes, presubscribed exchange lines, and direct connect facilities is the responsibility of the Customer. All calls placed using direct connect facilities, presubscribed exchange lines, or Authorization Codes will be billed to and must be paid by the Customer. Recurring charges and non-recurring charges are billed in advance. Charges based on actual usage during a month and any accrued interest will be billed monthly in arrears.
- 2.10.3 Reserved for Future Use.

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2.11 Reserved for Future Use

2.12 Taxes

All federal, state and local taxes, including sales taxes, use taxes, gross receipts taxes, and municipal utilities taxes, are billed as separate line items and are not included in the rates quoted herein. All charges other than taxes and franchise fees shall be submitted to the Commission for prior approval.

2.13 Taxes and Fees for Prepaid Calling Cards

The prepaid calling card rate does not include federal excise tax or state and local taxes which are required to be paid at the point of sale. The tariffed rate does include state and local sales taxes, which are required to be paid on usage of the underlying telecommunications service when that service originates and terminates within a particular tax jurisdiction.

2.14 Returned Check Charge

A fee will be charged whenever a check or draft presented for payment for service is not accepted by the institution on which it is written.

2.15 Reconnection Charge

A reconnection fee will be charged when service is reestablished for Customers which have been disconnected due to non-payment. Payment of the reconnection fee and any other outstanding amounts will be due in full prior to reconnection of service.

SECTION 3 - DESCRIPTION OF SERVICE

3.1 Computation of Charges

- 3.1.1 The total charge for each completed call may be a variable measured charge dependent on the duration, distance and time of day of the call. The total charge for each completed call may also be dependent only on the duration of the call, i.e. a statewide flat rate per minute charge. The variable measured charge is specified as a rate per minute which is applied to each minute. All calls are measured in increments as set forth in the Rates Section of this tariff. Fractions of a billing increment are rounded up to a full billing increment on a per call basis. Fractions of a cent per minute are rounded up to a full cent on a per call basis.
- 3.1.2 Where mileage bands appear in a rate table, rates for all calls are based Upon the airline distance between the originating and terminating points of the call, as determined by the vertical and horizontal coordinates associated with the exchange (the area code and three digit central office code) associated with the originating and terminating telephone numbers. If the Customer obtains access to the Company's network by a dedicated access circuit, that circuit will be assigned an exchange for rating purposes based upon the Customer's main telephone number at the location where the dedicated access circuit terminates. The vertical and horizontal (V & H) coordinates for each exchange and the airline distance between them will be determined according to industry standards.
- 3.1.3 Timing begins when the called station is answered and two way communication is possible, as determined by standard industry methods generally in use for ascertaining answer, including hardware answer supervision in which the local telephone company sends a signal to the switch or the software utilizing audio tone detection. Recognition of answer supervision is the responsibility of the Underlying Carrier. Timing for each call ends when either party hangs up. The Company will not bill for uncompleted calls.

3.2 <u>Customer Complaints and/or Billing Disputes</u>

Customer inquiries or complaints regarding service or accounting may be made in writing, in person, or by telephone to the Company at:

2000 Town Center, Suite 1900 Southfield, Michigan 48075 (800) 853-7409

Any objection to billed charges should be reported promptly to the Company. A dispute must be registered with the Company prior to the delinquent date of the charge, and the Customer must provide the disputed call details and the basis for any requested adjustment. Adjustments to Customers' bills shall be made to the extent that records are available and/or circumstances exist which reasonably indicate that such charges are not in accordance with approved rates or that an adjustment may otherwise be appropriate. Where overbilling of a subscriber occurs, due either to Company or subscriber error, no liability exists which will require the Company to pay any interest, dividend or other compensation on the amount overbilled. If the Company cannot resolve Customer's complaint, Customer may call the Missouri Public Service Commission, at 1-800-392-4211 to file an informal complaint.

If Customer complaint cannot be resolved informally, Customer may file a formal complaint in writing to:

Missouri Public Service Commission 200 Madison Street Jefferson City, Mo 65102

Customer may also contact the Missouri Office of Public Counsel, representing the public before the Public Service Commission, at 1-573-751-4857 or in writing to:

Missouri Office of Public Counsel 200 Madison Street, 6th floor Jefferson City, Missouri 65102

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If a Customer accumulates more than One Dollar of undisputed delinquent Company 800 Service charges, the Company Resp. Org. reserves the right not to honor that Customer's request for a Resp. Org. change until such undisputed charges are paid in full.

3.3 Level of Service

A Customer can expect end to end network availability of not less than 99% at all times for all services.

3.4 Service Offerings

3.4.1 1+ Dialing

This service permits Customers to originate calls via switched or dedicated access lines, and to terminate intrastate calls. The Customer dials "1+" followed by "ten digits" or dials "101XXXX" followed by "1+ ten digits".

3.4.2 Travel Cards

The Customer utilizes an 11 digit "toll-free" access number established by the Company to access a terminal. Upon receiving a voice prompt, the Customer uses push button dialing to enter an identification code assigned by the Company, and the ten digit number of the called party.

3.4.3 Toll-Free Service

This service is inbound calling only where an 800, 888 or other toll-free prefix number rings into a Customer's premise routed to a specific telephone number or terminated over a dedicated facility.

3.4.4 The Company Prepaid Calling Cards

This service permits use of Prepaid Calling Cards for placing long distance calls. Customers may purchase Company Prepaid Calling Cards at a variety of retail outlets or through other distribution channels. Company Prepaid Calling Cards are available at a variety of face values ranging from five dollars (\$5.00), in one dollar (\$1.00) increments. The rate will be printed on the card or in point of sale materials. Company Prepaid Calling Card service is accessed using the Company toll-free number printed on the card. The caller is prompted by an automated voice response system to enter his/her Authorization Code, and then to enter the terminating telephone number. The Company's processor tracks the call duration on a real time basis to determine the number of Telecom Units consumed. The total consumed Telecom Units and applicable taxes for each call are deducted from the remaining Telecom Unit balance on the Customer's Company Prepaid Calling Card.

All calls must be charged against Prepaid Calling Card that has a sufficient Telecom Unit balance. A Customer's call will be interrupted with an announcement when the balance is about to be depleted.

When the balance is depleted, the Customer can either call the toll-free number on the back of the Company Prepaid Calling Card and "recharge" the balance on the card using a nationally recognized credit card, or the Customer can throw the card away and purchase a new one. Calls in progress will be terminated by the Company if the balance on the Company Prepaid Calling Card is insufficient to continue the call.

A card will expire on the date indicated on the card, or if no date is specified, 6 months from the date of purchase, or the date of last recharge, whichever is later. The Company will not refund unused balances.

A credit allowance for Company Prepaid Calling Card Service is applicable to calls that are interrupted due to poor transmission, one-way transmission, or involuntary disconnection of a call. To receive the proper credit, the Customer must notify the Company at the designated toll-free customer service number printed on the Company Prepaid Calling Card and furnish the called number, the trouble experienced (e.g. cut-off, noisy circuit, etc.), and the approximate time that the call was placed.

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When a call charged to a Company Prepaid Calling Card is interrupted due to cut-off, one-way transmission, or poor transmission conditions, the Customer will receive a credit equivalent of one Telecom Unit.

Credit allowances for calls pursuant to the Company Prepaid card Service do not apply for interruptions not reported promptly to the Company or interruptions that are due to the failure of power, equipment or systems not provided by the Company.

Credit for failure of service shall be allowed only when such failure is caused by or occurs due to causes within the control of the Company.

The Company will block all calls beginning with the NPA "900" and NXX "976" calls, therefore such calls can not be completed.

3.4.5 Directory Assistance.

Access to long distance directory assistance is obtained by dialing 1 + 555-1212 for listings within the originating area code and 1 + (area code) + 555-1212 for other listings. When more than one number is requested in a single call, a charge will apply for each number requested. A charge will be applicable for each number requested, whether or not the number is listed or published. The company will not provide, nor bill, for operator services.

3.4.6 Reserved for Future Use.

3.4.7 Emergency Call Handling Procedures

Emergency "911" calls are not routed to company, but are completed through the local network at no charge.

3.4.8 Promotional Offerings

The Company may, upon Commission approval, offer customers specific rate incentives during specified promotional periods. The Company will provide written notice to the Commission at least 7 days prior to the commencement of a promotional program specifying the terms of the promotion, the specific service offered, the location, and the beginning and ending dates of the promotional period.

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SECTION 4 - RATES

4.1 <u>1+ & 101XXXX Dialing</u>

\$.21 per minute

A \$4.95 per month service charge applies to all plans. Billed in one minute increments.

4.2 Travel Cards

\$.3100 per minute

A per call station charge applies - see Section 4.8 for rates. Billed in one minute increments

4.3 Toll Free Service

\$0.15 per minute

A \$10 per month per number service charge applies. Billed in one minute increments

4.4 Prepaid Calling Cards

\$.25 Per Telecom Unit

4.5 <u>Directory Assistance</u>

Assessed on a per call basis

\$.85

4.6 Returned Check Charge

\$25.00

4.7 Reconnection Charge

\$25.00

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4.8 Station Charges

The following charges are in addition to the MTS rates in Section 4.1, preceding.

	Charge per Call	
Calling Card		
Automated	0.48	
Operator Assisted	1.62	
Collect		
Automated	1.06	
Operator Assisted	1.62	
Third Party Billed		
Automated	1.06	
Operator Assisted	1.62	
Person-to-Person, Operator Assisted	3.56	
Line Status Verification ¹	1.62	
Busy Interrupt Service ²	2.49	

4.9 Primary Interexchange Carrier Charge (PICC)

Business Lines Only:

The following charges are assessed on a monthly, per-line basis: \$4.29 per line for the first six lines, for each additional line after the sixth line the cost will be \$3.99 per line. With a maximum of \$29.73

4.10 <u>Carrier Cost Recovery Charge</u>

In order to recover costs the Company incurs with regard to TeleRelay service, National Number Portability and Federal Regulatory fees, a \$.99 monthly surcharge will be assessed per account per month. This surcharge will appear as a separate line item on your invoice.

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¹ A charge applies each time the operator verifies a called line and hears voice communication.

² A charge applies each time the operator interrupts a conversation that is in progress on the called line. The charge is for both the verify and interrupt service and does not depend on whether the called party agrees to release the line and accept the call.

4.11 Rate Periods

	Monday - Friday	Sat.	Sun.
8 a.m. to 5 p.m.*	Daytime Rate Period		
5 p.m. to 11 p.m.*	Evening Rate Period		Evening Rate Period
11 p.m. to 8 a.m.*	Night/Weekend R	ate Period	

To, but not including

When a message spans more than one rate period, total charges for the minutes in each rate period are calculated and the results for each rate period are totaled to obtain the total message charge. If the calculation results in a fractional charge, the amount will be rounded up to the higher cent.

4.12 Payphone Dial Around Surcharge

A surcharge applies on all completed intrastate toll-free and 10XXX/101XXXX access code calls, including any toll free 800/888 or travel card calls, originating from a pay telephone. This surcharge is applied in addition to any other applicable service charges or surcharges. The surcharge does not apply to: calls paid for by inserting coins at the pay telephone; or calls placed from stations other than a pay telephone.

Surcharge Rate

\$0.60 per call