From SBC Proposed General Terms & Conditions:

1.1.81 "Local Calls" for purposes of intercarrier compensation, is traffic where all calls are within the same common local and common mandatory local calling area, i.e., within the same or different SBC Exchange(s) that participate in the same common local mandatory local calling area approved by the applicable state Commission. Local Calls must actually originate and actually terminate to parties physically located within the same common local or common mandatory local calling area.

From Appendix Intercarrier Compensation:

- 4.1 Section 251(b)(5) Traffic shall mean telecommunications traffic in which the originating End User of one Party and the terminating End User of the other Party are:
- a. both physically located in the same ILEC Local Exchange Area as defined by the ILEC Local (or "General") Exchange Tariff on file with the applicable state commission or regulatory agency; or
- b. both physically located within neighboring ILEC Local Exchange Areas that are within the same common mandatory local calling area. This includes but is not limited to, mandatory Extended Area Service (EAS), mandatory Extended Local Calling Service (ELCS), or other types of mandatory expanded local calling scopes.

From FCC Rule for Reciprocal Compensation (47 CFR § 51.701(b):

- (b) *Telecommunications Traffic.* For purposes of this subpart, telecommunications traffic means:
- (1) Telecommunications traffic exchanged between a LEC and a telecommunications carrier other than a CMRS provider, except for telecommunications traffic that is interstate or intrastate exchange access, information access, or exchange services for such access.

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Exhibit No. 2 Case No(s). 10 - 2005 - 0336

Date 5: 95 - 65 Rptr 45

Service Commission