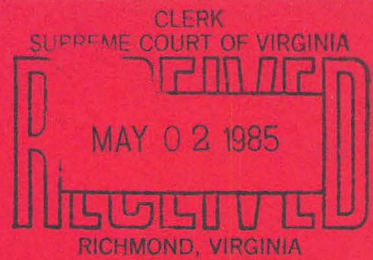


230VA 295



---

---

IN THE

**Supreme Court of Virginia**

AT RICHMOND

RECORD NO. 841881

GTE SPRINT COMMUNICATIONS CORPORATION OF VIRGINIA,  
Appellant,  
v.

AT&T COMMUNICATIONS OF VIRGINIA, INC., ET AL.,  
Appellees,

RECORD NO. 841882

MCI TELECOMMUNICATIONS CORPORATION OF VIRGINIA,  
Appellant,  
v.

AT&T COMMUNICATIONS OF VIRGINIA, INC., ET AL.,  
Appellees.

JOINT APPENDIX  
Volume II

William F. Marmon, Jr.  
MCI Telecommunications Corporation  
of Virginia  
Mid-Atlantic Division  
601 South 12th Street  
Arlington, Virginia 22202

Counsel for Appellant - MCI  
Telecommunications Corporation  
of Virginia

Michael J. Morrissey  
Glenn A. Stover  
Wilma R. McCarey  
AT&T Communications of Virginia, Inc.  
3201 Jermantown Road  
Fairfax, Virginia 22030

Counsel for Appellee - AT&T  
Communications of Virginia, Inc.

(Continuation of Counsel Inside Cover)



Hullihen Williams Moore  
Robert A. Gouldin  
Louis R. Monacell  
CHRISTIAN, BARTON, EPPS, BRENT  
& CHAPPELL  
1200 Mutual Building  
Richmond, Virginia 23219-3095

Counsel for Appellant - MCI  
Telecommunications Corporation of  
Virginia

Rita A. Barmann  
GTE Sprint Communications  
Corporation  
1828 L Street, N.W.  
Suite 500  
Washington, DC 20036

Counsel for Appellant - GTE  
Sprint Communications Corporation  
of Virginia

James E. Magee  
Deborah A. Dupont  
Steven H. Reisberg  
REBOUL, MacMURRAY, HEWITT,  
MAYNARD & KRISTOL  
1111 19th Street, N.W.  
Suite 406  
Washington, DC 20036

Counsel for Appellant - GTE  
Sprint Communications Corporation  
of Virginia

Ernest C. Vaughan, Jr.  
RANDOLPH, BOYD, CHERRY  
& VAUGHAN  
418 Mutual Building  
Richmond, Virginia 23219

Counsel for Appellant - GTE  
Sprint Communications Corporation  
of Virginia

John W. Riely  
Richard D. Gary  
HUNTON & WILLIAMS  
Post Office Box 1535  
Richmond, Virginia 23212

Counsel for Appellee - Virginia  
Exchange Carrier Association

Warner F. Brundage, Jr.  
703 East Grace Street  
Richmond, Virginia 23219

Counsel for Appellee - The  
Chesapeake and Potomac  
Telephone Company of Virginia

Anthony Gambardella  
Office of Attorney General  
Division of Consumer Counsel  
101 North 8th Street  
5th Floor  
Richmond, Virginia 23225

Counsel for Appellee - Attorney  
General of Virginia

Robert M. Gillespie  
Associate General Counsel  
Post Office Box 1197  
Richmond, Virginia 23209

Counsel for Appellee - State  
Corporation Commission



## TABLE OF CONTENTS

### Volume I

#### Appendix Page

Application of MCI Telecommunications Corporation of Virginia with selected exhibits (PUC 840022) filed 7/2/84 .....	1
Commission Order Prescribing Notice and Setting Hearing dated 7/3/84 (PUC 840022) .....	117
Petition of AT&T Communications of Virginia (PUC 840023) filed 7/5/84 .....	121
Application of United States Transmission Systems, Inc. (without exhibits) (PUC 840024) filed 7/5/84 .....	126
Petition of TDX Systems, Inc. (PUC 840025) filed 7/6/84 .....	135
Commission Order Prescribing Notice and Setting Hearing (PUC 840023) filed 7/10/84 .....	163
Protest and Motion for delay in the Hearing by the Chesapeake and Potomac Telephone Company of Virginia <u>re</u> USTS (PUC 840024) filed 7/17/84 .....	167
Protest and Motion for Delay in the Hearing by The Chesapeake and Potomac Telephone Company of Virginia <u>re</u> MCI (PUC 840022) filed 7/18/84 .....	171
Motion for Continuance by Division of Consumer Counsel, Office of the Attorney General (PUC 840023) filed 7/18/84 .....	175
Protest of MCI Telecommunications Corporation of Virginia (PUC 840023) filed 7/18/84 .....	179
Motion of MCI Telecommunications Corporation of Virginia to Continue Substantive Hearing (PUC 840023) filed 7/18/84 .....	183
Memorandum in Support of Motion of MCI Telecommunications Corporation of Virginia Continue Substantive Hearing (PUC 840023) filed 7/18/84 .....	186
Motion of MCI Telecommunications Corporation of Virginia for an Order Requiring Special Reports (PUC 840023) filed 7/18/84 .....	204

First Interrogatories and Data Requests of MCI Telecommunications Corporation of Virginia (PUC 840023) filed 7/18/84 .....	211
Motion of MCI Telecommunications Corporation of Virginia for Leave to Serve Interrogatories and for an Order Compelling Immediate Response to Such Interrogatories (PUC 840023) filed 7/18/84 .....	217
Letter Notice of Intent to Participate in PUC 840022 by Attorney General of Virginia (PUC 840022) filed 7/19/84 .....	220
Order Authorizing Interrogatories and Scheduling Oral Argument (PUC 840023) filed 7/19/84 .....	221
Commission Order Granting Leave to Serve Interro- gatories dated 7/19/84 (PUC 840024) filed 7/19/84 .....	223
Amended Application of Southern Tel of Virginia, Inc. (without exhibits) (PUC 840020) filed 7/20/84 .....	225
Response of MCI Telecommunications Corporation of Virginia to Motion for Delay in the Hearing filed by The Chesapeake & Potomac Telephone Company of Virginia (PUC 840022) filed 7/20/84 .....	236
Protest of GTE Sprint Communications Corporation of Virginia (PUC 840023) filed 7/20/84 .....	243
Notice of Protest of Virginia Exchange Carrier Association (PUC 840023) filed 7/20/84 .....	246
Transcript of Oral Arguments on Motions (PUC 840023) Heard on 7/20/84 .....	249
Commencement of Argument of:	
Mr. Moore .....	254
Mr. Gambardella .....	273
Mr. Morrissey .....	277
Commencement of Rebuttal Argument of:	
Mr. Moore .....	292
Mr. Gambardella .....	312



Commencement of Argument of:

Mr. Gillespie .....	315
Order Denying Motions for Continuance (PUC 840023) filed 7/20/84 .....	326
Response to Interrogatories and Request for Production of Documents by the Attorney General of the Commonwealth of Virginia (PUC 840023) filed 7/23/84 .....	328



## TABLE OF CONTENTS

### Volume II

#### Appendix Page

Responses to First Interrogatories and Data Requests of MCI Telecommunications Corporation of Virginia (PUC 840023) filed 7/23/84 .....	437
Application and Petition of GTE Sprint Communications Corporation of Virginia with selected exhibits (PUC 840027) filed 7/23/84 .....	590
Motion of GTE Sprint Communications Corporation to Hear its Application filed 7/23/84 .....	627
Answer of the Chesapeake and Potomac Telephone Company of Virginia to MCI's Response to Motion to Delay Hearing (PUC 840022) filed 7/26/84 .....	633
United States Transmission Systems, Inc. Interrogatory Answers (PUC 840024) filed 7/26/84 .....	638
Chesapeake & Potomac Telephone Company of Virginia's Protest in Opposition to Request for Hearing (PUC 840027) filed 7/26/84 .....	648
Commission Order Denying Motion for Delay in the Hearing, dated 7/27/84 (PUC 840022) .....	650
Response of Virginia Exchange Carrier Association on Behalf of Its Member Telephone Companies and Cooperatives to a Motion of MCI Telecommunications Corporation of Virginia for an Order Requiring Special Reports (PUC 840023) filed 7/27/84 .....	651
Answer of Central Telephone Company of Virginia to Motion of MCI Telecommunications Corporation of Virginia for an Order Requiring Special Reports (PUC 840023) filed 7/27/84 .....	653
Commission Order Denying Motion for Delay in the Hearing dated 7/27/84 (PUC 840024) .....	656
Amendment to Petition of TDX Systems of Virginia, Inc. (PUC 840025) filed 7/27/84 .....	657



Transcript of the Testimony and Other Incidents heard on 7/27/84 in Applications of MCI Telecom- munications Corporation of Virginia, United States Transmission Systems, Inc., TDX Systems, Inc., Southerntel of Virginia, Inc., GTE Sprint Com- munications Corporation of Virginia (Case Nos. PUC 840020, PUC 840022, PUC 840024, PUC 840025 and PUC 840027) .....	658
Opening Statements:	
Mr. Gillespie .....	671
Mr. Moore .....	674
Ms. Ancarrow .....	677
Mr. Senkowski .....	680
Mr. Jones .....	681
Mr. Magee .....	684
Mr. Gambardella .....	687
Mr. Brundage .....	691
Testimony of Kenneth A. Cox .....	695
<u>Exhibit H-10, Solicitation Material/Norfolk Area</u> <u>on behalf of MCI (PUC 840022)</u> .....	716
Testimony of Stephen C. Gunn .....	725
Testimony of Nina W. Cornell .....	734
Testimony of Jerome Stern .....	748
Testimony of George J. Bloom .....	756
Testimony of Marvin C. Moses .....	760
Testimony of Warren B. French, Jr. ....	776
Testimony of Jose E. Gruzman, Jr. ....	783
Testimony of David H. Jones .....	803



## TABLE OF CONTENTS

### Volume III

#### Appendix Page

Transcript of the Testimony and Other Incidents heard on 7/27/84 in the Petition of AT&T Com- munications of Virginia (Case No. PUC 840023) .....	814
Opening Statements:	
Mr. Morrissey .....	821
Mr. Marmon .....	826
Ms. Dupont .....	828
Mr. Gambardella .....	829
Testimony of Frank J. Alessio .....	835
Introduction of Exhibit FJA-1 .....	835
<u>Exhibit FJA-1</u> , Testimony of Frank J. Alessio, Ph.D. on behalf of AT&T Communications of Virginia, Inc. (PUC 840023) .....	836
Continued Testimony of Frank J. Alessio .....	871
Transcript of the Testimony and Other Incidents heard on 7/30/84 in the Petition of AT&T Com- munications of Virginia (Case No. PUC 840023) .....	960
Testimony of John D. Schell .....	961
Introduction of Exhibit JDS-2 .....	962
<u>Exhibit JDS-2</u> , Testimony of John D. Schell, Jr. on behalf of AT&T Communications of Virginia, Inc. (PUC 840023) .....	963
Continued Testimony of John D. Schell .....	994
Testimony of Douglas S. Wilcox .....	1116
Introduction of Exhibit DSW-4 .....	1117
<u>Exhibit DWS-4</u> , Testimony of Douglas S. Wilcox on behalf of AT&T Communications of Virginia, Inc. (PUC 840023) .....	1118



Continued Testimony of Douglas S. Wilcox .....	1162
Testimony of John D. Schell (Recall) .....	1240
Testimony of Nina W. Cornell .....	1242
<u>Exhibit NWC-5</u> Biography of Nina W. Cornell (PUC 840023) .....	1257

## TABLE OF CONTENTS

### Volume IV

	<u>Appendix Page</u>
Transcript of Testimony and Other Incidents heard on 7/31/84 in the Petition of AT&T Com- munications of Virginia (Case No. PUC 840023) .....	1265
Testimony of Douglas S. Wilcox (Recall) .....	1266
<u>Exhibit DSW-2A</u> , Virginia Exchanges served by OCC's .....	1307
<u>Exhibit MCI-6</u> , Summary of Preliminary Plans (PUC 840023) .....	1310
<u>Exhibit MCI-7</u> , List of Cities Served by Different Vendors (PUC 840023) .....	1311
Testimony of Nina W. Cornell (Recall) .....	1313
<u>Exhibit NWC-8</u> , Order of Federal Communications Commission .....	1425
<u>Exhibit NWC-9</u> , Application of the Department of Justice for Review .....	1430
<u>Exhibit NWC-10</u> , Interstate Traffic Volume .....	1442
Testimony of Mary Flannery Brackbill on behalf of GTE Sprint Communications Corporation dated 8/6/84 (Introduced as an unmarked Exhibit) .....	1443
Testimony of Ronald D. Havens on behalf of GTE Sprint Communications Corporation dated 8/6/84 (Introduced as an unmarked Exhibit) .....	1487
Final Order and Opinion (PUC 840020, -22, -24, -25, -27 and -23) filed 8/22/84 .....	1649
Amending Order (PUC 840020, -22, -24, -25, -27 and -23) filed 8/22/84 .....	1703
MCI's Petition for Reconsideration of Order of 8/22/84 (PUC 840022) filed 9/12/84 .....	1706
Petition for Reconsideration of Final Order by The Chesapeake and Potomac Telephone Company of Virginia (PUC 840020, -22, -24, -25 and -27) filed 9/12/84 .....	1711

GTE Sprint Communications Corporation of Virginia's Petition for Reconsideration (PUC 840020, -22, -24, -25, -27 and -23) filed 9/12/84 .....	1715
GTE Sprint Communications Corporation of Virginia's Notice of Appeal (PUC 840020, -22, -24, -25, -27 and -23) filed 9/18/84 .....	1725
Notice of Appeal of MCI Telecommunications Corporation of Virginia (PUC 840022) filed 9/19/84 .....	1727
Notice of Appeal of MCI Telecommunications Corporation of Virginia (PUC 840023) filed 9/19/84 .....	1728
GTE Sprint Communications Corporation of Virginia's Corrected Notice of Appeal (PUC 840020, -22, -23, -24, -25 and -27) filed 9/21/84 .....	1729
Virginia Exchange Carrier Association's Notice of Intent to Participate as Appellee (PUC 840020, -22, -24, -25, -27 and -23) filed 10/4/84 .....	1731
Notice of AT&T of Intent to Participate as Appellee (PUC 840020, -22, -24, -25, -27 and -23) filed 10/5/84 .....	1733
Chesapeake & Potomac Telephone Company of Virginia's Notice of Intent to Participate in Appeals (PUC 840020, -22, -24, -25 and -27) filed 10/9/84 .....	1735
Division of Consumer Counsel, Office of Attorney General's Notice of Intent to Participate in Appeals (PUC 840020, -22, -24, -25, -27 and -23) filed 10/10/84 .....	1737
MCI Telecommunications Corporation of Virginia Assignments of Error .....	1739
GTE Sprint Communications Corporation of Virginia Assignments of Error .....	1743



AT&T COMMUNICATIONS OF VIRGINIA  
CASE NO. PUC840023

RESPONSES TO FIRST INTERROGATORIES AND DATA  
REQUESTS OF MCI TELECOMMUNICATIONS  
CORPORATION OF VIRGINIA

1. Identify the geographic areas in Virginia in which AT&T currently provides intrastate telecommunication services.

AT&T Communications of Virginia currently provides intrastate interLATA telecommunications service throughout Virginia. Details are shown on the Certification map which was filed with the Commission on November 22, 1983, and attached to the Company's July 5, 1984 Petition of AT&T Communications of Virginia to Set Rates and Charges Pursuant to §56-481.1 of the Code of Virginia. (See Attachment 1).

2. How many Virginia customers for long-distance intrastate services does AT&T currently have? State business and residential separately.

Currently any customer, business or residence, who has local service in Virginia is potentially a customer of AT&T Communications of Virginia. Numbers of potential customers would have to be obtained from C&P and the other local exchange companies.

The breakdown of business and residence customers served by the Company at a given time is proprietary. Proprietary information will be provided to the Commission or its Staff

at their request and under a protective agreement. However, we will not provide the information to competitors such as MCI.

3. Describe the specific services provided on an intrastate basis by AT&T.

Intrastate interLATA services provided by AT&T

Communications of Virginia are described in its currently effective tariffs, which are included herewith as Attachment 2.

4. For each intrastate service provided by AT&T, please state the minutes used by Virginia customers in calendar 1983 and for the most recent month in 1984 for which records are available.

AT&T Communications of Virginia did not provide intrastate services during 1983. Information regarding minutes of use for 1984 is proprietary. Such information will be provided to the Commission or its Staff at their request and under a protective agreement. However, we will not provide the information to competitors such as MCI.

5. For each intrastate service provided by AT&T, please state the revenues produced in calendar 1983 and for the most recent month in 1984 for which records are available.

Virginia intrastate revenues for 1983 can be derived from the attached Form M reports, which are on file with the FCC and the Virginia Commission. (See Attachment 3).

Information regarding revenues for 1984 is proprietary. Such information will be provided to the Commission or its Staff at their request and under a protective agreement. However, we will not provide the information to competitors such as MCI.

6. What percentage of the intrastate, long-distance market does AT&T currently hold based on minutes of use, revenues and numbers of customers?

AT&T Communications of Virginia does not have adequate information to develop intrastate market share because other carriers operating within the state have not provided state-specific market information. For example, although MCI's attorney, Mr. Moore, acknowledged at the oral argument on June 19, 1984, that MCI is currently providing intrastate service, MCI has not provided the Commission with adequate information to quantify the extent of that service. Such information also has not been made available by other carriers operating in Virginia.

7. What percentage of the Virginia interLATA, long-distance market does AT&T currently hold based on minutes of use, revenues, and numbers of customers?

AT&T Communications of Virginia does not have adequate information to develop intrastate market share because other carriers operating within the state have not provided state-specific market information. For example, although MCI's attorney, Mr. Moore, acknowledged at the oral argument



on June 19, 1984, that MCI is currently providing intrastate service, MCI has not provided the Commission with adequate information to quantify the extent of that service. Such information also has not been made available by other carriers operating in Virginia.

8. How many Virginia customers for long-distance interstate services does AT&T currently have?

AT&T Communications of Virginia, Inc., the Company which has applied for authority to set rates on a competitive basis, provides no interstate long distance services in Virginia. However, every customer with local service in Virginia is potentially a customer of the AT&T Interstate Division.

9. Describe the specific services provided on an interstate basis by AT&T to Virginia customers.

AT&T Communications of Virginia, Inc., the Company which has applied for authority to set rates on a competitive basis, provides no interstate long distance services in Virginia. With regard to services provided by AT&T's Interstate Division, see AT&T's FCC Tariffs including Numbers 259, 260, 263, 267, 270, and 273.

10. For each interstate service provided by AT&T, please state the minutes used by Virginia customers in calendar 1983 and for the most recent month in 1984 for which records are available.

AT&T Communications of Virginia, Inc., the Company which has applied for authority to set rates on a competitive basis, provides no interstate long distance services in Virginia. With regard to services provided by AT&T's Interstate Division, information regarding minutes of use by service is proprietary. Proprietary information will be provided to the Commission or its Staff at their request and under a protective agreement. However, we will not provide the information to competitors such as MCI.

11. For each interstate service provided by AT&T, please state the revenues produced in Virginia in 1983 and for the most recent month in 1984 for which records are available.

Form M, Schedule 34, which is on file with the FCC and the Virginia Commission, shows 1983 revenues with a breakout for "Interstate and Foreign Revenues." (See Attachment 3) Any additional information for 1983 would have to be obtained from C&P of Virginia, which is no longer affiliated with AT&T. Revenues for 1984 are proprietary. We would provide this information to the the Commission or its Staff at their request and under a protective agreement. However, we will not provide the information to competitors, such as MCI.

12. Please state by year the revenues produced by AT&T in Virginia for intrastate long-distance services in the years 1980 through 1983.

Virginia intrastate revenues for 1981, 1982, and 1983 can be derived from the attached Form M reports, which are on file

with the FCC and the Virginia Commission. (See Attachment 3. We do not have a copy of the 1980 report.)

13. Please state by year the revenues produced by AT&T in Virginia for interstate long-distance services in the years 1980 through 1983.

Form M, Schedule 34, which is on file with the FCC and the Virginia Commission, provides a breakout of "Interstate and Foreign Revenues." Reports for 1981, 1982, and 1983 are included in Attachment 3. (We do not have a report for 1980).

14. What percentage of the interstate long-distance market in Virginia does AT&T currently hold based on minutes of use, revenues, and numbers of customers?

Neither AT&T Communications of Virginia nor any of its affiliates has information adequate to answer this question. MCI and other carriers have provided no information to the FCC or otherwise to indicate their minutes of use or revenues on a state by state basis. Although MCI has indicated it has 60,000 customers in Virginia, other carriers operating in the Commonwealth have not provided that same information.

15. What percentage of the interLATA long-distance market on a nationwide basis does AT&T currently hold based on minutes of use, revenues, and numbers of customers?



AT&T's percentage of the interLATA long distance market on a nationwide basis is not available.

AT&T Communications of Virginia maintains that conventional market share analysis is a wholly unreliable measure of current or future market power in the telecommunications industry. Traditional, static market share analysis is distorted by the effects of regulation and completely neglects the relevance of dynamic technology, changing market structure, and the rivalrous behavior of competing firms in the industry.

Moreover, there is no single definitive measure of market share, but a variety of ways share can be computed. For example, in Comments filed in FCC Docket 83-1147, AT&T undertook a thorough computation and analysis of market share measures. The results show AT&T's share of the intercity telecommunications industry, including intraLATA, falls in the range of 58 to 69 percent depending on the measurement criterion.

In the period since AT&T's Comments were filed, 1983 revenue data have been compiled showing that AT&T's national share of total domestic toll revenues, including intraLATA, fell to 57.3 percent in 1983.

16. How many switches does AT&T own or operate in Virginia?

AT&T Communications of Virginia owns and operates 4 switches in Virginia.

17. What is the location of each AT&T switch?

The switches owned and operated by AT&T are located in Arlington, Richmond, Roanoke, and Norfolk.

18. Please state the manufacturer, model number, and port capacity of each switch.

All switches owned and operated by AT&T are manufactured by Western Electric.

Switch	City
4ESS	Arlington
4ESS	Richmond
4ESS	Norfolk
4A	Roanoke

Port capacity of these switches is proprietary. We would provide this information to the Commission or its Staff at their request and under a protective agreement. However, we will not provide the information to competitors, such as MCI.

19. How many route miles of transmission facilities does AT&T own, lease, or control in Virginia?

AT&T Communications of Virginia's existing transmission facility capacity in Virginia is approximately 1492 route miles and approximately 3,570,325 equipped circuit miles.

20. How many equipped circuit miles of transmission facilities does AT&T own, lease, or control in Virginia?

See answer to question #19 above.

21. Please list all the local exchange companies in Virginia with which AT&T has interconnections.

AT&T Communications of Virginia has interconnections with all local exchange companies.

22. Please describe in detail AT&T's expansion plans in Virginia for the next two years.

AT&T Communications has no plans for expansion in the next two years. If we had or developed such plans, they would be proprietary. We would provide this information to the Commission or its Staff at their request and under a protective agreement. However, we will not provide the information to competitors, such as MCI.

23. For each local exchange company listed above, please state who owns the line connecting the local exchange company to the AT&T switch.

Lines connecting a Local Exchange Company to AT&T Communications are owned by the Local Exchange Company.



24. Please state the current rate base of AT&T in Virginia.

See AT&T Communications of Virginia's filing of November 23, 1983 in Case No. PUC830043.

25. What are the components of this rate base?

See answer to question #24 above.

26. What is the current rate-of-return authorized on this rate base?

Current rates were set to earn a 10.47% overall rate of return.

27. What was the actual rate-of-return on this rate base in 1983?

AT&T Communications of Virginia did not have a rate base separate from C&P in 1983 and did not have an actual rate of return in 1983.

28. Precisely, what regulatory controls of the State Corporation Commission does AT&T seek to have removed?

AT&T Communications, in its Petition, requested exemption from Chapter 10, Title 56 of the Code of Virginia, and any other regulation which is inconsistent with the competitive provision of telecommunications services within the Commonwealth.

29. What does AT&T believe will be the impact on Virginia consumers of its deregulation in Virginia?

Deregulation in Virginia will provide the following benefits to consumers within the Commonwealth:

1. More valuable services at lower cost to the consumer;
2. Diversity in service offerings maximizing opportunities for consumer choice;
3. greater technological innovation;
4. optimal use of facilities;
5. reduced burdens on the scarce resources of state regulators.

30. If AT&T is deregulated in Virginia, would it reserve the right to de-average its toll structure?

AT&T Communications of Virginia has no plans to de-average rates in the Commonwealth.

31. Does AT&T believe it has competition currently in the intrastate, interLATA market in Virginia?

Yes.

32. Does AT&T believe that by September 1, 1986, it will have competition in the interLATA toll market in all areas of Virginia?

Yes. AT&T Communications of Virginia already has competition in the interLATA toll market in all areas of Virginia.

33. If the answer to the previous interrogatory is "no", please state the number of Virginia customers for which it is likely that AT&T will be the only interLATA long-distance carrier as of September 1, 1986.

See answer to question #32.

GENERAL INDEX  
INTRASTATE TARIFFS  
S.C.C. - Va.

AT&T Communications  
of Virginia

Index  
Original Page 1

<u>A</u>	Tariff	Section
Abandonment of the Service (See - Cancellation for Cause) . . . . .	1	1
Abuse or Fraudulent Use of Service (See - Provision and Ownership of Equipment and Facilities) . .	1	1
Access to Customer's Premises (See - Cancellation for Cause) . . . . .	1	1
Accessories, Connection With . . . . .	3	1
Adjustments for Certain Local Taxes and Fees . . . . .	1	1
Advance Payments . . . . .	1	1
Alarm Bridging Services, Telemetry (See - Series 4000 Channels) . . . . .	6	5
Alarm Coupler (See - Connection With Alarm Sending Equipment) . . . . .	3	5
Alarm Sending Equipment, Connection With . . . . .	3	5
Allowance for Interruptions -		
General Regulations . . . . .	1	1
Channel Services . . . . .	6	1
Alterations on the Customer's Premises . . . . .	1	1
Answering Bureaus, Telephone, Channels for (See - Series 2000 Channels) . . . . .	6	3
Application for Service . . . . .	1	1
Availability of Facilities . . . . .	1	1
 <u>B</u> 		
Billed Number Screening (See)		
Explanation of Terms . . . . .	1	2
General Regulation . . . . .	1	1
Billing Number Service, Special . . . . .	4	5
Branch Exchange Systems, Channels for (See - Series 2000 Channels) . . . . .	6	3
Broadcast of Recordings of Telephone Conversations and Incoming Messages . . . . .	1	1
Building, Same (See - Explanation of Terms) . . . . .	1	2
 <u>C</u> 		
Cancellation for Cause . . . . .	1	1
Centrex Systems, Channels for (See - Series 2000 Channels) . . . . .	6	3
Channel Conditioning Arrangements . . . . .	6	4
Channel Derivation Devices, Connection With . . . . .	3	2
Channel Services Tariff . . . . .	6	-
Channels, Temporary Surrender of . . . . .	1	1
Circle Calling Service . . . . .	7	3
Claims of Misuse of Service . . . . .	1	1
Common Control Switching Arrangements . . . . .	6	5A
Communications Systems, Connection With . . . . .	3	2
Conference Service, Message Telecommunications . . . . .	4	3
Connection Charges (See - Service Charges) . . . . .	2	3
Connection With -		
Accessories . . . . .	3	2
Alarm Sending Equipment (Alarm Coupler) . . . . .	3	5
Certain Facilities of Certain Customers		
(U.S. Government, Power and Pipe Line Companies, etc.) . . . . .	3	6
Channel Derivation Devices . . . . .	3	2
Communications Systems . . . . .	3	2
Company Facilities Tariff . . . . .	3	-
Data Transmitting and Receiving Equipment and Teletypewriter Equipment . . . . .	3	2
Dictation Recording Equipment . . . . .	3	5
Electrocardiogram and Electroencephalogram Transmitting and Receiving Equipment		
Provided by Members of the Medical Profession and Hospitals . . . . .	3	5
Recording, Reproducing and Automatic Answering and Recording Equipment . . . . .	3	5
Telephotograph Equipment . . . . .	3	5
Voice Transmitting and Receiving Terminal Equipment . . . . .	3	2
Construction Charges (See - Establishment and Furnishing of Services) . . . . .	1	1
Creation of Additional Channels . . . . .	1	1

GENERAL INDEX  
INTRASTATE TARIFFS  
S.C.C. - Va.

AT&T Communications  
of Virginia

Index  
Original Page 2

<u>C</u> (Cont'd)	<u>Tariff</u>	<u>Section</u>
Customer's Service, Use of -		
General Regulation . . . . .	1	1
Channel Services . . . . .	6	1
<u>D</u>		
Damages (See - Liability of the Company) . . . . .	1	1
Data Channels (See - Channel Services, Series 3000 Channels) . . . . .	6	4
Data Transmitting and Receiving Equipment and Teletypewriter Equipment, Connection With . . . . .	3	2
DATAPHONE® Digital Service . . . . .	6	13
DATAPHONE Select-A-Station Service (See - Series 4000 Channels) . . . . .	6	5
Defacement of Premises . . . . .	1	1
Denial of Service (See - Cancellation for Cause) . . . . .	1	1
Deposits . . . . .	1	1
Dictation Recording Equipment, (See - Connection With Dictation Recording Equipment)		
Digital Services		
DATAPHONE Digital Service . . . . .	6	13
Service at a Transmission Speed of 1.544 MBPS . . . . .	6	14
Directory Assistance Service . . . . .	2	5
Dishonored Check Charge . . . . .	2	4
<u>E</u>		
800 Service - Complementary Service . . . . .	5	3
Electric Power, Floor Space and Operating at the Customer's Premises . . . . .	1	1
Electrocardiogram and Electroencephalogram Transmitting and Receiving Equipment Provided by Members of the Medical Profession and Hospitals, Connection With . . . . .	3	5
Establish Identity, Obligation to . . . . .	1	1
Establishment and Furnishing of Service . . . . .	1	1
Explanation of Symbols . . . . .	1	1
Explanation of Terms . . . . .	1	2
Explosive Atmosphere, Facilities in . . . . .	1	1
Extension Channels (See - Series 2000 Channels) . . . . .	6	3
<u>F</u>		
Facilities -		
Explosive Atmosphere, Hazardous or Inaccessible Locations, Facilities in . . . . .	1	1
Provision and Ownership of . . . . .	1	1
Fees, Adjustments for Certain Local Taxes and . . . . .	1	1
Floor Space, Electric Power and Operating at the Customer's Premises . . . . .	1	1
Fraudulent Use of Service (See - Cancellation for Cause) . . . . .	1	1
Foreign Exchange Service (See - Series 2000 Channels) . . . . .	6	3
<u>G</u>		
General Regulations . . . . .	1	1
General Regulations Tariff . . . . .	1	-
General Services Tariff . . . . .	2	-
<u>H</u>		
Hazardous or Inaccessible Locations, Explosive Atmosphere, Facilities in		
General Regulations . . . . .	1	1
Connection With Company Facilities . . . . .	3	1
<u>I</u>		
Initial Contract Period and Termination of Service - General Regulation . . . . .	1	1
Installation, Maintenance and Repairs . . . . .	1	1
Installation Charges (See - Service Charges) . . . . .	2	3
Interruptions, Allowance for -		
General Regulation . . . . .	1	1
Channel Services . . . . .	6	1



GENERAL INDEX  
INTRASTATE TARIFFS  
S.C.C. - Va.

AT&T Communications  
of Virginia

Index  
Original Page 3

	<u>J</u>	<u>Tariff</u>	<u>Section</u>
Jack, Network Interface . . . . .		3	4
	<u>K</u>		
	<u>L</u>		
Liability of the Company . . . . .		1	1
Limitations and Use of Service . . . . .		1	1
Limited Communication (Emergency Conditions) . . . . .		1	1
	<u>M</u>		
Maintenance, Installation and Repairs . . . . .		1	1
Maintenance Visit Charge . . . . .		3	2
Message Telecommunications -			
Conference Service . . . . .		4	3
Two-point Service . . . . .		4	2
Message Telecommunications Services Tariff. . . . .		4	-
Mileage -			
Branch Exchange Systems, Channels for (See - Series 2000 Channels) . . . . .		6	3
Centrex Systems, Channels for (See - Series 2000 Channels) . . . . .		6	3
DATAPHONE Digital Service . . . . .		6	13
DATAPHONE Select-A-Station Service (See - Series 4000 Channels) . . . . .		6	5
Extension Channels (See - Series 2000 Channels) . . . . .		6	3
Foreign Exchange Service Capability (See - Series 2000 Channels) . . . . .		6	3
Interexchange Channels (See - Rate Guide) . . . . .		4	4
Message Telecommunications (See - Rate Guide) . . . . .		4	4
Channel Services			
Series 1000 Channels . . . . .		6	2
Series 2000 Channels . . . . .		6	3
Series 3000 Channels . . . . .		6	4
Series 4000 Channels . . . . .		6	5
Series 5000 Channels . . . . .		6	6
Series 10000 Channels . . . . .		6	10
Service at a Transmission Speed of 1.544 MBPS . . . . .		6	14
Telemetry Alarm Bridging (See - Series 4000 Channels) . . . . .		6	5
Telephone Answering Bureaus (See - Series 2000 Channels) . . . . .		6	3
Tie Trunks (See - Series 2000 Channels) . . . . .		6	3
Minimum Revenue Guarantee (See - Initial Contract Period and Termination of Service) . . . . .		1	1
	<u>N</u>		
Nonpayment of Charges (See - Cancellation for Cause) . . . . .		1	1
	<u>O</u>		
Obligation to Establish Identity . . . . .		1	1
Off-premises Extensions (See - Series 2000 Channels) . . . . .		6	3
Operating, Floor Space and Electric Power at the Customer's Premises . . . . .		1	1
Optional Calling Plans Tariff . . . . .		7	-
Order Processing Charge (See - Service Charges) . . . . .		2	2
Outdoor Locations, Service at . . . . .		1	1
Outward WATS - Complementary Service . . . . .		5	2A
Overtime Work (See - Work Performed Outside Regular Working Hours) . . . . .		1	1
Ownership and Provision of Facilities . . . . .		1	1
	<u>P</u>		
Payment Arrangements and Credit Allowances . . . . .		1	1
Payment for Service . . . . .		1	1
Payments, Advance . . . . .		1	1
Power Supply (See - Floor Space, Electric Power and Operating at the Customer's Premises) . . . . .		1	1
Premises (See - Explanation of Terms) . . . . .		1	2
Provision and Ownership of Facilities . . . . .		1	1
	<u>Q</u>		

GENERAL INDEX  
INTRASTATE TARIFFS  
S.C.C. - Va.

AT&T Communications  
of Virginia

Index  
Original Page 4

<u>R</u>	<u>Tariff</u>	<u>Section</u>
Rate Guide, Determination of Airline Mileages . . . . .	4	4
Recording, Reproducing and Automatic Answering and Recording Equipment, Connection With . . . . .	3	5
Recordings of Telephone Conversations and Incoming Messages, Broadcast of . . . . .	1	1
Regulations, General . . . . .	1	1
Repairs, Installation and Maintenance . . . . .	1	1

<u>S</u>	<u>Tariff</u>	<u>Section</u>
Same Building (See - Explanation of Terms) . . . . .	1	2
Select-A-Station Service, DATAPHONE (See - Series 4000 Channels) . . . . .	6	5
Series 1000 Channels . . . . .	6	2
Series 2000 Channels . . . . .	6	3
Series 3000 Channels . . . . .	6	4
Series 4000 Channels . . . . .	6	5
Series 5000 Channels . . . . .	6	6
Series 10000 Channels . . . . .	6	10
Service/Services		
Application for . . . . .	1	1
Channel . . . . .	6	-
Charges . . . . .	2	2
Circle Calling . . . . .	7	3
Claims of Misuse of . . . . .	1	1
Connections . . . . .	2	2
Customer's, Use of . . . . .	1	1
DATAPHONE Digital . . . . .	6	13
Directory Assistance . . . . .	2	5
General . . . . .	2	-
Initial Contract Period and Termination of . . . . .	1	1
Interruptions (See - Allowance for Interruptions) . . . . .	1	1
Irregularities . . . . .	1	1
Limitations and Use of . . . . .	1	1
Misuse, Claims of . . . . .	1	1
Outdoor Locations . . . . .	1	1
Payment for . . . . .	1	1
Private Line (See Channels)		
Special Billing Number . . . . .	4	5
Temporary Surrender of . . . . .	1	1
Termination of . . . . .	1	1
Unlawful Purposes, Use of . . . . .	1	1
Use of Customer's . . . . .	1	1
Use for Unlawful Purposes . . . . .	1	1
Special Billing Number Service . . . . .	4	5
Special Service Arrangements . . . . .	1	1
Specialized Operator Services . . . . .	2	3
Symbols, Explanation of . . . . .	1	1

<u>T</u>	<u>Tariff</u>	<u>Section</u>
Taxes and Fees, Adjustments for Certain Local . . . . .	1	1
Telemetry Alarm Bridging Service (See Series 4000 Channels) . . . . .	6	5
Telephotograph Equipment, Connection With . . . . .	3	5
Tele-Plan . . . . .	7	2
Temporary Surrender of a Service or Channel . . . . .	1	1
Termination Charge (See - Initial Contract Period and Termination of Service) . . . . .	1	1
Terms (See - Explanation of Terms) . . . . .	1	2
Tie Trunks (See - Series 2000 Channels) . . . . .	6	3
Time and Charges Service (See - Automatic Time and Charge Reporting Service) . . . . .	4	6
Transmitting Messages . . . . .	1	1
Two-point Message Telecommunications Service . . . . .	4	2

<u>U</u>	<u>Tariff</u>	<u>Section</u>
Unlawful Purposes, Use of Service for . . . . .	1	1
Use of Customer's Service -		
General Regulation . . . . .	1	1
Channel Services . . . . .	6	1
Use of Service for Unlawful Purposes . . . . .	1	1

GENERAL INDEX  
INTRASTATE TARIFFS  
S.C.C. - Va.

AT&T Communications  
of Virginia

Index  
Original Page 5

	<u>V</u>	<u>Tariff</u>	<u>Section</u>
Voice Transmitting and Receiving Terminal Equipment, Connection With . . . . .		3	2
	<u>W</u>		
Wide Area Telephone Service Tariff . . . . .		5	-
Work Performed Outside Regular Working Hours . . . . .		1	1
	<u>X</u>		
	<u>Y</u>		
	<u>Z</u>		

AT&T Communications  
of Virginia

Original Title Page

GENERAL REGULATIONS TARIFF  
Containing  
Regulations governing the furnishing of  
Communications Services  
within Virginia  
by  
AT&T Communications of Virginia

GENERAL REGULATIONS TARIFF  
S.C.C.-Va.-No. 1

AT&T Communications  
of Virginia

Contents  
Original Page 1

TABLE OF CONTENTS

	<u>Section</u>	<u>Page</u>
APPLICATION OF TARIFF . . . . .	1	1
APPLICATION OF RATES . . . . .	1	9
EXPLANATION OF SYMBOLS . . . . .	1	1
ESTABLISHMENT AND FURNISHING OF SERVICE . . . . .	1	1
Alterations on the Customer's Premises . . . . .		4
Application for Service . . . . .		1
Availability of Facilities . . . . .		1
Construction Charges . . . . .		2
Floor Space, Electric Power and Operating at the Customer's Premises . . . . .		3
Initial Contract Periods and Termination of Service . . . . .		2
Installation, Maintenance, and Repairs . . . . .		3
Network Interface . . . . .		4
Overtime and Expediting Charges . . . . .		3
Provision and Ownership of Facilities . . . . .		3
Provision and Ownership of Telephone Numbers . . . . .		4
Special Service Arrangements . . . . .		4
PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES . . . . .	1	4
Advance Payments . . . . .		4
Adjustments for Certain Local Taxes and Fees . . . . .		5
Allowance for Interruptions . . . . .		5
Deposits . . . . .		4
Payment for Service . . . . .		5
Temporary Surrender of a Service or Channel . . . . .		5
LIABILITY OF THE COMPANY . . . . .	1	6
Billed Number Screening . . . . .		7
Certain Use of Customer-provided Equipment . . . . .		7
Claims of Misuse of Service . . . . .		6
Defacement of Premises . . . . .		6
Facilities in Explosive Atmosphere, Hazardous or Inaccessible Locations . . . . .		6
Service at Outdoor Locations . . . . .		7
Service Irregularities . . . . .		6
LIMITATIONS AND USE OF SERVICE . . . . .	1	7
Broadcast of Recordings of Conversations and Incoming Messages . . . . .		8
Cancellation for Cause . . . . .		8
Creation of Additional Channels . . . . .		9
Limited Communication . . . . .		8
Obligation to Establish Identity . . . . .		7
Transmission of Prerecorded Messages . . . . .		9
Transmitting Messages . . . . .		9
Use for Unlawful Purposes . . . . .		8
Use of Customer's Service . . . . .		7
EXPLANATION OF TERMS . . . . .	2	1

GENERAL REGULATIONS TARIFF  
S.C.C.-Va.-No. 1

AT&T Communications  
of Virginia

Section 1  
Original Page 1

GENERAL REGULATIONS

A. APPLICATION OF TARIFF

1. The General Regulations specified herein govern the furnishing of intrastate communications services by AT&T Communications of Virginia, herein after known as the Company, and are in addition to regulations and rates set forth in the following tariffs of the Company:

Title	Tariff No.
Channel Services	S.C.C.-Va.-No. 6
Connection With Company Facilities	S.C.C.-Va.-No. 3
General Services	S.C.C.-Va.-No. 2
Message Telecommunications Services	S.C.C.-Va.-No. 4
Optional Calling Plans	S.C.C.-Va.-No. 7
Wide Area Telephone Service	S.C.C.-Va.-No. 5

B. EXPLANATION OF SYMBOLS

The following symbols apply to this tariff and the tariffs shown in paragraph A. preceding:

- (C) - To signify changed regulation.
- (D) - To signify discontinued rate or regulation.
- (I) - To signify increase in rate.
- (N) - To signify new rate or regulation.
- (R) - To signify reduction in rate.
- (T) - To signify a change in text but no change in rate or regulation.
- (U) - See Uniform Service Order Code (USOC) Manual

C. ESTABLISHMENT AND FURNISHING OF SERVICE

1. Application for Service

The Company reserves the right to require applications for service to be made in writing. Upon the acceptance of an application for service, all the applicable provisions in the Company's tariffs lawfully on file become the contract between the customer and the Company. Requests for additional service and requests for changes in service shall be from the customer of the service and, upon acceptance thereof by the Company, shall become a part of the original contract, except that each item of additional service so provided is subject to the appropriate initial contract period. Any change in regulations or rates authorized by legally constituted authorities effects a modification of all contracts for service to that extent, without further notice.

When an application or request for service, including additions and changes, is canceled or changed in whole or in part before service is established, the customer may be required to reimburse the Company for all costs incurred in connection with that part of the application or request, including additions and changes, which is canceled or changed, except as otherwise specified in the Company's applicable tariffs. The charge to the customer shall not exceed the charges which would apply if the service had been established as originally ordered and then terminated, subject to the regulation pertaining to Initial Contract Periods and Termination of Service.

The Company reserves the right to refuse service to applicants previously having service terminated for reasons specified in the regulation entitled Cancellation for Cause until all charges due have been paid and all violations have ceased.

2. Availability of Facilities

The Company's obligation to furnish service or continue to furnish service is dependent upon its ability to obtain, retain and maintain without unreasonable expense, suitable rights and facilities, and to provide for the installation of those facilities required incident to the furnishing and maintenance of that service.

In case a shortage of facilities exists at any time, either for temporary or protracted periods, the establishment of Message Telecommunication Service shall take precedence over all other types of service.



GENERAL REGULATIONS TARIFF  
S.C.C.-Va.-No. 1

AT&T Communications  
of Virginia

Section 1  
Original Page 2

GENERAL REGULATIONS

C. ESTABLISHMENT AND FURNISHING OF SERVICE (Cont'd)

3. Construction Charges

The rates and charges quoted in the tariffs of the Company provide for the furnishing of service and facilities where suitable plant facilities are available or when the construction of the necessary facilities does not involve excessive costs.

Where installation of facilities involves unusual costs because of factors such as the time period, type of facility or location requested by the customer, special construction charges based on maintenance, operation, depreciation, engineering, return on investment and other expenses associated with furnishing the service may apply.

4. Initial Contract Periods and Termination of Service

a. Initial Contract Periods

- (1) The initial contract period for all services will be one month except as otherwise specified in the Company's applicable tariffs.
- (2) For the purpose of administering this regulation and all other applicable regulations and rates of the Company's tariffs, every month is considered to have thirty days.
- (3) Initial contract periods begin on and include the day following the establishment of service.
- (4) Where the initial contract period for service is more than one month and a termination charge is included in the schedule of rates, the initial contract period, in months, is specified in parenthesis following the termination charge, i.e., (60).

b. Termination of Service

- (1) Service may be terminated prior to the expiration of the initial contract period after the Company has been notified a reasonable period in advance by the customer. The Company may require notification to be in writing. Upon such termination, the customer shall be responsible for the payment of all charges due for the period service has been rendered in addition to the payment of charges applicable as determined below:
  - (a) In the case of service for which the initial contract period is one month - the charges due for the balance of that month.
  - (b) In the case of service for which the initial contract period is more than one month - the charges due are as determined below except as otherwise specified in the Company's applicable tariffs:
    - (I) Where the service is subject to a minimum revenue guarantee - the charges due for the unexpired portion of the contract period.
    - (II) Where a termination charge is specifically included in the schedule of rates for service at the same location - such proportion of the termination charge as the unexpired portion of the initial contract period bears to the full initial contract period.

The charges due, as specified in (I) and (II) preceding, apply to the same customer at the same location. The assumption of an existing initial contract period by a new customer without a lapse in the rendition of service is to be considered as a continuation of the same initial contract period.

- (c) Where a portion of a service is discontinued, termination charges apply for the facility items discontinued as though they were the last of their kind installed.

GENERAL REGULATIONS TARIFF  
S.C.C.-Va.-No. 1

AT&T Communications  
of Virginia

Section 1  
Original Page 3

GENERAL REGULATIONS

C. ESTABLISHMENT AND FURNISHING OF SERVICE (Cont'd)

4. Initial Contract Periods and Termination of Service (Cont'd)

b. Termination of Service (Cont'd)

- (2) Service may be terminated subsequent to the expiration of the initial contract period after the Company has been notified a reasonable period in advance by the customer. The Company may require notification to be in writing. Upon such termination the customer shall be responsible for the payment of all charges due up to and including the date of termination of the service.
- (3) With the written permission of the Company, existing service may be transferred from one customer to another customer without a lapse in the rendition of service. Such transfers are not considered termination of service and associated initial contract periods remain unaffected.

5. Floor Space, Electric Power and Operating at the Customer's Premises

The customer is responsible for the provision and maintenance, at his expense, of all space and floor arrangements including such factors as heating and cooling, air conditioning, ventilation, humidity control, dust control, etc., required on the customer's premises for communication facilities provided by the Company in connection with services furnished the customer by the Company. Any power outlets and commercial power required for the operation of such facilities shall be provided by, and at the expense of the customer.

All operating required for the use of communications facilities provided by the Company at the customer's premises will be performed at the expense of the customer, and will conform with the rules and regulations which the Company may adopt to maintain a proper standard of service.

6. Provision and Ownership of Facilities

Facilities necessary for the provision of service are furnished by the Company, except as otherwise specified in the Company's applicable tariffs. Such facilities located on the premises of a customer, authorized user, or Company agent, are the property of the Company and/or the Local Exchange Carrier, whose employees and agents may enter said premises at any reasonable hour to install, inspect or repair the facilities, or upon termination or cancellation of service, to remove such facilities.

Facilities furnished by the Company shall, upon termination of service from any cause whatsoever, be returned to it in good condition, reasonable wear and tear thereof expected. In case of damage, loss, theft, or destruction of any of the Company's property due to the negligence or willful act of the customer or other persons authorized to use the service, and not due to ordinary wear and tear or causes beyond the control of the customer, the customer shall be required to pay the expense incurred by the Company in connection with the replacement of the property damaged, lost, stolen, or destroyed, or the expense incurred in restoring it to its original condition.

7. Installation, Maintenance and Repairs

The Company undertakes to install, maintain and repair the facilities which it furnishes to customers. All ordinary expense of installation, maintenance and repair in connection with service furnished by the Company is borne by the Company except as otherwise specified in the Company's applicable tariffs.

The customer shall not install, disconnect, rearrange, remove, or attempt to repair any facilities furnished by the Company or permit others to do so, except upon the written consent of the Company or as otherwise specified in the Company's applicable tariffs.

8. Overtime and Expediting Charges

The rates and charges specified in the Company's tariffs contemplate that all work in connection with furnishing or rearranging service be performed during regular working hours and within normal work intervals. Whenever a customer requests that work necessarily required in the furnishing or rearranging of the customer's service be performed outside the Company's regular working hours; or that the Company expedites the installation or rearrangement of service; or that work once begun be interrupted, so that the Company incurs costs that would not otherwise have been incurred, the customer may be required to pay, in addition to the other rates and charges specified in the Company's applicable tariffs, the amount of additional costs incurred by the Company as a result of the customer's special requirements.

GENERAL REGULATIONS

C. ESTABLISHMENT AND FURNISHING OF SERVICE (Cont'd)

9. Provision and Ownership of Telephone Numbers

The customer has no property right to the telephone number or any other call number designation associated with services furnished by the Company, and no right to the continuance of service through any particular central office. The Company reserves the right to change such numbers, or the central office designation associated with such numbers, or both, assigned to the customer, whenever the Company deems it necessary to do so in the conduct of its business.

10. Special Service Arrangements

The rates and charges quoted in the tariffs of the Company contemplate the use of service and facilities in quantities and types regularly furnished by the Company. Where service or facilities are requested which are not provided for in the Company's applicable tariffs, rates and charges will apply based on the cost of furnishing such service or facilities whenever in the judgment of the Company, it is practicable to provide the service requested. In such cases, the Company reserves the right to require an initial contract period longer than one month at the same location.

11. Alterations on the Customer's Premises

The customer shall notify the Company, a reasonable period in advance, whenever alterations or new construction on premises occupied by the customer necessitate changes in the Company's facilities. When charges for such changes in facilities are not provided for in the Company's applicable tariffs, the customer may be required to reimburse the Company for any costs incurred in connection with the changes of facilities.

12. Network Interface

The Network Interface is a standard FCC Registration Program Jack, or equivalent, provided by the Company as part of Channel Service and Wide Area Telephone Service. The Network Interface must be located inside a customer's premises at a point designated by the Company and accessible to the customer. When required by Federal Communication Commission rules the Network Interface may be located at a point other than the location normally designated by the Company. All services on a customer's premises connect to the telecommunications network through the Network Interface.

D. PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES

1. Advance Payments

Applicants for service may be required to pay any service or installation charges and at least one month's fixed charge in advance of the installation of service. The amount of such advance payment is credited to the customer's account as applying to any indebtedness under the contract.

2. Deposits

- a. The Company may require an applicant or a customer to make a suitable cash deposit to be held by the Company as a guarantee of the payment of charges for service. Except as otherwise specified in the Company's applicable tariffs, the amount of such deposit shall not exceed the amount of charges for service which it is estimated will accrue for a period of two months; however, after service has been established and experience demonstrates that the amount of the outstanding deposit is not suitable to safeguard the interests of the Company, the Company may require an adjustment of the deposit not exceeding the charges which it is estimated will accrue for a period of two months. When service is terminated, any balance of the deposit remaining after deduction of all sums due the Company will be returned to the customer, or the deposit may be returned at any time previous thereto, at the option of the Company. Simple interest at the rate of 8.8 percent per annum will be paid for the period during which the deposit is held by the Company. At the option of each customer making a deposit, the Company shall annually make either direct payment to the customer of all accrued interest, or shall credit same to the customer's account.

GENERAL REGULATIONS TARIFF  
S.C.C.-Va.-No. 1

AT&T Communications  
of Virginia

Section 1  
Original Page 5

GENERAL REGULATIONS

D. PAYMENT ARRANGEMENTS AND CREDIT ALLOWANCES (Cont'd)

2. Deposits (Cont'd)

- b. The fact that a deposit is held by the Company shall in no way relieve the applicant or customer from compliance with the Company's regulations as to advance payments and payment for service, nor constitute a waiver or modification of the regulations pertaining to the discontinuance of service for non-payment of any sums due the Company for the service rendered.

3. Payment for Service

The customer is responsible for payment of all charges for service rendered including charges for Message Telecommunications Service messages sent from the customer's station and for messages charged to such station on which the charges have been reversed, i.e., collected from or billed against the station called, or collected from or billed to a station other than the calling station or called station. The customer is also responsible for the allocation of usage of, or charges for, shared service.

If objection in writing is not received by the Company within 30 days after a statement of account is rendered, such statement shall be deemed to be correct and binding upon the customer.

When any nonmonthly charges exceed \$25.00, a customer who has established credit with the Company may arrange for installment payment of such charges for a period of time as agreed upon between the Company and the customer.

Charges to the customer are payable as follows:

- a. Upon request, all Service, Installation and Termination Charges.
- b. Monthly in advance, all fixed monthly charges for service and facilities.
- c. Upon rendition of bills, all message charges for Message Telecommunications, Optional Calling Plans and WATS Services.

4. Allowance for Interruptions

When the use of service or facilities furnished by the Company is interrupted due to any cause other than the negligence or willful act of the customer or the failure of the facilities provided by the customer, a pro rata adjustment of the fixed monthly charges involved will be allowed for the service and facilities rendered useless and inoperative by reason of the interruption whenever said interruption continues for a period of 24 hours or more from the time it is reported to or known to exist by the Company, except as otherwise specified in the Company's applicable tariffs.

5. Temporary Surrender of a Service or Channel

When at the request of the Company, a service or channel is temporarily surrendered by the customer, credit will be allowed for the entire period surrendered, the amount of which will be determined in the same manner as specified in the regulation of the applicable tariff governing Allowance for Interruptions for the service or channel temporarily surrendered.

6. Adjustments for Certain Local Taxes and Fees

When a political subdivision of the state charges the Company a license tax or franchise fee at a flat rate or based on receipts or based on poles, wires or conduits, so much of the aggregate amount of such taxes and fees as exceeds one-half of one percent of the aggregate bills of such customers for service will be billed pro rata to the customers receiving service within the political subdivision.

GENERAL REGULATIONS

E. LIABILITY OF THE COMPANY

In view of the fact that the customer has exclusive control over the use of the service and facilities furnished by the Company, and because of unavailability of errors incident to the services and to the use of such facilities of the Company, services and facilities are furnished by the Company subject to the terms, conditions and limitations herein specified:

1. Service Irregularities

The liability of the Company for damages arising out of mistakes, omissions, interruptions, delays, errors or defects in transmission, or failures or defects in facilities furnished by the Company, occurring in the course of furnishing or installing service or other facilities and not caused by the negligence of the customer, or of the Company in failing to maintain proper standards of maintenance and operation and to exercise reasonable supervision, shall in no event exceed an amount equivalent to the proportionate charge to the customer for the service or facilities affected during the period such mistake, omission, interruption, delay, error or defect in transmission, or failure or defect in facilities continues after notice and demand to the Company.

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

2. Claims of Misuse of Service

The Company shall be indemnified and saved harmless by the customer against claims for libel, slander, fraudulent or misleading advertisements or infringement of copyright arising directly or indirectly from the material transmitted over its facilities or the use thereof; against claims for infringement of patents arising from combining or using apparatus and systems of the customer with facilities of the Company; and against all other claims arising out of any act or omission of the customer in connection with the services and facilities provided by the Company.

3. Defacement of Premises

The Company is not liable for any defacement of, or damage to, the customer's premises resulting from the furnishing of service or the attachment of facilities furnished by the Company on such premises or by the installation or removal thereof, when such defacement or damage is not the result of negligence of the Company.

4. Facilities in Explosive Atmosphere, Hazardous or Inaccessible Locations

The Company will not provide facilities in an explosive atmosphere, hazardous or inaccessible location. The network interface will be located outside the hazardous area.

GENERAL REGULATIONS TARIFF  
S.C.C.-Va.-No. 1

AT&T Communications  
of Virginia

Section 1  
Original Page 7

GENERAL REGULATIONS

E. LIABILITY OF THE COMPANY (Cont'd)

5. Service at Outdoor Locations

The Company reserves the right to refuse to provide, maintain or restore service at outdoor locations unless the customer agrees in writing to indemnify and save the Company harmless from and against any and all loss or damage that may result to facilities furnished by the Company at such locations. The customer shall likewise indemnify and save the Company harmless from and against injury to or death of any person which may result from the location and use of such facilities.

6. Certain Use of Customer-Provided Equipment

The services furnished by the Company, in addition to the limitations set forth preceding, also are subject to the following limitation: the Company shall not be liable for damage arising out of mistakes, omissions, interruptions, delays, errors or defects in transmission or other injury, including but not limited to injuries to persons or property from voltages or currents transmitted over the service of the Company, (a) caused by customer-provided equipment except where a contributing cause is the malfunctioning of a Company provided connecting arrangement, in which event the liability of the Company shall not exceed an amount equal to a proportional amount of the Company billing for the period of service during which such mistake, omission, interruption, delay, error, defect in transmission or injury occurs.

7. Billed Number Screening

At the option of the Company, or in response to a customer request, Billed Number Screening will be used to control instances of fraud associated with billed to a third party, station-to-station collect or person-to-person collect messages.

F. LIMITATIONS AND USE OF SERVICE

1. Use of Customer's Service

The use of service shall be restricted to the customer, his employees and representatives, except as the use of service may be extended for switched data (nonvoice) communications relating directly to the business of Composite Data Service Vendor's patrons who act as their customers; or the customer, his family and persons residing in the customer's household, except as otherwise specified in the Company's applicable tariffs. The use of the service may be extended to persons leasing or subleasing a customer's entire residential premises for a period of less than one year.

Service furnished by the Company is intended only for communications in which the customer has a direct interest and shall not be used for any purpose for which a payment or other compensation shall be received by him from any other person, firm or corporation for such use, or in the collection, transmission or delivery of any communication for others except as otherwise specified in the Company's applicable tariffs. This prohibition shall not apply to a customer who is engaged as a communications common carrier in a public telegram message business or overseas data message service, or to a Composite Data Service Vendor engaged in the business of providing switched data (nonvoice) communications service to patrons who act as their customers.

2. Obligation to Establish Identity

The calling party shall establish his identity in the course of any communication as often as may be necessary.

The calling party shall be solely responsible for establishing the identity of the person or station with whom connection is made at the called location.

GENERAL REGULATIONS

F. LIMITATIONS AND USE OF SERVICE (Cont'd)

3. Cancellation for Cause

The Company may, without incurring any liability, either suspend or terminate the service for any of the following reasons:

- a. Abandonment of the service.
- b. Nonpayment of any sum due for service.
- c. Use of foul or profane language over the service.
- d. Impersonation of another person with fraudulent intent over the service.
- e. Making of nuisance calls.
- f. Use of service by a customer in connection with a plan or contrivance to secure a large volume of calls to be directed to such customer at or about the same time, resulting in preventing, obstructing, or delaying the service of others.
- g. Abuse or fraudulent use of service. Abuse or fraudulent use of service includes:
  - (1) The use of service or facilities of the Company to transmit a message or to locate a person or otherwise to give or obtain information, without payment of an applicable charge;
  - (2) The obtaining, or attempting to obtain, or assisting another to obtain or to attempt to obtain service, by rearranging, tampering with, or making connection with any facilities of the Company, or by any trick, scheme, false representation, or false credit device, or by or through any other fraudulent means or device whatsoever, with intent to avoid the payment, in whole or in part, of the established charge for such service.
- h. Use of service in such a manner as to interfere with the service of other users.
- i. Use of the service for any purpose other than as a means of communication.
- j. Use of service for unlawful purposes.
- k. Nonpayment of deposit required by the Company in accordance with PUBLIC SERVICE COMMISSION REGULATIONS GOVERNING SERVICE SUPPLIED BY TELEPHONE COMPANIES.
- l. Any other violation of regulations as set forth in the Company's filed tariffs.

The Company may continue such suspension of service until all charges due have been paid and all violations have ceased, or terminate the service without suspension of service or following suspension of service, and disconnect and remove any of its facilities from the customer's premises.

Upon any such termination, the customer shall make payment to the Company in accordance with the preceding regulations governing Initial Contract Periods and Termination of Service.

4. Broadcast of Recordings of Conversations and Incoming Messages

The broadcasting of a recording of a conversation or incoming message during the period of recording is permitted provided that, in the interest of protecting the privacy of service, the recording is made in accordance with the regulations governing connection with voice recording equipment as specified by the Federal Communications Commission.

5. Use for Unlawful Purposes

Service is furnished by the Company subject to the condition that it will not be used for an unlawful purpose. Service will not be furnished if any law enforcement agency, acting within its jurisdiction, advises that such service is being used or will be used in violation of law, or if the Company receives other evidence that such service is being or will be so used.

6. Limited Communication

The Company reserves the right to limit the length of communication when necessary because of a shortage of facilities caused by emergency conditions.



GENERAL REGULATIONS TARIFF  
S.C.C.-Va.-No. 1

AT&T Communications  
of Virginia

Section 1  
Original Page 9

GENERAL REGULATIONS

F. LIMITATIONS AND USE OF SERVICE (Cont'd)

7. Transmitting Messages

The Company will not transmit messages but furnishes the use of its facilities to its customers for communications. Employees of the Company are forbidden to accept either oral or written messages to be transmitted over the facilities of the Company.

8. Creation of Additional Channels

Customers, by use of their own equipment, and in accordance with the normal transmission characteristics of the service or grade of channel ordered, may create additional channels for any type of communication. The Company makes no representation as to the suitability of the channels provided by it for such subdivision into additional channels by the customer.

Channels created by the customer from a channel in accordance with the preceding paragraph may be connected at the premises of the customer to channels furnished by the Company, and to channels created therefrom.

9. Transmission of Prerecorded Messages

Use of Company facilities for transmitting prerecorded messages to the general public is subject to the following conditions:

- a. For purposes of identification, customers to telephone service who transmit prerecorded messages to the general public over facilities provided by the Company must include in the recorded message the name of the subscribing organization or individual responsible for the service and the address at which the service is provided.
- b. Customers transmitting factual public announcements such as Time, Weather, Stock Market quotations, Airline schedules and similar information are excluded from the preceding condition.
- c. The customer's name or that of an agent shall be made available to the public upon request.

G. APPLICATION OF RATES

1. Installation Charges

Installation Charges apply when service or facilities with which an Installation Charge is associated is provided by the Company. Installation Charges also apply when service or facilities with which an Installation Charge is associated is relocated, moved or changed unless otherwise specified.

2. Installation Charges do not apply to:

- a. Repair and maintenance of Company provided service or facilities.
- b. Partial or full disconnection and the removal of facilities associated with the relocation of service.
- c. Supersedures, assumption of service and facilities from another customer without lapse in rendition of service.

3. Charges associated with the reestablishment of service, after destruction of the customer's premises by fire, flood or similar causes beyond the customer's control, do not apply where the same amount of service is reestablished within a reasonable period of time at the same or different location. If, under the preceding conditions service is installed at another location and then subsequently reestablished at the original location, all charges will apply at the subsequent installation.

GENERAL REGULATIONS TARIFF  
S.C.C.-Va.-No. 1

AT&T Communications  
of Virginia

Section 2  
Original Page 1

EXPLANATION OF TERMS

A. GENERAL

The definitions contained herein apply to terms used throughout the tariffs of the Company.

B. REGULATIONS

Billed Number Screening

Billed number screening denotes an arrangement whereby at time of call origination, billed to a third party, station-to-station collect or person-to-person collect messages are screened for nonacceptance.

Central Office

A central office is an operating switching unit by means of which telephonic communication is established between stations connected to such an office.

Certificated Resale Carrier

A certificated resale carrier denotes a communications common carrier certificated under, and in compliance with, (1) the Communications Act of 1934, as amended, and the Rules and Regulations of the Federal Communications Commission and/or (2) the State Corporation Commission Law of Virginia, as amended, and the Rules and Regulations of the State Corporation Commission of Virginia.

Composite Data Service

Composite data service is the combined use of terminal and data switching equipment with the use of communications services of the Company by a composite data service vendor to perform data switching for others.

Composite Data Service Vendor

A composite data service vendor, as used in connection with Channel Service, except Series 5000 Channels, and Wide Area Telephone Service (WATS), is a customer that has been certificated by the Public Service Commission to acquire and operate facilities to perform data switching for others. A customer shall be classified as a composite data service vendor only with respect to the use of those Channel Services, except Series 5000 Channels, and WATS Services which are utilized for the provision of composite data service.

Data Switching

Data Switching, as used in connection with composite data service, is the switching of data (nonvoice) messages by the interchange, controlling and routing of data messages between two or more stations, via Company facilities, wherein the information content of the message remains unaltered.

Exchange

An exchange is a geographical area established by local exchange carriers for the administration of communication service and consists of one or more central offices together with associated facilities.

GENERAL REGULATIONS TARIFF  
S.C.C.-Va.-No. 1

AT&T Communications  
of Virginia

Section 2  
Original Page 2

EXPLANATION OF TERMS

B. REGULATIONS (Cont'd)

Occasion

The term occasion, as used in this Company's tariffs for application of specified charges, relates to a type of activity to be performed for a customer and is not necessarily related to work performed on the customer's premises.

Patron

A patron, when used in connection with composite data service, denotes a customer of the data (nonvoice) switching services of a composite data service vendor.

Premises

A premises is the continuous property except railroad right-of-way, etc., occupied by a customer either under lease or ownership. In the same building occupied by others in addition to the customer, the premises is all space occupied by the customer regardless of whether such space is continuous or separated by intervening floors or rooms. All space must be accessible from within the building by halls, stairs or elevators. In the case of shared service, premises of participants in the sharing arrangement within a multiline terminating system area are considered the same as that of the customer.

Rate Center

A rate center is a geographical point upon which are based the airline distances for the determination of Message Telecommunications Services rates and interexchange channel rates.

Same Building

The term same building denotes a structure under one roof, and two or more structures connected by an enclosed passageway, suitable for use by persons, and in which the wire or cable of the Company can be safely run. For the application of same building, an enclosed passageway may not cross a public thoroughfare.

Sharing Entity

A sharing entity denotes a customer who establishes a nonprofit sharing arrangement with others for shared use of its communications services. The customer may, but does not have to, use the communications services.

GENERAL REGULATIONS TARIFF  
S.C.C.-Va.-No. 1

AT&T Communications  
of Virginia

Section 2  
Original Page 3

EXPLANATION OF TERMS

B. REGULATIONS (Cont'd)

Station

A station is a network control signaling unit or other terminal equipment on the customer's premises which enables the customer to establish the communications connections and to effect communications through such connections.

Termination of Services and Facilities

Except as otherwise specified, Company services and facilities are termed disconnected or terminated when the customer orders and notifies the Company that such services and facilities are not required, or the customer requests that such services and facilities be relocated to a different premises within the same building or to a different building.

Wire Center

A wire center is a building in which is housed one or more central offices.

Wire Center Serving Area

A wire center serving area is that portion of an exchange served by a wire center.

AT&T Communications  
of Virginia

Original Title Page

GENERAL SERVICES TARIFF

Containing

Regulations and Rates applicable to the furnishing of  
General Telecommunications Services  
within Virginia  
by  
AT&T Communications of Virginia

GENERAL SERVICES TARIFF  
S.C.C.-Va.-No. 2

AT&T Communications  
of Virginia

Contents  
Original Page 1

TABLE OF CONTENTS

	<u>Section</u>
APPLICATION OF TARIFF . . . . .	1
SERVICE CHARGES . . . . .	2
SPECIALIZED OPERATOR SERVICES . . . . .	3
SPECIAL CHARGES . . . . .	4
DIRECTORY ASSISTANCE SERVICE . . . . .	5

GENERAL SERVICES TARIFF  
S.C.C.-Va.-No. 2

AT&T Communications  
of Virginia

Section 1  
Original Page 1

APPLICATION OF TARIFF

This tariff applies to telecommunications services furnished by the Company within the state of Virginia. The regulations and rates contained herein are in addition to the applicable regulations and rates specified in other tariffs of the Company.



GENERAL SERVICES TARIFF  
S.C.C.-Va.-No. 2

AT&T Communications  
of Virginia

Section 2  
Original Page 1

SERVICE CHARGES

A. GENERAL

Service Charges are those charges associated with work performed in connection with the provision of services for a customer.

B. REGULATIONS

1. Application of Service Charges

a. Order Processing Charge

An Order Processing Charge applies per account for the processing of customer requests for service ordered for completion at one time.

b. Channel Connection Charge

Channel Connection Charges are applicable on a per station terminal basis for Channel Services, except as specified in C. following.

c. WATS Line Connection Charge

A WATS Line Connection Charge applies for the connection of each WATS line, except as otherwise specified in this tariff.

d. Digital Access Line Connection Charge

A Digital Access Line Connection Charge applies for the connection of each digital access line, except as otherwise specified in this tariff.

2. Service Charges are in addition to all other rates and charges that may be applicable for service provided by the Company. Other rates and charges include, but are not limited to, Installation Charges.

3. Service Charges do not apply to:

a. Visits to a customer's premises solely for the purpose of repair, maintenance or disconnection of Company provided service and equipment and no other chargeable activity is required.

b. Customer orders when one customer accepts service from another customer without lapse in the rendition of service and no other work is required.

c. Series 5000 channels.

GENERAL SERVICES TARIFF  
S.C.C.-Va.-No. 2

AT&T Communications  
of Virginia

Section 2  
Original Page 2

SERVICE CHARGES

C. RATES

1. Order Processing Charge

- a. For the establishment of an account and for the relocation of existing service to a different building

Residence . . . . . \$17.80

Business . . . . . \$37.20

- b. For moves, changes or additions to an existing account

Residence . . . . . \$10.80

Business . . . . . \$18.50

- c. Record Order Charge for customer-initiated requests involving changes of customer records

Residence . . . . . \$ 9.00

Business . . . . . \$17.00

2. Channel Connection Charge, per station terminal, except as specified in 3. following . . . . . \$26.80

3. Channel Connection Charge, type 2006, per channel

Residence . . . . . \$20.70

Business . . . . . \$26.80

4. WATS Line Connection Charge, per line . . . . . \$26.80

5. Digital Access Line Connection Charge, per line . . . . . \$26.80

GENERAL SERVICES TARIFF  
S.C.C.-Va.-No. 2

AT&T Communications  
of Virginia

Section 3  
Original Page 1

SPECIALIZED OPERATOR SERVICES

A. GENERAL

Upon request, subject to technical limitations, the Company's operator will verify that a conversation exists on a line and will interrupt a communication in progress to announce someone is trying to call.

B. REGULATIONS

1. No charge will apply if, during the line verification service, such verification indicates that a trouble condition exists necessitating repair of Company facilities.
2. Charges for Specialized Operator Services are not applicable to calls to the Company operator from official public emergency agencies when the request is received on the agency's line from agency personnel.
3. Charges for Specialized Operator Services are not applicable to calls to the Company operator from individuals who identify that the request is to an official public emergency agency, an emergency medical service, or a privately endowed and operated alcohol, drug, runaway or suicide crisis reporting center.

C. CHARGES

1. Verification, each request . . . . . \$ .20
2. Verification with interrupt, each request . . . . . \$ .60

GENERAL SERVICES TARIFF  
S.C.C.-Va.-No. 2

AT&T Communications  
of Virginia

Section 4  
Original Page 1

SPECIAL CHARGES

A. GENERAL

Special Charges apply to various services, as indicated.

B. REGULATIONS

Dishonored Check Charge

A Dishonored Check Charge applies when any negotiable instrument presented for payment for service or deposit becomes dishonored, and is returned to the Company from the bank.

C. RATES

Dishonored Check Charge, per instrument, per return . . . . . \$7.07

GENERAL SERVICES TARIFF  
S.C.C.-Va.-No. 2

AT&T Communications  
of Virginia

Section 5  
Original Page 1

DIRECTORY ASSISTANCE SERVICE

A. GENERAL

The Company furnishes Directory Assistance Service whereby customers may request assistance in determining telephone numbers.

B. REGULATIONS

1. The rates set forth following apply when customers request assistance in determining telephone numbers located within the State of Virginia.
2. A customer is allowed eight direct dialed Directory Assistance Service calls per telecommunications network access line, or a Centrex Dormitory Service main station, per month or fraction thereof, at no charge. In the case of Centrex Service, a customer is allowed eight direct dialed Directory Assistance Service calls per month or fraction thereof for each eight Centrex Service main stations at no charge. Where the number of Centrex Service main stations furnished to a customer is not a multiple of eight, the customer is allowed eight direct dialed Directory Assistance Service calls for the fractional amount.
3. Direct dialed Directory Assistance Service calls are calls dialed by the customer and completed without the assistance of a Company operator. The services of a Company operator are not to be used in connection with the completing of direct dialed Directory Assistance Service calls except in the following cases:
  - (a) To reach the called Directory Assistance Service number where direct dialing facilities are not available.
  - (b) To reach the called Directory Assistance Service number when attempts by the customer to direct dial such a call cannot be completed.
  - (c) To only record the originating telephone number where no automatic recording equipment is available.
4. Call allowances are not transferable between separate accounts of the same customer.
5. Charges for Directory Assistance Service are not applicable to calls to the Directory Assistance Service attendant placed from coin or hospital telephones; or to calls to the Directory Assistance Service attendant from telephones where the customer, and in the case of residence service where the customer or a member of the customer's household, has been affirmed in writing as unable to use a directory because of a visual, physical or reading handicap.

C. RATES

Directory Assistance Service Calls

1. Where direct dialed by a customer, per call\* . . . . . \$.29
2. Where placed via a Company operator, per call\* . . . . . \$.58

\* Maximum of two requested telephone numbers per call.

CONNECTION WITH  
COMPANY FACILITIES TARIFF

Containing

Regulations and Rates applicable to  
interconnection of terminal equipment and communications systems  
with services and facilities provided  
within Virginia  
by  
AT&T Communications  
of Virginia

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Contents  
Original Page 1

TABLE OF CONTENTS

	<u>Section</u>
APPLICATION OF TARIFF . . . . .	1
CONNECTION WITH TERMINAL EQUIPMENT, PROTECTIVE CIRCUITRY AND COMMUNICATIONS SYSTEMS . . . . .	2
CONNECTING AND DATA ACCESS ARRANGEMENTS FOR USE WITH COMMUNICATIONS SYSTEMS AND TERMINAL EQUIPMENT . . . . .	3
NETWORK INTERFACE JACKS . . . . .	4
CONNECTION WITH TERMINAL EQUIPMENT . . . . .	5
CONNECTION WITH CERTAIN FACILITIES OF CERTAIN CUSTOMERS . . . . .	6

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 1  
Original Page 1

APPLICATION OF TARIFF

A. GENERAL

Terminal equipment and communications systems may be connected at the customer's premises to telecommunications and channel services furnished by the Company where such connections are made in accordance with the provisions of this tariff. Telecommunications services as used herein includes Message Telecommunications Service (MTS) and Wide Area Telecommunications Service (WATS). The regulations and rates contained herein are in addition to the applicable regulations and rates specified in other tariffs of the Company.

B. REGULATIONS

1. Explanation of Terms

Accessories

Accessories are devices which are mechanically attached to, or used with, the facilities furnished by the Company and which are independent of, and not electrically, acoustically, or inductively connected to, the communications path of the Company facilities.

Authorized Protective Connecting Arrangement

An authorized protective connecting arrangement module is a protective unit designed by the A.T.&T. Co. and manufactured under the control of A.T.&T Co. quality assurance procedures, which unit is to be incorporated in a conforming answering device.

Connecting Arrangement

A connecting arrangement is the equipment provided by the Company to accomplish the direct electrical connection of terminal equipment and communications systems with the facilities of the Company.

Communications Systems

Communications systems are channels and other facilities which are capable, when not connected to Company channel services or the telecommunications network, of communications between terminal equipment.

Terminal Equipment

Terminal equipment are devices, apparatus and their associated wiring, which do not constitute a communications system and which, when connected to the communications path of Company facilities, are so connected either electrically, acoustically or inductively.

Test Equipment

Test equipment as used in this tariff is test equipment located at the premises of the customer that is used by the customer for the detection and/or isolation of a communications service fault.

Data Access Arrangement

A data access arrangement is a protective connecting arrangement provided by the Company for use with terminal equipment, or in lieu of the connecting arrangement, an arrangement to identify a central office line and protective facilities and procedures to determine compliance with criteria as specified in Section 2 of this tariff.

Direct Electrical Connection

A direct electrical connection is a physical connection of the electrical conductors in the communications path.



CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 1  
Original Page 2

APPLICATION OF TARIFF

B. REGULATIONS (Cont'd)

1. Explanation of Terms (Cont'd)

Grandfathered Communications Systems

Grandfathered communications systems are communications systems, including their equipment, premises wiring and protective circuitry, if any, connected at the customer's premises, in accordance with any Company tariffs, and that are considered to be grandfathered under Part 68 of the Federal Communications Commission's Rules and Regulations because such systems were connected to the telecommunications network or channel services specified in Section 2, B.2.a.(2) following prior to January 1, 1980 and were of a type of system which was directly connected, i.e., without Company provided connecting arrangements, to the telecommunications network or the channel services specified in Section 2, B.2.a.(2) following as of June 1, 1978, or such systems are connected to the channel services specified in Section 2, B.2.a.(3) or B.2.a.(4) following prior to May 1, 1983 and are of a type system which was directly connected, i.e., without Company provided connecting arrangements, to the channel services specified in Section 2, B.2.a.(3) or B.2.a.(4) following as of April 30, 1980.

Grandfathered Connections of Communications Systems

Grandfathered connections of communications systems are connections via Company provided connecting arrangements of communications systems, including their equipment and premises wiring, at the customer's premises, in accordance with any Company tariffs, and that are considered to be grandfathered under Part 68 of the Federal Communications Commission's Rules and Regulations because such connections to the telecommunications network or channel services specified in Section 2, B.2.a.(2) following were made via Company provided connecting arrangements prior to January 1, 1980 and such connecting arrangements are of a type of connecting arrangement connected to the telecommunications network or the channel services specified in Section 2, B.2.a.(2) following as of June 1, 1978 or such connections to the channel services specified in Section 2, B.2.a.(3) or B.2.a.(4) following are made via Company provided connecting arrangements prior to May 1, 1983 and such connecting arrangements are of a type of connecting arrangement connected to the channel services specified in Section 2, B.2.a.(3) or B.2.a.(4) following as of April 30, 1980.

Grandfathered Terminal Equipment

Grandfathered terminal equipment is terminal equipment, including protective circuitry, if any, connected at the customer's premises, in accordance with any Company tariffs, and that is considered to be grandfathered under Part 68 of the Federal Communications Commission's Rules and Regulations because such terminal equipment was connected to the telecommunications network or the channel services specified in Section 2, B.2.a.(2) following prior to July 1, 1979 and was of a type of terminal equipment which was directly connected, i.e., without Company provided connecting arrangements, to the telecommunications network or the channel services specified in Section 2, B.2.a.(2) following as of October 17, 1977 or such terminal equipment is connected to the channel services specified in Section 2, B.2.a.(3) or B.2.a.(4) following prior to May 1, 1983 and is of a type of terminal equipment which was directly connected, i.e., without Company provided connecting arrangements, to the channel services specified in Section 2, B.2.a.(3) or B.2.a.(4) following as of April 30, 1980.

Grandfathered Connections of Terminal Equipment

Grandfathered connections of terminal equipment are connections via Company provided connecting arrangements of terminal equipment connected at the customer's premises, in accordance with any Company tariffs, and that are considered to be grandfathered under Part 68 of the Federal Communications Commission's Rules and Regulations because such connections to the telecommunications network or the channel services specified in Section 2, B.2.a.(2) following were made via Company provided connecting arrangements prior to July 1, 1979 and such connecting arrangements are the same type of connecting arrangement connected to the telecommunications network or the channel services specified in Section 2, B.2.a.(2) following as of October 17, 1977 or such connections to the channel services specified in Section 2, B.2.a.(3) or B.2.a.(4) following are made via Company provided connecting arrangements prior to May 1, 1983 and such connecting arrangements are the same type of connecting arrangement connected to the channel services specified in Section 2, B.2.a.(3) or B.2.a.(4) following as of April 30, 1980.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 1  
Original Page 3

APPLICATION OF TARIFF

B. REGULATIONS (Cont'd)

1. Explanation of Terms (Cont'd)

Interface

An interface is a point on the premises of the customer at which provision is made for connection of other than Company facilities to facilities provided by the Company.

Network Control Signaling

Network control signaling is the transmission of signals used in the telecommunications system which perform functions such as supervision (control, status and charging signals), address signaling (dialing), calling and called number identification, audible tone signals (call progress signals indicating re-order or busy conditions, alerting, coin denominations, coin collect and coin return tones) to control the operation of switching machines in the telecommunications system.

Registered Equipment

Registered equipment is equipment which complies with and has been approved within the Registration provisions of Part 68 of the Federal Communications Commission's Rules and Regulations.

Ringling

Ringling is an alternating or pulsating current intended to produce an audible or visible alerting signal at a station or switchboard.

Single Ended Terminal Device

A single ended terminal device is terminal equipment which connects only one line at a given time (e.g., headset).

2. Responsibility of the Customer

The customer shall be responsible for the installation, operation, maintenance, testing and repair of any terminal equipment or communications system. No combinations of terminal equipment or communications systems shall require change in or alteration of the facilities or services of the Company, cause electrical hazards to Company personnel, damage to Company facilities, malfunction of billing equipment, or degradation of service to persons other than the user of the subject terminal equipment or communications system, his calling or called party.

Upon notice from the Company that a terminal equipment or communications system is causing such hazard, damage, malfunction or degradation of service, the customer shall make such changes as shall be necessary to remove or prevent such hazard, damage, malfunction or degradation of service.

The customer shall be responsible for the payment of a Maintenance Visit Charge as provided in Section 2 of this tariff for visits to the customer's premises when a service difficulty or trouble report results from the use of terminal equipment or communications system.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 1  
Original Page 4

APPLICATION OF TARIFF

B. REGULATIONS (Cont'd)

3. Responsibility of the Company

Except as otherwise specified, telecommunications and channel services are not represented as adapted to the use of terminal equipment or communications systems. Where terminal equipment or communications systems are used with telecommunications or channel services, the responsibility of the Company shall be limited to the furnishing of service components suitable for telecommunications or channel services and to the maintenance and operation of service components in a manner proper for such services. Subject to this responsibility the Company shall not be responsible for the through transmission of signals generated by the terminal equipment or communications systems or for the quality of, or defects in, such transmission, or the reception of signals by terminal equipment or communications systems.

The Company will, at the customer's request, provide information concerning interface parameters, including the number of ringers which may be connected to a particular line, needed to permit customer-provided terminal equipment to operate in a manner compatible with telecommunications or channel services.

The Company may make changes in its telecommunications or channel services, facilities, operations or procedures, where such action is not inconsistent with Part 68 of the Federal Communications Commission's Rules and Regulations. If such changes can be reasonably expected to render any terminal equipment or communications system incompatible with telecommunications or channel services, or require modification or alteration of such terminal equipment or communications systems, or otherwise materially affect its use or performance, the customer will be given adequate notice, in writing, to allow the customer an opportunity to maintain uninterrupted service.

4. Recording of Two-Way Telephone Conversations

Telecommunications and channel services are not represented as adapted to the recording of two-way telephone conversations. However, voice recording equipment may be connected with telecommunications and channel services in accordance with Section 2, B.1.a. or B.1.b. following, subject to the following conditions:

- a. A distinctive recorder tone that is repeated at intervals of approximately fifteen seconds is required when recording equipment is in use and is electrically connected with services of the Company, except that the distinctive recorder tone described is not required for:
  - (1) Public fire and police departments, provided that the proper public authority certifies that the purpose of recording two-way telephone conversations will be exclusively for the receipt of emergency fire or police calls.
  - (2) Federal Communications Commission licensed broadcast stations for the purpose of recording two-way telephone conversations solely for broadcast over the air.
  - (3) The United States Secret Service of the Department of the Treasury to record two-way telephone conversations which concern the safety and security of the person of the President of the United States, members of his immediate family, or the White House and its grounds.
  - (4) A broadcast network or by a cooperative programming effort composed exclusively of Federal Communications Commission broadcast licensees to record two-way telephone conversations solely for broadcast over the air by a licensed broadcast station.
  - (5) The United States Department of Defense at Command Centers for the recording of emergency communications transmitted over the Department of Defense's private system when connected to the telecommunications Network.
  - (6) The United States Nuclear Regulatory Commission of the Department of Energy with respect to the telephone systems located at its Operation Center.
- b. Voice recording equipment may not be connected with services of the Company for the recording of two-way telephone conversations by means of an acoustic or inductive connection except when used as specified in a. (1) through (5) preceding.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 1  
Original Page 5

APPLICATION OF TARIFF

B. REGULATIONS (Cont'd)

4. Recording of Two-Way Telephone Conversations (Cont'd)

- c. The voice recording equipment shall be so arranged that at the will of the user it can be physically connected to and disconnected from the services of the Company or switched on and off.
- d. When voice recording equipment is used with a channel service which is connected to telecommunications services, the provisions in B.4. of this tariff are applicable to such channel service.
- e. The direct electrical connection of voice recording equipment with a channel service not arranged for connection with the telecommunications network shall be made through Company recorder connector equipment. Such recorder connector equipment may or may not contain the automatic tone device at the option of the customer.
- f. If desired by the customer, the Company will provide portable recorder-connector equipment which shall be connected with the line through jacks installed by the Company on each line or at each station used for recording purposes.

5. Recording, Reproducing, Automatic Answering and Recording Equipment

- a. Recording, reproducing and automatic answering and recording equipment and conforming answering devices may be connected with facilities of the Company only when and for so long as the customer subscribes to a sufficient number of lines to handle adequately the volume of calls received without interfering with any of the services offered by the Company. In the event that the use of this equipment causes such interference, the Company shall have the right to discontinue service without prior notification to the customer.
- b. Use of Company facilities for transmitting prerecorded messages to the general public is subject to the following conditions:
  - (1) For purposes of identification, subscribers to telephone service who transmit prerecorded messages to the general public over facilities provided by the Company must include in the recorded message the name of the subscribing organization or individual responsible for the service and the address at which the service is provided.
  - (2) Customers transmitting factual public announcements such as Time, Weather, Stock Market quotations, Airline schedules and similar information are excluded from (1) preceding.
  - (3) The customer's name, or that of an agent in the case of business service, shall be made available to the public upon request.

6. Hazardous or Inaccessible Locations

- a. Except as otherwise provided in b. following, facilities furnished by the customer which involve hazardous or inaccessible locations, may be connected to the telecommunications network.
- b. Terminal equipment and communications systems connected to the telecommunications network in accordance with a. preceding prior to January 1, 1980 may remain connected and be moved and reconnected for the life of the equipment without registration unless subsequently modified. New installations of terminal equipment and communications systems subject to Part 68 of the Federal Communications Commission's Rules and Regulations must be connected to the telecommunications network in accordance with Section 2, B.1.a. and b. and B.1.h. following.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 1  
Original Page 6

APPLICATION OF TARIFF

B. REGULATIONS (Cont'd)

7. Violation of Regulations

Where any terminal equipment, communications system or customer premises inside wire provided or maintained by the customer is used with telecommunications and channel services in violation of any of the applicable regulations, the Company shall have the right to terminate the service until the customer has given confirmation in writing to the Company of compliance with applicable regulations. Except when it is determined by the Company that the violation must cease for the protection of the telecommunications system, the Company shall notify the customer in writing of the violation prior to termination of the service. The customer shall correct the violation and confirm in writing to the Company, within ten days following receipt of such notification, that the violation has been corrected. The equipment or system may be removed by the customer to correct any violation in connection therewith, subject to the confirmation requirements of this provision. The right of the Company to terminate the service, as provided above, includes, but is not limited to, the right to suspend the service or to disconnect such equipment or system.

8. Provisions of Channels and Equipment

When the customer provides his own communications system, the customer shall provide all terminal equipment and associated channels which are a part of the system and which are located on the same customer's premises as the system.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 2  
Original Page 1

CONNECTION WITH TERMINAL EQUIPMENT,  
PROTECTIVE CIRCUITRY AND COMMUNICATIONS SYSTEMS

A. GENERAL

Terminal equipment, protective circuitry and communications systems may be connected to facilities of the Company.

B. REGULATIONS

1. Basis of Connection to the Telecommunications Network

a. Registered Terminal Equipment, Registered Protective Circuitry and Registered Communications Systems

Registered terminal equipment, registered protective circuitry, and registered communications systems may be directly connected at the customer's premises to the telecommunications network, subject to Part 68 of the Federal Communications Commission's Rules and Regulations, Section 1 preceding, and the following:

- (1) All combinations of registered equipment and associated non-registered terminal equipment, including but not limited to wiring, shall be installed, operated and maintained so that the requirements of Part 68 of the Federal Communications Commission's Rules and Regulations are continually satisfied.

The Company may discontinue service or impose other remedies as provided for in Part 68 of the Federal Communications Commission's Rules and Regulations for failure to comply with these provisions.

- (2) The customer shall notify the Company of each line to which registered equipment is to be connected in advance of such connection and shall notify the Company when such registered equipment is permanently disconnected. The customer shall provide the Company the Registration Number and Ringer Equivalence Number for the registered equipment and the Universal Service Order Code (USOC) of the Company provided standard jack required. The customer shall also provide, when appropriate, the off premises station signaling port capability of a branch exchange or similar system.
- (3) The customer shall not connect registered equipment to a Company line if:
  - (a) the ringer equivalence of such equipment in combination with the total ringer equivalence of other equipment connected to the same line exceeds the allowable maximum of five or as otherwise determined by the Company, or
  - (b) the ringer type is not a ringer type designated by the Company as suitable for that particular line.
- (4) Unless a specific waiver has been granted by the Federal Communications Commission or except as otherwise provided in (5) following, all connections of registered equipment to services furnished by the Company shall be made through Company provided standard jacks; or, in the case of registered communications systems, through standard jacks wired in other than a standard manner, when such non standard wiring of the jack is agreed to by the Company.
- (5) The requirement for the use of standard jack as described in (4) preceding is waived for registered equipment which is located in hazardous or inaccessible locations.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 2  
Original Page 2

CONNECTION WITH TERMINAL EQUIPMENT,  
PROTECTIVE CIRCUITRY AND COMMUNICATIONS SYSTEMS

B. REGULATIONS (Cont'd)

1. Basis of Connection to the Telecommunications Network (Cont'd)

b. Connections of Grandfathered Terminal Equipment and Grandfathered Communications Systems

(1) Direct Connections

(a) Grandfathered Terminal Equipment

Grandfathered terminal equipment may remain directly connected and be moved and reconnected to the telecommunications network for the life of the equipment without registration and may be modified only in accordance with Part 68 of the Federal Communications Commission's Rules and Regulations, subject to the following:

- I. the customer shall notify the Company when such grandfathered terminal equipment is to be connected and shall notify the Company when such grandfathered terminal equipment is to be permanently disconnected; such notification shall include a description of the equipment including the manufacturer's name, model number, and type of equipment;
- II. all such connections are made through Company provided standard jacks or are otherwise connected by the Company; and
- III. all such connections shall comply with the minimum protection criteria set forth in d. following.

(b) Grandfathered Communications Systems

- I. Grandfathered communications systems may remain directly connected and be moved and reconnected to the telecommunications network for the life of the equipment without registration, and may be modified only in accordance with Part 68 of the Federal Communications Commission's Rules and Regulations, subject to the following:

the customer shall notify the Company when such communications systems are to be connected and shall notify the Company when such communications systems are to be permanently disconnected; such notification shall include a description of the equipment including the manufacturer's name, model number, and type of equipment;

all such connections are made through Company provided standard jacks or are otherwise connected by the Company;

all such connections shall comply with the minimum protection criteria set forth in d. following;

premises wiring shall conform to Part 68 of the Federal Communications Commission's Rules and Regulations;

no changes may be made to equipment so connected except by the manufacturer thereof, or a duly authorized agent of the manufacturer.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 2  
Original Page 3

CONNECTION WITH TERMINAL EQUIPMENT,  
PROTECTIVE CIRCUITRY AND COMMUNICATIONS SYSTEMS

**B. REGULATIONS (Cont'd)**

**1. Basis of Connection to the Telecommunications Network (Cont'd)**

**b. Connections of Grandfathered Terminal Equipment and Grandfathered Communications Systems (Cont'd)**

**(1) Direct Connections (Cont'd)**

**(b) Grandfathered Communications Systems (Cont'd)**

II. Additions to grandfathered communications systems may be made without registration of any additional equipment involved if:

equipment so added is being reconnected, i.e., was previously directly connected prior to January 1, 1980, in accordance with Company tariffs; and

such additions comply with the provisions of (b) I. preceding.

III. Additions of registered equipment to grandfathered communications systems are subject to a. preceding.

(c) Terminal equipment and communications systems connected to the telecommunications network via grandfathered protective circuitry are subject to the provisions of (a) and (b) preceding.

**c. Connections Through Connecting Arrangements Provided by the Company**

**(1) General Conditions**

(a) Grandfathered connections of terminal equipment and grandfathered connections of communications systems made in accordance with (2) and (3) respectively following may remain connected and be moved and reconnected for the life of the equipment and may be modified only in accordance with Part 68 of the Federal Communications Commission's Rules and Regulations. Connecting arrangements used for such moves and reconnections will continue to be provided by the Company subject to their availability, at the rates and charges specified in Section 3.

(b) Subject to availability, the Company will provide grandfathered connecting arrangements in accordance with the provisions of Section 3 of this tariff to accommodate the connection of devices or system components. A grandfathered connecting arrangement provided under the provisions of Section 3 may remain connected for the life of the arrangement's connection to the network. All reconnections of such connecting arrangements will be subject to the requirements specified above. Grandfathered connecting arrangements are provided at the rates and charges specified in Section 3.



CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 2  
Original Page 4

CONNECTION WITH TERMINAL EQUIPMENT,  
PROTECTIVE CIRCUITRY AND COMMUNICATIONS SYSTEMS

B. REGULATIONS (Cont'd)

1. Basis of Connection to the Telecommunications Network (Cont'd)

c. Connection Through Connecting Arrangements Provided by the Company (Cont'd)

(1) General Conditions (Cont'd)

- (c) Communications systems which are not subject to Part 68 of the Federal Communications Commission's Rules and Regulations may be connected in accordance with h. following. Company provided connecting arrangements are furnished for the connection of such systems at the rates and charges specified in Section 3 of this tariff.
- (d) Terminal equipment may be connected in accordance with i. following, to services of the Company specifically exempted from the Federal Communications Commission's Registration Program. Company provided connecting arrangements are furnished for the connection of such equipment at the rates and charges specified in Section 3 of this tariff.
- (e) Separate, identifiable and discrete protective circuitry, i.e., connecting arrangements used for grandfathered connections of communications systems to the telecommunications network may be removed or replaced with apparatus of lesser protective function, provided that any equipment, and any premises wiring whose classification is changed thereby, conforms to Part 68 of the Federal Communications Commission's Rules and Regulations.
- (f) Network control signaling shall be performed by equipment furnished, installed and maintained by the Company, except that tone-type address signaling is permissible through a Company provided connecting arrangement.

(2) Grandfathered Connections of Terminal Equipment

(a) Data Terminal Equipment

Subject to the provisions of (1)(a) and (d) preceding, data terminal equipment, including telephotograph equipment, may be connected at the customer's premises to the telecommunications network through a network control signaling unit and a data access arrangement provided by the Company in accordance with the following:

I. The customer shall furnish the equipment which performs the functions of:

conditioning the data signals generated by the terminal equipment to signals suitable for transmission by means of Company services, and

conditioning signals transmitted by means of Company services to data signals suitable for reception by terminal equipment.

II. The data terminal equipment must comply with the minimum protection criteria specified in d. following:

III. Where a data access arrangement is furnished in connection with terminal equipment and such terminal equipment is used for both voice and data communication, the data access arrangement may be used to connect the terminal equipment for voice communication.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 2  
Original Page 5

CONNECTION WITH TERMINAL EQUIPMENT,  
PROTECTIVE CIRCUITRY AND COMMUNICATIONS SYSTEMS

**B. REGULATIONS (Cont'd)**

**1. Basis of Connection to the Telecommunications Network (Cont'd)**

**c. Connection Through Connecting Arrangements Provided by the Company (Cont'd)**

**(2) Grandfathered Connections of Terminal Equipment (Cont'd)**

**(b) Voice Terminal Equipment**

Subject to the provisions of (1)(a) and (d) preceding, voice terminal equipment may be connected at the customer's premises to the telecommunications network in accordance with the following:

I. The connection shall be made through a connecting arrangement furnished by the Company. A connecting arrangement is not required for the connection of attested equipment or conforming answering devices.

II. Where a data access arrangement is furnished in connection with terminal equipment and such terminal equipment is used for both voice and data communication, the data access arrangement may be used to connect the terminal equipment for voice communications.

III. The voice terminal equipment must comply with the minimum protection criteria specified in d. following.

**(3) Grandfathered Connections of Communications Systems**

Subject to the provisions of (1)(a) preceding, communications systems may be connected at the customer's premises to telecommunications services in accordance with the following:

(a) The connection shall be through a connecting arrangement furnished by the Company.

(b) The provisions relating to minimum protection criteria set forth in d. following shall apply to the connection of communications systems.

**d. Minimum Protection Criteria for Electrical Connections**

(1) To prevent excessive noise and crosstalk in the network, it is necessary that the power of the signal at the central office not exceed 12dB below one milliwatt when averaged over any three second interval. To insure that this limit is not exceeded the power of the signal which may be applied by the equipment to the network interface located on the customer's premises will be specified for each customer location but in no case shall it exceed one milliwatt.

(2) To protect other services, it is necessary that the signal which is applied by the equipment to the network interface located on the customer's premises meet the following limits.

(a) The power in the band from 3,995 Hertz to 4,005 Hertz shall be at least 18dB below the power of the signal as specified in (1) preceding.

(b) The power in the band from 4,005 Hertz to 10,000 Hertz shall not exceed 16dB below one milliwatt.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 2  
Original Page 6

CONNECTION WITH TERMINAL EQUIPMENT,  
PROTECTIVE CIRCUITRY AND COMMUNICATIONS SYSTEMS

B. REGULATIONS (Cont'd)

1. Basis of Connection to the Telecommunications Network (Cont'd)

d. Minimum Protection Criteria for Electrical Connections (Cont'd)

- (2) To protect other services, it is necessary that the signal which is applied by the equipment to the network interface located on the customer's premises meet the following limits: (Cont'd)
- (c) The power in the band from 10,000 Hertz to 25,000 Hertz shall not exceed 24dB below one milliwatt.
- (d) The power in the band from 25,000 Hertz to 40,000 Hertz shall not exceed 36dB below one milliwatt.
- (e) The power in the band above 40,000 Hertz shall not exceed 50dB below one milliwatt.
- (3) To prevent the interruption or disconnection of a call, or interference with network control signaling, it is necessary that the signal applied by the customer-provided equipment to the network interface located on the customer's premises at no time have energy solely in the 2450 to 2750 Hertz band. If signal power is in the 2450 to 2750 Hertz band, it must not exceed the power present at the same time in the 800 to 2450 Hertz band.

- e. Equipment that was connected under the following certification programs is also considered grandfathered as of their expiration date:

<u>Program</u>	<u>Expiration Date</u>
Attestation	July 1, 1980
Conformance	July 1, 1979

f. Accessories

Accessories may be used with telecommunications services provided that such accessories comply with the provisions of Section 1, B.2. and B.1.c.(1)(f) of this section.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 2  
Original Page 7

CONNECTION WITH TERMINAL EQUIPMENT,  
PROTECTIVE CIRCUITRY AND COMMUNICATIONS SYSTEMS

**B. REGULATIONS (Cont'd)**

**1. Basis of Connection to the Telecommunications Network (Cont'd)**

**g. Connections of Communications Systems Not Subject to Part 68 of the Federal Communications Commission's Rules and Regulations**

**(1) Direct Electrical Connection**

Communications systems not subject to Part 68 of the Federal Communications Commission's Rules and Regulations may be connected with telecommunications services on a direct electrical basis at the customer's premises provided that:

**(a) The connection is made through:**

- I. a connecting arrangement furnished by the Company, or
- II. registered or grandfathered terminal equipment, protective circuitry, or communications system subject to Part 68 of the Federal Communications Commission's Rules and Regulations which, either singularly or in combination, assures that the requirements of Part 68 of the Federal Communications Commission's Rules and Regulations are met at the network interface.

In lieu of these requirements for total hardware protection, an optional, alternative method is available, as described in (2) following, for the control of signal power only.

**(b) The connection is:**

- I. through switching equipment, or
  - II. to a communications system not subject to Part 68 of the Federal Communications Commission's Rules and Regulations that is arranged to promptly return the network service to an idle, on hook, state should the communications system fail. In addition, the customer must notify the Company when the communications system fails.
- (c) Minimum protection criteria set forth in d. preceding are complied with when the connection is made through equipment or systems that are not registered.**
- (d) When the connection is to WATS service, the customer has a requirement to communicate over a WATS line to or from premises of that customer located in the same rate state as that for which the WATS initial period rate applies. Communications systems not subject to Part 68 of the Federal Communications Commission's Rules and Regulations which are not connected through switching equipment must connect only in that WATS rate state in terminal equipment or communications systems subject to Part 68 of the Federal Communications Commission's Rules and Regulations.**

**(2) Institutional Procedures for Signal Power Control**

- (a) When communications systems not subject to Part 68 of the Federal Communications Commission's Rules and Regulations are connected through a Company provided connecting arrangement or registered or grandfathered terminal equipment, communications system or protective circuitry which assures that all of the requirements of Part 68 of the Federal Communications Commission's Rules and Regulations are met at the network interface, no further action is required. However, when a customer elects to connect such a communications system to the telecommunications network and the registered or grandfathered equipment, system or protective circuitry through which the connection is made does not provide protection for signal power control, the customer must comply with the following institutional procedures:**

- I. The communications system must be installed, operated and maintained so that the signal power, within the frequency range of 200-4000 Hertz, at the network interface continuously complies with Part 68 of the Federal Communications Commission's Rules and Regulations.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 2  
Original Page 8

CONNECTION WITH TERMINAL EQUIPMENT,  
PROTECTIVE CIRCUITRY AND COMMUNICATIONS SYSTEMS

B. REGULATIONS (Cont'd)

1. Basis of Connection to the Telecommunications Network (Cont'd)

g. Connections of Communications Systems Not Subject to Part 68 of the Federal Communications Commission's Rules and Regulations (Cont'd)

(2) Institutional Procedures for Signal Power Control (Cont'd)

(a) (Cont'd)

II. The operator(s)/maintainer(s) responsible for the establishment, maintenance and adjustment of the voice frequency signal power present at the network interface must be trained to perform these functions by successfully completing one of the following:

- (i) a training course provided by the manufacturer of the equipment used to control voice frequency signal power; or
- (ii) a training course provided by the customer or authorized representative, who has responsibility for the entire communications system, using training materials and instructions provided by the manufacturer of the equipment used to control the voice frequency signal power; or
- (iii) an independent training course, e.g., trade school or technical institution, recognized by the manufacturer of the equipment used to control the voice frequency signal power; or
- (iv) in lieu of the preceding training requirements, the operator(s)/maintainer(s) is under the control of a supervisor trained in accordance with (i) through (iii) preceding.

Upon request the customer is required to provide the proper documentation to demonstrate compliance with the requirements preceding.

III. At least ten days advance notice must be given to the Company in the form of a notarized affidavit before the initial connection of the communications system. A copy of the affidavit must also be maintained at the customer's premises. The affidavit must contain the following information:

- (i) The full name, business address, business telephone number and signature of the customer or authorized representative who has responsibility for the operation and maintenance of the communications system.
- (ii) The line(s) which the communications system will be either connected to or arranged for connection to.
- (iii) A statement that all operations associated with establishment, maintenance and adjustment of the signal power present at the telecommunications network interface will comply with Part 68 of the Federal Communications Commission's Rules and Regulations.
- (iv) A statement describing how each operator/maintainer of the communications system will meet and continue to meet the training requirements for persons installing, adjusting or maintaining the communications system.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 2  
Original Page 9

CONNECTION WITH TERMINAL EQUIPMENT,  
PROTECTIVE CIRCUITRY AND COMMUNICATIONS SYSTEMS

B. REGULATIONS (Cont'd)

1. Basis of Connection to the Telecommunications Network (Cont'd)

g. Connections of Communications Systems Not Subject to Part 68 of the Federal Communications Commission's Rules and Regulations (Cont'd)

(2) Institutional Procedures for Signal Power (Cont'd)

(b) Extraordinary Procedures

I. The Company may invoke extraordinary procedures to protect the telecommunications network where one or more of the following conditions are present:

(i) Information provided in the affidavit gives reason to believe that a violation of Part 68 of the Federal Communications Commission's Rules and Regulations or the Institutional Procedures set forth in (a) preceding is likely.

(ii) Harm has occurred and there is reason to believe this harm was a result of operations performed under the Institutional Procedures set forth in (a) preceding.

II. The extraordinary procedures which can be invoked by the Company, include:

(i) Requiring the use of protective apparatus which either protects solely against signal power or which assures that all of the requirements of Part 68 are met at the network interface. This protective apparatus may be provided by either the Company or the customer.

(ii) Disconnecting service.

III. A charge equal to the Maintenance Visit Charge as provided in this section will apply when:

(i) It is necessary to visit the premises where the connection is made because a condition set forth in I. preceding exists, and

(ii) A failure to comply with Part 68 of the Federal Communications Commission's Rules and Regulations or the Institutional Procedures for signal power control in (a) preceding is disclosed.

h. Connections Involving National Defense and Security

(1) In certain cases Part 68 of the Federal Communications Commission's Rules and Regulations permit the connection of non-registered terminal equipment or communications systems to the telecommunications network, provided that:

(a) The Secretary of Defense; the head of any other governmental department, having requisite Federal Communications Commission approval; or their authorized representative certifies in writing to the Telephone Company that:

I. The connection is required in the interest of national defense and security;

II. The equipment to be connected either complies with the technical requirements of Part 68 or will not cause harms to the telecommunications network or Company employees; and

III. The work is supervised by an installation supervisor who meets the qualifications stated in Part 68.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 2  
Original Page 10

CONNECTION WITH TERMINAL EQUIPMENT,  
PROTECTIVE CIRCUITRY AND COMMUNICATIONS SYSTEMS

B. REGULATIONS (Cont'd)

1. Basis of Connection to the Telecommunications Network (Cont'd)

i. Connections of Test Equipment

(1) Totally Protective Connections

Test equipment may be connected to the telecommunications network at the premises of the customer through registered or grandfathered terminal equipment, protective circuitry, or communications systems subject to Part 68 of the Federal Communications Commission's Rules and Regulations which, either singularly or in combination, assures that all of the requirements of Part 68 of the Federal Communications Rules and Regulations, total protection are met at the network interface.

(2) Interim Program for Connections of Test Equipment

Test equipment may also be connected at the premises of the customer either directly at the network interface, or through terminal equipment, protective circuitry, or communications systems subject to Part 68 of the Federal Communications Commission's Rules and Regulations which does not provide protection for signal power control under the following Interim Program provided that:

- (a) The test equipment is limited to transmission signal power generating and/or detection devices, or similar devices, utilized by the customer for the detection and/or isolation of a communications service fault.
- (b) The test equipment is of a type that was lawfully directly connected to the telecommunications network as of March 6, 1981. Such test equipment may remain connected, be moved or reconnected during the life of the test equipment unless it has been subsequently modified.
- (c) Direct connections of test equipment or connections through Telephone Company provided terminal equipment, or communications systems subject to Part 68 of the Federal Communications Commission's Rules and Regulations are made through Company provided jacks or as otherwise authorized by the Company.
- (d) Test equipment must be operated in accordance with the Institutional Procedures for Signal Power control as specified in (3) following.
- (e) The customer notifies the Company of each telecommunications network service or each premises to which the test equipment will be connected in advance of the initial connection. The customer must also notify the Company when such test equipment is permanently disconnected at each premises.
- (f) No test equipment or combination of test equipment with terminal equipment, protective circuitry or communications systems subject to Part 68 of the Federal Communications Commission's Rules and Regulations, including but not limited to wiring, may cause electrical hazards to Company personnel, damage to Company equipment, malfunction of billing equipment, or degradation of service to persons other than the user of the subject test equipment or the user's calling or called party.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 2  
Original Page 11

CONNECTION WITH TERMINAL EQUIPMENT,  
PROTECTIVE CIRCUITRY AND COMMUNICATIONS SYSTEMS

B. REGULATIONS (Cont'd)

1. Basis of Connection to the Telecommunications Network (Cont'd)

i. Connections of Test Equipment (Cont'd)

(3) Institutional Procedures for Signal Power Control

(a) In accordance with (2)(d) preceding, the customer must comply with the following Institutional Procedures:

I. The customer must install, operate and maintain the test equipment so that its signal power at the network interface complies with Subpart D of Part 68 of the Federal Communications Commission's Rules and Regulations.

II. The operator(s)/maintainer(s) responsible for the test equipment signal power present at the network interface must be trained to perform these functions by successfully completing one of the following:

- (i) a training course provided by the manufacturer of the test equipment, or
- (ii) a training course provided by the customer, or authorized representative of the customer, using training materials and instructions provided by the manufacturer of the test equipment, or
- (iii) an independent training course, e.g., trade school or technical institution, recognized by the manufacturer of the test equipment, or
- (iv) in lieu of the preceding training requirements, the operator(s)/maintainer(s) is under the control of a supervisor trained in accordance with (i) through (iii) preceding.

Upon request, the customer is required to provide proper documentation to demonstrate compliance with the requirements in this II.

III. Advance notice must be given to the Company in the form of a notarized affidavit before the initial connection of the test equipment at each premises after April 9, 1981. A copy of the affidavit must also be maintained at the customer's premises. The affidavit must contain the following information:

- (i) The full name, business address, business telephone number and signature of the customer or authorized representative who has responsibility for the operation of the test equipment.
- (ii) The line(s) to which the test equipment will be either connected to or arranged for connection to.
- (iii) A statement that all operations associated with the establishment, maintenance and adjustment of the test equipment signal power present at the network interface will comply with Subpart D of Part 68 of the Federal Communications Commission's Rules and Regulations.
- (iv) A statement describing how each operator of the test equipment will meet and continue to meet the training requirements for persons installing, connecting, adjusting or maintaining the test equipment.



CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 2  
Original Page 12

CONNECTION WITH TERMINAL EQUIPMENT,  
PROTECTIVE CIRCUITRY AND COMMUNICATIONS SYSTEMS

3. REGULATIONS (Cont'd)

1. Basis of Connection to the Telecommunications Network (Cont'd)

i. Connections of Test Equipment (Cont'd)

(3) Institutional Procedures for Signal Power Control (Cont'd)

(b) Extra-ordinary Procedures

I. The Company may invoke extra-ordinary procedures to protect the telecommunications network where one or more of the following conditions are present:

(i) Information provided in the affidavit gives reason to believe that a violation of Part 68 of the Federal Communications Commission's Rules and Regulations or the Institutional Procedures set forth in (a) preceding is likely.

(ii) Harm has occurred and there is reason to believe this harm was a result of operations performed under the Institutional Procedures set forth in (a) preceding.

II. The extra-ordinary procedures, which can be invoked by the Company, include:

(i) Requiring the use of protective apparatus which either protects solely against excessive signal power or which assures that all of the requirements of Part 68 of the Federal Communications Commission's Rules and Regulations are met at the network interface.

(ii) Disconnecting service.

III. A charge equal to the Maintenance Visit Charge as provided in this section will apply when:

(i) it is necessary to visit the premises where the test equipment is connected because a condition as set forth in I. preceding exists, and

(ii) a failure to comply with the Institutional Procedures for signal power control is disclosed.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 2  
Original Page 13

CONNECTION WITH TERMINAL EQUIPMENT,  
PROTECTIVE CIRCUITRY AND COMMUNICATIONS SYSTEMS

**B. REGULATIONS (Cont'd)**

**2. Basis of Connection to Channel Services**

Terminal equipment and communications systems may be connected at the customer's premises to channel services furnished by the Company where such connections are made in accordance with Section 1 preceding and the following provisions:

**a. Connections of Registered Equipment**

- (1) Registered terminal equipment, registered protective circuitry and registered communications systems may be connected to those channel services specified in (2), (3) and (4) following, subject to Section 1 preceding and this 2.a., and further subject to 1.a. and 1.i. preceding.
- (2) The connection may be made only at the customer's premises to Series 2000 or 3000 Channels, including the appropriate Series 5000 Channel equivalents, that present a two-wire or four-wire loop signaling interface for such connection under the following conditions:
  - (a) Registered terminal equipment, registered protective circuitry and registered button telephone systems may be connected to the station end of channel services furnished in connection with off-premises stations and also may be connected to CCSA access lines.
  - (b) Registered PBX systems may be connected, as a trunk connection, to the station end of channel services furnished in connection with off-premises stations.
- (3) The connection of registered terminal equipment and registered PBX systems may be made only at the customer's premises to a Series 2000 Channel service, including appropriate Series 5000 Channel equivalents, that presents an interface for either two-wire or four-wire transmission, with separate E and M signaling leads conventionally known as Type I, battery/ground, or Type II, contact closure type. Such E and M signaling leads are those terminal equipment or PBX leads, other than voice or data communications leads, used for the purpose of transferring supervisory or address signals across the interface.
- (4) The connection of registered terminal equipment and registered PBX systems may be made only at the customer's premises to a Series 1000 Channel service furnished to provide indications of message registration of outgoing calls to such equipment or systems.
- (5) Customers who intend to install, perform additions to, or make rearrangements of automatic identification of outward dialing functions shall give advance notice to the Telephone Company in accordance with the procedures specified in Part 68 of the Federal Communications Commission's Rules and Regulations or as otherwise authorized by the Federal Communications Commission.

**b. Connections of Grandfathered Terminal Equipment and Grandfathered Communications Systems**

**(1) Direct Connections**

- (a) Grandfathered terminal equipment and grandfathered communications systems, directly connected to the channel services specified in 2.a.(2) preceding are subject to 1.b.(1), 1.e. and 1.f. preceding. Such connections are subject to the minimum protection criteria set forth in c.(7) following.
- (b) Grandfathered terminal equipment and grandfathered communications systems, directly connected to the channel services specified in a.(3) and (4) preceding on April 30, 1980, may remain connected for the life of the equipment without registration, and may be modified only in accordance with Part 68 of the Federal Communications Commission's Rules and Regulations, subject to the following:
  - I. All such connections shall comply with the minimum protection criteria set forth in c.(7) following.
  - II. No changes may be made to equipment so connected except by the manufacturer thereof, or a duly authorized agent of the manufacturer.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 2  
Original Page 14

CONNECTION WITH TERMINAL EQUIPMENT,  
PROTECTIVE CIRCUITRY AND COMMUNICATIONS SYSTEMS

B. REGULATIONS (Cont'd)

2. Basis of Connection to Channel Services (Cont'd)

b. Connections of Grandfathered Terminal Equipment and Grandfathered Communications Systems (Cont'd)

(1) Direct Connections (Cont'd)

- (c) Until May 1, 1983, new installations of terminal equipment or communications systems which have been grandfathered may be connected for use with the channel services specified in a.(3) or (4) preceding, subject to the following:
  - I. The customer shall notify the Company when such equipment or systems are to be connected and shall notify the Company when such equipment or systems are to be permanently disconnected; such notification shall include a description of the equipment including the manufacturer's name, model number, and type of equipment.
  - II. All such connections are made through Company provided standard jacks or otherwise connected by the Company.
  - III. All such connections shall comply with the minimum protection criteria set forth in c.(7) following.
  - IV. Premises wiring associated with communications systems shall conform to Part 68 of the Federal Communications Commission's Rules and Regulations.
  - V. No changes may be made to equipment so connected except by the manufacturer thereof, or a duly authorized agent of the manufacturer.
- (d) Additions to grandfathered terminal equipment or grandfathered communications systems specified in (b) and (c) preceding may be made, subject to (c) I. through V. preceding and to the following:
  - I. Until May 1, 1983, where the equipment being added is of a type which has been grandfathered, and
  - II. After May 1, 1983, where the equipment being added is grandfathered.
  - III. Additions of registered equipment are subject to a. preceding.
- (e) Systems connected pursuant to (b) through (d) preceding may remain connected and be moved and reconnected, in accordance with (c) I. through V. preceding, for the life of the equipment and may be modified only in accordance with Part 68 of the Federal Communications Commission's Rules and Regulations.
- (f) Terminal equipment and communications systems connected via grandfathered protective circuitry are subject to the provisions of (a) thru (e) preceding.

(2) Connections Through Connecting Arrangements Provided by the Company

- (a) Grandfathered connections of terminal equipment and grandfathered connections of communications systems to the channel services specified in a.(2) preceding are subject to B.1.c. preceding. Such connections are subject to the minimum protection criteria set forth in c.(7) following.
- (b) Grandfathered connections of terminal equipment and grandfathered connections of communications systems to the channel services specified in a.(3) and (4) preceding are subject to the following:
  - I. Until May 1, 1983, the Company will provide connecting arrangements for installations of new terminal equipment or communications systems that are subject to Part 68 of the Federal Communications Commission's Rules and Regulations. However, after May 1, 1983, Telephone Company provided connecting arrangements will only be provided, to the extent that such connecting arrangements are available, to reconnect terminal equipment or communications systems which were previously connected to the channel services specified in a.(3) or (4) preceding through connecting arrangements prior to May 1, 1983.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 2  
Original Page 15

CONNECTION WITH TERMINAL EQUIPMENT,  
PROTECTIVE CIRCUITRY AND COMMUNICATIONS SYSTEMS

**B. REGULATIONS (Cont'd)**

**2. Basis of Connection to Channel Services (Cont'd)**

**b. Connections of Grandfathered Terminal Equipment and Grandfathered Communications Systems (Cont'd)**

**(2) Connections Through Connecting Arrangements Provided by the Telephone Company (Cont'd)**

- (b) Grandfathered connections of terminal equipment and grandfathered connections of communications systems to the channel services specified in 2.a.(3) and (4) preceding are subject to the following: (Cont'd)

II. Grandfathered connections of terminal equipment and grandfathered connections of communications systems made in accordance with I. preceding may remain connected and be moved and reconnected for the life of the equipment and may be modified only in accordance with Part 68 of the Federal Communications Commission's Rules and Regulations. Connecting arrangements used for such moves and reconnections will continue to be provided by the Company subject to their availability, at the rates and charges specified in Section 3 following.

III. Network control signaling shall be performed by the connecting equipment furnished, installed and maintained by the Company, except that tone-type address signaling is permissible through the Company provided connecting arrangement.

IV. The connections specified in I. through III. preceding must comply with the minimum protection criteria specified in c.(7) following.

**c. Connections of Terminal Equipment and Communications Systems not subject to the Federal Communications Commission's Registration Program**

- (1) Connecting arrangements are not required and minimum protection criteria are not applicable where terminal equipment or communications systems are connected with the following channels when such channels are used for the types of transmission specified herein due to the nature of the service provided and/or the type of channels and equipment used.

Series 1000 Channels (or appropriate Series 5000 Channel equivalents)

Series 2000 Channels (When used for the remote operation and control of mobile radiotelephone systems or appropriate Series 5000 Channel equivalents)

Series 6000 Channels

- (2) Except as otherwise provided in B.1. preceding, terminal equipment and communications systems may be electrically connected to channel services in accordance with the following provisions:

(a) When the terminal equipment or communications system is connected with channel service furnished by the Company and such channel service is not arranged for connection to telecommunications services, such connections shall be made to an interface provided by the Company.

(b) When the terminal equipment or communications system is connected with channel service furnished by the Company and such channel service is arranged for connection to telecommunications services:

I. Except as otherwise specified in (5)(a)IV. following, such connections shall be made through a connecting arrangement as provided herein, and

II. The connection shall be such that the functions of network control signaling, except tone-type address signaling through a Company provided connecting arrangement, are performed by equipment furnished by the Company.

- (c) Terminal equipment or communications systems connected pursuant to (a) or (b) must comply with the minimum protection criteria in (7) following.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 2  
Original Page 16

CONNECTION WITH TERMINAL EQUIPMENT,  
PROTECTIVE CIRCUITRY AND COMMUNICATIONS SYSTEMS

B. REGULATIONS (Cont'd)

2. Basis of Connection to Channel Services (Cont'd)

c. Connections of Terminal Equipment and Communications Systems not subject to the Federal Communications Commission's Registration Program (Cont'd)

(3) Data Terminal Equipment

Data terminal equipment, including telephotograph equipment, may be connected at the customer's premises to channel service through a data access arrangement provided by the Company in accordance with the following when such channel service is arranged as provided in (2)(b) preceding.

(a) The customer shall furnish the equipment which performs the functions of:

I. Conditioning the data signals generated by the terminal equipment to signals suitable for transmission by means of Company services, and

II. Conditioning signals transmitted by means of Company services to data signals suitable for reception by terminal equipment.

(b) Where a data access arrangement is furnished in connection with terminal equipment and such terminal equipment is used for both voice and data communication, the data access arrangement may be used to connect the terminal equipment for voice communication.

(4) Voice Terminal Equipment

(a) Voice terminal equipment may be connected at the customer's premises to channel service in accordance with the following when such channel service is arranged as provided in (2)(b) preceding.

I. The connection shall be made through a connecting arrangement furnished by the Company.

II. Where a data access arrangement is furnished in connection with terminal equipment and such terminal equipment is used for both voice and data communication, the data access arrangement may be used to connect the terminal equipment for voice communication.

(b) Attested Equipment and Conforming Answering Devices may be used with channel services subject to the provisions of l.e. preceding.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 2  
Original Page 17

CONNECTION WITH TERMINAL EQUIPMENT,  
PROTECTIVE CIRCUITRY AND COMMUNICATIONS SYSTEMS

B. REGULATIONS (Cont'd)

2. Basis of Connection to Channel Services (Cont'd)

- c. Connections of Terminal Equipment and Communications Systems not subject to the Federal Communications Commission's Registration Program (Cont'd)

(5) Communications Systems

- (a) Communications systems, other than communications systems connected pursuant to a. and b. preceding, may be connected to channel service as specified following:

These communication systems, including channels derived from such systems, not exceeding voice grade, may be connected at the customer's premises where the customer has a regular and continuing requirement for the origination or reception of communications over the communications system provided that:

- I. The normal mode of operation of the communications systems shall be to provide communications originating or receiving at the premises on which the connection is made.
- II. The connection shall be made through switching equipment provided by the customer.
- III. The connection shall be to channels of a type number lower than 5500 furnished by the Company or to channels created therefrom in accordance with the provisions of Section 1 of this Company's General Regulations Tariff.
- IV. When the channel service is arranged as provided in (2)(b) preceding, the connection is made through:
  - (i) a connecting arrangement provided by the Company, or
  - (ii) registered or grandfathered terminal equipment, communications system, or protective circuitry, which, either singularly or in combination assures that the requirements of Part 68 of the Federal Communications Commission's Rules and Regulations are met at the network interface.

Minimum protection criteria as set forth in (7) following must be complied with when the connection is made through equipment or systems that are not registered.

In lieu of these requirements for total hardware protection, an optional, alternative method, as described in V. following, is available for the control of signal power only.

- V. When communications systems not subject to Part 68 of the Federal Communications Commission's Rules and Regulations are connected to channel services that are arranged as provided in (2)(b) preceding and the connection is through, (a) a Company provided connecting arrangement or, (b) registered or grandfathered terminal equipment, communications system or protective circuitry which assures that all of the requirements of Part 68 of the Federal Communications Commission's Rules and Regulations are met at the channel service interface, no further action is required. However, when a customer elects to connect a communications system to channel service and the registered or grandfathered equipment, system or protective circuitry through which the connection is made does not provide protection for signal power control, the customer must comply with the following institutional procedures:
  - (i) The communications system must be installed, operated and maintained so that the signal power, within the frequency range of 200-4000 Hertz, at the network interface continuously complies with Part 68 of the Federal Communications Commission's Rules and Regulations.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 2  
Original Page 18

CONNECTION WITH TERMINAL EQUIPMENT,  
PROTECTIVE CIRCUITRY AND COMMUNICATIONS SYSTEMS

B. REGULATIONS (Cont'd)

2. Basis of Connection to Channel Services (Cont'd)

c. Connections of Terminal Equipment and Communications Systems not subject to the Federal Communications Commission's Registration Program (Cont'd)

(5) Communications Systems (Cont'd)

- (a) Communications systems, other than communications systems connected pursuant to a. and b. preceding, may be connected to channel service as specified following: Cont'd)

V. (Cont'd)

- (ii) The operator(s)/maintainer(s) responsible for the establishment, maintenance and adjustment of the voice frequency signal power present at the channel service must be trained to perform these functions by successfully completing one of the following:

- a training course provided by the manufacturer of the equipment used to control voice frequency signal power; or
- a training course provided by the customer or authorized representative, who has responsibility for the entire communications system, using training materials and instructions provided by the manufacturer of the equipment used to control the voice frequency signal power; or
- an independent training course, e.g., trade school or technical institution, recognized by the manufacturer of the equipment used to control the voice frequency signal power; or
- in lieu of the preceding training requirements, the operator(s)/maintainer(s) is under the control of a supervisor trained in accordance with the requirements of this (ii).

Upon request, the customer is required to provide proper documentation to demonstrate compliance with the requirements of this (ii).

- (iii) At least ten days advance notice must be given to the Company in the form of a notarized affidavit before the initial connection of the communications system. A copy of the affidavit must also be maintained at the customer's premises. The affidavit must contain the following information:
- The full name, business address, business telephone number and signature of the customer or authorized representative who has responsibility for the operation and maintenance of the communications system.
  - The line(s) which the communications system will be either connected to or arranged for connection to.
  - A statement that all operations associated with the establishment, maintenance and adjustment of the signal power present at the network interface will comply with Part 68 of the Federal Communications Commission's Rules and Regulations.
  - A statement describing how each operator/maintainer of the communications system will meet and continue to meet the training requirements for persons installing, adjusting or maintaining the communications system.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 2  
Original Page 19

CONNECTION WITH TERMINAL EQUIPMENT,  
PROTECTIVE CIRCUITRY AND COMMUNICATIONS SYSTEMS

B. REGULATIONS (Cont'd)

2. Basis of Connection to Channel Services (Cont'd)

c. Connections of Terminal Equipment and Communications Systems not subject to the Federal Communications Commission's Registration Program (Cont'd)

(5) Communications Systems (Cont'd)

(a) Communications systems, other than communications systems connected pursuant to a. and b. preceding, may be connected to channel service as specified following: (Cont'd)

VI. Extraordinary Procedures

(i) The Company may invoke extraordinary procedures to protect the channel service where one or more of the following conditions are present:

- Information provided in the affidavit gives reason to believe that a violation of Part 68 of the Federal Communications Commission's Rules and Regulations or the Institutional Procedures set forth in V. preceding is likely.
- Harm has occurred and there is reason to believe this harm was a result of operations performed under the Institutional Procedures set forth in V. preceding.

(ii) The extraordinary procedures, which can be invoked by the Company, include:

- Requiring the use of protective apparatus which either protects solely against signal power or which assures that all of the requirements of Part 68 are met at the network interface. This protective apparatus may be provided by either the Company or the customer.
- Disconnecting service.

(iii) A charge equal to the Maintenance Visit Charge as provided in this section will apply when:

- It is necessary to visit the premises where the connection is made because a condition set forth in (i) preceding exists, and
- A failure to comply with Part 68 of the Federal Communications Commission's Rules and Regulations or the Institutional Procedures for signal power control in V. preceding is disclosed.

(b) Where channel service is used in the provision of a composite data service for others and connection of such service is made to a communications system provided by a customer and the connection is made through data switching equipment, the provisions of I. and II. preceding do not apply.



CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 2  
Original Page 20

CONNECTION WITH TERMINAL EQUIPMENT,  
PROTECTIVE CIRCUITRY AND COMMUNICATIONS SYSTEMS

B. REGULATIONS (Cont'd)

2. Basis of Connection to Channel Services (Cont'd)

c. Connections of Terminal Equipment and Communications Systems not subject to the Federal Communications Commission's Registration Program (Cont'd)

(5) Communications Systems (Cont'd)

(c) Communications systems may be connected with Series 5000 wideband data channels furnished to the same customer at the premises of the customer where the customer has a regular and continuing requirement for the origination or reception of communications over the communications system provided that:

I. The normal mode of operation of the communications system shall be to provide communications originating or receiving at the premises on which the connection is made.

II. The connection shall be made through switching equipment provided by the customer.

III. The connection shall be made to Type 5502 service terminals provided by the Company.

(6) Accessories

Accessories provided by a customer may be used with channel services provided that such accessories comply with the provisions of Section 1, B.2. and 2.c.(2)(b)II. preceding.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 2  
Original Page 21

CONNECTION WITH TERMINAL EQUIPMENT,  
PROTECTIVE CIRCUITRY AND COMMUNICATIONS SYSTEMS

B. REGULATIONS (Cont'd)

2. Basis of Connection to Channel Services (Cont'd)

c. Connections of Terminal Equipment and Communications Systems not subject to the Federal Communications Commission's Registration Program (Cont'd)

(7) Minimum Protection Criteria for Electrical Connections

- (a) Since channel services utilize Company channels and equipment in common with other services it is necessary in order to prevent excessive noise and crosstalk that the power of the signal applied to the Company channel service is individually engineered, a single valued limit for all applications cannot be specified. Therefore, the power of the signal in the band above 300 Hertz which may be applied by the equipment to the network interface will be specified by the Company for each application to be consistent with the signal power allowed on the telecommunications network.
- (b) To protect other services, it is necessary that the signal which is applied by the equipment to the network interface located on the customer's premises meet the following limits:
  - I. The power in the band from 3,995 Hertz to 4,005 Hertz shall be at least 18dB below the power of the signal as specified in (a) preceding.
  - II. The power in the band from 4,005 Hertz to 10,000 Hertz shall not exceed 16dB below one milliwatt.
  - III. The power in the band from 10,000 Hertz to 25,000 Hertz shall not exceed 24dB below one milliwatt.
  - IV. The power in the band from 25,000 Hertz to 40,000 Hertz shall not exceed 36dB below one milliwatt.
  - V. The power in the band above 40,000 Hertz shall not exceed 50dB below one milliwatt.
- (c) Where there is connection to telecommunications services, to prevent the interruption or disconnection of a call, or interference with network control signaling, it is necessary that the signal applied by the equipment to the network interface located on the customer's premises at no time have energy solely in the 2450 to 2750 Hertz band. If signal power is in the 2450 to 2750 Hertz band, it must not exceed the power present at the same time in the 800 to 2450 Hertz band.
- (d) Where equipment applies signals having components in the frequency spectrum below 300 Hertz, excluding ringing signals, the currents and voltages, including all harmonics and spurious signals, at the interface shall not exceed the limits indicated in I. through IV. following:
  - I. The maximum rms (root-mean-square) value, including dc and ac components, of the current per conductor will be specified by the Company but in no case will the specified value exceed 0.35 ampere.
  - II. The magnitude of the peak of the conductor to ground voltage shall not exceed 70 volts.
  - III. The conductor to conductor voltage shall be such that the conductor to ground voltage limit in II. preceding is not exceeded. If the signal source is not grounded, the voltage limit in II. preceding applies to the conductor to conductor voltage.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 2  
Original Page 22

CONNECTION WITH TERMINAL EQUIPMENT,  
PROTECTIVE CIRCUITRY AND COMMUNICATIONS SYSTEMS

B. REGULATIONS (Cont'd)

2. Basis of Connection to Channel Services (Cont'd)

c. Connections of Terminal Equipment and Communications Systems not subject to the Federal Communications Commission's Registration Program (Cont'd)

(7) Minimum Protection Criteria for Electrical Connections (Cont'd)

- (d) Where equipment applies signals having components in the frequency spectrum below 300 Hertz, excluding ringing signals, the currents and voltages, including all harmonics and spurious signals, at the interface shall not exceed the limits indicated in I. through IV. following: (Cont'd)

IV. The total weighted rms voltage within the band from 50 Hertz to 300 Hertz shall not exceed 100 volts. The total weighted rms voltage is the square root of the sum of the products of the weighting factors for the individual frequency components times the square of the rms voltage of the individual frequency components. The weighting factors are as indicated:

<u>for frequencies between</u>	<u>weighting factor</u>
50 Hertz and 100 Hertz	$f^2/10^4$
100 Hertz and 300 Hertz	$f^{3.3}/10^{6.6}$

where  $f$  is the numerical value of the frequency, in Hertz, of the frequency component being weighted.

d. Channel Derivation Devices

Channel derivation devices which are used to create additional channels or bit streams in accordance with Section 1 of the General Regulations Tariff and Section 1 of the Channel Services Tariff may be connected to channel service subject to a., b. and Section 1 preceding.

e. Connections of Test Equipment

(1) Totally Protective Connections

- (a) Test equipment may be connected to those channel services specified in a. preceding at the premises of the customer through registered or grandfathered terminal equipment, protective circuitry, or communications systems subject to Part 68 of the Federal Communications Commission's Rules and Regulations which, either singularly or in combination, assures that all of the requirements of Part 68 of the Federal Communications Commission's Rules and Regulations, total protection, are met at the network interface.
- (b) Test equipment may be connected to those channel services specified in c.(2) preceding at the premises of the customer either directly at the network interface, or through other equipment, provided that the minimum protection criteria specified in c.(7) preceding is continually met at the network interface.

(2) Interim Program for Connections of Test Equipment

Test equipment may also be connected at the premises of the customer to those channel services specified in a. preceding either directly at the network interface, or through terminal equipment, protective circuitry, or communications systems subject to Part 68 of the Federal Communications Commission's Rules and Regulations which does not provide protection for signal power control under the following Interim Program provided that:

- (a) The test equipment is limited to transmission signal power generating and/or detection devices, or similar devices, utilized by the customer for the detection and/or isolation of a communications service fault.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 2  
Original Page 23

CONNECTION WITH TERMINAL EQUIPMENT,  
PROTECTIVE CIRCUITRY AND COMMUNICATIONS SYSTEMS

B. REGULATIONS (Cont'd)

2. Basis of Connection to Channel Services (Cont'd)

e. Connections of Test Equipment (Cont'd)

(2) Interim Program for Connections of Test Equipment (Cont'd)

- (b) The test equipment is of a type that was lawfully directly connected to channel service as of March 6, 1981. Such test equipment may remain connected, be moved or reconnected during the life of the test equipment unless it has been subsequently modified.
- (c) Direct connection of test equipment or connections through Company provided terminal equipment, or communications systems subject to Part 68 of the Federal Communications Commission's Rules and Regulations are made through Company provided jacks or as otherwise authorized by the Company.
- (d) Test equipment must be operated in accordance with the Institutional Procedures for Signal Power Control as specified in (3) following.
- (e) The customer notifies the Company of each channel service at each premises to which the test equipment will be connected in advance of the initial connection. The customer must also notify the Company when such test equipment is permanently disconnected at each premises.
- (f) No test equipment or combination of test equipment with terminal equipment, protective circuitry or communications systems subject to Part 68 of the Federal Communications Commission's Rules and Regulations, including but not limited to wiring, may cause electrical hazards to Company personnel, damage to Company equipment, malfunction of billing equipment, or degradation of service to persons other than the user of the subject test equipment or the user's calling or called party.

(3) Institutional Procedures for Signal Power Control

- (a) In accordance with (2)(d) preceding, the customer must comply with the following Institutional Procedures:

- I. The customer must install, operate and maintain the test equipment so that its signal power at the network interface complies with Subpart D of Part 68 of the Federal Communications Commission's Rules and Regulations.
- II. The operator(s)/maintainer(s) responsible for the test equipment signal power present at the network interface must be trained to perform these functions by successfully completing one of the following:
  - (i) a training course provided by the manufacturer of the test equipment, or
  - (ii) a training course provided by the customer, or authorized representative of the customer, using training materials and instructions provided by the manufacturer of the test equipment, or
  - (iii) an independent training course, e.g., trade school or technical institution, recognized by the manufacturer of the test equipment, or
  - (iv) in lieu of the preceding training requirements, the operator(s)/maintainer(s) is under the control of a supervisor trained in accordance with (i) through (iii) preceding.

Upon request, the customer is required to provide proper documentation to demonstrate compliance with the requirements in this II.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 2  
Original Page 24

CONNECTION WITH TERMINAL EQUIPMENT,  
PROTECTIVE CIRCUITRY AND COMMUNICATIONS SYSTEMS

B. REGULATIONS (Cont'd)

2. Basis of Connection to Channel Services (Cont'd)

e. Connections of Test Equipment (Cont'd)

(3) Institutional Procedures for Signal Power Control (Cont'd)

- (a) In accordance with (2)(d) preceding, the customer must comply with the following Institutional Procedures: (Cont'd)

III. Advance notice must be given to the Company in the form of a notarized affidavit before the initial connection of the test equipment at each premises after April 9, 1981. A copy of the affidavit must also be maintained at the customer's premises. The affidavit must contain the following information:

- (i) The full name, business address, business telephone number and signature of the customer or authorized representative who has responsibility for the operation of the test equipment.
- (ii) The line(s) to which the test equipment will be either connected to or arranged for connection to.
- (iii) A statement that all operations associated with the establishment, maintenance and adjustment of the test equipment signal power present at the network interface will comply with Subpart D of Part 68 of the Federal Communications Commission's Rules and Regulations.
- (iv) A statement describing how each operator of the test equipment will meet and continue to meet the training requirements for persons installing, connecting, adjusting or maintaining the test equipment.

(b) Extra-ordinary Procedures

I. The Telephone Company may invoke extra-ordinary procedures to protect the telecommunications network where one or more of the following conditions are present:

- (i) Information provided in the affidavit gives reason to believe that a violation of Part 68 of the Federal Communications Commission's Rules and Regulations or the Institutional Procedures set forth in (a) preceding is likely.
- (ii) Harm has occurred and there is reason to believe this harm was a result of operations performed under the Institutional Procedures set forth in (a) preceding.

II. The extra-ordinary procedures, which can be invoked by the Company, include:

- (i) Requiring the use of protective apparatus which either protects solely against excessive signal power or which assures that all of the requirements of the Federal Communications Commission's Rules and Regulations are met at the network interface.
- (ii) Disconnecting service.

III. A charge equal to the Maintenance Visit Charge as provided in this section will apply when:

- (i) it is necessary to visit the premises where the test equipment is connected because a condition as set forth in (I) preceding exists, and
- (ii) a failure to comply with the Institutional Procedures for signal power control is disclosed.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 2  
Original Page 25

CONNECTION WITH TERMINAL EQUIPMENT,  
PROTECTIVE CIRCUITRY AND COMMUNICATIONS SYSTEMS

B. REGULATIONS (Cont'd)

3. Maintenance Visit Charge

A Maintenance Visit Charge applies per visit to a customer's premises where a service difficulty or trouble report results from the use of equipment or facilities provided by other than the Company except as otherwise provided in the tariffs of the Company.

C. RATES

Maintenance Visit Charge

1. Channel Services

Types 2006, 2011, 2014, 2041, and 2043

Residence . . . . .	\$46.00
Business, nondata . . . . .	\$66.00
Business, data . . . . .	\$94.00

All other types

Nondata . . . . .	\$89.00
Data . . . . .	\$98.00

2. WATS lines

Nondata . . . . .	\$66.00
Data . . . . .	\$94.00

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 3  
Original Page 1

CONNECTING AND DATA ACCESS ARRANGEMENTS FOR USE WITH  
COMMUNICATIONS SYSTEMS AND TERMINAL EQUIPMENT

A. GENERAL

Communications systems and terminal equipment may be connected to facilities of the Company subject to the regulations specified in other sections of this Tariff. This section contains rates for connecting arrangements and data access arrangements provided for connection of communications systems and terminal equipment.

Except as otherwise specified in Section 2 of this tariff, installations of connecting arrangements for terminal equipment will not be made after July 1, 1979 and installations of connecting arrangements for communications systems will not be made after January 1, 1980. Grandfathered installations which may require such connecting arrangements are defined in Section 2 of this tariff.

B. RATES

1. Communications Systems

a. Connecting Arrangements - Voice Communications

- (1) Arrangements to permit connection of an attendant position to a private branch exchange (PBX) trunk

	Per Month	USOC
(a) Per manual arrangement, for each trunk at a cord switchboard		
Type CDA, conditioned to accept supervisory signals . . . . .	\$3.87	CDA
Type CD1, not conditioned to accept supervisory signals . . . . .	3.74	CD1
(b) Per automatic arrangement, for each trunk		
Type CD6, in connection with inward service . . . . .	3.93	CD6
Type CD7, in connection with outward service . . . . .	4.80	CD7
Type CD9, in connection with two-way service . . . . .	7.17	CD9

- (2) Arrangements to permit connection of switching equipment and attendant positions to a (PBX) trunk, types CD8 and CDH, or to a Hotel Toll Line, types CET and CED

Per automatic arrangement, for each trunk

(a) In connection with outward service		
Type CD8 . . . . .	4.80	CD8
Type CET . . . . .	4.42	CET
(b) In connection with two-way service, outward-only from switching equipment		
Type CDH . . . . .	7.17	CDH
Type CED . . . . .	5.17	CED

- (3) Arrangement to permit connection of a communications system arranged for dial or automatic signaling, to a tie trunk which connects at the distant end in a branch exchange or Centrex system; arranged for dial or automatic signaling, which has access to the telecommunications network; or arranged for dial signaling, to a Common Control Switching Arrangement Access line.

	Installation Charge		
Type CDQ, per automatic arrangement . . . . .	\$6.24	6.85	CDQ

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 3  
Original Page 2

CONNECTING AND DATA ACCESS ARRANGEMENTS FOR USE WITH  
COMMUNICATIONS SYSTEMS AND TERMINAL EQUIPMENT

B. RATES (Cont'd)

1. Communications Systems (Cont'd)

a. Connecting Arrangements - Voice Communications (Cont'd)

	Installation Charge	Per Month	USOC
			C232W
(4) Arrangement to permit connection of a communications system arranged for dial or automatic signaling, to a tie trunk which connects in a branch exchange system arranged for dial or automatic signaling, which has access to the telecommunications network			
Type C23, per automatic arrangement . . . . .	\$ 6.24	\$ 3.43	C234W
(5) Arrangements to permit the connection of communications systems, equipped with channel signaling to the telecommunications network via Centrex system			
Two-wire or four-wire, per connection of a line			
Type C2H, for use with a Centrex system when the dial switching equipment is on the Telephone Company premises . . . . .	62.32	19.69	C2H
(6) Arrangement to permit the connection of an attendant position to one-way incoming central office type lines			
Type TAS			
Initial unit to serve up to ten lines including mounting and power for a capacity of 80 lines, each . . . . .	124.63	24.93	TAS
Each additional unit to serve up to ten lines . . . . .	62.32	18.07	TASAD

b. Connecting Arrangements - Data Communications

(1) Arrangement to permit connection of a data communications system to the telecommunications network			
(a) Type CDT, including control key, per manual arrangement . . . . .	Rates and charges are as for Type CDT Data Access Arrangement specified following.		CDT
(b) Type CBS, a voltage type control interface, per automatic arrangement . . . . .	Rates and charges are as specified for Type CBS Data Access Arrangement following.		CBS
(c) Type CBT, a contact closure type control interface, per automatic arrangement . . . . .	Rates and charges are as specified for Type CBT Data Access Arrangement following.		CBT
Power Supply, for use with type CBT connecting arrangement, each . . . . .	Rates and charges are as for Power Supply for Use with Type CBT Data Access Arrangement specified following.		CBV



CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 3  
Original Page 3

CONNECTING AND DATA ACCESS ARRANGEMENTS FOR USE WITH  
COMMUNICATIONS SYSTEMS AND TERMINAL EQUIPMENT

B. Rates (Cont'd)

1. Communications Systems (Cont'd)

c. Supplemental Equipment

Power Failure Transfer Arrangements\*

	Installation Charge	Per Month	USOC PFB
(1) Power failure transfer arrangement, type PFB, to transfer during periods of commercial power failure, up to four PBX trunks (normally connected to a communications system) to a like number of telephones, with immediate restoral, per arrangement . . . . .	-	\$3.18	
All power failure transfer arrangements installed on the same order . . . . .	\$18.70	None	-
(2) Power failure transfer arrangement, type PFC, to transfer, during periods of commercial power failure, one trunk (normally connected to a communications system) to a telephone, with delayed restoral, per arrangement . . . . .	-	2.43	PFC
All power failure transfer arrangements installed on the same order . . . . .	18.70	None	-

2. Terminal Equipment

a. Connecting Arrangements

(1) Arrangements to permit automatic connection of answer-only terminal equipment to central office lines excluding PBX trunks and Centrex lines			
Type RDMZR, per line equipped where two-way transmission is required <sup>§</sup> . . . . .	24.93	5.37	RDMZR
Type RDY, per line equipped where an automatic volume limited receive signal is required <sup>§</sup> . . . . .	24.93	6.36	RDY
(2) Arrangement to permit automatic connection of originate-only or originate and answer terminal equipment to central office lines excluding PBX trunks and Centrex lines			
Type SU6AQ, per line equipped . . . . .	24.93	5.61	SU6AQ
(3) Arrangement to permit automatic connection of voice transmitting and receiving terminal (typically telephone stations) to central office lines excluding PBX trunks and Centrex lines			
Type STC, per line equipped . . . . .	24.93	7.85	STC
(4) Arrangement to permit the automatic connection of supervisory tone sending and receiving equipment (typically alarm system) to central office lines excluding PBX trunks and Centrex lines			
Type STS, per line equipped . . . . .	24.93	7.67	STS
(5) Arrangement to permit the automatic connection of voice transmitting and receiving terminal equipment (typically button telephone stations) to central office lines excluding PBX trunks and Centrex lines			
Type C2ACP, per line equipped . . . . .	31.16	8.48	C2ACP

\* In addition the appropriate terminal equipment is required and when the transferred PBX trunk is equipped for ground start an appropriate control arrangement is required.

§ Subject to the regulations contained in Section 1 of this tariff regarding the recording of two-way telephone conversations.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 3  
Original Page 4

CONNECTING AND DATA ACCESS ARRANGEMENTS FOR USE WITH  
COMMUNICATIONS SYSTEMS AND TERMINAL EQUIPMENT

B. RATES (Cont'd)

2. Terminal Equipment (Cont'd)

a. Connecting Arrangements (Cont'd)

	Installation Charge	Per Month	USOC
(6) Arrangement to permit automatic connection of bridging equipment to a central office line excluding PBX trunks and Centrex lines to permit the bridging of that line to another central office line excluding PBX trunks and Centrex lines			
Type C2AKS, per line equipped . . . . .	\$31.16	\$ 8.48	C2AKS
(7) Arrangement to permit the automatic connection of terminal equipment (primarily button telephone systems) to central office lines, loop start PBX trunks not equipped for call diversion, Centrex lines or loop start WATS access lines			
Type STP, per line equipped . . . . .	37.40	6.92	STP
(8) Arrangement to permit connection of automatic telephone answering devices, arranged to provide timed cycle or voice control disconnect features, to central office and Centrex lines			
Type GTS, per line equipped . . . . .	18.70	3.87	GTS

3. Data Access Arrangements

For Use with Equipment which Modulate and Demodulate Data Signals

Type CDT, including control key, for attended sending and receiving, each . . . . .	6.24	3.49	CDT
Type CBS, a voltage type control interface, for unattended sending and receiving, each . . . . .	12.46	7.47	CBS
Type CBT, a contact closure type control interface, for unattended sending and receiving, each . . . . .	12.46	5.29	CBT
Power supply, for use with Type CBT data access arrangement, each . . .	12.46	1.87	CBV
Line Current Status Indicator, for use with the preceding connecting arrangements, each . . . . .	12.46	6.24	CBW

Charges for changes do not apply where changes in type or style of station equipment are made at the option of the Company in order to furnish the data access arrangement.

4. Customer Premises Visit Charge

A customer premises visit to establish the level of signal power at the output of the network control signaling unit

Per Visit . . . . .	Charge is as for a Maintenance Visit Charge in Section 2 of this tariff.
---------------------	--

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 4  
Original Page 1

NETWORK INTERFACE JACKS

A. General

A Network Interface Jack is a registration jack provided by the Company to provide network interface.

B. Regulations

Where a Network Interface Jack is provided as the network interface, all premises wiring, stations and communications systems must be connected by a plug to the Network Interface Jack.

C. Rates

1. Standard Jacks\*

a. Indoor Installations

	Installation	
	Charge	USOC
(1) Jacks, each		
Four-conductor miniature, flush mounted . . . . .	None	(U)
Four-conductor miniature, wall mounted . . . . .	None	RJ11W RJ14W
Four-conductor miniature, data equipment . . . . .	None	RJ16X
Four-conductor miniature, ancillary devices . . . . .	None	RJ25C
(2) Series Jacks, each		
Single line alarm reporting . . . . .	\$ 22.40	RJ31X
Series ancillary devices . . . . .	22.40	RJ32X
Two-line telephones with exclusion on one line . . . . .	22.40	RJ37X
(3) Miniature Ribbon Connector, female, each		
Two-wire tie trunks E & M type I signaling . . . . .	110.00	RJ2EX
Four-wire tie trunks E & M type I signaling . . . . .	110.00	RJ2GX
Two-wire tie trunks E & M type II signaling . . . . .	110.00	RJ2FX
Four-wire tie trunks E & M type II signaling . . . . .	110.00	RJ2HX
Off premises connections . . . . .	110.00	RJ21X
Series devices such as toll restrictors . . . . .	110.00	RJ71C
12-line bridged four-wire exchange 2/RT . . . . .	110.00	RJ2DX

b. Outdoor Installations

Jacks, heavy-duty type, each . . . . .	56.23	RJ15C
--	-------	-------

2. Data Jacks

a. Programmed, each . . . . .	28.00	RJ45S RJ4
b. Universal, each . . . . .	36.00	RJ41S
c. Multiple Line Data Jack, for use with both fixed loss loop and programmable data equipment		
(1) Common Equipment, for up to eight lines, each . . . . .	157.33	RJ26X
(2) Line Circuit Cards, each <sup>6</sup> . . . . .	22.87	RJ26S
(3) Wall Mounting with Cover, each . . . . .	29.29	RJM3X
(4) Rack Mounting, each . . . . .	24.34	RJM4X

\* When the network interface is located at a point other than the location normally designated by the Company, the customer is responsible for paying the additional expenses associated with placing the network interface at the desired location.

<sup>6</sup> One line circuit card is required for each line connected to the multiple line data jack common equipment.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 5  
Original Page 1

CONNECTION WITH TERMINAL EQUIPMENT

TABLE OF CONTENTS

	<u>Page</u>
Alarm Sending Equipment (Alarm Coupler) . . . . .	3
Answering Devices Incorporating an Authorized Protective Connecting Module . . . . .	5
DC Power Source . . . . .	5
Dictation Recording Equipment . . . . .	3
Electrocardiogram and Electroencephalogram Transmitting and Receiving Equipment Provided by Members of the Medical Profession and Hospitals . . . . .	4
Recording, Reproducing and Automatic Answering and Recording Equipment . . . . .	2
Telephotograph Equipment . . . . .	4

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 5  
Original Page 2

CONNECTION WITH TERMINAL EQUIPMENT

Various terminal equipment may be connected with facilities provided by the Company subject to the regulations and rates specified herein.

A. General

Except as otherwise provided in Section 2 of this tariff, installations of connecting arrangements for terminal equipment will not be made after July 1, 1979. Regulations pertaining to grandfathered installations which include such connecting arrangements are covered in Section 2 of this tariff.

B. Regulations

1. Recording of Two-Way Telephone Conversations

Regulations pertaining to the recording of two-way telephone conversations are as specified in Section 1 of this tariff.

2. Recording of Incoming Messages Only

Except as otherwise specified, direct electrical connection of recording equipment, with facilities of the Company for the recording of incoming messages only, shall be made through recorder coupler equipment. Recorder coupler equipment permits an attendant to use telephones furnished on the same line of monitor the recording of incoming messages but physically prevents recording during two-way telephone conversations. A recorder tone is not required.

3. Transmission of Prerecorded Messages

Except as otherwise specified, direct electrical connection of reproducing equipment, with the facilities of the Company for the transmission of prerecorded messages, shall be made through recorder coupler equipment.

4. Automatic Answering and Recording Equipment

Except as otherwise specified, direct electrical connection of automatic answering and recording equipment, with facilities of the Company for transmitting a prerecorded message to the calling party (if desired) and recording an incoming message only, shall be made through recorder coupler equipment furnished, installed and maintained by the Company. Such recorder coupler equipment will automatically trip the ringing and hold the connection.

5. Basis of Connection

Recorder coupler equipment is available for use with exchange, branch exchange, Centrex and channels except that recorder coupler equipment used for unattended operation is only available where full selective ringing is employed.

C. Rates

1. Recording, Reproducing and Automatic Answering and Recording Equipment

	Installation Charge	Per Month	USOC
For the connection of attended and unattended recording, reproducing and automatic answering and recording equipment with the facilities of the Company . . . . .	\$24.93	\$4.37	RDL

ten-digit long distance telephone number of the desired destination. In areas with so-called "equal access," customers will be able to access the network without dialing the seven-digit access number and the six or seven-digit identification number. Customers who presubscribe to GTE Sprint as their primary long distance carrier will be able to access GTE Sprint merely by dialing "1" plus the ten-digit telephone number of the desired destination. Those customers' toll calls will then be automatically routed over the GTE Sprint network. Customers who do not presubscribe to GTE Sprint will be able to access GTE Sprint by dialing a five-digit access code prior to dialing the ten-digit number of the desired destination.

13. There is no monthly subscription fee for SPRINT service; however, customers are subject to a \$5.00 monthly minimum usage fee. Charges for SPRINT calls are both time- and distance-sensitive. Discounts are available for customers whose usage exceeds specified amounts. For

---

(Footnote continued from previous page)

personal identification number. Travelcode, which is offered free of charge to all SPRINT subscribers, enables the customer to use SPRINT from any city in the country in which GTE Sprint offers originating service.

Sprint of Virginia's application is granted, Virginia residential and business telephone users will have a broader range of choices in selecting the types of communications services which best serve their needs.

#### Services to be Offered

11. GTE Sprint currently uses its network to provide a range of competitive interstate telecommunications services. These services, described below, are provided in accordance with GTE Sprint's federal tariffs, Tariff FCC Nos. 2, 10 and 11. By this application, GTE Sprint of Virginia seeks authority to provide the same offerings on an intrastate basis in Virginia.

12. The best known of GTE Sprint's service offerings is "SPRINT." SPRINT has been available nationally, on an interstate basis, since 1978. SPRINT is a switched telecommunications service which allows subscribers to access GTE Sprint's network 24 hours a day. Currently, access to the GTE Sprint network is accomplished by dialing a local seven-digit telephone number. This call is then answered by GTE Sprint switching equipment, which provides a second dial tone enabling the subscriber to dial his or her six- or seven-digit personal identification number<sup>1</sup> and the

---

<sup>1</sup> When using the SPRINT Travelcode feature the subscriber must dial an additional two digits after dialing his or her

(Footnote continued)

9. Upon certification, GTE Sprint of Virginia plans to offer Virginia customers intrastate, interLATA, interexchange services that will provide them with communications service options similar to those currently enjoyed by Virginia subscribers of GTE Sprint's interstate services. GTE Sprint currently has more than 20,000 Virginia customers subscribing to its interstate services. GTE Sprint of Virginia will be able to offer intrastate service within a reasonable time after certification by this Commission, since initially it will utilize GTE Sprint's existing facilities to offer intrastate service. Granting GTE Sprint of Virginia's application will enable GTE Sprint to make more efficient use of its facilities. Subscribers will benefit from the flexibility and convenience of being able to choose from among multiple long distance carriers for both their interstate and intrastate long distance calls.

10. Favorable Commission action on GTE Sprint of Virginia's application to provide intrastate services will result in significant benefits for Virginia consumers, and for society in general, without any public detriment. The availability of alternative intrastate services is likely to stimulate demand for such services in Virginia. If GTE



(g) Exhibit E illustrates the portion of GTE Sprint's interstate microwave network that is located within the Commonwealth of Virginia. Virginia is currently served by a backbone analog radio route of 4800 channels traversing the state in a north/south direction. By the end of this year three TOCs will be linked into the backbone in Newport News, Norfolk and Richmond. A switch in Richmond will serve all three TOCs. Current capacity in Virginia is 1.06 million route channel miles and will be increased to 4.06 million route channel miles by the end of this year.

#### Public Interest

8. The entry of GTE Sprint of Virginia into the intrastate telecommunications market will serve the public interest. It will enhance competition, leading to lower prices and higher quality services and to more varied and innovative choices for the Virginia consumer. Competition in the telecommunications industry is consistent with recent pro-competitive decisions by the FCC and by federal courts in cases such as United States v. American Telephone & Telegraph Co., 552 F. Supp. 131 (D.D.C. 1982).

leadership is comprised of directors of its corporate parent and it will have at its disposal GTE Sprint's technical expertise and work force.

(e) GTE Sprint's telecommunications facilities include a microwave network and fiber optic facilities, supplemented by satellites and ground facilities leased from other common carriers. GTE Sprint supplements its intercity network through the resale of interstate MTS and WATS. In the near future, GTE Sprint's network will be supplemented by use of satellite facilities owned and operated by GTE Sprint's corporate affiliate, GTE Spacenet Corporation. GTE Spacenet's first satellite was successfully launched on May 22, 1984.

(f) GTE Sprint of Virginia will offer communications services to the general public between points within the Commonwealth of Virginia using GTE Sprint facilities that have been, and will be, constructed or otherwise acquired pursuant to authority granted by the FCC under Section 214 of the Communications Act, 47 U.S.C. §214.

metropolitan areas in 46 states may originate calls on the GTE Sprint interstate network and may terminate interstate calls to any location in any of the 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.

(c) Over 20 percent of GTE Sprint's approximately 5,000 employees are involved, directly or indirectly, in technical activities; they include engineers, highly experienced technicians, planners, designers and logistics specialists. GTE Sprint employees install and maintain GTE Sprint's switching system, consisting of 55 switches and 69 technical operations centers (TOCs) which process approximately 1.6 million calls per day. In addition, over 125 engineers and scientists are employed at corporate headquarters to research, test and evaluate current and proposed switching systems to ensure that GTE Sprint's system keeps pace with changing market demand and operating conditions.

(d) This same expertise and experience will be utilized in the operation and management of GTE Sprint of Virginia. GTE Sprint of Virginia

shareholders report and the most recent Form 10K and 10Q for GTE Sprint's parent, GTE Corporation. These reports demonstrate the strong financial position of the GTE Sprint network. GTE Sprint is committed to devote the necessary resources to provide high quality service in all areas which GTE Sprint of Virginia can economically and technically serve.

7. The Applicant has the managerial and technical qualifications to provide the interexchange services to be offered.

(a) Its corporate parent (GTE Sprint) has been granted certificates of public convenience and necessity by the Federal Communications Commission to own and operate an interstate telecommunications system throughout the 48 contiguous states of the United States, including the Commonwealth of Virginia, as well as the District of Columbia, Alaska, Hawaii, Puerto Rico, and the United States Virgin Islands.

(b) The GTE Sprint network is one of the largest intercity communications networks in the nation, with \$345.5 million invested as of March 31, 1983. This network covers over 10,600 route miles. Subscribers in more than 350

Frederick C. Williams  
James E. Magee  
Isham, Lincoln & Beale  
1120 Connecticut Avenue, N.W.  
Suite 840  
Washington, D.C. 20036  
(202) 833-9730

5. The Applicant is authorized to do business in Virginia as a public service corporation. Its Articles of Incorporation, which were filed on July 16, 1984, are included in Exhibit C.

FINANCIAL, MANAGERIAL AND TECHNICAL  
QUALIFICATIONS

6. The Applicant is financially qualified to provide interexchange telecommunications services within Virginia. A copy of its parent's (GTE Sprint) financial report, Form P for the year ending December 31, 1982, as filed with the Federal Communications Commission ("FCC"), is attached as Exhibit D. The 1982 Form P was filed with the FCC prior to GTE Corporation's acquisition of GTE Sprint, therefore, the Form P was filed under GTE Sprint's former name, Southern Pacific Communications Company. Also attached as part of Exhibit D is the 1983 annual report submitted to the FCC by GTE Sprint, in lieu of a Form P. Attached as part of Exhibit D is the 1983 annual

Description of Applicant

1. The Applicant's name and address are GTE Sprint Communications Corporation of Virginia, 1828 L Street, N.W., Suite 500, Washington, D.C. 20036. Its telephone number is (202) 822-0002. A list of GTE Sprint of Virginia's officers and directors is attached as Exhibit A.

2. GTE Sprint of Virginia is a wholly owned subsidiary of GTE Sprint Communications Corporation ("GTE Sprint") and will be financed and operated as part of the GTE Sprint network. GTE Sprint's address and telephone number are: GTE Sprint Communications Corporation, One Adrian Court, Burlingame, California 94010. Its telephone number is (415) 692-5600. A list of GTE Sprint's officers and directors is attached as Exhibit B.

3. GTE Sprint is a separate subsidiary of GTE Corporation, whose address and telephone number are: GTE Corporation, One Stamford Forum, Stamford, Connecticut 06904, (203) 357-2000.

4. The name, address and telephone number of GTE Sprint of Virginia's counsel are:

Deborah A. Dupont  
Michael B. Fingerhut  
GTE Sprint Communications Corporation  
1828 L Street, N.W.  
Suite 500  
Washington, D.C. 20036  
(202) 822-0002

Before The  
Virginia State Corporation Commission

Application and Petition of GTE  
Sprint Communications Corporation of  
Virginia for a Certificate of Public  
Convenience and Necessity  
Pursuant to §56-265.4:4B of the  
Code of Virginia and to have its  
Rates and Services Established on a  
Competitive Basis under §56-481.1  
of the Code of Virginia

Case No. \_\_\_\_\_

Application and Petition of GTE Sprint  
Communications Corporation of Virginia for a  
Certificate of Public Convenience and Necessity  
Pursuant to §56-265.4:4B of the Code of Virginia  
and to have its Rates and Services Established on  
a Competitive Basis under §56-481.1 of the Code of  
Virginia

---

GTE Sprint Communications Corporation of Virginia  
("GTE Sprint of Virginia") hereby applies for statewide  
authority to provide interexchange telecommunications  
services to the general public within the Commonwealth of  
Virginia. This application is made pursuant to §56-265.4:4B  
of the Code of Virginia. GTE Sprint of Virginia also  
petitions for authority to set its rates pursuant to  
§56-481.1 of the Code of Virginia since its services will be  
provided on a competitive basis. For the reasons stated in  
the accompanying motion, GTE Sprint of Virginia further  
requests that this application and petition be handled on an  
expeditious basis.

BEFORE THE  
VIRGINIA STATE CORPORATION COMMISSION

\* \* \* \* \*

Application and Petition of GTE Sprint  
Communications Corporation of Virginia  
for a Certificate of Public  
Convenience and Necessity  
Pursuant to §56-265.4:4B of the  
Code of Virginia and to have its  
Rates and Services Established on a  
Competitive Basis under §56-481.1  
of the Code of Virginia

---

Application and Petition of GTE Sprint  
Communications Corporation of Virginia for a  
Certificate of Public Convenience and Necessity  
Pursuant to §56-265.4:4B of the Code of Virginia  
and to have its Rates and Services Established on  
a Competitive Basis under §56-481.1 of the Code of  
Virginia

Deborah A. Dupont  
Michael B. Fingerhut  
GTE Sprint Communications Corp.  
1828 L Street, N.W.  
Suite 500  
Washington, D.C. 20036

Frederick C. Williams  
James E. Magee  
Isham, Lincoln & Beale  
1120 Connecticut Avenue, N.W.  
Suite 840  
Washington, D.C. 20036



**THE CHESAPEAKE AND POTOMAC TELEPHONE COMPANY OF VIRGINIA**

Annual report of ..... Year ended December 31, 1981

**34. OPERATING REVENUES (Account 300)\***

In column (d), those Bell telephone companies who are parties to the standard intra-Bell System Division of Revenues Contracts covering all interstate and foreign toll revenues shall report the revenues received under such contracts; other companies shall report their interstate and foreign revenues included on lines 16 through 34, inclusive. Each non-Bell company shall show in a note how amounts reported in column (d) were determined.

Line No.	Particulars (a)	Amount for The Year (b)	Increase Over Preceding Year (c)	Interstate and Foreign Revenues Included in Col. (b) (d)
<b>LOCAL SERVICE REVENUES</b>				
1	500 Subscribers' station revenues .....	\$ 538,632,962	\$ 62,414,076	\$
2	501 Public telephone revenues .....	16,266,161	1,542,804	
3	503 Service stations .....	593	(247)	
	504 Local private line services .....			
4	Voice Grade Services - Other Than Data .....	5,120,330	1,111,895	104,138
5	Less Than Voice Grade Services .....	4,272,393	922,067	185,616
6	Data Services .....	4,959,312	1,256,639	223,430
7	Program transmission - Audio .....	147,996	52,769	108,381
8	Program transmission - Television .....	(217)	(811)	(229)
9	Other services .....	1,206,201	380,781	31,046
10	Subtotal (account 504) .....	15,706,015	3,723,340	652,382
11	508 Other local service revenues .....	1,508,013	238,369	
12	Total (lines 1, 2, 3, 10 and 11) .....	572,113,744	67,918,342	652,382
<b>TOLL SERVICE REVENUES</b>				
13	510 Message tolls .....	403,702,988	48,736,584	238,366,131
14	511 Wide area toll services .....	70,466,799	14,121,647	54,970,886
	512 Toll private line services: .....			
15	Voice Grade Services - Other Than Data .....	40,375,810	22,227,220	27,794,227
16	Less Than Voice Grade Services .....	1,023,733	202,873	719,890
17	Data Services .....	10,861,487	4,390,618	7,533,819
18	Program transmission - Audio .....	568,691	(211,195)	565,009
19	Program transmission - Television .....		585	
20	Other services .....	13,249,269	(5,322,715)	8,323,790
21	Subtotal (account 512) .....	66,078,990	21,287,386	44,936,735
22	516 Other toll service revenues .....	4,670,882	3,632,143	4,464,034
23	Total (lines 13, 14, 21 and 22) .....	544,919,659	87,777,760	342,737,786
<b>MISCELLANEOUS REVENUES</b>				
24	521 Telegraph commissions .....	12,374	(1,110)	
25	522 Earth station revenues .....			
26	523 Directory advertising and sales .....	42,889,257	7,106,241	
27	524 Rent revenues .....	3,323,820	(1,480,337)	819,330
28	525 Revenues from general services and licenses .....			
29	526 Other operating revenues .....	2,730,637	(1,695,052)	
30	Total (lines 24 to 29, inclusive) .....	48,956,088	3,929,742	819,330
<b>UNCOLLECTIBLE REVENUES</b>				
31	530 Uncollectible operating revenues - Or. ....	9,492,199	2,056,489	5,607,564
32	TOTAL OPERATING REVENUES # (lines 12, 23 and 30, less line 31)	1,156,497,292	157,569,355	338,601,934

( ) denotes reverse amount

58

\*Information reported on this schedule is in accordance with a Waiver granted by the Federal Communications Commission, released January 27, 1982, to the American Telephone and Telegraph Company and its Associated Operating Telephone Companies. (Reference 1830)

# THE CHESAPEAKE AND POTOMAC TELEPHONE COMPANY OF VIRGINIA

Annual report of .....

Year ended December 31, 1982

## 34. OPERATING REVENUES (Account 300)\*

In column (d), those Bell telephone companies who are parties to the standard intra-Bell System Division of Revenues Contracts covering all interstate and foreign toll revenues shall report the revenues received under such contracts; other companies shall report their interstate and foreign revenues included on lines 16 through 34, inclusive. Each non-Bell company shall show in a note how amounts reported in column (d) were determined.

Line No.	Particulars (a)	Amount for The Year (b)	Increase Over Preceding Year (c)	Interstate and Foreign Revenues Included in Col. (b) (d)
<b>LOCAL SERVICE REVENUES</b>				
1	500 Subscribers' station revenues .....	\$ 609,431,599	\$ 70,798,637	\$
2	501 Public telephone revenues .....	17,538,538	1,272,377	
3	502 Service stations .....	450	(143)	
4	504 Local private line services .....			
	Voice Grade Services - Other Than Data .....	5,949,331	829,001	288,306
5	Less Than Voice Grade Services .....	3,517,880	(754,514)	115,376
6	Data Services .....	6,659,617	1,700,305	211,030
7	Program transmission - Audio .....	205,319	57,323	167,335
8	Program transmission - Television .....		217	
9	Other services .....	1,881,979	675,778	81,326
10	Subtotal (account 504) .....	18,214,126	2,508,110	863,373
11	506 Other local service revenues .....	2,668,494	1,160,481	
12	Total (lines 1, 2, 3, 10 and 11) .....	647,853,207	75,739,462	863,373
<b>TOLL SERVICE REVENUES</b>				
13	510 Message calls .....	432,242,463	28,539,475	238,927,186
14	511 Wide area toll services .....	84,097,948	13,631,149	65,906,288
15	512 Toll private line services .....			
	Voice Grade Services - Other Than Data .....	47,232,635	6,856,825	31,767,546
16	Less Than Voice Grade Services .....	1,223,041	199,308	858,032
17	Data Services .....	23,403,581	12,542,094	17,884,248
18	Program transmission - Audio .....	395,588	(173,103)	395,151
19	Program transmission - Television .....			
20	Other services .....	7,336,661	(5,912,608)	2,057,752
21	Subtotal (account 512) .....	79,591,506	13,512,516	52,962,729
22	516 Other toll service revenues .....	5,683,028	1,012,147	5,456,788
23	Total (lines 13, 14, 21 and 22) .....	601,614,945	56,695,287	363,252,991
<b>MISCELLANEOUS REVENUES</b>				
24	521 Telegraph commissions .....	14,974	2,600	
25	522 Earth station revenues .....			
26	523 Directory advertising and sales .....	50,069,497	7,180,240	
27	524 Rent revenues .....	3,274,157	(49,663)	798,195
28	525 Revenues from general services and licenses .....			
29	526 Other operating revenues .....	1,592,671	(1,137,966)	
30	Total (lines 24 to 29, inclusive) .....	54,951,299	5,995,211	798,195
<b>UNCOLLECTIBLE REVENUES</b>				
31	530 Uncollectible operating revenues - Cr. ....	11,444,365	1,952,166	6,833,003
32	TOTAL OPERATING REVENUES # (lines 12, 23 and 30, less line 31)	1,292,975,086	136,477,794	358,081,556

58

( ) denotes revenue amount

\*# See Footnotes on Page 59.

34. OPERATING REVENUES (Account 300)

In column (d), those Bell telephone companies who are parties to the standard intra-Bell System Division of Revenues Contracts covering all interstate and foreign toll revenues shall report the revenues received under such contracts; other companies shall report their interstate and foreign revenues included on lines 13 through 23, inclusive. Each non-Bell company shall show in a note how amounts reported in column (d) were determined.

Line No.	Particulars (a)	Amount for the Year (b)	Increase Over Preceding Year (c)	Interstate and Foreign Revenues Included in Col. (b) (d)
	<b>LOCAL SERVICE REVENUES</b>	\$	\$	\$
1	500 Subscribers' station revenues:	649,318,809	39,887,210	
2	501 Public telephone revenues	22,046,799	4,508,261	
3	503 Service stations	(1,002)	(1,452)	
4	504 Local private line services:			
5	Voice Grade Services—Other Than Data	6,028,866	79,535	265,701
6	Less Than Voice Grade Services	3,161,427	(356,453)	36,295
7	Data Services	8,522,316	1,862,699	180,220
8	Program transmission—Audio	172,001	(33,318)	137,605
9	Program transmission—Television			
10	Other services	1,940,031	58,052	54,990
11	Subtotal (account 504)	19,824,641	1,610,515	674,811
12	506 Other local service revenues	2,630,416	(38,078)	
13	Total (lines 1, 2, 3, 10 and 11)	693,819,663	45,966,456	674,811
	<b>TOLL SERVICE REVENUES</b>			
14	510 Message tolls	438,866,682	6,624,218	229,876,066
15	511 Wide area toll services	101,921,703	17,823,756	79,072,292
16	512 Toll private line services:			
17	Voice Grade Services—Other Than Data	47,567,343	334,708	30,260,320
18	Less Than Voice Grade Services	788,757	(434,284)	418,532
19	Data Services	27,462,593	4,059,012	20,418,939
20	Program transmission—Audio	1,074,437	678,849	1,073,302
21	Program transmission—Television			
22	Other services	6,437,222	899,440	1,075,390
23	Subtotal (account 512)	83,330,352	3,738,845	53,246,483
24	516 Other toll service revenues	8,743,811	3,060,783	8,531,570
25	Total (lines 13, 14, 21, and 22)	632,862,548	31,247,602	370,726,411
	<b>MISCELLANEOUS REVENUES</b>			
26	521 Telegraph commissions	44,661	29,687	
27	522 Earth station revenues			
28	523 Directory advertising and sales	56,995,496	6,925,999	
29	524 Rent revenues	4,090,742	816,585	786,881
30	525 Revenues from general services and licenses	(3,657,121)	(5,249,791)	
31	526 Other operating revenues	57,473,778	2,522,480	786,881
32	Total (lines 24 to 29, inclusive)			
	<b>UNCOLLECTIBLE REVENUES</b>			
33	530 Uncollectible operating revenues—Or	14,481,560	3,037,195	7,891,580
34	<b>TOTAL OPERATING REVENUES *</b> (lines 12, 23 and 30, less line 31)	1,369,674,429	76,699,343	364,296,523

58

( ) denotes reverse amount

\* See Note 1 of Schedule 11 on page 17.

CIRCLE CALLING SERVICE

D. CIRCLE CALLING SERVICE AREAS (Cont'd)

Exchange	Exchanges and Zones Included in the Circle Calling Service Area				
	Band A	Band B (Includes Band A)	Band C (Includes Bands A & B)	Band D (Includes Bands A, B, & C)	Band E (Includes Bands A, B, C, & D)
Strasburg	None	Front Royal Stephens City	Boyce Elkwallow Winchester	Berryville Gainsboro Gore Panorama Shenandoah Park Washington	Luray Marshall Skyland Sperryville Upperville
Toms Brook	None	Front Royal	Elkwallow Stephens City	Boyce Gore Luray Panorama Shenandoah Park Washington Winchester	Berryville Broadway Gainsboro Skyland Sperryville Stanley
Unionville	None	None	None	None	Beaverdam Stanardsville
Upperville	None	None	None	Arcola Haymarket	Not offered
Warrenton	None	Haymarket Nokesville	Manassas	Arcola Braddock Independent Hill	Not offered
Waverly	None	Dendron Wakefield	Claremont Ivor Surry	Courtland	Not offered
Woodstock	None	None	Elkwallow Front Royal Luray Shenandoah Park	Broadway Panorama Skyland Sperryville Stanley Stephens City Washington	Big Meadows Shenandoah Winchester

OPTIONAL CALLING PLANS TARIFF  
S.C.C.-Va.-No. 7

AT&T Communications  
of Virginia

Section 3  
Original Page 3

CIRCLE CALLING SERVICE

D. CIRCLE CALLING SERVICE AREAS (Cont'd)

Exchange	Exchanges and Zones Included in the Circle Calling Service Area				
	Band A	Band B (Includes Band A)	Band C (Includes Bands A & B)	Band D (Includes Bands A, B, & C)	Band E (Includes Bands A, B, C, & D)
Goochland	None	None	None	Fork Union Mineral	Arvonias Louisa Palmyra
Gordonsville	None	None	None	Charlottesville Palmyra Stanardsville	Not offered
Greenwood	Crozet	None	Charlottesville Grottoes Weyers Cave	Not offered	Not offered
Haysi	Big Prater Maxie	Big Rock Grundy	Not offered	Not offered	Not offered
Honaker	None	Oakwood Richlands	Not offered	Not offered	Not offered
Louisa	None	None	Palmyra	Beaverdam Pike Fork Union Montpelier	Cartersville Charlottesville Goochland Ladysmith Rockville
Middleburg	None	Arcola Haymarket	Dulles	Not offered	Not offered
Mt. Jackson	None	Broadway Luray	Edom Panorama Shenandoah Shenandoah Park Skyland Stanley	Big Meadows Elkton Elkwallow	Criglersville Dayton Front Royal Harrisonburg Hinton Keezletown Lewis Mountain McGaheysville Sperryville Washington
New Market	None	Luray Shenandoah Stanley	Big Meadows Edom Elkton Shenandoah Park Skyland	Dayton Elkwallow Harrisonburg Hinton Keezletown Lewis Mountain McGaheysville Panorama	Bridgewater Criglersville Grottoes Sperryville Washington
Orange	None	None	None	Stanardsville	Charlottesville Palmyra
Piney River	None	None	Buena Vista	Brownsburg Raphine Schuyler	Not offered
Powhatan	None	None	None	None	Arvonias Fork Union
Providence Forge	None	None	Claremont Toano	Williamsburg	Not offered
Sperryville	None	None	None	Edinburg Woodstock	Not offered

OPTIONAL CALLING PLANS TARIFF  
S.C.C.-Va.-No. 7

AT&T Communications  
of Virginia

Section 3  
Original Page 2

CIRCLE CALLING SERVICE

C. RATES

Circle Calling Service	Per Month, Per Service*	Per Message, Per Minuted		
		Day	Evening	Night & Weekend
Band A ( 0 - 8 Miles)	\$1.18	\$.095	\$.059	\$.047
Band B ( 9 - 13 Miles)	1.47	.118	.070	.059
Band C (14 - 18 Miles)	1.77	.142	.095	.070
Band D (19 - 23 Miles)	2.07	.165	.106	.083
Band E (24 - 28 Miles)	2.35	.188	.118	.095

D. CIRCLE CALLING SERVICE AREAS

Exchanges and Zones Included in the Circle Calling Service Area					
Exchange	Band A	Band B (Includes Band A)	Band C (Includes Bands A & B)	Band D (Includes Bands A, B, & C)	Band E (Includes Bands A, B, C, & D)
Basye	None	Broadway	None	Edom Luray Stanley	Big Meadows Elkwallow Harrisonburg Hinton Keezletown Panorama Shenandoah Shenandoah Park Skyland
Bedford	None	None	Big Island	Altivista Hurt Lynchburg	Gladys Gretna Rustburg Sandy Level
Big Island	None	Glasgow Natural Bridge	Bedford Buchanan Buena Vista Lexington	Not offered	Not offered
Brokenburg	None	None	Beaverdam Ladysmith	Not offered	Not offered
Buchanan	None	None	Big Island	None	Not offered
Calverton	Nokesville	Haymarket Independent Hill	Manassas	Not offered	Not offered
Charles City	None	Claremont	Toano	Dendron Surry Williamsburg	Wakefield
Clover	Barnesville	None	Charlotte Court House Chase City Clarksville Drakes Branch	Not offered	Not offered
Cumberland	None	Dillwyn	Arvonias Buckingham Farmville	Not offered	Not offered
Edinburg	None	Luray	Broadway Elkwallow Panorama Shenandoah Park Stanley	Big Meadows Front Royal Shenandoah Skyland Sperryville Washington	Edom Lewis Mountain Stephens City

\* Monthly rate allows calling up to and including the band to which the customer subscribes.

6 Rate applicable is that for the band called.

OPTIONAL CALLING PLANS TARIFF  
S.C.C.-Va.-No. 7

AT&T Communications  
of Virginia

Section 3  
Original Page 1

CIRCLE CALLING SERVICE

A. GENERAL

Circle Calling Service is an optional extended calling service which permits calling on a per message basis to telephones of exchanges or zones of an area exchange outside the customer's normal local service area.

B. REGULATIONS

1. The Company reserves the right to limit the number of customers to this service if necessary to avoid interference with the services of other customers and as required to remain within the capabilities of existing facilities.
2. Circle Calling Service is provided only in conjunction with the same service for the same customer and is limited to those customer's with established Circle Calling Service as of the effective date of this offering.
3. This service applies only to station-to-station calls from the customer's service dialed, or placed with an operator if for any reason the called station cannot be reached by dialing, to a station within the Circle Calling Service area.
4. Circle Calling Service is offered in exchanges as specified in D. following for calling to the exchanges and zones included in the bands specified in the tariff.
5. Circle Calling Service is provided at a per minute rate for each message, as specified in C. following.
6. For the purpose of determining charges the following applies:
  - a. The rate for each message to each band will be on a per minute basis, with fractional minutes computed as one minute.
  - b. Message charges to be at the rate specified for the band called.
  - c. The time when connection is established for customer dialed direct calls determines whether day, evening, night or weekend rates apply.

Day, evening, night and weekend rates apply as follows:

Rates	Time Applicable		Days Applicable
	From	To But Not Including	
Day*	8:00 A.M.	5:00 P.M.	Monday through Friday
Evening	5:00 P.M.	11:00 P.M.	Sunday through Friday
Night	11:00 P.M.	8:00 A.M.	Every Day
Weekend	8:00 A.M.	11:00 P.M.	Saturday
Weekend	8:00 A.M.	5:00 P.M.	Sunday

\* Rates Applicable on Certain Holidays

On New Year's Day (January 1), Independence Day (July 4), Labor Day (the first Monday in September), Thanksgiving Day (the fourth Thursday in November), and Christmas Day (December 25).

TELE-PLAN

A. GENERAL

Tele-Plan is an optional service which permits measured time one-way calling to exchanges in the customer's measured time service area.

B. REGULATIONS

1. Tele-Plan service is limited to those customers with existing Tele-Plan service in the exchanges specified in C. following as of the effective date of this offering.
2. Tele-Plan service is provided for the customer and is not for other users of the customer's service, such as hotel guests and hospital patients.
3. Calls to the measured time service area are calculated in terms of call units. A call unit is a minute or fraction thereof. The rates specified in C. following include a monthly allowance of 30 call units on calls to the measured time service area. Charges for additional call units are also shown in C. following.
4. Calls made to the measured time service area must be dialed by the customer on a station-to-station sent paid basis without the assistance of a Company operator, except for the purpose of reestablishing a call which has been interrupted after the called number has been reached.

C. RATES

<u>Tele-Plan Exchange</u>	<u>Measured Time Service Area</u>	<u>Per Month Per Service</u>	<u>Additional Call Units, each</u>
Crows-Hematite	Covington	2.24	.070
Calverton	Manassas	2.77	.095
Greenwood	Charlottesville	2.77	.095
Warrenton	Manassas	2.77	.095
Bedford	Lynchburg	3.36	.112
Gordonsville	Charlottesville	3.36	.112
Toano	Richmond	4.48	.147
Louisa	Richmond	5.02	.165
Mineral	Richmond	5.02	.165



OPTIONAL CALLING PLANS TARIFF  
S.C.C.-Va.-No. 7

AT&T Communications  
of Virginia

Section 1  
Original Page 1

APPLICATION OF TARIFF

A. GENERAL

This tariff applies to Optional Calling Plan services furnished by the Company. The regulations and rates contained herein are in addition to the applicable regulations and rates specified in other tariffs of the Company.

OPTIONAL CALLING PLANS TARIFF  
S.C.C.-Va.-No. 7

AT&T Communications  
of Virginia

Section 1  
Original Page 1

APPLICATION OF TARIFF

A. GENERAL

This tariff applies to Optional Calling Plan services furnished by the Company. The regulations and rates contained herein are in addition to the applicable regulations and rates specified in other tariffs of the Company.

OPTIONAL CALLING PLANS TARIFF  
S.C.C.-Va.-No. 7

AT&T Communications  
of Virginia

Contents  
Original Page 1

TABLE OF CONTENTS

	<u>Section</u>
APPLICATION OF TARIFF . . . . .	1
TELE-PLAN . . . . .	2
CIRCLE CALLING SERVICE . . . . .	3

AT&T Communications  
of Virginia

Original Title Page

OPTIONAL CALLING PLANS TARIFF

Containing

Regulations governing the furnishing of  
Optional Calling Plan Services  
Within Virginia  
by  
AT&T Communications of Virginia

CHANNEL SERVICES TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Section 14  
Original Page 2

SERVICE AT A TRANSMISSION SPEED OF  
1.544 MEGABITS PER SECOND

C. RATES

	<u>Per Month</u>		<u>Termination Charge</u>	<u>USOC</u>
	<u>Fixed Charge</u>	<u>Per Mile</u>		
1. Digital Access Lines at a Transmission Speed of 1.544 Mbps, each* . . .	\$249.28	\$74.78	\$1768.42(36)	1L7K4
2. Channels Between Wire Centers, each			<u>Per Month</u>	
Per mile or fraction thereof* . . . . .			\$31.16	1L7L4
3. Moves				
a. When a customer or user requests a move or relocation of a digital access line, with no interruption of service, this move or relocation will be treated as a connection of the existing service and the establishment of a new service for the application of all charges.				
b. When a customer or user requests a move of a digital access line, on the same premises in the same building, and accepts an interruption to the service, incident to the work involved, a charge equal to the estimated costs incurred by the Company will apply.				

\* Subject to a minimum revenue guarantee of 12 months.

CHANNEL SERVICES TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Section 14  
Original Page 1

SERVICE AT A TRANSMISSION SPEED OF  
1.544 MEGABITS PER SECOND

A. GENERAL

Service is furnished on a two-point basis for the simultaneous two-way transmission of serial, bipolar, return-to-zero isochronous digital signals at a speed of 1.544 Megabits Per Second (Mbps) between two stations.

1. Explanation of Terms

Digital Access Line

A digital access line, is a path for digital transmission furnished between a wire center and the customer's premises.

2. Provision of Service

a. Service at a transmission speed of 1.544 Mbps will consist of two digital access lines and a channel between the wire centers involved.

b. When the customer requires service at a transmission speed lower than 1.544 Mbps, the customer shall provide his own equipment on the digital access line.

3. Availability of Service

Service at a transmission speed of 1.544 Megabits per second requires special equipment and will be provided only from a central office equipped for "T" Carrier and only over metallic facilities (wire pairs), subject to the technical limitations of the "T" Carrier and where suitable facilities are available.

4. Connections

The provision of equipment by the customer is subject to the following interface requirements:

a. Data signals, including timing and control where provided, exchanged at the interface between the customer premises equipment and the digital access line, shall be as specified by the Company. Electrical, mechanical and functional specifications for these interfaces are available from the Company upon request.

b. Signal constraints described in the Company interface specifications will apply where customer premises equipment interfaces with a digital access line.

5. Mileage Measurement

a. Channels Between Wire Centers

Mileage is measured airline distance between the serving wire centers.

b. Digital Access Lines

Mileage is measured airline distance between the customer's premises and the serving wire center.

CHANNEL SERVICES TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Section 13  
Original Page 4

dataphone DIGITAL SERVICE

D. SERVING AREAS

1. DATAPHONE Digital Service is Furnished Between the Following Digital Serving Areas:

Arlington  
Norfolk  
Richmond  
Roanoke

2. Airline Mileages for Channels Between Digital City Rate Centers

Arlington and Norfolk	- 148 miles
Arlington and Richmond	- 95 miles
Arlington and Roanoke	- 191 miles
Norfolk and Richmond	- 79 miles
Norfolk and Roanoke	- 203 miles
Richmond and Roanoke	- 139 miles

3. Digital City Service Areas

Central offices from which Type 1 and Type 2 digital access lines are provided are as specified by the Company.

CHANNEL SERVICES TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Section 13  
Original Page 3

dataphone DIGITAL SERVICE

C. RATES

1. Channels Between Digital Cities, each

<u>Transmission Speeds</u>	<u>Per Month</u>		<u>USOC</u>
	<u>Fixed Charge</u>	<u>Per Mile*</u>	
2.4 Kbps . . . . .	\$ 70.73	\$ .83	1L7E4
4.8 Kbps . . . . .	\$ 82.52	1.12	1L7F4
9.6 Kbps . . . . .	\$106.11	1.42	1L7G4
56 Kbps . . . . .	\$365.47	5.30	1L7H4

2. Digital Access Lines

a. Type I, each

<u>Transmission Speeds</u>	<u>Installation Charge</u>	<u>Per Month</u>	
2.4 Kbps . . . . .	\$117.89	\$117.89	DDB
4.8 Kbps . . . . .	117.89	123.79	DDE
9.6 Kbps . . . . .	117.89	188.63	DDF
56 Kbps . . . . .	176.84	318.31	DDG

b. Type II, each

<u>Transmission Speeds</u>	<u>Installation Charge</u>	<u>Per Month</u>		
		<u>Fixed Charge</u>	<u>Per Mile<sup>6</sup></u>	
2.4 Kbps . . . . .	\$117.89	\$141.47	\$1.77	1L7A4
4.8 Kbps . . . . .	117.89	153.27	1.88	1L7B4
9.6 Kbps . . . . .	117.89	212.21	2.24	1L7C4
56 Kbps . . . . .	176.84	365.47	6.48	1L7D4

3. Multistation Arrangement, per station . . . . . \$16.50 DDZ

4. Moves and Changes

- a. When a digital access line is moved to a different location in the same building on the same premises, a charge of one-half the Installation Charge applies.
- b. When a digital access line is relocated to a different premises or to a different building on the same premises, Installation Charges apply.
- c. When, at the request of the customer, an existing DATAPHONE Digital Service is replaced by a DATAPHONE Digital Service of a different Kbps, the charge applicable is the same as that for a new installation of the replacing DATAPHONE Digital Service.

\* Mileage is measured airline distance between Digital City Rate Centers. The mileages so determined are as specified in D.2. following. Where a multistation service consists of two or more two-point channels furnished between Digital Cities, the mileage is that combination of airline distances connecting the Digital City Rate Centers which will produce the lowest total channel mileage.

<sup>6</sup> Mileage is measured airline distance between the Digital City Rate Center and the wire center that normally serves the distant station.



dataphone DIGITAL SERVICE

B. REGULATIONS (Cont'd)

3. Provision of Service (Cont'd)

- a. The service options available to the customer are as follows: (Cont'd)

(2) Multistation Services (Cont'd)

- (b) two or more two-point channels furnished between digital cities for service where one or more stations are located in the serving area of each such city and each station is connected to the channel by means of a digital access line.

A multistation arrangement is required per station to provide this service.

- b. Service is provided to the customer via channels and/or digital access lines. Two types of digital access lines are offered as follows:

(1) Type I Digital Access Lines

Type I digital access lines are furnished to serve customer stations within the baseband transmission serving area of the principal Company central office.

(2) Type II Digital Access Lines

Type II digital access lines are furnished to serve customer stations outside the baseband transmission serving area of the principal Company central office.

- c. The customer is responsible for providing CSUF at each station on the customer's premises.

- d. DATAPHONE Digital Service is designed to provide an average performance exceeding 99.5% error-free seconds for operation at all speeds. This performance level applies only to the provision of DATAPHONE Digital Service which terminates in CSUF. When such service is operating at an error performance level which is unsatisfactory to the customer and it is determined by the Company that the error performance level is below that specified preceding, the period of substandard performance will be considered as an interruption to service, and a credit allowance will be made in accordance with allowance for interruptions in Section 1 of this tariff.

- e. Customer premises equipment is required at each customer location to perform such functions as proper coding and decoding of signals, timing recovery, synchronous sampling, formatting, and generation and recognition of control signals.

4. Suspension of Service

DATAPHONE Digital Service may be suspended at the request of the customer without cancellation at any time after the initial contract period, subject to the following:

- a. Service will be suspended for a period of not less than two weeks and not more than six months.
- b. One-half of the monthly charge that would apply if the service were not suspended applies during the periods of suspension for digital access lines.

dataphone® DIGITAL SERVICE\*

A. GENERAL

DATAPHONE Digital Service is furnished for the simultaneous two-way transmission of digital signals at synchronous speeds of 2.4, 4.8, 9.6 or 56 kilobits per second (Kbps). Service is provided to the customer for the transmission of communications to or from any station via a digital access line.

B. REGULATIONS

1. Explanation of Terms

Channel Service Unit Functionality (CSUF)

Channel service unit functionality is equipment which performs the functions of properly terminating the DATAPHONE Digital Service, amplification, signal shaping and remote loop back.

Digital Access Line

A digital access line, when used in connection with DATAPHONE Digital Service, is a path for digital transmission furnished within the serving area of a digital city between the principal Company central office and a station.

Digital City

A digital city is a city in which a principal Company central office is located and which serves a specific area.

Digital City Rate Center

A digital city rate center is a specified geographical location in a digital city from which mileage measurements are determined for the application of mileage rates.

Digital City Serving Area

A digital city serving area is a specific geographic area served in and around a digital city.

Principal Company Central Office

A principal Company central office is the central office to which DATAPHONE Digital Service digital access lines are routed and where access is provided to such lines and associated equipment for testing purposes or the central office designated to provide the same functions on a theoretic basis for the purpose of establishing a digital city.

2. Availability of Service

DATAPHONE Digital Service can only be provided from central offices equipped for DATAPHONE Digital Service subject to the technical limitations of such equipment and availability of suitable facilities.

3. Provision of Service

a. The service options available to the customer are as follows:

(1) Two-station Service

This service consists of one two-point channel furnished between digital cities for service where one station is located in the serving area of each such city and connected to the channel by means of a digital access line.

(2) Multistation Service

This service may consist of:

- (a) one two-point channel furnished between digital cities for service where more than one station is located in the serving area of one or both such cities and each station is connected to the channel by means of a digital access line or

\* Marketed by AT&T Communications of Virginia as a member of the ACCUNET<sup>6</sup> family.  
<sup>6</sup> Service Mark of AT&T.

CHANNEL SERVICES TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Section 10  
Original Page 1

SERIES 10000 CHANNELS

A. GENERAL

Series 10000 channels (Entrance Facilities) are furnished by the Company for the purpose of extending customer-provided communications systems to a premises of the customer. Channels are furnished for half-duplex or duplex operation on a two-point basis.

Type 10001 - Approximate bandwidth of 300-3000 Hertz. Furnished, to the extent permitted by the normal transmission characteristics of this grade of channel, for types of transmission similar to those set forth for Series 1000, 2000 and 3000 channels.

-B.- REGULATIONS

Type 10001

1. These channels are furnished by the Company to extend a customer-provided communications channel, voice grade or less, to a customer service point located 25 airline miles or less from the point at which the customer-provided communications channel is connected to the Company entrance facility.
2. Type 10001 channels may be connected:
  - a. With customer-provided channels of voice grade or less.
  - b. At the customer premises to customer premises equipment or to customer-provided communications systems for the purpose of communicating with transmitting and receiving terminal equipment located on the premises.

Note: The connections specified in a. and b. preceding shall be through connecting arrangements furnished, installed and maintained by the Company.

C. RATES

Upon written application, Type 10001 channels, including the required connecting arrangement(s), will be provided as specified for Special Equipment and Service Arrangements in this Company's General Regulations Tariff.

CHANNEL SERVICES TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Section 6  
Original Page 5

SERIES 5000 CHANNELS

C. Rates (Cont'd)

2. Service Terminals (Cont'd)

b. Service Terminals for Use as Channels of a Lesser Capacity (Cont'd)

(2) For the second or subsequent station in an exchange on any individual service.

Per Service Terminal

Voice	Installation Charge	Per Month	USOC
Type 5220 . . . . .	\$26.80	\$26.24	TT3 TA2FQ
Types 5222, 5223 and 5224 . . . . .	26.80	34.50	(U) TA2KQ
Types 5225 and 5226 . . . . .	26.80	26.24	TA2LQ
Type 5240 . . . . .	26.80	38.50	TAY
Teletypewriter			
Type 5101 . . . . .	26.80	28.89	TG31A TA2QQ
Type 5150 . . . . .	26.80	28.89	(U)
Data			
Type 5320 . . . . .	26.80	43.03	DR3 TA2CQ
Type 5322 . . . . .	26.80	43.03	TA2EQ

3. Connecting Arrangements

A connecting arrangement is required for each connection of a channel furnished under this series to an interexchange channel furnished under other series, or other tariffs of this Company.

A connecting arrangement charge as follows applies for each such connecting arrangement:

Voice . . . . .	26.80	54.53	CD321
Teletypewriter . . . . .	26.80	57.18	CG311
Data . . . . .	26.80	71.33	CY4

4. Channel Conditioning Arrangement

Where Series 5000, types 5320 and 5322, interexchange Channels are provided for use with data service terminals and used with either type C1, C2, C4 or D1 conditioning, channel conditioning arrangement charges as specified for Series 3000 Channels in Section 4 preceding apply.

CHANNEL SERVICES TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Section 6  
Original Page 4

SERIES 5000 CHANNELS

C. RATES (Cont'd)

2. Service Terminals

A service terminal is required for each service arranged for use by the customer, for each connection of such service to a station, or for each connection of such service to a Company office for the purpose of establishing a channel in connection with Foreign Exchange Service of the Local Exchange Carrier. The following charges apply:

a. Service Terminals for Use as a Wideband Channel

For the first station in an exchange or for a connection to a Company office on each service in use.

Per Service Terminal	Installation Charge	Per Month	USOC
Type 5501 . . . . .	\$235.79	\$676.71	DY4
Type 5502 . . . . .	235.79	676.71	GSG
Type 5603 . . . . .	235.79	676.71	91D
Type 5504 . . . . .	235.79	676.71	T4W
Type 5751 . . . . .	235.79	676.71	D24

b. Service Terminals for Use as Channels of a Lesser Capacity

For the first station in an exchange or for a connection to a Company office on each service in use.

Per Service Terminal

Voice

Type 5220 . . . . .	26.80	54.53	TP3 TA1FQ
Types 5222, 5223 and 5224 . . . . .	26.80	64.00	(U) TA1KQ
Types 5225 and 5226 . . . . .	26.80	54.53	TA1LQ
Type 5240 . . . . .	26.80	68.00	TAH++

Teletypewriter

Type 5101 . . . . .	26.80	57.18	TB31A TA1QQ
Type 5150 . . . . .	26.80	57.18	(U)

Data

Type 5320 . . . . .	26.80	71.33	DQ3 TA1CQ
Type 5322 . . . . .	26.80	71.33	TA1EQ

CHANNEL SERVICES TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Section 6  
Original Page 3

SERIES 5000 CHANNELS

B. REGULATIONS (Cont'd)

4. Service Terminals (Cont'd)

Data - Service terminals suitable for connecting channels having transmission characteristics and with interface arrangements similar to those for Series 3000 Channels furnished for data transmission. Each channel has the equivalent of one voice grade channel. The types of Series 5000 data service terminals are as follows:

Types: 5320  
5322

5. Except as otherwise provided herein, the regulations applicable are as set forth for services of the same type and furnished for the same purposes under Series 1000, 2000 and 3000 services.
6. Channels furnished within this series are provided only through the use of Series 5000 service terminals or connecting arrangements provided by the Company. The customer may not create additional channels from channels furnished under this series except that the customer may create additional channels from channels of voice grade or less and channels utilizing Type 5502, 5503, and 5504 service terminals to the extent permitted under the provisions of this Company's General Regulations Tariff.
7. Channels and service terminals furnished for purposes specified herein are suitable for such purposes. While other uses are permitted, channels and service terminals are not represented as being satisfactory for other uses.
8. Shared Use of Facilities
  - a. Shared use is permitted in the case of the following customers:
    - (1) Pipe line companies, railroad companies, other common or contract carriers or public utilities whose rates and charges are regulated by a government entity, and any nonprofit communications organization of such companies, provided that those involved in such shared use are in the same line of business.
    - (2) Government agencies (Federal, State and Local).
  - b. Charges will be computed as though the facilities are furnished to a single customer and, without affecting the ultimate responsibility for payment of charges, will be allocated for billing purposes among the customers in accordance with percentages specified by them, such percentages to remain in effect for a minimum of one month. Such percentages on file on the first day of any month will be used in computing that month's billing.

C. RATES

1. Base Capacity	Per Airline Mile	
	Per Month	USOC
Type 5500 . . . . .	\$ 23.87	1LKA4
Type 5600 . . . . .	31.83	1LKB4
Type 5700 . . . . .	71.92	1LKC4
Type 5800 . . . . .	270.00	1LKD4

CHANNEL SERVICES TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Section 6  
Original Page 2

SERIES 5000 CHANNELS

B. REGULATIONS (Cont'd)

4. Service Terminals

Service terminals for use with the various types of Base Capacity are furnished under two classifications:

- service terminals for use as a wideband channel
- service terminals for use as individual channels of a lesser capacity

Type numbers for wideband service terminals are shown in a. following.

Where service terminals for use as individual channels of a lesser capacity are furnished, the Type numbers as shown in b. following are assigned by reference to the individual channel as if it were furnished under Series 1000, 2000, or 3000 Channels by dropping the second digit of the regular Type number and adding a 5 as the first digit of the new four-digit Series 5000 Type number.

EXAMPLE

<u>Series</u>	<u>Type</u>	<u>Equivalent 5000 Series Type</u>
1000	1001	5101
2000	2120	5220
3000	3120	5320

a. Service Terminals for Use as a Wideband Channel

Type 5501 - Service terminals suitable for terminating channels having a frequency bandwidth of approximately 0 to 20,000 Hertz (Hz) with only minor deviation in gain and delay characteristics within this frequency range. Each channel has the equivalent of 12 voice grade channels.

Type 5502 - Service terminals to accommodate the transmission of data signals at a rate of 40,080 bits per second in sequence and including one voice channel connection for coordination purposes. The channels developed by each terminal have the total equivalent of 12 voice grade channels.

Type 5503 - Service terminals to accommodate the transmission of data signals at a rate of 19,200 bits per second in sequence and including one voice channel termination for coordination purposes. The channels developed by each terminal have the total equivalent of 12 voice grade channels.

Type 5504 - Service terminals to accommodate the transmission of data signals at a rate of 50,000 bits per second in sequence and including one voice channel connection for coordination purposes. The channels developed by each terminal have the total equivalent of 12 voice grade channels.

Type 5751 - Service terminals suitable for connecting channels having a frequency bandwidth of approximately 0 to 100,000 Hz with only minor deviation in gain and delay characteristics within this frequency range. Each channel has the equivalent of 60 voice grade channels.

b. Service Terminals for Use as Channels of a Lesser Capacity

Voice - Service terminals suitable for connecting channels having transmission characteristics and with interface arrangements similar to those furnished under Series 2000 Channels. The types of Series 5000 voice service terminals are as follows:

Types: 5220	5224	5240
5222	5225	
5223	5226	

Teletypewriter - Service terminals suitable for connecting channels having transmission characteristics and with interface arrangements similar to those for channels furnished under Series 1000 Channels. The types of Series 5000 teletypewriter service terminals are as follows:

Types: 5101  
5150

Twelve such channels, or any portion thereof, or a combination, not exceeding twelve, of such channels, between the same pair of service points, have the equivalent of one voice grade channel.

CHANNEL SERVICES TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Section 6  
Original Page 1

SERIES 5000 CHANNELS

A. GENERAL

Series 5000 Channels provides Base Capacity for transmitting various forms of electrical communication up to limits specified for the various types and connecting arrangements necessary for the utilization of such capacity as specified in B. following.

Channels are furnished for half-duplex or duplex operation, the charge being the same in either case on a two-point or a multipoint basis.

B. REGULATIONS

1. Explanation of Terms

Service Terminal

A service terminal is the intraexchange portion of an interexchange service.

2. Series 5000 Channels are no longer offered. The associated rates and charges apply only to existing installations of these channels for the same customer at the same location, including such customer's requests for additions to the existing installations only up to the maximum limit of the base capacity.

Series 5000 Channel Services will be withdrawn as an offering effective December 31, 1984. Customers who wish to retain Channel Services between those locations served by their Series 5000 Channels may continue to do so, but those services will be rated as individual channel facilities as specified in the appropriate sections of this tariff.

Channels are furnished between specified locations for voice, telephotograph (facsimile), teletypewriter, data transmission, remote metering, supervisory control, miscellaneous signaling and other purposes for which service terminals are provided under 4. following. Series 5000 Channels are not furnished when all points are within the same exchange.

3. Base Capacity

Base Capacity denotes the potential for communication channels and services which can be realized only with the use of service terminals furnished under 4. following. Base Capacity, with appropriate service terminals, is provided for use as a wideband channel or for use as individual channels of lesser capacity which in total do not exceed the equivalent voice grade capacity specified for each type. Base Capacity is furnished in such manner as the Company may elect, whether by wire, radio or a combination thereof and whether or not by means of a single facility or route.

For each Base Capacity the Company undertakes to provide at the charges determined under C. following, only that portion of the maximum Base Capacity which the customer orders as channels arranged for his use; additional channels up to the maximum of the Base Capacity will be provided and arranged for use at the customer's request, subject to the availability of suitable service terminals and connecting arrangements.

The various types and classifications of Base Capacity furnished within this series are as follows:

<u>Base Capacity</u>	<u>Maximum Equivalent Carrier Spectrum Assignment Kilocycles Per Second</u>	<u>Maximum Equivalent Voice Grade Channels</u>
Type 5500	48	12
Type 5600	96	24
Type 5700	240	60
Type 5800	1,000 (Approximate)	240

Within the maximums specified above, the Base Capacity made available to the customer in each classification is determined by the number and type of service terminals furnished from time to time pursuant to his order and is limited to the capacity so determined.

Within the limits of a Base Capacity the customer may order as many individual channels of lesser capacity arranged for use as he requires. A channel is considered arranged for use when the necessary service terminals are furnished pursuant to the customer's order.



CHANNEL SERVICES TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Section 5A  
Original Page 2

COMMON CONTROL SWITCHING ARRANGEMENTS

C. RATES

1. Common Control Switching Arrangement

	Installation Charge	Per Month	USOC
a. Per Intraexchange Access Line Connection in a CCSA, including the channel from the customer's station location in the exchange or zone in which the switching arrangement is located . . . . .	\$14.15	\$ 52.46	9F9
b. Per Interexchange Access Line Connection in a CCSA . . . . .	-	52.46	9E9
c. Per Trunk Line Connection in a CCSA . . . . .	-	63.66	9G9
d. Selective Routing Arrangement, to permit selective routing over local service or Foreign Exchange Service lines; up to and including three numbering plan areas . . . . .	-	253.48	S52

2. Trunk Lines are provided at the same rates and charges specified for Series 2000, type 2120, and Series 5000 Channels in this Tariff, Sections 3 and 6 respectively, and subject to the Service Charges specified in this Company's General Services Tariff, Section 3, for connections of channels.
3. Extensions or additional connections of intraexchange access lines are provided at the same rates and charges specified for Station Terminals for use with Series 2000, type 2001, Interexchange Channels in this Tariff, Section 3, and subject to the Service Charges specified in this Company's General Services Tariff, Section 3, for connections of channels.
4. Interexchange access lines are provided at the same rates and charges specified for Series 2000, type 2120, and Series 5000 Channels in this Tariff, Sections 3 and 6 respectively, except that where the Company elects to connect the station location to a common control switching arrangement other than the one specified by the customer, the rates and charges will be the same as if the service were provided to the nearest common control switching arrangement, and subject to the Service Charges specified in this Company's General Services Tariff, Section 3 for connections of channels.

CHANNEL SERVICES TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Section 5A  
Original Page 1

COMMON CONTROL SWITCHING ARRANGEMENTS

A. GENERAL

Common Control Switching Arrangements (CCSA) provide customers, having extensive communication requirements, a communications network whereby customer locations associated with the network may intercommunicate. The arrangements are furnished on Company premises and interconnect access lines connected at customer locations, and at central offices for access to the telecommunications network.

Use of the common control switching equipment for this arrangement is shared with other service offerings or customers.

B. REGULATIONS

1. Explanation of Terms

a. Intraexchange Access Line

An intraexchange access line is a channel which connects a CCSA to customer premises equipment located in the same exchange or zone in which the switching arrangement is located.

b. Intraexchange Access Line Connection

An intraexchange access line connection is a connection of an intraexchange access line or the direct connection of a Local Exchange Service line in a CCSA.

c. Interexchange Access Line

An interexchange access line is a channel which connects a CCSA to customer premises equipment located in an exchange foreign to the exchange in which the CCSA is located.

d. Interexchange Access Line Connection

An interexchange access line connection is a connection of an interexchange access line or the direct connection of a Wide Area Telephone Service or a Foreign Exchange Service line in a CCSA.

e. Trunk Line

A trunk line is a facility which interconnects two CCSA's.

f. Trunk Line Connection

A trunk line connection is the connection of a trunk line in a CCSA.

g. Selective Routing Arrangements

Selective routing arrangements are facilities which sort out calls destined for (off network) Local Exchange or Message Telecommunications Service and route them toward the appropriate access line together with any additional coding information which may be required in order to complete the call.

2. Transmission

CCSA's are not represented as being suitable for the interconnection of access lines with telecommunications network service with a grade of transmission equivalent to that provided for either network separately.

3. Minimum Revenue Guarantee

A minimum revenue guarantee, based on the monthly rates for 400 access line connections, is applicable for a period of one year to the provision of each CCSA.

CHANNEL SERVICES TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Section 5  
Original Page 1

SERIES 4000 CHANNELS

A. GENERAL

Series 4000 Channels are two- and four-wire facilities used with terminal equipment to provide DATAPHONE® Select-A-Station Service or Telemetry Alarm Bridging Service.

B. REGULATIONS

Classification of Channels

Series 4000

Type 4040 - A two-wire interface with effective two-wire facilities.

Type 4041 - A four-wire interface with effective four-wire facilities.

C. RATES

Channels

Interexchange

The mileage rates specified following apply for each section of an interexchange channel, i.e., between the rate centers of each pair of service points. A channel terminal charge applies in the exchange at each connection of each two-point section.

Mileage, all types	Per	
	Month	USOC
Each mile or fraction thereof . . . . .	\$ 2.35	1L6A4
Channel Terminals, all types each . . . . .	38.91	2UEER

CHANNEL SERVICES TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Section 4  
Original Page 5

SERIES 3000 CHANNELS

C. RATES (Cont'd)

2. Channel Conditioning Arrangements For Series 3000 Channels

Channel Conditioning Charges, as specified following, apply to the first station at each building.

a. Between buildings in different exchanges, not arranged for switching:

	<u>Installation Charge</u>	<u>Per Month</u>	<u>USOC</u>
(1) Two-point Interexchange Channel			
Type C1, each . . . . .	\$12.46	\$13.85	P2W
Type C2, each . . . . .	31.16	51.88	P3H
Type C4, each . . . . .	62.32	77.82	P4G
Type D1, each* . . . . .	93.48	9.25	QHA

(2) Multipoint Interexchange Channel

For the first connection in a building in each exchange

Type C1, each . . . . .	31.16	27.41	P3G
Type C2, each . . . . .	62.32	66.02	P3W

b. Each additional connection of the same channel at a different building, but in the same exchange as the first building:

Type C1, each . . . . .	12.46	8.25	P3E
Type C2, each . . . . .	12.46	27.41	P3B
Type C4, each . . . . .	12.46	27.41	P4H

\* When Type D1 Channel Conditioning is installed subsequent to the installation of the channel with which it is associated, rates and charges for the installation of a Series 3000 Channel apply in addition to the rates and charges for type D1 Channel Conditioning.

CHANNEL SERVICES TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Section 4  
Original Page 4

SERIES 3000 CHANNELS

C. RATES

1. Interexchange Channels

The mileage rates specified following apply for each section of an interexchange channel, i.e., between the rate centers of each pair of service points and a channel terminal charge applies in the exchange at each terminal of each two point section.

		Per Month	USOC
a. Mileage, all types			
Per mile or fraction thereof . . . . .		\$ 2.95	(U)
b. Channel Terminals, all types each			
Where the total channel mileage between rate centers is 3 miles or less . . . . .		16.98	(U)
Where the total channel mileage between rate centers is greater than 3 miles . . . . .		28.29	(U)
c. Station Terminals, each			
Type 3001B . . . . .		29.80	1LMCP 1L3AP
Type 3001C . . . . .		47.00	1LMDP 1L3CP
Types 3120 and 3122 . . . . .		43.03	(U)
d. Additional connections			
In a different building on different premises in the same exchange . . . . .		Rates and charges are as specified in c. preceding.	

CHANNEL SERVICES TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Section 4  
Original Page 3

SERIES 3000 CHANNELS

B. REGULATIONS (Cont'd)

4. Channel Conditioning Arrangements for Series 3000 Channels (Cont'd)

e. Type D1, High Performance Data Conditioning

Type D1 Channel Conditioning Arrangements provide for the following technical parameters on two point channels:

Signal to C-Notched Noise Ratio . . . . . 24dB

Nonlinear Distortion:

Signal to second order distortion . . . . . 35dB

Signal to third order distortion . . . . . 40dB

When a channel equipped with Type D1 Channel Conditioning is utilized for voice communications, the Company does not represent that the channel will be suitable for such voice transmission.

CHANNEL SERVICES TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Section 4  
Original Page 2

SERIES 3000 CHANNELS

B. REGULATIONS (Cont'd)

4. Channel Conditioning Arrangements for Series 3000 Channels

a. Type C1

The envelope delay distortion shall not exceed:

- Between 1000 and 2400 Hz, a maximum difference of 1000 microseconds.

The loss deviation with frequency, from 1000 Hz reference, shall not exceed:

- Between 1000 and 2400 Hz, -1dB to +3dB
- Between 300 and 2700 Hz, -2dB to +6dB

b. Type C2

The envelope delay distortion shall not exceed:

- Between 1000 and 2600 Hz, a maximum difference of 500 microseconds.
- Between 600 and 2600 Hz, a maximum difference of 1500 microseconds.
- Between 500 and 2800 Hz, a maximum difference of 3000 microseconds.

The loss deviation with frequency, from 1000 Hz reference, shall not exceed:

- Between 500 and 2800 Hz, -1dB to +3dB
- Between 300 and 3000 Hz, -2dB to +6dB

c. Type C4

The envelope delay distortion shall not exceed:

- Between 1000 and 2600 Hz, a maximum difference of 300 microseconds.
- Between 800 and 2800 Hz, a maximum difference of 500 microseconds.
- Between 600 and 3000 Hz, a maximum difference of 1500 microseconds.
- Between 500 and 3000 Hz, a maximum difference of 3000 microseconds.

The loss deviation with frequency, from 1000 Hz reference, shall not exceed:

- Between 500 and 3000 Hz, -2dB to +3dB
- Between 300 and 3200 Hz, -2dB to +3dB

CHANNEL SERVICES TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Section 4  
Original Page 1

SERIES 3000 CHANNELS

A. GENERAL

Series 3000 Channels are voice grade channels furnished for half-duplex or duplex operation (data use) on a two-point or multipoint basis.

B. REGULATIONS

1. Explanation of Terms

Audio Tone Protective Relaying

Audio tone protective relaying is the function in which power utility fault detectors at one location sense a power system fault condition and initiate a trip signal, which must be coded and transmitted by a protective relaying terminal, over telecommunications facilities to a similarly equipped location. Power system circuit breakers at the other location will then operate to rapidly deenergize the faulted portion of the electric power system.

2. Channel Types

Type 3001B - A two-wire interface with effective two-wire facilities conditioned for audio tone protective relaying.

Type 3001C - A four-wire interface with four-wire facilities conditioned for audio tone protective relaying.

All Type 3001B and 3001C channels are conditioned for the following transmission specifications:

The envelope delay distortion shall not exceed 2000 microseconds between 800 and 2600 Hz.

The loss deviation with frequency (from 1004 Hz reference) shall not exceed the following limits:

Between 300 and 3000 Hz, -2dB to +6dB.

Between 500 and 2800 Hz, -1dB to +3dB.

Type 3120\* - A four-wire interface with four-wire facilities engineered for a 1000 Hz net loss of 16dB; normally suitable for data transmission.

Type 3122\* - A two-wire interface with effective two-wire facilities engineered for a 1000 Hz net loss of 16dB; normally suitable for data transmission.

3. Terminal Equipment (data set) Requirements for Series 3000 Channels

a. When Series 3000 Channels are used for data transmission, terminal equipment (data sets) is required to condition signals generated by apparatus furnished by the customer to signals suitable for transmission on the channel and to condition signals received from such a channel to signals for delivery to apparatus furnished by the customer.

b. Series 3000 Channels may be used for normal black and white telephotograph (facsimile) transmission purposes without the use of terminal equipment. Where picture transmission refinements are required, suitable terminal equipment should be used.

\* Not suitable for switching and/or tandem operations to other Channel Services or the telecommunications network.



CHANNEL SERVICES TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Section 3  
Original Page 4

SERIES 2000 CHANNELS

C. RATES (Cont'd)

2. Other Service Arrangements

Signaling Arrangements

	Per Month	USOC
a. Automatic ringing, for use with Type 2120 Channels, per channel . . . . .	\$ 5.48	27F
b. Arrangement to convert E&M Signaling to DX Signaling, for use with Type 2021, 2120, 2122, 2123 and 2124 Channels, per local channel or station terminal . . . . .	13.85	SLM
c. Arrangement for Loop Signaling, for use with Type 2120 Channels, per local channel or station terminal . . . . .	5.48	SLL
d. Arrangements for Types 2014, 2125 and 2126 Channels		
(1) Type A . . . . .	10.25	SAL
(2) Type B . . . . .	6.80	SAU
(3) Type C . . . . .	.80	SAY

CHANNEL SERVICES TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Section 3  
Original Page 3

SERIES 2000 CHANNELS

C. RATES

1. Interexchange Channels

a. Application of Rates

- (1) For Type 2006 Channels, the mileage specified in b. following is measured airline between the rate centers of the normal and foreign exchanges.
- (2) The mileage rates specified following apply for each section of an interexchange channel, i.e., between the rate centers of each pair of service points and a channel terminal charge applies in the exchange at each terminal of each two-point section.

	Per Month	USOC
b. Mileage, all types		
Per mile or fraction . . . . .	\$ 2.95	(U)

c. Channel Terminals, all types each

Where the total channel mileage between rate centers is 3 miles or less . . . . .	16.98	(U)
Where the total channel mileage between rate centers is greater than 3 miles . . .	28.29	(U)

d. Station Terminals, each

Types 2011, 2014, 2022*, 2041, 2045, 2120, 2125 and 2126 . . . . .	26.24	(U)
Types 2020, 2021, 2122, 2123, 2124. . . . .	34.50	(U)
Type 2040 . . . . .	38.50	1LPNP

e. Additional Connections

In a different building on different premises in the same exchange . . . . .	Rates and Charges are as specified in d. preceding.
---	---

\* In addition, rates and charges apply for an appropriate signaling arrangement for Type 2014 Channels.

CHANNEL SERVICES TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Section 3  
Original Page 2

SERIES 2000 CHANNELS

B. REGULATIONS (Cont'd)

3. Channel Types No Longer Offered\* (Cont'd)

a. Channels for Tie Trunk Use (Cont'd)

Type 2122 - Furnished as a four-wire interface with four-wire facilities engineered to 10db-VNL net gain for tie trunk use to connect two branch exchange systems.

Type 2123 - Furnished as a four-wire interface with four-wire facilities engineered to 8dB-VNL net gain for tie trunk use to connect two branch exchange systems.

Type 2124 - Furnished as a four-wire interface with four-wire facilities engineered to 6dB-VNL net gain for tie trunk use to connect two branch exchange systems.

b. Channels for branch exchange or similar equipment

Type 2125 - A two-wire interface with effective two-wire facilities engineered for a 1000 Hz net loss of 0dB to 5.5dB.

Type 2126 - A two-wire interface with effective two-wire facilities engineered for a 1000 Hz net loss of 0dB to 3.5dB.

4. Signaling Arrangements

a. Provision of Signaling Arrangements

Signaling Arrangements are furnished for branch exchange or similar equipment in accordance with Part 68 of the Rules and Regulations of the Federal Communications Commission.

b. For Type 2014, 2125 and 2126 Channels

(1) Type A - Furnished for use with Class A branch exchange or similar station ports capable of operation over loops with resistance in the range of 0-199 ohms.

(2) Type B - Furnished for use with Class B branch exchange or similar station ports capable of operation over loops with resistance in the range of 200-899 ohms.

(3) Type C - Furnished for use with Class C branch exchange or similar station ports capable of operation over loops with resistance in the range of 900 ohms or more.

(4) For connections to branch exchange or similar equipment, customers must specify the equipment capability, i.e., Type A, B or C port of the equipment.

c. For Type 2021 Channels

A E & M Signaling Arrangement is required for each tie trunk connection at a customer premises with a branch exchange or similar system arranged with an E & M signaling interface.

5. Type 2045 Channels may not be used for outward calls by the telephone answering bureau.

6. The rates set forth in C. following, contemplate two-point communication between stations permanently connected to the line.

7. Type 2006 Channels are provided by the Company on a two-point basis between the exchange from which dial tone is provided and the exchange in which the customer is located. Facilities are required within each exchange to connect the Type 2006 Channel with the Local Exchange Carrier office providing dial tone (open end) and with the customer premises (closed end). Rates, equivalent to the rates for Local Exchange Service in the appropriate tariff of the Local Exchange Carrier, will be applied by the Company for such facilities. In addition, rates and regulations for Specialized Operator Services and Directory Assistance Service as specified in this Company's General Services Tariff, Section 3 and Section 5 respectively, and for Operator Assisted Call Charges as specified in this Company's Message Telecommunications Services Tariff, Section 2, are applicable.

\* No longer offered. The associated rates and charges apply to existing installations for the same customer at the same location.

CHANNEL SERVICES TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Section 3  
Original Page 1

SERIES 2000 CHANNELS

A. GENERAL

Series 2000 Channels are voice grade channels furnished for half-duplex operation (voice or data use) on a two-point or multipoint basis.

B. REGULATIONS

1. Explanation of Terms

Answering Connection

An answering connection is a secondary connection of a patron's local exchange service of the Local Exchange Carrier in the answering facilities of a telephone answering bureau when the primary connection of such service is at another location.

Concentrator Connection

A concentrator connection is a connection of a telephone answering bureau patron's local exchange service of the Local Exchange Carrier in concentrator equipment.

Foreign Exchange Service

Foreign Exchange Service permits a customer to obtain dial tone and related features from an exchange other than the exchange in which the customer is located.

Telephone Answering Bureau

A telephone answering bureau is any individual, firm or corporation, termed an answering bureau, offering telephone answering service to 20 or more customers who are its patrons.

2. Channel Types

Type 2006 - Furnished for Foreign Exchange Service subject to the provisions specified in 7. following.

Type 2011 - A two-wire interface with effective two-wire facilities; suitable for off premises extension use.

Type 2014 - A two-wire interface with effective two-wire facilities; suitable for branch exchange or similar off premises main and extension stations used with branch exchange or similar systems capable of operating over loops with resistance up to 1300 ohms.

Type 2021 - A two-wire or four-wire transmission interface with four-wire facilities for tie trunk use to connect two branch exchange or similar systems, two Centrex systems or a Centrex system and a branch exchange or similar system.

Type 2022 - A two-wire interface with effective two-wire facilities; suitable for trunk to station tie trunk loop signaling use to connect a trunk of one switching system to a station of another switching system capable of operating over loops with resistance up to 1300 ohms.

Type 2040 - Furnished for voice transmission for terminal equipment (e.g. 20/40 Dial Pak) which requires that the channel be provided with four-wire facilities.

Type 2041 - Furnished for use as a concentrator connection.

Type 2045 - Furnished for use as an answering connection.

Type 2120\* - Furnished for private line voice transmission as a two-wire interface with effective two-wire facilities engineered for a 1000 Hz net loss of 10dB.

3. Channel Types No Longer Offered

a. Channels for Tie Trunk Use

Type 2020 - Furnished to connect two Centrex systems, two branch exchange or similar systems or any two of the preceding systems.

\* Not suitable for switching and/or tandem operations to other Channel Services or the telecommunications network.

† No longer offered. The associated rates and charges apply to existing installations for the same customer at the same location

CHANNEL SERVICES TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Section 2  
Original Page 2

SERIES 1000 CHANNELS

C. RATES

Interexchange Channels

The mileage rates specified below apply for each section of an Interexchange Channel, i.e., between the rate centers of each pair of service points. A channel terminal charge applies in the exchange at each terminal of each two point section.

	Per Month	USOC
1. Mileage, per mile or fraction thereof		
Type 1001, half duplex and duplex . . . . .	\$ 5.19	(U)
Type 1150, half duplex and duplex . . . . .	1.71	(U)
2. Channel terminals, each		
Type 1001, half duplex and duplex . . . . .	13.50	-
Type 1150, half duplex and duplex		
Where the total channel mileage between rate centers is 3 miles or less . . . . .	16.98	(U)
Where the total channel mileage between rate centers is greater than 3 miles . . . . .	28.29	(U)
3. Station terminals, each		
Type 1001, half duplex . . . . .	13.85	(U)
Type 1001, duplex . . . . .	23.25	(U)
Type 1150, half duplex and duplex . . . . .	28.89	(U)
4. Additional Connections		
In a different building on different premises in the same exchange . . . . .	Rates and charges are as specified in 3. pre- ceding.	(U)
5. Extension Service Connection Arrangement		
For connection of customers to a government weather service, each customer connection in the same exchange as a government weather service connection . . . . .	Rates and charges are as specified in 3. pre- ceding for Type 1150*.	MJF

\* Not offered as a duplex service.

GENERAL REGULATIONS TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Section 2  
Original Page 1

SERIES 1000 CHANNELS

A. GENERAL

Series 1000 Channels are unconditioned sub-voice channels capable of transmitting signals at rates up to 75 bauds. Channels are furnished for half-duplex or duplex operation on a two-point or multipoint basis.

B. REGULATIONS

1. Channel Types

- a. Type 1001 - A two-wire interface for half-duplex service or a four-wire interface for duplex service engineered for binary signals up to 30 bauds for remote metering, supervisory control and miscellaneous signaling purposes.
- b. Type 1150 - A four-wire interface engineered for binary signals at rates up to 75 bauds, 20 or 62.5 milliamperes d.c. neutral signals\* for data, teletypewriter; remote metering, supervisory control and miscellaneous signaling purposes. The customer's terminal equipment shall have a transmitted output of no more than 8% telegraph distortion and shall be capable of processing received data signals with up to 35% telegraph distortion.

The specifications of channel signals and for channel distortion in a. and b. preceding refers to the requirements of the total channel service.

2. Series 1000 Channels are not suitable for the transmission of alternating current tones.

\*The Company has the option of providing 20 to 62.5 milliamperes and will notify the customer of the current level to be supplied. The Company will supply the line voltage and provide for the current adjustment. The maximum open circuit voltage across the send data leads at the interface will not exceed 270 volts

CHANNEL SERVICES TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Section 1  
Original Page 5

APPLICATION OF TARIFF

B. REGULATIONS (Cont'd)

10. Creation of Additional Bit Streams

The customer, by use of his own channel derivation equipment, may create digital bit streams from a DATAPHONE Digital Service or Service at a Transmission Speed of 1.544 Megabits per second. This equipment may be connected at the customer's premises with the telecommunications network and channel services for the transmission of such bit streams over these facilities.

11. Restoration Priority

The use and restoration of service shall be in accordance with Part 64, Subpart D, Appendix A of the Federal Communications Commission's Rules and Regulations, which specifies the priority system for such activities. Upon receipt of certification in conformance with the above mentioned rules and regulations, the Company will change the priority designation of a Channel Service.

C. RATES

1. A Restoration Priority Change Charge will apply to change from no priority, or to change the type of priority on an existing channel service or to establish priority after the service has been ordered but prior to start of service. This charge is not applicable if the Restoration Priority certification is provided at the same time the initial service is ordered and is included on the initial service. No charge applies when a restoration priority is discontinued.

2. Restoration Priority Change Charge

For each two-point channel or for the first two-point section of a multipoint channel service . . . . . \$32.00

For each additional two-point section of a multipoint channel service . . . \$ 2.00

CHANNEL SERVICES TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Section 1  
Original Page 4

APPLICATION OF TARIFF

B. REGULATIONS (Cont'd)

8. Connections

- a. Customer terminal equipment is connected with channel services of the Company as specified following and in this Company's Connection with Company Facilities Tariff.

Channels are terminated by the Company in a network interface. All terminal equipment and wiring necessary to connect to the channels at the network interface are furnished by the customer.

- b. When a channel is used for teletypewriter transmission, the customer terminal equipment must operate at a line signaling speed not to exceed that specified for the channel furnished.
- c. A channel may be connected at the premises of the customer to a telecommunications network line to form a through connection. Such connection shall be through switching equipment provided by the customer.
- d. A channel, except Series 4000, furnished by the Company may be connected to another channel furnished by the Company if the forms of electrical communication for which they are being used are the same.

All connections will be made through connecting arrangements or switching arrangements provided by the Company or through switching equipment provided by the customer.

- e. DATAPHONE® Digital Service and Service at a Transmission Speed of 1.544 may be connected by the customer at the premises of the customer, to another Digital Service or to other services furnished by the Company as specified following:

- (1) Series 3000 Channels, 3120 or 3122
- (2) Series 5000 Channels, types 5320 or 5322
- (3) Telecommunications Network Line

9. Mileage Measurement

Interexchange Channels

a. Two-Point Channels

Except as otherwise specified the rate mileage is the airline distance between the rate centers of the service points, determined in accordance with Section 4 of this Company's Message Telecommunications Services Tariff.

b. Multipoint Channels

- (1) Except as otherwise specified, the rate mileage is the shortest combination of airline distances between the rate centers of the service points determined in accordance with Section 4 of this Company's Message Telecommunications Services Tariff.
- (2) When one or more of the exchanges involved are multizone exchanges, each zone of such an exchange is considered as a separate exchange for the purpose of applying interexchange channel rates.
- (3) When the customer requests that channels be connected in a specified sequence, rate mileage is the shortest airline distances which will connect the channels in the specified sequence.



CHANNEL SERVICES TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Section 1  
Original Page 3

APPLICATION OF TARIFF

B. REGULATIONS (Cont'd)

7. Allowance for Interruptions

When service is interrupted due to causes other than the negligence of the customer, or the failure of facilities furnished by the customer, a credit allowance will be made as set forth in a. through c. following for the portion of the service which is affected. Message Telecommunications Services furnished at the customer's request, when his service is interrupted, are charged for at Message Telecommunications Services rates.

a. Series 1000, Type 1150 when used for Teletypewriter and Data Purposes and Series 3000 and 4000 Channels

No credit is allowed for interruptions to service of less than thirty minutes. On interruptions to service of thirty minutes or more, the customer is credited with the proportionate part of the monthly contract charge in half-hour multiples for each half-hour or major fraction thereof that the service is interrupted.

b. Series 5000 Channels

When service is interrupted for a period of two hours or more, credit is allowed for the portion of service affected by the interruption, in hourly multiples for each hour or major fraction thereof of interruption as follows:

- (1) For items other than Base Capacity, credit is allowed in the proportion that the period of interruption bears to the hours in a month.
- (2) For each of the several types of Base Capacity, credit is computed separately for each two-point section affected.
  - (a) Where the Base Capacity is furnished for use as a single channel, credit is allowed as in (1) preceding.
  - (b) Where the Base Capacity is furnished for use as individual channels of lesser individual capacity:
    - (I) If the equivalent voice grade channels interrupted in a section are less than 50 percent of the total equivalent voice grade channels arranged for use in the section, no credit is allowed.
    - (II) If the equivalent voice grade channels interrupted in a section are 50 percent or more of the total equivalent voice grade channels arranged for use in the section, credit is allowed as in (1) preceding.

c. Digital Services

All credit allowances shall begin from the time of notice by the customer to the Company that an unsatisfactory performance level has occurred, provided that the customer promptly releases the service as requested by the Company to perform testing and maintenance.

(1) Interruptions of 24 Hours or Less

<u>Length of Interruption</u>	<u>Credit</u>
Less than 30 minutes . . . . .	None
30 minutes and up to, but not including, 3 hours . . . . .	1/10 day
3 hours and up to, but not including, 6 hours . . . . .	1/5 day
6 hours and up to, but not including, 9 hours . . . . .	2/5 day
9 hours and up to, but not including, 12 hours . . . . .	3/5 day
12 hours and up to, but not including, 15 hours . . . . .	4/5 day
15 hours and up to 24 hours inclusive . . . . .	One day

Two or more interruptions of 30 minutes or more, during any period up to, but not including 3 hours, shall be considered as one interruption.

(2) Interruptions of Over 24 Hours

Credit will be allowed in 1/5 day multiples for each 3 hour period of interruption or fraction thereof. No more than one full day's credit will be allowed for any period of 24 hours.

CHANNEL SERVICES TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Section 1  
Original Page 2

APPLICATION OF TARIFF

B. REGULATIONS (Cont'd)

4. Provision of Facilities

- a. It is expressly declared that metallic channel facilities are in decreasing supply and the Company is not obligated to make such metallic facilities available.
- b. All terminal equipment on the premises of the customer for use with Channel Service furnished under this tariff shall be provided by the customer. The Company shall furnish all data sets located on the premises of the Company.

5. Use of Customer's Service

- a. Channel service may be used as specified for Use of Service in this Company's General Regulations Tariff; for the transmission of communications to, from, within and between air carriers, where the customer is an aeronautical communications company licensed under the Aviation Services rule of the Federal Communications Commission to operate stations in the aeronautical mobile and fixed services; and for the transmission and reception of weather information by a government agency. The connection of a different customer's receive only terminal equipment may be made only for the reception of such weather information.
- b. Certain channel services may be used for different types of transmission on an alternate use basis. Channels furnished under this tariff may be used for other communication purposes for which they are suited, subject to the provisions stated below and to other provisions of the tariff sections under which the channels are furnished.
  - (1) The purpose or purposes for which the channel service is to be used must be made known to the Company prior to such use.
  - (2) The frequency range, speed and other characteristics of signals transmitted must fall within those specified for the channel furnished.
  - (3) In case one of the purposes for which the channel facilities are to be used requires a type of channel for which a higher rate applies than for the other purpose or purposes, the higher channel rate applies.
- c. A channel may be used for different types of transmission simultaneously as provided in (1) and (2) following, in accordance with the normal transmission characteristics of such channel.
  - (1) When used for the remote operation of a mobile radiotelephone system, it may be used simultaneously for voice communications and to transmit more than one tone in sequence or simultaneously for control purposes.
  - (2) When used for control, metering or signaling purposes, it may be used to transmit more than one tone in sequence or simultaneously for such purposes.

6. Obligations of the Customer

- a. The customer shall be responsible for making Company facilities available for maintenance purposes at a time agreeable to both the Company and the customer. No allowance will be made for the period during which the service is interrupted for such purposes.
- b. The service or any rights associated therewith may not be assigned or in any manner transferred.
- c. The customer is responsible for specifying the proper type of channel and conditioning to meet his service requirements.

CHANNEL SERVICES TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Section 1  
Original Page 1

APPLICATION OF TARIFF

A. GENERAL

This tariff applies to Channel Services furnished or made available by the Company between two or more points within the State of Virginia. The regulations and rates specified herein are in addition to the applicable regulations and rates specified in other tariffs of the Company.

B. REGULATIONS

1. Explanation of Terms

Bit

A bit is the smallest unit of information in the binary system of notation.

Channel

A channel is a path, for electrical communication, between two or more points furnished by means of any type facilities over any route the Company may elect to use.

Channel Terminal

A channel terminal is that portion of a channel service required to terminate an interexchange channel in a rate center or an interoffice channel in a wire center.

Duplex Service

Duplex service is service which provides for simultaneous transmission in both directions.

Half-duplex Service

Half-duplex service is service which provides for transmission alternately in either direction, or for transmission in one direction only.

Interexchange Service

An interexchange service is one with connections in two or more exchanges.

Service Point

A service point is the connection of a channel in a building.

Station

A station is a point on the customer's premises at which the network interface is located.

Station Terminal

A station terminal is that portion of a channel service required for connecting an interexchange channel to a network interface.

2. Classification of Channels

Channels are classified by Series and further classified within each Series by Types. The various Series and Types are described in terms of characteristics and use.

3. Scope

The Company has the overall responsibility for Channel Service up to and including the network interface. Service is furnished 24 hours per day, seven days per week.

CHANNEL SERVICES TARIFF  
S.C.C.-Va.-No. 6

AT&T Communications  
of Virginia

Contents  
Original Page 1

TABLE OF CONTENTS

	<u>Section</u>
APPLICATION OF TARIFF . . . . .	1
SERIES 1000 CHANNELS . . . . .	2
SERIES 2000 CHANNELS . . . . .	3
SERIES 3000 CHANNELS . . . . .	4
SERIES 4000 CHANNELS . . . . .	5
COMMON CONTROL SWITCHING ARRANGEMENTS . . . . .	5A
SERIES 5000 CHANNELS . . . . .	6
SERIES 10000 CHANNELS . . . . .	10
dataphone® DIGITAL SERVICE . . . . .	13
DIGITAL SERVICE AT A TRANSMISSION SPEED OF 1.544 MEGABITS PER SECOND . . . . .	14

**CHANNEL SERVICES TARIFF**

**Containing**

**Regulations and Rates applicable to the furnishing of  
Channel Services  
within Virginia  
by  
AT&T Communications of Virginia**

WIDE AREA TELEPHONE SERVICE TARIFF  
S.C.C.-Va.-No. 5

AT&T Communications  
of Virginia

Section 3  
Original Page 1

800 SERVICE - COMPLEMENTARY SERVICE

A. GENERAL

800 Service - Complementary Service (Inward Wide Area Telephone Service) is the furnishing of facilities for dial type telecommunication from points outside of the LATA in which the Local Exchange Carrier provides the WATS access line. The rates set forth in this tariff are in payment for the service furnished between the calling and called station.

B. REGULATIONS

800 Service - Complementary Service is furnished upon condition that the customer obtain adequate service to permit the use of this service without injurious effect upon it or any other service rendered by the Company. The Company may terminate or refuse to furnish 800 Service - Complementary Service to any customer, without incurring any liability, if the use of the service would interfere with or impair WATS or any other service rendered by the Company, provided that, in the case of a termination of service, at least five days have elapsed following written notification to the customer by mail or in person of the Company's intention to terminate the service for such cause.

C. RATES

	Per Month
Monthly Line Administration Fee, per line . . . . .	None
Measured Time Usage Charges, per hour	
First 15 Hours	
Business Day . . . . .	\$19.01
Evening . . . . .	13.69
Next 25 Hours	
Business Day . . . . .	17.36
Evening . . . . .	12.50
Next 40 Hours	
Business Day . . . . .	15.72
Evening . . . . .	11.32
Over 80 Hours	
Business Day . . . . .	13.91
Evening . . . . .	10.02
All Hours, Night/Weekend . . . . .	9.06

WIDE AREA TELEPHONE SERVICE TARIFF  
S.C.C.-Va.-No. 5

AT&T Communications  
of Virginia

Section 2A  
Original Page 1

OUTWARD WATS - COMPLEMENTARY SERVICE

A. GENERAL

Outward Wide Area Telephone Service (WATS) is the furnishing of facilities for dial type telecommunications from a WATS access line provided by a Local Exchange Carrier to points which are outside of the LATA in which the calls originate. The rates set forth in this tariff are in payment for the service furnished between the calling and called station.

B. RATES

	<u>Per Month</u>
Monthly Line Administration Fee, per line . . . . .	None
Measured Time Usage Charges, per hour	
First 15 Hours	
Business Day . . . . .	\$16.54
Evening . . . . .	10.75
Next 25 Hours	
Business Day . . . . .	14.72
Evening . . . . .	9.58
Next 40 Hours	
Business Day . . . . .	12.91
Evening . . . . .	8.39
Over 80 Hours	
Business Day . . . . .	10.91
Evening . . . . .	7.09
All Hours, Night/Weekend . . . . .	5.75

WIDE AREA TELEPHONE SERVICE TARIFF  
S.C.C.-Va.-No. 5

AT&T Communications  
of Virginia

Section 1  
Original Page 5

APPLICATION OF TARIFF

B. REGULATIONS

8. Allowance for Interruptions (Cont'd)

e. None of the above credit allowances will be made for:

- non-completion of WATS messages due to busy network conditions.
- interruption of service due to customer-provided equipment or systems.
- interruption of service due to the negligence of the customer.
- interruption of service during any period in which the Company is not afforded access to the premises at which the WATS access line is connected.
- interruption of service during any period when the customer has released the WATS access line to the Company for maintenance purposes, or implementation of a customer order for a change in service arrangement.

f. Long Distance Telephone Service furnished a customer, when the WATS is interrupted, is charged for at the long distance telephone rates specified in this Company's Message Telecommunications Services Tariff, Section 2.

9. Abuse or Fraudulent Use of Service

Abuse or fraudulent use of service includes the placing or acceptance of a WATS call by a WATS subscriber, his agent, employee or representative, in response to an uncompleted long distance message call, which was not completed in order to transmit or receive intelligence without the payment of the applicable long distance message charge.

10. Use of Service

a. Resale of Service

A customer of the services, facilities and/or equipment in this tariff may offer such services, facilities and/or equipment to others (patrons), for profit: provided the customer offering such services, facilities and/or equipment to others is a certificated resale carrier.

b. Sharing of Service

A customer of services, facilities and/or equipment in this tariff may share such services, facilities and/or equipment in long term agreement with others (users). The customer may, but does not have to, use the service which is to be shared.

Sharing arrangements must be nonprofit. The total charges to all participants in a sharing arrangement may not exceed the sum of the Company's charges for the service shared. The allocation of charges to each participant shall be on a nonprofit pro rata basis.

Where the customer for a sharing arrangement is organized as a nonprofit entity, a not-for-profit fee, charged solely for the management of the sharing arrangement, may be allocated by the customer among the participants.



WIDE AREA TELEPHONE SERVICE TARIFF  
S.C.C.-Va.-No. 5

AT&T Communications  
of Virginia

Section 1  
Original Page 4

APPLICATION OF TARIFF

B. REGULATIONS (Cont'd)

5. Method of Determining Usage Charges (Cont'd)

d. Timing of Calls

- (1) Chargeable time begins when connection is established between a station associated with the WATS access line and the calling or called station, and ends when the calling station "hangs up" thereby releasing the network connection. If the called station "hangs up" but the calling station does not, chargeable time ends when the network connection is released by automatic timing equipment in the telephone network.
- (2) When a connection is established in one rate period and ends in another, the rate in effect for each rate period applies to the portion of the connection occurring within that rate period.
- (3) The rate charged is determined by the day and time (standard or daylight savings) at the WATS access line location.
- (4) When 800 Service is directly connected (i.e., not connected through a Multiline Connecting System) at a Customer's premises to a communications system, chargeable time begins when the 800 Service call connects in or passes through the first multiline connecting system or terminal equipment on that communications system. It is the Customer's responsibility to furnish appropriate answer supervision to the point of connection with the 800 Service so that chargeable time may begin.

6. Method of Determining Fractional Recurring Charges other than Usage (e.g. access lines, extensions, etc.)

Charges for a fraction of a month are determined by dividing the monthly rate by 30 to obtain a daily rate. That is multiplied by the number of days service is provided.

7. Initial Contract Period and Continuity of Service

The initial contract period of one day applies separately for Outward and 800 Service. If an access line is connected for a customer at a location where either mode of WATS has been disconnected at the customer's request less than two weeks previous, charges for the service so established will commence one day following the disconnect date of the prior service.

8. Allowance for Interruptions

Allowance for interruptions apply to each WATS access line as set forth in a. thru f. following:

- a. When the WATS access line is interrupted for a period of less than 2 hours no credit applies.
- b. When the WATS access line is interrupted for a period of 2 hours to 24 hours a credit of \$25.40 applies.
- c. When the WATS access line is interrupted for a period of more than 24 hours a credit of \$25.40 applies for each 24 hour period or any fraction thereof.
- d. The credit in a. and b. above includes all credit to be applied for an interruption.

WIDE AREA TELEPHONE SERVICE TARIFF  
S.C.C.-Va.-No. 5

AT&T Communications  
of Virginia

Section 1  
Original Page 3

APPLICATION OF TARIFF

B. REGULATIONS (Cont'd)

5. Method of Determining Usage Charges (Cont'd)

a. Access Lines Equipped for Time-of-Day Recording (Cont'd)

- (6) Determine the average usage for each rate period for each access line in each service group by dividing the chargeable hours for each rate period in (4) preceding by the number of access lines in (5) preceding.
- (7) Determine the usage charge per rate period for each access line by applying the rates shown for Outward WATS or for 800 Service.
- (8) Determine the total usage charge for each rate period for each service group by multiplying the usage charge per rate period in (7) preceding by the number of access lines in (5) preceding.
- (9) Determine the total usage charge for all rate periods in each service group by adding the results of (8) preceding.

b. Access Lines not Equipped for Time-of-Day Recording

For those WATS access lines on which usage is not recorded by the Company by time-of-day rate periods, for a temporary period until time of day usage is recorded by the Company, the usage charge is determined using steps (1) through (10) following:

- (1) Determine the total number of completed calls for each service group.
- (2) Apply the Minimum Average Time Requirement of one minute by dividing the number of completed calls in each service group by 60.
- (3) Determine the total actual hours used for each service group.
- (4) Determine the total chargeable hours. This is the greater of (2) or (3) preceding, rounded to the nearest tenth (one decimal place).
- (5) Determine the number of access lines, within each service group, in service during the month. Access lines in service for a fraction of a month are based on the number of days in service divided by 30 days. The result is rounded to the nearest hundredth (two decimal places). The same number of access lines is used for each rate period.
- (6) Determine the average chargeable usage per access line in the service group by dividing the chargeable hours in (4) preceding by the number of access lines in (5) preceding.
- (7) Distribute the usage to the individual rate periods from the following chart by multiplying the percentages from the chart by the average chargeable use per access line (from (6) preceding).

Average Chargeable Usage per Line	Rate Period Distribution of Usage		
	Business Day	Evening	Night/Weekend
Hours			
0 to 80	80%	10%	10%
80.1 to 120	75%	13%	12%
120.1 to 160	66%	18%	16%
over 160	50%	24%	26%

- (8) Determine the usage charge per rate period for each access line by applying the rates shown for Outward WATS for 800 Service.
- (9) Determine the total usage charge for each rate period for each service group by multiplying the usage charge per rate period in (8) preceding by the number of access lines in (5) preceding.
- (10) Determine the total usage charge for all rate periods in each service group by adding the results of (9) preceding.

WIDE AREA TELEPHONE SERVICE TARIFF  
S.C.C.-Va.-No. 5

AT&T Communications  
of Virginia

Section 1  
Original Page 2

APPLICATION OF TARIFF

B. REGULATIONS (Cont'd)

3. Rate Periods

a. Rates applicable are based on the time of day, day of week as follows:

(1) Business Day Period

8AM to 5PM Monday through Friday. The Business Day Period for holidays (New Year's Day, Independence Day, Thanksgiving Day, Labor Day, Christmas Day) is charged at Evening Period Rates.

(2) Evening Period

5PM to 11PM Sunday through Friday.

(3) Night/Weekend Period

11PM to 8AM all days  
8AM to 11PM Saturday  
8AM to 5PM Sunday

b. Minimum Average Time Requirement

Usage is subject to an average of one minute per completed call in each rate period for each billing period. This means that if the average duration per call in any rate period during each billing cycle is less than one minute, billing will be based on an average duration of one minute per call.

4. Limitation of Service

- a. A WATS access line will be connected only at a customer's premises located within the State of Virginia.
- b. WATS does not include person-to-person, collect, conference, or other calls requiring operator handling except as provided in B.1.b. preceding.
- c. WATS is not represented as adapted for connection to other services of the Company, except as provided in this tariff. The service contemplates the provision of satisfactory transmission only between the access line and the calling or called line.
- d. 800 Service may not be connected on the station side of common equipment e.g., PBX line connection or Centrex line connection, in switching equipment.

5. Method of Determining Usage Charges

a. Access Lines Equipped for Time-of-Day Recording

For all WATS access lines on which usage is recorded by the Company by time-of-day rate periods, the usage charge is determined using steps (1) through (9) following:

- (1) Determine the total number of completed calls for each rate period. For each service group.
- (2) Apply the Minimum Average Time Requirement of one minute by dividing the number of completed calls for each rate period in each service group by 60.
- (3) Determine the total actual hours used for each rate period for each service group.
- (4) Determine the total chargeable hours for each rate period for each service group. This is the greater of (2) or (3) preceding, rounded to the nearest tenth (one decimal place).
- (5) Determine the number of access lines, within each service group, in service during the month. Access lines in service for a fraction of a month are based on the number of days in service divided by 30 days. The result is rounded to the nearest hundredth (two decimal places). The same number of access lines is used for each rate period.

APPLICATION OF TARIFF

A. GENERAL

This tariff applies to intrastate Wide Area Telephone Service (WATS) furnished within the State of Virginia, by this Company. The regulations and rates contained herein are in addition to the applicable regulations and rates specified in other tariffs of the Company.

B. REGULATIONS

1. Explanation of Terms

a. Access Line

A WATS access line is a line furnished between the first appearance of WATS service on the customer's premises and a central office and is provided for the purpose of completing wide area service calls. Each such line will be arranged, at the customer's option, for either Outward WATS or 800 Service, but not for both modes.

b. Dial Type Telecommunications

Dial type telecommunications as referred to herein is a call dialed from or to a WATS access line or, if facilities are not available for dial completion, a call placed with an operator from or to a WATS access line. The call may also be placed with an operator in the same manner if for any reason a completed dialed call has been interrupted.

c. Local Access and Transport Area (LATA)

A geographic area established by a divested Bell Operating Company which delimits its operational area or other Telephone Company market areas.

d. WATS

WATS is the furnishing of facilities for dial type telecommunications between stations associated with a WATS access line and station within its service area.

2. Service Offerings

a. Outward WATS - Complementary Service

Outward WATS - Complementary Service provides for the origination of calls from a WATS access line provided by a Local Exchange Carrier located only in the State of Virginia, for telecommunications with stations located outside of the LATA in which the calls originate.

b. 800 Service - Complementary Service

800 Service - Complementary Service provides for the completion of calls from a station in the specified service area, for telecommunications with a station associated with an 800 Service access line located only in the State of Virginia.

WIDE AREA TELEPHONE SERVICE TARIFF  
S.C.C.-Va.-No. 5

AT&T Communications  
of Virginia

Contents  
Original Page 1

TABLE OF CONTENTS

	<u>Section</u>
APPLICATION OF TARIFF . . . . .	1
OUTWARD WATS* . . . . .	2
800 SERVICEø . . . . .	3

\* Marketed by AT&T Communications of Virginia under the name AT&T WATS.  
ø Marketed by AT&T Communications of Virginia under the name AT&T 800 Service.

AT&T Communications  
of Virginia

Original Title Page

WIDE AREA TELEPHONE SERVICE TARIFF

Containing

Regulations and Rates applicable to the furnishing of  
Wide Area Telephone Service  
within Virginia  
by  
AT&T Communications of Virginia

MESSAGE TELECOMMUNICATIONS SERVICES TARIFF  
S.C.C.-Va.-No. 4

AT&T Communications  
of Virginia

Section 5  
Original Page 1

SPECIAL BILLING NUMBER SERVICE

A. GENERAL

Special Billing Number Service is a billing arrangement which enables the customer to obtain details of messages through the use of special billing numbers. The customer may associate the special billing numbers with specific stations, departments, projects, etes., for internal accounting purposes. Bills for messages will be rendered in accordance with the special billing number furnished to the Company operator at the time the call is placed.

B. REGULATIONS

1. This service is intended to meet the billing service requirements of branch exchange customers, but may be used in connection with other business services where required.
2. Special billing numbers are furnished to the customer without charge, subject to the availability of such numbers. The Company reserves the right to refuse or discontinue Special Billing Number Service when, in its judgment, the available number resource is near depletion, or such numbers are required in the provision of other service offerings.

MESSAGE TELECOMMUNICATIONS SERVICES TARIFF  
S.C.C.-Va.-No. 4

AT&T Communications  
of Virginia

Section 4  
Original Page 3

RATE GUIDE

B. REGULATIONS (Cont'd)

5. Determination of Airline Mileages (Cont'd)

b. Interexchange Channels

To determine the rate distance between any two rate centers proceed as follows:

- (1) Obtain the "V" and "H" coordinates for each rate center.
- (2) Obtain the difference between the "V" coordinates of the two rate centers. Obtain the difference between the "H" coordinates.

Note: The difference is always obtained by subtracting the smaller coordinate from the larger coordinate.

- (3) Square each difference obtained in (2).
- (4) Add the squares of the "V" difference and "H" difference obtained in (3).
- (5) Divide the sum of the squares obtained in (4) by ten. Round to the next higher integer if any fraction is obtained.
- (6) Obtain the square root of the result obtained in (5). This is the rate distance in miles, (fractional miles being considered full miles).

Example:

The rate distance is required between Orange and Richmond.

	<u>V</u>	<u>H</u>
Richmond	5906	1472
Orange	<u>5844</u>	<u>1632</u>
difference	62	180
squared	3,844	32,400
	= 36,244	
	<u>36,244</u>	
	10	
	= 3,624.4	
	$\sqrt{3,625} = 60.2 = 61$ airline miles	



MESSAGE TELECOMMUNICATIONS SERVICES TARIFF  
S.C.C.-Va. No. 4

AT&T Communications  
of Virginia

Section 4  
Original Page 2

RATE GUIDE

B. REGULATIONS (Cont'd)

5. Determination of Airline Mileages (Cont'd)

a. Message Telecommunications Service (Cont'd)

Example:

The message rate distance is required between Roanoke and Norfolk.

	<u>V</u>	<u>H</u>
(1) Roanoke	6196	1801
Norfolk	<u>5918</u>	<u>1223</u>
(2) difference	278	578

(3) dividing each difference by three and rounding to nearer integer = 93 and 193

(4) squaring integers and adding,  $93 \times 93 = 8,649$   
 $193 \times 193 = 37,249$   
sum of squared integers 45,898

sum of squared integers is greater than 1777, so divide integers in (3) by three and repeat (4)

(5) dividing integers in (3) by three and rounding = 31 and 64

(6) squaring integers and adding,  $31 \times 31 = 961$   
 $64 \times 64 = 4,096$   
sum of squared integers 5,057

sum of squared integers is greater than 1777, so divide integers in (5) by three and repeat (6)

(7) dividing integers in (5) by three and rounding = 10 and 21

(8) squaring integers and adding,  $10 \times 10 = 100$   
 $21 \times 21 = 441$   
sum of squared integers 541

This sum of squared integers is less than 1778 and was obtained after three successive divisions by three; therefore, "N" = 3.

(9) Multiply final sum of squared integers 541  
by factor 72.9 (corresponding to "N" = 3)  

$$\begin{array}{r} 541 \\ \times 72.9 \\ \hline 39,438.9 \end{array}$$

(10) Square root of 39,439.9 = 198 and a fraction, which is rounded up to 199 miles (fractional miles being considered full miles). The 199 miles is larger than the minimum of 121 rate miles applicable when "N" = 3, so the message rate mileage is 199 miles.

MESSAGE TELECOMMUNICATIONS SERVICES TARIFF  
S.C.C.-Va.-No. 4

AT&T Communications  
of Virginia

Section 4  
Original Page 1

RATE GUIDE

A. GENERAL

This section refers to a list of rate centers for the State of Virginia with V-H (vertical and horizontal) coordinates and contains instructions for determining airline mileages for Message Telecommunications Service and interexchange channels.

B. REGULATIONS

1. In general, each point in the State of Virginia is designated as a rate center except that certain small towns or communities are assigned adjacent rate centers with which they are closely associated for communication purposes or by community of interest.
2. For the purpose of determining airline mileages vertical and horizontal grid lines have been established across the State of Virginia. The spacing between adjacent vertical grid lines and between horizontal grid lines represents a distance of one coordinate unit. This unit is the square root of 0.1, expressed in statute miles. A vertical (V) and horizontal (H) coordinate is computed for each rate center from its latitude and longitude location by use of appropriate map-projection equations. A pair of V-H coordinates locates a rate center, for determining airline mileages, at a particular intersection of an established vertical grid line with an established horizontal grid line. The distance between any two rate centers is the airline mileage computed as explained in 5. following.
3. The vertical and horizontal coordinates for each Virginia rate center, are listed in the List of Rate Centers and Central Offices, issued by the American Telephone and Telegraph Company in Tariff F.C.C. No. 274 which, including any amendments thereto or successive issues thereof, is hereby adopted and made a part of this Tariff. For Message Telecommunications Service and interexchange channels, when service is available at a point not listed in the aforementioned List of Rate Centers and Central Offices, the rate center is the rate center for the central office to which the point is assigned for Message Telecommunications Service and interexchange channels.
4. The mileage for multipoint interexchange channel services is that combination of airline distances between rate centers which will produce the lowest total interexchange mileage charge.
5. Determination of Airline Mileages

a. Message Telecommunications Service

To determine the rate distance between any two rate centers proceed as follows:

- (1) Obtain the "V" and "H" coordinates for each rate center.
- (2) Obtain the difference between the "V" coordinates of the two rate centers. Obtain the difference between the "H" coordinates. (The difference is always obtained by subtracting the smaller coordinate from the larger coordinate.)
- (3) Divide each of the differences obtained in (2) by three, rounding each quotient to the nearer integer.
- (4) Square these two integers and add the two squares.

If the sum of the squares is greater than 1777, divide the integers obtained in (3) by three and repeat step (4). Repeat this process until the sum of the squares obtained in (4) is less than 1778.

- (5) The number of successive divisions by three in steps (3) and (4) determines the value of "N". Multiply the final sum of the two squares obtained in step (4) by the multiplier specified in the following table for this value of "N" preceding:

<u>N</u>	<u>Multiplier</u>	<u>Minimum Rate Mileage</u>
1	0.9	-
2	8.1	41
3	72.9	121

- (6) Obtain square root of product in (5) and, with any resulting fraction, round up to the next higher integer. This is the message rate mileage except that when the mileage so obtained is less than the minimum rate mileage shown in (5) preceding, the minimum rate mileage corresponding to the "N" value is applicable.

MESSAGE TELECOMMUNICATIONS SERVICES TARIFF  
S.C.C.-Va.-No. 4

AT&T Communications  
of Virginia

Section 3  
Original Page 1

CONFERENCE SERVICE

A. GENERAL

Conference Service is a connection among three or more stations, branch exchange trunks, Centrex lines, or combinations thereof on one connection at the same time. All such stations, trunks and lines are so interconnected that each may communicate with all others.

B. REGULATIONS

1. One class of service only is offered whether the call is to specified persons or specified stations.
2. Conference Service shall be established only by a Company operator utilizing conference equipment located in the Company central office.
3. The Company will, at the request of a customer, undertake to arrange for the establishment of a conference connection at a specified time.
4. Chargeable time begins when call is established among all the specified persons or lines and ends when the call is disconnected at the originating line, except as provided in 5. following.
5. When the originating customer requests that a line or lines be added to or omitted from those included on an existing conference connection, it is considered as disconnecting the current call and initiating a new call on the basis of the revised group.
6. Charges for conference connections are billed in total only, and may be billed to the originating station, a Company calling card or a called station.

C. RATES

The rate for a conference connection is the sum of:

1. A charge of \$3.00 for each called station, branch exchange trunk and Centrex line plus
2. The initial minute and additional minute charges as specified in the Rate Schedule for Two-Point Service, in Section 2 of this tariff, for a station-to-station customer dialed call between the originating line and each called line and/or trunk called on the conference connection. For calls connected in the customer's local service area, as specified by the customer's local exchange carrier, the charge for 0 to 8 Rate Airline Miles applies.

MESSAGE TELECOMMUNICATIONS SERVICES TARIFF  
S.C.C.-Va.-No. 4

AT&T Communications  
of Virginia

Section 2  
Original Page 3

**TWO-POINT SERVICE**

**C. RATES**

**1. Application of Rates**

Rates for service between points are based on the airline mileage between rate centers. Airline mileages between rate centers are determined as specified in Section 4 of this tariff. Rates applicable for the mileages obtained are as specified in 2. following, except as follows:

Residence customers who have been certified to the Company as having a hearing and/or speech impairment which requires them to communicate over telephone facilities by means other than voice, and who use Data Transmitting and Receiving Terminals of speeds of 110 bauds or less, will be charged as follows for Customer Dialed Direct Station-to-station messages.

Day connections will be charged for at Evening rates

Evening connections will be charged for at Night and Weekend rates

Night and Weekend connections will be charged for at Night and Weekend rates

Charges collected at coin telephones are computed as shown in the appropriate rate schedules and rounded up or down to the nearest multiple of \$.05.

The charges for Station-to-station operator assisted and Person-to-person calls are as specified in 2.b. following for Operator Assisted Call Charges and apply in addition to the charges for Station-to-station Customer Dialed rate.

**2. Rate Schedule**

**a. Station-to-station Customer Dialed**

RATE AIRLINE MILES	Up to and Including	DAY		EVENING		NIGHT AND WEEKEND	
		Initial Period	Add'l. Period Each	Initial Period	Add'l. Period Each	Initial Period	Add'l. Period Each
		1 Min.	1 Min.	1 Min.	1 Min.	1 Min.	1 Min.
Over							
0	- 8	.21	.11	A		A	
8	- 13	.25	.12				
13	- 18	.31	.17	discount		discount	
18	- 23	.33	.19				
23	- 28	.38	.21	of 40%		of 60%	
28	- 38	.39	.24				
38	- 48	.42	.26	less than		less than	
48	- 58	.43	.27				
58	- 78	.45	.28	Day Rates		Day rates	
78	- 118	.47	.30				
118	- 194	.48	.32	applies		applies	
194	- 495	.51	.33				

**b. Operator Assisted Call Charges**

Charge Per  
Call

(1) Station-to-station Customer Dialed Calling Card . . . . .	\$ .60
(2) Station-to-station operator assisted other than Customer Dialed Calling Card . .	1.55
(3) Person-to-person . . . . .	3.00

MESSAGE TELECOMMUNICATIONS SERVICES TARIFF  
S.C.C.-Va.-No. 4

AT&T Communications  
of Virginia

Section 2  
Original Page 2

TWO-POINT SERVICE

B. REGULATIONS (Cont'd)

2. Time Schedule

a. Day, Evening, and Night and Weekend rates apply as follows:

Rates	Time Applicable		Days Applicable
	From	To But Not Including	
Day*	8:00 A.M.	5:00 P.M.	Monday through Friday
Evening	5:00 P.M.	11:00 P.M.	Sunday through Friday
Night	11:00 P.M.	8:00 A.M.	Every day
Weekend	8:00 A.M.	11:00 P.M.	Saturday
Weekend	8:00 A.M.	5:00 P.M.	Sunday

\* Rates Applicable on Certain Holidays

On New Year's Day (January 1), Independence Day (July 4), Labor day (the first Monday in September), Thanksgiving Day (the fourth Thursday in November), and Christmas Day (December 25), the holiday rate applicable is the Evening rate, unless a lower rate would normally apply.

- b. Charges are calculated as stated in the Rate Schedule for initial minute and additional minutes. They are applied to that portion of the messages occurring within the rate periods stated in the table.
- c. Chargeable time for all station-to-station calls begins when connection is established between the calling station and the called station, Miscellaneous Common Carrier mobile radio system, branch exchange or Centrex system and ends when the calling station "hangs-up" thereby releasing the network connection. If the called station "hangs up" but the calling station does not, chargeable time ends when the network connection is released either by automatic timing equipment in the telecommunications network or by the Company operator.
- d. Chargeable time for person-to-person calls begins when connection is established between the calling person and the particular person or station specified, or an agreed alternate, and ends when the calling station "hangs up" thereby releasing the network connection. If the called station "hangs up" but the calling station does not, chargeable time ends when the network connection is released either by automatic timing equipment in the network or by the Company operator.

MESSAGE TELECOMMUNICATIONS SERVICES TARIFF  
S.C.C.-Va.-No. 4

AT&T Communications  
of Virginia

Section 2  
Original Page 1

TWO-POINT SERVICE

A. GENERAL

Two-point Message Telecommunication Service consists of telecommunications between two stations, Miscellaneous Common Carrier mobile radio, branch exchange or Centrex systems or any combination thereof, within the state of Virginia.

B. REGULATIONS

1. Classes of Service

- a. Service is offered on a Station-to-station or Person-to-person basis. A Station-to-station call can be established on a customer dialed or operator assisted basis, while a Person-to-person call must be processed by the operator.

- b. Station-to-station

- (1) Customer Dialed

The customer dialed schedule contemplates Station-to-station calls dialed and completed by the customer from other than a coin telephone without the assistance of a Company operator. The services of a Company operator are not to be used in connection with completing such calls, or in furnishing any information or assistance relating to billing or charges for such calls, except in the following cases:

- (a) to reestablish a call which has been interrupted after the called telephone number has been reached.
    - (b) to reach the called telephone number where Direct Distance Dialing facilities are not available.
    - (c) to record the originating telephone number where no automatic recording equipment is available.
    - (d) to record a special identification number, issued to students who reside at dormitories of colleges or universities equipped for Dormitory Centrex Service, for a call placed from a Dormitory Centrex station.
    - (e) to place a call for a calling party who identifies himself as being handicapped and unable to dial the call because of his handicap.

- (2) Customer Dialed Calling Card

The customer dialed calling card schedule contemplates that the person originating the call:

- (a) dials the digit zero, plus the telephone number, plus a calling card number (where equipment is available) to complete the call without operator assistance, or
    - (b) inserts a commercial credit card or calling card into the card reader (where equipment is available), dials the digit zero, plus the telephone number to complete the call without operator assistance, or
    - (c) dials the digit zero, plus the telephone number (0 + number) to complete the call. In such cases operator assistance is limited to recording the calling card number for billing purposes, or
    - (d) dials the operator and places a calling card when equipment capability precludes either of the foregoing.

- (3) Operator Assisted

The operator assisted schedule contemplates the required services of a Company operator in the completion of Station-to-station calls or requests for any information or assistance relating to billing or charges for such calls, except as specified for customer dialed and customer dialed calling card calls.

- c. Person-to-person

The Person-to-person schedule contemplates that all Person-to-person calls be necessarily handled by a Company operator.

MESSAGE TELECOMMUNICATIONS SERVICES TARIFF  
S.C.C. -Va.-No. 4

AT&T Communications  
of Virginia

Section 1  
Original Page 2

APPLICATION OF TARIFF

B. REGULATIONS (Cont'd)

1. Explanation of Terms (Cont'd)

Station-to-station

Station-to-station is that service where the person originating the call dials the telephone number desired, or gives to the Company operator the telephone number of the desired station, Miscellaneous Common Carrier connecting channel, branch exchange, branch exchange or Centrex station which is reached directly rather than through a branch exchange or Centrex attendant, or gives only the name and address under which the number of the desired station, Miscellaneous Common Carrier connecting channel, or branch exchange or Centrex system is listed, and does not specify a particular person to be reached, nor a particular mobile station to be reached through a Miscellaneous Common Carrier attendant, nor a particular station, department or office to be reached through a branch exchange or Centrex attendant.

Two classes of Station-to-station Service are offered as follows:

(1) Customer Dialed Direct

Customer Dialed Direct Station-to-station Service\* is that where the person originating the call from other than a coin telephone dials the telephone number desired and the call is completed without the assistance of a Company operator, except: when an operator records the originating telephone number where no automatic recording equipment is available; when an operator records a special identification number, issued to students who reside at dormitories of schools, colleges or universities equipped for Centrex Dormitory Service, for a call placed from a Centrex Dormitory station; when an operator reaches the called telephone number where facilities are not available for dial completion; when an operator places a call for a calling party who identifies himself as being handicapped and unable to dial the call because of his handicap; and when an operator re-establishes a call which has been interrupted after the called number has been reached.

(2) Operator Assisted

Operator Assisted Station-to-station Service is that other than Customer Dialed Direct Station-to-station Service. Operator Assisted Station-to-station Service includes Station-to-station service originating at a coin telephone.

2. Chargeable Time

Chargeable time for all connections does not include time lost because of faults or defects in the service.

3. Use of Service

a. Resale of Service

A customer of the services and/or facilities in this tariff may offer such services and/or facilities to others (patrons), for profit: provided the customer offering such services and/or facilities to others is a certificated resale carrier.

b. Sharing of Service

A customer of services and/or facilities in this tariff may share such services and/or facilities in long term agreement with others (users). The customer may, but does not have to, use the service which is to be shared.

Sharing arrangements must be nonprofit. The total charges to all participants in a sharing arrangement may not exceed the sum of the Company's charges for the service shared. The allocation of charges to each participant shall be on a nonprofit pro rata basis.

Where the customer for a sharing arrangement is organized as a nonprofit entity, a not-for-profit fee, charged solely for the management of the sharing arrangement, may be allocated by the customer among the participants.

\* Marketed by AT&T Communications of Virginia under the name AT&T Long Distance Service.

MESSAGE TELECOMMUNICATIONS SERVICES TARIFF  
S.C.C.-Va.-No. 4

AT&T Communications  
of Virginia

Section 1  
Original Page 1

APPLICATION OF TARIFF

A. GENERAL

This tariff applies to Message Telecommunications Services, furnished or made available by the Company, between two or more points within the state of Virginia. The regulations and rates contained herein are in addition to the applicable regulations and rates specified in other tariffs of the Company.

B. REGULATIONS

1. Explanation of Terms

Additional Period

The additional period is the unit of time used for measuring and charging for time in excess of the initial period. All additional period rates specified in this tariff are for each additional minute or any fraction thereof that the connection continues beyond the initial period.

Bill to Third Party

Bill to third party denotes a billing arrangement by which a call may be charged to an authorized station as determined by the Company other than the station originating the call or the station where the call is completed.

Calling Card\*

Calling card denotes a billing arrangement by which a call may be charged to a company authorized calling card number.

Collect Call

Collect call denotes a billing arrangement by which the charge for a call may be reversed provided the charge is accepted at the called station. In case of calls to coin telephones the charges must be billed to a calling card or third party number, or the call may be reoriginated from the called station.

Commercial Credit Card

Commercial credit card denotes a billing arrangement by which a call may be charged to an authorized commercial credit card number.

Customer Dialed Calling Card Station

Customer Dialed Calling Card Station denotes that service where the person originating the call dials prescribed numbers, or inserts a commercial credit card or calling card for validation and billing, where equipment is available, in order to complete the message without operator assistance, unless it is necessary to record the originator's calling card number, and the message is billed to a calling card number, or a commercial credit card number.

Initial Period

The initial period is the interval of time allowed at the rate quoted for a message connection between given points. All initial period rates specified in this tariff are for connections of the time periods or any fractions thereof specified in Sections 2 and 3 of this tariff.

Message Telecommunications Service

Message telecommunications service is that of furnishing facilities for telecommunication between stations in accordance with the regulations and schedule of rates specified in this tariff.

Person-to-person

Person-to-person is that service where the person originating the call specifies to the Company operator a particular person to be reached, a particular mobile station to be reached through a Miscellaneous Common Carrier attendant, or a particular station, department, or office to be reached through a branch exchange or Centrex attendant.

When, after the line, Miscellaneous Common Carrier mobile radio system, branch exchange or Centrex system called has been reached and while the connection remains established, the person originating the call requests or agrees to talk to any person other than the person specified, or to any other person or mobile line to be reached through a Miscellaneous Common Carrier attendant, or to any other line, department or office to be reached through a branch exchange or Centrex attendant, the classification of the call remains person-to-person.

\* Marketed by AT&T Communications of Virginia under the name of AT&T Card.



MESSAGE TELECOMMUNICATIONS SERVICES TARIFF  
S.C.C.-Va.-No. 4

AT&T Communications  
of Virginia

Contents  
Original Page 1

TABLE OF CONTENTS

	<u>Section</u>
APPLICATION OF TARIFF . . . . .	1
TWO-POINT SERVICE . . . . .	2
CONFERENCE SERVICE . . . . .	3
RATE GUIDE . . . . .	4
SPECIAL BILLING NUMBER SERVICE . . . . .	5

AT&T Communications  
of Virginia

Original Title Page

MESSAGE TELECOMMUNICATIONS SERVICES TARIFF

Containing

Regulations and Rates applicable to the furnishing of  
Message Telecommunications Services  
within Virginia  
by  
AT&T Communications of Virginia

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 6  
Original Page 4

CONNECTION WITH CERTAIN FACILITIES  
OF CERTAIN CUSTOMERS

B. REGULATIONS (Cont'd)

3. Power, Pipe Line and Railroad Companies (Cont'd)

b. Interconnection with Company Channel Services (Cont'd)

- (3) Connection of a circuit as specified in b.(2)(b), (c) or (d) preceding may be established at either end of such circuit, but shall not be established at both ends simultaneously.
- (4) Teletypewriter or Morse, data transmission, remote metering, supervisory control or miscellaneous signaling facilities will be connected to channel facilities furnished for such purposes to the same customer.
- (5) Facilities of the Company, when connected with facilities of the customer, will not be used for communications of others than the customer, except that such facilities may be used for the communications of, and be connected with facilities furnished by the Company, to other companies which:
  - (a) are operated with the customer as parts of an integrated electric power, oil, oil products, or natural gas pipe line system or railroad system under direct or common ownership or control; or
  - (b) own or operate an electric power or pipe line or railroad system jointly with the customer; or
  - (c) own or operate electric power or pipe line or railroad facilities interconnected with those of the customer.

Company facilities when so connected may be connected to a local or long distance central office line to form a through connection for communications of other companies specified in (a), (b) or (c) preceding, including calls originated by employees of such companies, only under the circumstances set forth in (2)(a) or (2)(b) preceding.

- (6) Channel service will be furnished by the Company between a terminal of customer facilities within or near an exchange area or local service area and a location within such exchange or local service area for connection at such location.
- (7) Equipment on the customer's circuits for the purpose of deriving voice, teletypewriter or Morse, data transmission, remote metering, supervisory control or miscellaneous signaling channels may be used, if suitable for such use, to derive such channels over channels furnished by the Company as provided in (6) preceding.

4. Air Line Companies and Federal Aviation Agency

Facilities provided by an Air Common Carrier, its authorized communications agency, or the Federal Aviation Agency to communicate with aircraft in flight may be connected, by means of connecting arrangements furnished by the Company, to Company facilities located on the premises of the customer for exchange and long distance service in cases of emergency involving the safety of life or property.

5. U. S. Coast Guard

Facilities of the U. S. Coast Guard, provided primarily to serve Coast Guard Stations in coastal areas as an aid in saving and protecting life and property, will be connected to facilities of the Company for exchange and long distance service.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 6  
Original Page 3

CONNECTION WITH CERTAIN FACILITIES  
OF CERTAIN CUSTOMERS

B. REGULATIONS (Cont'd)

3. Power, Pipe Line and Railroad Companies (Cont'd)

a. Interconnection with Company Facilities for Exchange and Long Distance Service (Cont'd)

- (4) Facilities of the Company, when connected with facilities of the customer, will not be used for communications of others than the customer, except that such facilities may be used for the communications of, and be connected with facilities furnished by the Company, to other companies which:
- (a) are operated with the customer as parts of an integrated electric power, oil, oil products, or natural gas pipe line system or railroad system under direct or common ownership or control; or
  - (b) own or operate an electric power or pipe line or railroad system jointly with the customer; or
  - (c) own or operate electric power or pipe line or railroad facilities interconnected with those of the customer.

Company facilities when so connected may be used for exchange or long distance communications or other companies specified in (a), (b) or (c) preceding, including calls originated by employees of such companies, only under the circumstances set forth in (2)(a) or (2)(b) preceding.

b. Interconnection with Company Channel Services

- (1) Facilities of an electric power company or oil, oil products or natural gas pipe line company, or railroad company, provided primarily to communicate with points located along a right-of-way, including premises of such company anywhere in cities, towns or villages along the right-of-way, owned or controlled by such company will be connected with facilities furnished by the Company to the same customer, subject to the regulations and conditions stated herein. Such connections will be made by means of connecting arrangements furnished by the Company.
- (2) Such facilities will be connected to channel services for communication with equipment associated with such channel services; provided, however, that facilities will not be connected to a local or long distance central office line to form a through connection except as follows:
  - (a) in cases of emergency involving safety of life or property;
  - (b) in cases of calls originated by railroad employees under circumstances indicating need for prompt action to secure or maintain the safety, continuity, or reliability of railroad service to the public, and related to the movement of passengers, mail, property, or equipment by railroad, or rights-of-way, structures, or equipment;
  - (c) in cases where facilities serve locations where it is impracticable because of hazard or inaccessibility for the Company to furnish its facilities;
  - (d) during an interim period in cases where the customer has arranged for replacement of said customer facilities with facilities of the Company.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 6  
Original Page 2

CONNECTION WITH CERTAIN FACILITIES  
OF CERTAIN CUSTOMERS

B. REGULATIONS (Cont'd)

2. U. S. Government Executive Departments and Agencies

Equipment of a Department or Agency of the Executive Branch of the U. S. Government used for the purpose of disguising or concealing the contents or meaning of communications may be connected to Company facilities subject to the regulations and conditions stated below:

- a. The head of the Department or Agency whose equipment is to be connected, or his authorized representative, shall notify the Company in writing that such connection is necessary to safeguard official information which requires protection in the interests of national defense, or other confidential official information disclosure of which to unauthorized persons would be detrimental to the public interest.
- b. The connection shall be made by means of connecting arrangements furnished by the Company.

3. Power, Pipe Line and Railroad Companies

a. Interconnection with Company Facilities for Exchange and Long Distance Service

- (1) Facilities of an electric power company or oil, oil products or natural gas pipe line company, or railroad company, provided primarily to communicate with points located along a right-of-way, including premises of such company anywhere in cities, towns or villages along the right-of-way, owned or controlled by such company will be connected with facilities furnished by the Company to the same customer, subject to the regulation and conditions stated herein. Such connections will be made by means of connecting arrangements furnished by the Company.
- (2) Facilities of the Company will be connected for exchange or long distance service with facilities of the customer:
  - (a) in cases of emergency involving safety of life or property;
  - (b) in cases of calls originated by railroad employees under circumstances indicating need for prompt action to secure or maintain the safety, continuity, or reliability of railroad service to the public and related to the movement of passengers, mail, property, or equipment by railroad, or the repair, maintenance, or construction of railroad rights-of-way, structures, or equipment;
  - (c) in cases where the customer facilities serve locations where it is impracticable because of hazard or inaccessibility for the Company to furnish its facilities.
  - (d) during an interim period in cases where the customer has arranged for replacement of said customer facilities with facilities of the Company.
- (3) Connection of circuits as specified in (2)(b), (c) or (d) preceding may be established at either end of such circuit, but shall not be established at both ends simultaneously.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 6  
Original Page 1

CONNECTION WITH CERTAIN FACILITIES  
OF CERTAIN CUSTOMERS

A. GENERAL

In lieu of the Basis of Connection provision governing Connection With Communications Systems specified in Section 2 preceding, communications systems may be connected with facilities of the Company as specified herein.

Terminal equipment and communications systems connected to the telecommunications network or to the channel services specified in Section 2, B.2.a.(2) preceding in accordance with the regulation in this section prior to January 1, 1980 may remain connected and be moved and reconnected for the life of the equipment without registration unless subsequently modified. New installations of terminal equipment or communications systems subject to Part 68 of the Federal Communications Commission's Rules and Regulations connected to the telecommunications network or to such channel services must meet the requirements of Part 68 of the Federal Communications Commission's Rules and Regulations.

Effective May 1, 1983, new installations of or additions to terminal equipment and communications systems subject to Part 68 of the Federal Communications Commission's Rules and Regulations, connected to the channel services specified in Section 2, B.2.a.(3) or (4) preceding in accordance with the regulations herein, must meet the requirements of Part 68 of the Federal Communications Commission's Rules and Regulations.

B. REGULATIONS

1. U.S. Army, Navy and Air Force

- a. Facilities of a system of the U. S. Department of the Army, Navy or Air Force which serves an establishment operated and administered under the direction of the Department and commanded by authorities of such Department, and which is located generally within the boundaries of such establishment, will be connected with facilities of the Company for exchange and long distance service where the Secretary of the Department certifies in writing that reasons of military necessity require that the establishment be served by a system of the Department. In addition, the facilities of a temporary system of such Department located off a permanent establishment of the Department for maneuvers, mobilization tests or technical service tests will be so connected.
- b. Department teletypewriter or Morse, data transmission, remote metering, supervisory control or miscellaneous signaling facilities will be connected to channel facilities furnished for such purposes.
- c. Channel service will be furnished by the Company between a terminal of Department facilities within or near a exchange area or local service area and a location within such exchange or local service area for connection at such location.
- d. Equipment provided on the Department facilities for the purpose of deriving voice, teletypewriter or Morse, data transmission, remote metering, supervisory control or miscellaneous signaling channels may be used, if suitable for such use, to derive such channels over channels furnished by the Company as provided in c. preceding.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 5  
Original Page 5

CONNECTION WITH TERMINAL EQUIPMENT

C. Rates (Cont'd)

6. DC Power Source

- a. A dc power source may be connected to certain Company connecting arrangements; however, the connection shall be made only through voltage-current protective connecting arrangements provided by the Company.
- b. The connection of a customer-provided dc power source to certain Company connecting arrangements is limited to 24- or 48- volt power sources with a maximum current rating of 30 amperes.

c. Connecting arrangement to permit connection of a dc power source to certain Company provided connecting arrangements	Installation	Per	
	Charge	Month	USOC
Type VCP, for each power source . . . . .	\$47.36*	\$ .87	VCP24 VCP48

7. Answering Device Incorporating an Authorized Protective Connecting Module

- a. Regulations pertaining to Answering Devices Incorporating an Authorized Protective Connecting Module are as specified in Section 2 of this tariff.
- b. Interface Connection to Permit the Connection of a Conforming Answering Device, each . . . . . Rates and charges are the same as those for a Four-conductor Jack, in Section 4 of this tariff.

CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 5  
Original Page 4

CONNECTION WITH TERMINAL EQUIPMENT

C. Rates (Cont'd)

4. Telephotograph Equipment

- a. Telephotograph equipment provided by the press may be connected to lines of the Company for use by the press for the transmission and reception of pictures and similar material for publication. Telephotograph equipment provided by law enforcement agencies may be connected to lines of the Company for use by law enforcement agencies for the transmission and reception of fingerprints, ballistic data, identification photographs and similar law enforcement material. Telephotograph equipment provided by the armed forces of the United States may be connected to lines of the Company for use by the armed forces of the United States for transmission and reception of information of military necessity essential to the national defense. Telephotograph equipment provided by civilian defense agencies may be connected to lines of the Company for use by civilian defense agencies for the transmission and reception of information essential for the discharge of their responsibilities in emergencies. Telephotograph equipment provided by the United States Weather Bureau may be connected to
- b. The direct electrical connection of telephotograph equipment shall be made by means of protective connection equipment furnished by the Company. The connection of the telephotograph equipment may be made by the customer only to the terminals of the protective connection equipment.
- c. Portable protective equipment will be furnished, if desired, for use with portable telephotograph equipment of the customer.
- d. The telephotograph equipment may be used in connection with service furnished to the press, law enforcement agencies, the armed forces, civilian defense agencies or the United States Weather Bureau, or made available to them under a joint user arrangement. Portable protective equipment may be used also at branch exchange stations in guest rooms of hotels, subject to the consent of the hotel concerned.
- e. For protective connection equipment including connection equipment, monitoring receiver, key and, for portable installations, cord for connection to telephone facilities with terminals for the direct connection of the telephotograph equipment:

Per Month	USOC
\$1.68	367 667

5. Electrocardiogram and Electroencephalogram Transmitting and Receiving Equipment Provided by Members of the Medical Profession and Hospitals.

- a. Equipment provided by members of the medical profession and hospitals for the transmission and reception of electrocardiograms and electroencephalograms used in connection with medical diagnosis and treatment may be connected to lines of the Company. The direct electrical connection of such equipment shall be made by means of protective equipment furnished by the Company for this purpose.
- b. The equipment may be used in connection with service furnished to members of the medical profession and hospitals, or made available to them under a joint user arrangement.
- c. Portable protective equipment will be furnished, if desired, for use with portable equipment of the customer.
- d. For protective connection equipment including connection equipment, monitoring receiver, key and, for portable installations, cord for connection to facilities with terminals for the direct connection of the customer's equipment:

Per Month	USOC
\$1.68	367 667



CONNECTION WITH  
COMPANY FACILITIES TARIFF  
S.C.C.-Va.-No. 3

AT&T Communications  
of Virginia

Section 5  
Original Page 3

CONNECTION WITH TERMINAL EQUIPMENT

C. Rates (Cont'd)

2. Alarm Sending Equipment (Alarm Coupler)

- a. Alarm sending equipment may be connected with the facilities of the Company by means of an Alarm Coupler.
- b. An Alarm Coupler provides facilities to connect an alarm sending device to an individual, branch exchange or Centrex line. The Alarm Coupler, upon receipt of proper signals from a customer's device, will seize a line, transmit dial pulses to the line, provide a one-way transmission path to the line for transmission of the customer's prerecorded voice alarm message and disconnect from the line. The Alarm Coupler will also arrange the line such that a customer may monitor the progress of an alarm call. The customer is required to secure written approval from the party who is to receive the prerecorded message prior to the use of the alarm sending device.
- c. The Company does not represent the Alarm Coupler and the equipment and service associated with it to meet all requirements for burglar and fire alarms and other alarms essential to the protection of life and property.
- d. An alarm sending device must provide signals acceptable to the Company for the operation of the Alarm Coupler.
- e. The Alarm Coupler is connected to an alarm sending device through a jack associated with the Alarm Coupler. The customer will provide a suitable plug, cable and any other equipment or arrangements necessary to connect an alarm sending device to the Alarm Coupler.
- f. The Alarm Coupler is provided for use as an adjunct to a dial or TOUCH TONE® Calling Service equipped telephone service where facilities and operating conditions permit.

	Installation Charge	Month	USOC
g. Alarm Coupler, each . . . . .	\$24.93	\$3.97	CAU

3. Dictation Recording Equipment

- a. Recording equipment may be used in connection with Centrex Systems arranged for this service for the recording of dictation.
- b. Connection of dictation recording equipment with the facilities of the Company shall be made only through a dial dictation recording terminal furnished by the Company for this purpose. The dial dictation recording terminal will include and connect in a connecting block to which only the dictation recording equipment may be connected.
- c. The dictation recording equipment may be used only with dial extensions of a Centrex System, or dial lines of associated Centrex Systems connected by dial Tie Trunks, and in no case shall such equipment be connected to other telephones or to the telecommunications network.
- d. One dial dictation recording terminal is required for connection with each dictation recording machine.
- e. For Centrex Systems

	Per Month	Termination Charge	USOC
(1) Arranged for rotary dial operation			
Dial dictation recording terminals, each . . . . .	\$42.06	\$ 353.68(12)	DCT
(2) Arranged for TOUCH-TONE Calling Service operation			
Dial dictation recording terminals, each . . . . .	50.48	424.42(12)	TTD

customers desiring additional identification codes, there is a small fee for each additional code.

14. GTE Sprint also offers "DIRECT SPRINT." DIRECT SPRINT calls are originated via dedicated facilities, obtained from local exchange carriers, between the customer's location and the point of interconnection with the GTE Sprint network in the originating city and are terminated via common switched services facilities. Charges are time-sensitive, but do not vary with distance.

15. At an additional cost, SPRINT and DIRECT SPRINT customers may elect one or more optional features applicable to the switched services. Call Detail Report Tape Service enables SPRINT and DIRECT SPRINT customers to obtain monthly call detail reports of switched service usage on a magnetic tape. SPEEDIAL is an abbreviated dialing arrangement whereby GTE Sprint provides SPRINT and DIRECT SPRINT customers with the ability to call pre-selected locations by dialing a three- or four-digit code. A separate list of SPEEDIAL numbers is provided for each SPRINT number or authorization code to which SPEEDIAL service applies. INSPRINT, which is available to SPRINT subscribers, is an inward calling service that is toll-free to the calling party. Accounting Code Service is an

arrangement whereby GTE Sprint, by means of multi-digit accounting codes associated with a switched service billing number, provides its SPRINT and DIRECT SPRINT customers with the capability to allocate usage costs to separate cost centers.

16. GTE Sprint also has a private line offering, "Monthly Leased Line Service," which has been offered on an interstate basis since 1974. This offering is a non-switched, point-to-point service that provides analog voice-grade channels via dedicated facilities between a customer's premises at a fixed monthly cost.

#### Coverage

17. Currently, GTE Sprint offers its SPRINT service on an interstate basis to residential and business customers in Virginia. GTE Sprint offers originating interstate service in the Virginia communities of Newport News, Norfolk, Richmond, Roanoke and the Virginia suburbs included in the Washington, D.C. local calling area. GTE Sprint interstate services can be terminated in all locations in the Commonwealth of Virginia. Initially, GTE Sprint of Virginia proposes to offer, on an intrastate, interLATA basis, the SPRINT service currently available to

GTE Sprint's interstate Virginia customers. With the continued expansion of GTE Sprint's network, and assuming this Commission grants GTE Sprint of Virginia's application and petition, GTE Sprint of Virginia may also be able to offer DIRECT SPRINT and Monthly Leased Line Service on an intrastate basis in the future.

18. GTE Sprint of Virginia envisions ultimately serving all areas of the state where it is technically and economically possible to offer originating service and, accordingly, asks to be certificated on a statewide basis.

19. GTE Sprint of Virginia proposes to provide telecommunication services on an intrastate basis in Virginia in accordance with its proposed Virginia Tariff P.U.C. No. 1, a copy of which is attached as Exhibit F.

#### IntraLATA Calling

20. GTE Sprint of Virginia attests that it will abide by the provisions of §56-265.4:4B of the Code of Virginia and the rules of the Commission which preclude it from offering services within LATAs prior to January 1, 1986.

21. GTE Sprint will attempt to prevent its system from being used for intraLATA calling. The Applicant will

advise its customers, by means of customer mailings, that GTE Sprint of Virginia is currently authorized only for interLATA calling. This measure has been employed in California where GTE Sprint is limited to interLATA toll service. Copies of the literature used in California is attached as Exhibit G. Additionally, GTE Sprint will instruct its sales personnel and other representatives to advise customers of the limitation on calling within Virginia. The Applicant believes these measures will discourage and minimize intraLATA calling.

22. The switching program of the GTE Sprint network will also act to preclude intraLATA calling. "Blocking" will result because the GTE Sprint system will not accept calls which are dialed by using only "1" plus the local number, which is the normal manner for most calls made within LATAs. GTE Sprint switches require the use of ten digits, which include the area code plus the local number. Therefore, intraLATA calls made in the normal manner of 1 plus the number, will automatically be "blocked" by the GTE System.

23. Notwithstanding the above measures and features of the GTE system, the Applicant cannot currently block all intraLATA calls. Of course, with the

implementation of so-called "equal access", this problem will cease to exist. Until then, some intraLATA calling may occur incidental to the provision of interstate and interLATA service. The Applicant proposes to compensate the local carriers for such calls on the basis of intrastate access charges. GTE Sprint of Virginia further proposes to pay the charges calculated under this plan from the effective date of its Virginia intrastate tariff.

#### Streamlined Regulation

24. GTE Sprint has been classified as a non-dominant carrier by the FCC and is therefore subject to streamlined federal regulation. The FCC's decision stemmed from its determination that non-dominant carriers are precluded by lack of market power from establishing rates that are not just and reasonable:

. . . . Our analysis of the structure and the market position of what we have called non-dominant carriers allows us to be assured that . . . these firms do not possess the market power necessary to sustain rates which are below, or above, costs. Thus, we can predict with confidence that the rates charged by non-dominant carriers will be "just and reasonable" within the meaning of the Communications Act . . .<sup>2</sup>

---

<sup>2</sup> See Competitive Common Carrier Rulemaking, 85 FCC 2d 1, 19 (1980).

Specialized common carriers, like GTE Sprint, were found to lack market power because of their small market shares. Currently, GTE Sprint's share of the interstate interexchange market is less than two percent. As a result of its lack of market power, for the past three years GTE Sprint has been subject to streamlined federal regulatory procedures. Specifically, GTE Sprint has been required to file tariffs, but such tariffs have been considered presumptively lawful and have been allowed to go into effect on 14 days notice. Because such tariffs have been presumed lawful, detailed cost support studies have not been required.<sup>3</sup> See Competitive Common Carrier Rulemaking, 85 F.C.C. 2d 1 (1980).

25. The same consideration which led the FCC to streamline its regulatory procedures for carriers classified as non-dominant in the interstate telecommunications market are applicable to the Virginia intrastate telecommunications

---

3 In November, 1983, the FCC announced its decision to extend its policy of regulatory forbearance to certain classes of non-dominant carriers, including GTE Sprint. Carriers subject to forbearance are not required to file tariffs or facilities reports, but are subject to other provisions of Title II of the Communications Act of 1934 and the FCC's implementing regulations, including the FCC's complaint process. See Fourth Report and Order, Competitive Common Carrier Rulemaking, CC 79-252, FCC 83-481 (released November 2, 1983).

market. Indeed, several state utility commissions have recently applied such relaxed regulatory treatment to non-dominant carriers such as GTE Sprint of Virginia. For example, GTE Sprint has been authorized to offer intrastate service and to file tariffs without the detailed cost support material required from traditional rate-base regulated carriers in the states of California, Florida, Maryland, New York, Ohio and Texas. Further, in the states of California, Maryland, New York, Ohio and Texas, GTE Sprint has been authorized to change rates on much shorter notice than has been traditionally required. In Texas, where other common carriers ("OCC"s), like GTE Sprint, and resellers have been competing with AT&T and Southwestern Bell in the intrastate market for several years, non-dominant carriers are not required to file tariffs.

26. With the granting of its application and petition, GTE Sprint of Virginia will commence to offer its services in the Virginia intraLATA interexchange market. As a new entrant in this emerging market, GTE Sprint of Virginia will be providing its services in direct competition with a number of OCCs that currently are seeking certification. In addition, its services will be offered in a market currently controlled by AT&T Communications of



Virginia, Inc. which provides interLATA, interexchange telephone services to all areas of Virginia. Due to these factors, the prices of the services offered by GTE Sprint of Virginia will be controlled by competitive forces.

27. Given its lack of market power, detailed regulatory oversight of GTE Sprint of Virginia's intrastate services is unnecessary to protect the public interest. Indeed, detailed regulation of competitive carriers such as GTE Sprint of Virginia is undesirable since it would impede the ability of such carriers to respond promptly and effectively to the demands of the competitive marketplace. Specifically, in the context of this application, GTE Sprint of Virginia requests that it be subject to streamlined regulatory procedures adopted by the Commission in its Final Order of June 29, 1984, in Case No. PUC840017.

#### Requested Action

28. GTE Sprint of Virginia requests that the Commission expeditiously authorize it to provide statewide interexchange telecommunications services within the Commonwealth of Virginia and to grant its petition to have its rates and services established on a competitive basis.

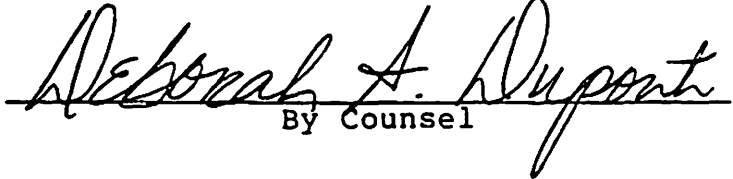
Respectfully submitted,

GTE SPRINT COMMUNICATIONS CORPORATION  
OF VIRGINIA

GTE SPRINT COMMUNICATIONS CORPORATION

(s) BERNARD C. TOPPER, JR.

Vice President and General Counsel

  
By Counsel

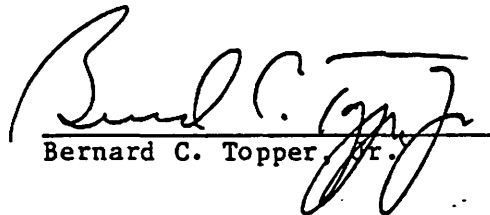
July 23, 1984

Deborah A. Dupont  
Michael B. Fingerhut  
GTE Sprint Communications Corporation  
1828 L Street, N.W.  
Suite 500  
Washington, D.C. 20036  
(202) 822-0022

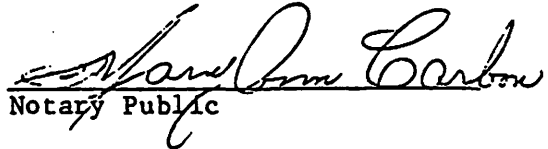
Frederick C. Williams  
James E. Magee  
Isham, Lincoln & Beale  
1120 Connecticut Avenue, N.W.  
Suite 840  
Washington, D.C. 20036  
(202) 833-9730

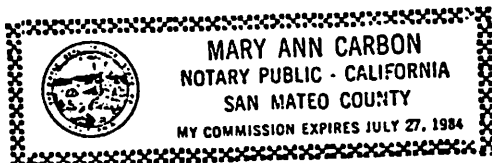
AFFIDAVIT

I, Bernard C. Topper, Jr., having read the attached Application and Petition, do swear under oath that the information contained in the Application and Petition is correct to the best of my knowledge and belief.

  
Bernard C. Topper, Jr.

Subscribed and sworn before me this 20th day of July, 1984 in Burlingame, California.

  
Notary Public



GTE Sprint Communications Corporation  
1828 L Street, N.W., Suite 500  
Washington, D.C. 20036  
202 822-0008

John A. Beall  
Manager Regulatory Analysis

March 30, 1984

**RECEIVED**

**MAR 30 1984**

Office of the Secretary  
Federal Communications Commission  
Washington, D.C. 20554

FCC  
Office of the Secretary

Attention: Common Carrier Bureau

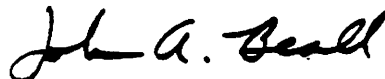
Pursuant to the Commission's Report and Order in C.C. Docket 83-1291, released March 8, 1984, GTE Sprint Communications Corporation hereby reports the two data elements now required in lieu of the Annual Report Form P. These items are total communication plant (line 18 from the Consolidated Balance sheet) and total operating revenues (line 9 from the Income Statement). For the year ended December 31, 1983, the results for these items are as follows:

Total Communication Plant      \$618,714,000

Total Operating Revenue      \$739,971,000

Should any questions arise, please contact the undersigned.

Sincerely,

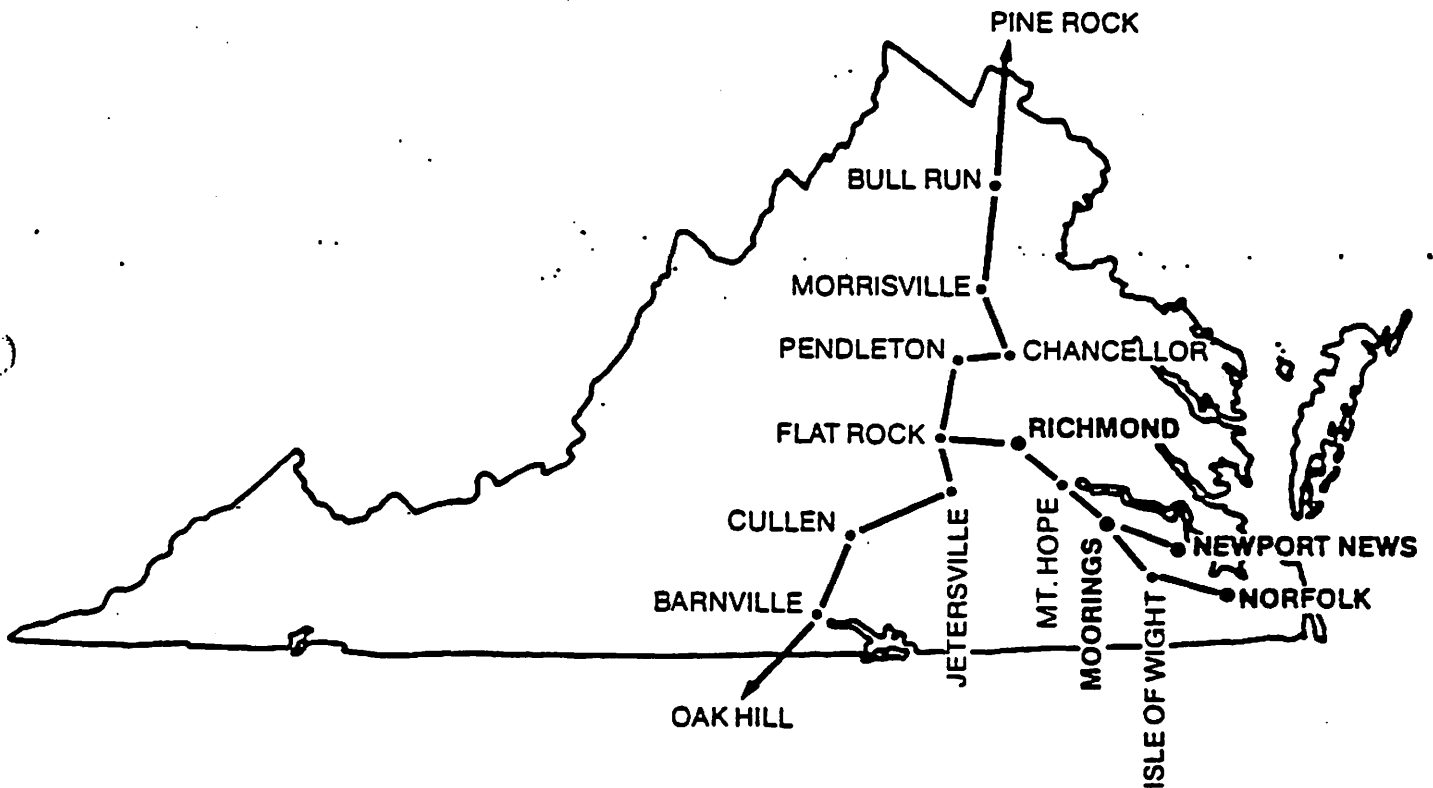


John A. Beall

JAB/vlh

MAP OF GTE SPRINT NETWORK IN VIRGINIA

# VIRGINIA



## CITIES SERVED WITHIN STATE

### ON-NET

ALEXANDRIA  
ARLINGTON  
CHESAPEAKE  
NEWPORT NEWS  
NORFOLK  
PORTSMOUTH  
RICHMOND  
ROANOKE  
VIRGINIA BEACH

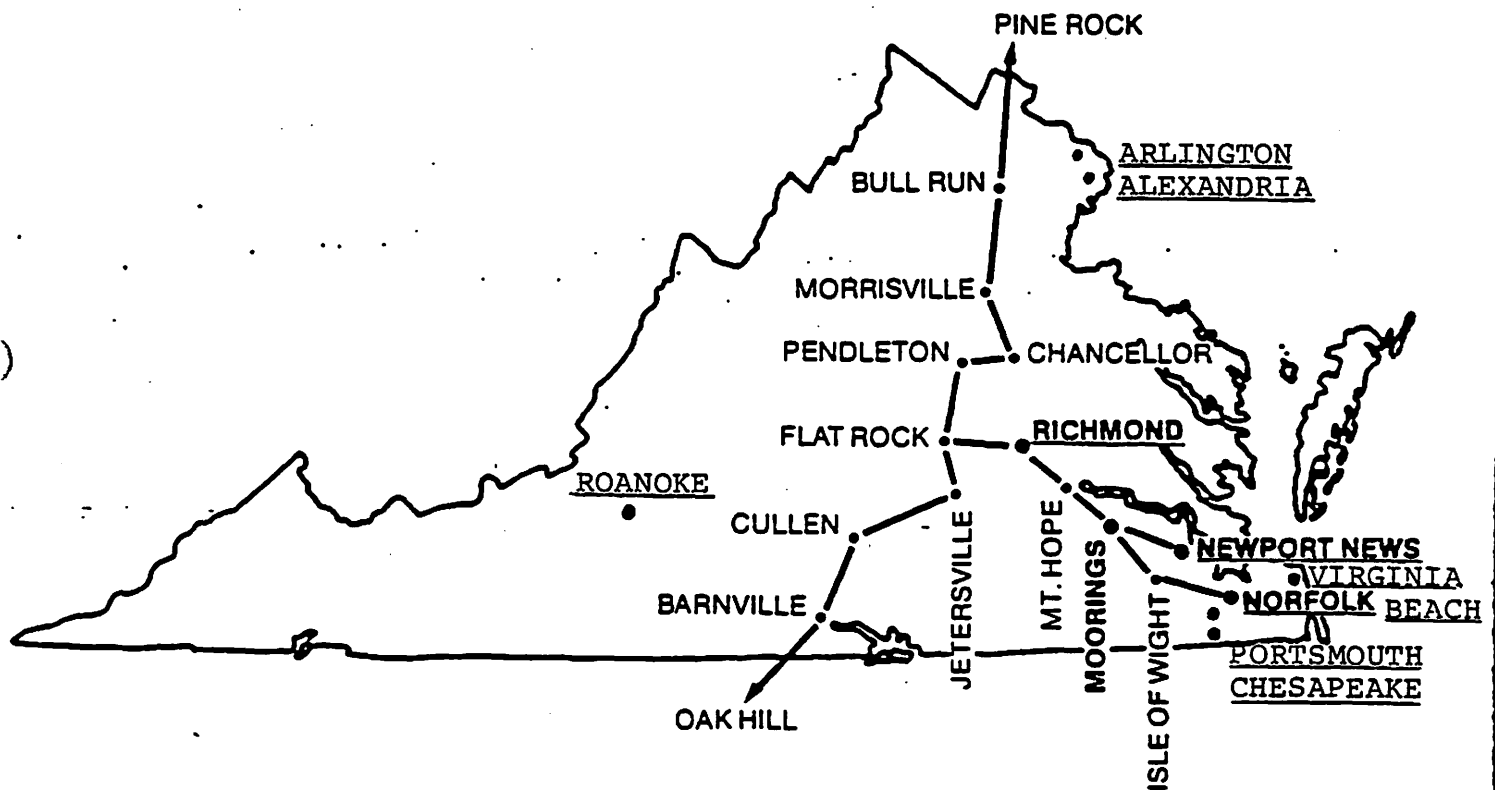
### LEGEND

- PRESENT AND PLANNED ROUTES
- SWITCH
- TOC
- REPEATER SITE

MAP OF GTE SPRINT NETWORK IN VIRGINIA WITH  
POINTS OF ORIGINATING SERVICE ADDED AND UNDERSCORED

## VIRGINIA

CITIES SERVED BY PRESENT  
NETWORK (UNDERScoreD)



### CITIES SERVED WITHIN STATE

#### ON-NET

ALEXANDRIA  
ARLINGTON  
CHESAPEAKE  
NEWPORT NEWS  
NORFOLK  
PORTSMOUTH  
RICHMOND  
ROANOKE  
VIRGINIA BEACH

#### LEGEND

- PRESENT AND PLANNED ROUTES
- ⊙ SWITCH
- TOC
- REPEATER SITE



**SPRINT**

Communications

Virginia S.C.C. Tariff No. 1

Original Page 11**INTERCITY TELECOMMUNICATIONS SERVICES**

---

Switched Service (Continued)2. REGULATIONS (Continued).2 Scope

This tariff section is applicable, subject to availability of facilities, where the subscriber desires to employ switched service.

.3 Undertaking of the Carrier

- (a) The facilities of the carrier will be available as soon as practicable for receipt of an order for channels between any and all points on the carrier's system as licensed by the Federal Communications Commission. Interconnection of the carrier's facilities with the facilities of other communications common carriers with private systems, and with International Record Carriers ("IRC") will be permitted.
- (b) The obligation of the carrier to provide service is dependent upon its ability to procure, construct, and maintain facilities which are required to meet the subscriber's order for service. The carrier will make all reasonable efforts to secure the necessary facilities and will amend its tariff accordingly, providing such new service will not adversely affect the carrier's present services.

.4 Liability of the Carrier

- (a) The liability of the carrier for damages arising out of mistakes, omissions, interruptions, delays or errors or defects in the transmission occurring in the course of furnishing service, channels or other facilities and not caused by the negligence of the subscriber, commences upon activation of service and in no event exceeds an amount equivalent to the proportionate charge to the subscriber for the period of service during which such mistakes, omissions, interruptions, delays or errors or defects in transmission occur. For the purpose of computing such amount, a month is considered to have 30 days.

---

**616**

ISSUED \_\_\_\_\_

GTE Sprint Communications Corporation  
By D.F. Pilz, President & Chief Executive Officer  
P.O. Box 974, Burlingame, CA 94010

EFFECTIVE: \_\_\_\_\_

**SPRINT**

Communications

Virginia S.C.C. Tariff No. 1

Original Page 12**INTERCITY TELECOMMUNICATIONS SERVICES**Switched Service (Continued)2. REGULATIONS (Continued).4 Liability of the Carrier (Continued)

- (b) When the facilities of other carriers are used in establishing connections to points not reached by the carrier's facilities, the carrier is not liable for any act or omission of the other carrier or carriers.
- (c) The carrier is not liable for any unavoidable damage to the subscriber's premises resulting from the attachment of its equipment and associated wiring on such premises, or from the installation or removal thereof. The subscriber will indemnify and save harmless the carrier from any claims of the owner of the subscriber's premises or other third party claims for such damages.
- (d) The carrier will make no refund of overpayments by a subscriber unless the claim for such overpayment together with proper evidence be submitted within two (2) years from the date of alleged overpayment.

.5 Use of Service

Neither subscribers, nor their authorized users may use the services furnished by the carrier for any unlawful purpose, including service configurations of switched analog voice services which, as a result of sharing thereof, are the equivalent of a service configuration which exceeds the scope of Carrier's applicable authorization. Subscribers, and their authorized users, may not receive any payment or other compensation for use of service, except when the subscriber is a duly authorized and regulated common carrier. This provision does not prohibit subscribers, and authorized users, to share the cost of the service on a non-profit basis. Use and restoration of the service furnished by the carrier will be in accordance with Part 64, Subpart D of the Federal Communications Commission Rules.

**617**

ISSUED \_\_\_\_\_

GTE Sprint Communications Corporation  
By D.F. Pilz, President & Chief Executive Officer  
P.O. Box 974, Burlingame, CA 94010

EFFECTIVE: \_\_\_\_\_

**SPRINT**

Communications

**INTERCITY TELECOMMUNICATIONS SERVICES**

---

Switched Service (Continued)**3. SERVICE AND RATE DESCRIPTION****.1 Sprint**

Under this service option, subscriber uses shared off-net access lines to originate calls from any Sprint metropolitan area, as specified in Section 3.1.A below, and terminate calls in any location within the Commonwealth of Virginia consistent with orders of the Virginia State Corporation Commission. Usage rates are specified in Section 4.1.A.

Usage charges are based on the distance and duration of each call as specified in Sections 4.1.A and 4.1.B.

No monthly Authorization Code charge applies to the subscriber's first Authorization Code. A fee as specified in Section 4.1.D does apply to each additional code. A subscriber must have at least one Authorization Code to enter the network via an off-network access line. Each Authorization Code is enabled with a travel security feature. A subscriber must designate a primary local access number. A subscriber wishing to enter the network via an off-network access line other than via the primary access number must use the Authorization Code plus an assigned travel identification number. Minimum usage charge as specified in Section 4.1.C also applies.

**A. Service Locations**

Newport News  
Norfolk  
Richmond  
Roanoke

---

**618**

ISSUED \_\_\_\_\_

GTE Sprint Communications Corporation  
By D.F. Pilz, President & Chief Executive Officer  
P.O. Box 974, Burlingame, CA 94010

EFFECTIVE: \_\_\_\_\_

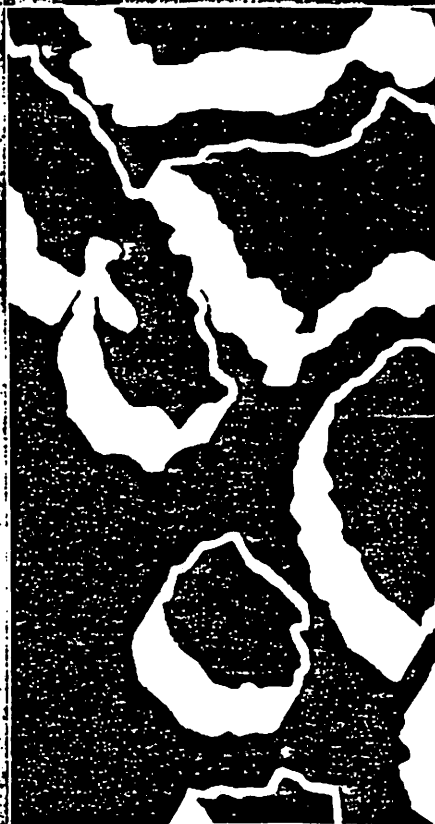
Exhibit G

LITERATURE ON INTRALATA CALLING

SERIAL FACTS

WHAT IS

ALATA?



SERIAL

ANNOUNCES

A NEW SERVICE

FOR CALIFORNIA

THANKS TO  
THE CALIFORNIA PUBLIC UTILITIES  
COMMISSION

## NOW YOU CAN USE SPRINT TO MAKE CALLS WITHIN CALIFORNIA!

Sprint has been authorized by the California Public Utilities Commission to provide long distance phone service within the State of California (Effective January 12, 1984). This ruling means an expanded service area for Sprint and, in many cases, lower than ever phone bills when you're making phone calls within the state. There is, however, one restriction:

### HOW THE NEW RULING AFFECTS YOU

Very simply, the State of California has been divided into 10 geographic sections by the court decision ordering the breakup of AT&T. In the language of the telecommunications industry, these sections are called LATA's (Local Access and Transport Areas).

---

## WHAT YOU NEED TO KNOW.

---

Now you may use Sprint service to call any of the 9 sections of the state, *other than the geographic section from which you're calling.*

In other words, if you're calling from Section 1 (San Francisco), you may use Sprint service to call any other geographic section within the state (Sections 2 through 10). However, you may not use Sprint to make calls within the San Francisco section. Calls within the section from which you're calling must be placed with the local phone service. And you will be charged their current rates for these calls.

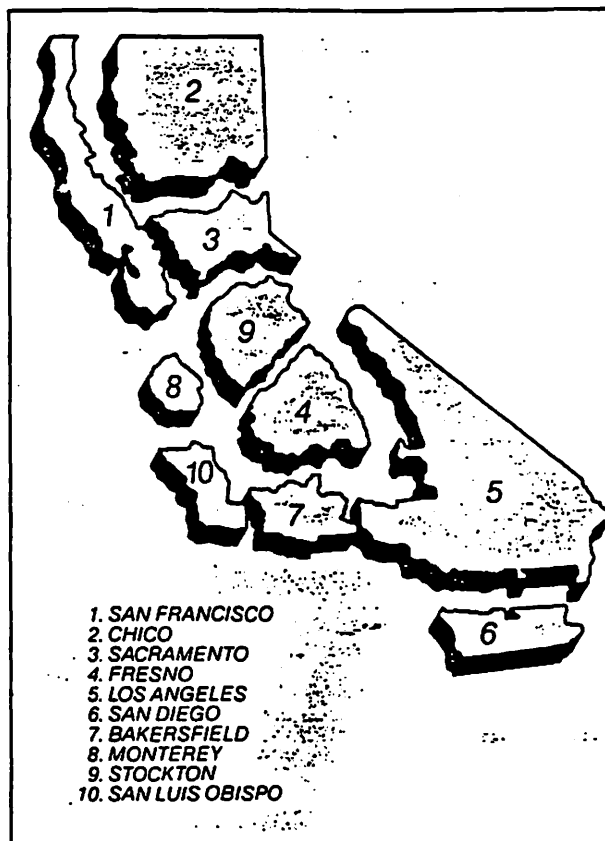
---

## CALIFORNIA SPRINT CALLS APPLY TOWARD YOUR SPRINT VOLUME DISCOUNTS!

---

All California calls you place with Sprint will be charged at Sprint's low-cost interstate, long distance, per-minute rates. These charges will *automatically* apply toward your special volume-usage discount. (Discounts apply at three levels of usage: \$25-74.99; \$75-199.99; \$200+).

We're delighted to announce this important new Sprint service, and we applaud the California Public Utilities Commission on their decision to allow this expanded service to our Sprint customers.



**Rate Periods:** *Daytime:* 8 A.M. - 5 P.M. weekdays;  
*Evening:* 5 P.M. - 11 P.M. Sunday-Friday and 8 A.M. - 11 P.M.  
 on holidays; *Night:* 11 P.M. - 8 A.M. Sunday-Friday;  
 anytime on Saturday: Sundays until 5 P.M.

#### CALIFORNIA INTERLATA COMPARATIVE SAVINGS

CALLS BETWEEN	TIME OF DAY
SAN FRANCISCO TO LOS ANGELES	Day
SAN JOSE TO SAN BERNARDINO	Day
SAN DIEGO TO STOCKTON	Evening
\$200+ Monthly Volume Usage Level	

CALLS BETWEEN	TIME OF DAY
LOS ANGELES TO OAKLAND	Day
ANAHEIM TO LAKE TAHOE	Evening
SACRAMENTO TO SAN DIEGO	Night
\$25-74.99 Monthly Volume Usage Level	



### BASED DISCOUNT RATE TABLE

MILEAGE	1ST MINUTE ADDITIONAL MINUTE		
	TIME OF DAY-DAY	EVE	NIGHT
1-10	.22/.155	.13/.0922	.06/.0599
11-22	.29/.216	.17/.1260	.08/.0799
23-55	.36/.276	.20/.1490	.14/.1080
56-70	.44/.336	.27/.1998	.18/.1299
71-124	.44/.336	.27/.1998	.18/.1299
125-292	.46/.352	.29/.2150	.19/.1440
293-430	.48/.369	.31/.2240	.20/.1530
431-925	.52/.382	.32/.2330	.21/.1550

\*0-\$24.99 Monthly Usage Level

### VOLUME DISCOUNTS

IF YOUR MONTHLY SPRINT BILL IS	YOU EARN THE ADDED DISCOUNTS OFF CHARGES FOR CALLS AT THESE TIMES		
	DAY	EVE	NIGHT
\$25-74.99	2%	7%	8%
\$75-199.99	5%	8%	10%
\$200 and more	8%	10%	12%

For the sake of cost comparison, you should look up local phone company rates in the front of your telephone directory to see how much you may save with Sprint.

Average savings vary with distance, duration and time of day of call; these examples are typical of customer calling patterns. Local telephone company charges to access the Sprint Network are not included in cost or savings comparisons. Services described herein are those presently available under GTE Sprint Communications CPUC Advice Letters #3 and #4. Customers using this service may call between, but not within, the LATAs described in this brochure. GTE Sprint reserves the right to modify its rates at any time.

MINS.	SPRINT	AT&T	PERCENT SAVINGS
4	\$1.46	1.97	23%
4	\$1.46	1.97	26%
5	\$1.13	1.69	33%

MINS.	SPRINT	AT&T	PERCENT SAVINGS
5	\$1.92	2.42	21%
10	\$2.16	3.26	34%
8	\$1.19	1.50	21%

---

## SPRINT ANNOUNCES

---

## A NEW SERVICE

---

## FOR CALIFORNIA.

---

Dear California Sprint Customer:

Effective January 12, 1984, GTE Sprint has been authorized by the California Public Utilities Commission to provide phone service within the State of California.

What does this new ruling mean to you?

It means increased Sprint service and, in many cases, lower-than-ever phone bills when you're making phone calls within California!

How the ruling works, and how it affects you.

As you know, Sprint has meant significant savings on your interstate long distance calls for some time. Now, with the implementation of this new ruling, chances are you can add significant savings on your phone calls within the state.

There are, however, certain restrictions that you should understand. Here's how this new ruling affects you ...

The State of California has been divided into 10 geographic sections, by the court decision ordering the breakup of AT&T. These sections are called LATA's (Local Access and Transport Areas) in the language of the telecommunications industry. (The enclosed map will show you exactly how this division works.) The new ruling allows you to make Sprint calls to any of the nine sections in the state, other than the section from which you're making your phone call. For example ...

If you are making your call from Section 1, you may use Sprint to call any of the other 9 sections of the state -- Sections 2 through 10. However, you may not use Sprint service to make calls within Section 1.

Phone calls within the section from which you're calling must go through the local phone company. And you will be charged their current rates for these calls.

We're delighted to announce this important new Sprint

(continued ...)

capability, and we applaud the California Public Utilities Commission on their decision to allow expanded Sprint service and savings to our customers.

Now, more than ever, the New Sprint  
will have you talking. For less.

All calls within California will be charged at Sprint's low interstate (state-to-state) per minute rates. Please see the comparative rate chart we've enclosed for specific examples. And -- another plus -- charges for your calls within California will automatically be combined with your charges for interstate calls to apply toward your Sprint volume usage discounts.

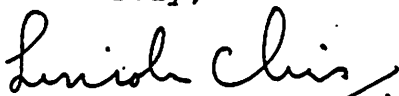
As you can see, the new ruling that lets you make Sprint calls within California is another money-saving convenience added to the advantages you already receive with Sprint. Advantages like:

- \* No monthly service fees -- Now, there's only a minimum monthly usage charge of \$5. Make just \$5 worth of Sprint calls a month and you'll start saving on every out-of-state long distance call.
- \* 24-hour savings -- Your New Sprint service is no longer restricted to certain hours of the day. You can save on every interstate, long distance call any time.
- \* Additional volume discounts -- If your Sprint long distance bill goes over \$25 in any given month, we'll give you an automatic additional discount on all your calls for the month. PLUS, we'll give you even more discounts at the \$75-per-month and \$200-per-month usage levels.
- \* The convenience of Sprint Travelcode<sup>(TM)</sup> -- Now you can use your Sprint Travelcode to make interstate calls to anywhere in the U.S. from most cities and airports.

And now, thanks to this new ruling, you can make Sprint calls within California, too!

We hope you'll enjoy this additional New Sprint service.

Sincerely,



Lincoln Chris  
Manager, Customer Services

Before the  
Virginia State Corporation Commission

Application and Petition of  
GTE Sprint Communications  
Corporation of Virginia  
for a Certificate of Public  
Convenience and Necessity  
Pursuant to § 56-265.4:4B of the  
Code of Virginia and to have its  
Rates and Services Established on a  
Competitive Basis under §56-481.1  
of the Code of Virginia

Case No. \_\_\_\_\_

MOTION

COMES NOW GTE Sprint Communications Corporation of Virginia ("GTE Sprint of Virginia") and moves the Commission to hear its application for certification as an inter-exchange telephone company and petition for regulation as a competitive interexchange telephone company at 10:00 a.m. on July 27, 1984. In support of its motion, GTE Sprint of Virginia states as follows:

(1) GTE Sprint of Virginia is a newly formed subsidiary of GTE Sprint Communications Corporation ("GTE Sprint") desiring to provide interexchange telephone service pursuant to the regulations adopted by the Commission in Commonwealth of Virginia ex rel. State Corporation Commission Ex Parte: In the matter of adopting rules

governing the certification and setting of rates for  
inter-LATA, inter-exchange telecommunications carriers,  
PUC840017 (Final Order, June 29, 1984).

(2) GTE Sprint of Virginia has fully participated in the proceedings leading up to the adoption of the rules in Case No. PUC840017 and anticipated filing its application and petition as soon as possible after the rules were adopted on June 29, 1984. Shortly thereafter, it became necessary for GTE Sprint of Virginia to change its Virginia counsel, which has caused the preparation and filing of its application and petition to be delayed until July 23, 1984. These documents, which are now filed with the Commission, request that GTE Sprint of Virginia be certificated to provide interexchange telephone service and, further, to provide such service on a competitive basis. Four other new interexchange carriers and AT&T Communications of Virginia, Inc. have petitioned the Commission for the same action. Their applications and petitions are scheduled for hearing on July 27, 1984.

(3) Because of the short time period between the filing of the application and the requested hearing date, GTE Sprint of Virginia has made every effort to achieve

maximum notice of its filings. Display advertisements which describe the nature of the application, petition and this motion were run in Richmond, Roanoke, Norfolk, and Northern Virginia newspapers on either Sunday (July 22, 1984) or Monday (July 23, 1984). Notice will appear in approximately twenty-four other newspapers throughout the state no later than Wednesday, July 25, 1984. A copy of the filings was also mailed or hand delivered on July 23, 1984, to all local exchange and interexchange carriers, applicants for interexchange certification, local governmental officials and the Attorney General.

(4) In addition to its efforts to make the widest possible notice of its filings, GTE Sprint of Virginia submits that the public interest will not be harmed if its application and petition are considered together with the other applications and petitions scheduled for hearing on July 27, 1984. To the best of its knowledge, no member of the public has protested the applications filed by the other applicants, and for obvious reasons. Since the new interexchange services will be offered on a competitive, non-monopoly basis, the public will benefit. Customers will be free to choose or reject any of the applicants' proposed

services as well as those of the existing certificated interexchange carrier, AT&T Communications of Virginia, Inc. Indeed, the certification of GTE Sprint of Virginia will only enhance customer choices. In no way can the public interest be harmed by allowing an additional competitor to enter the emerging Virginia interexchange telephone market, especially one with the qualifications of GTE Sprint of Virginia.

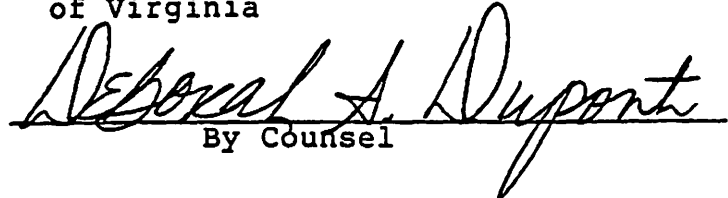
(5) Granting the application is consistent with the goal of the enabling legislation, House Bills 483 and 870, and the Commission's rules, which goal is to encourage competition for the benefit of consumers. Moreover, as the Commission is well aware, so-called "equal access" will commence on or about September 1, 1984, in the Norfolk area. If GTE Sprint of Virginia is not certificated in advance of that date, potential presubscription customers undoubtedly will be discouraged from selecting GTE Sprint as their primary carrier. This is because, without certification of its Virginia subsidiary, GTE Sprint will be unable to offer intrastate interLATA services, which its competitors will provide. Thus, without the equal right to commence service before that date, GTE Sprint will lose customers it would

otherwise have obtained and will be irreparably disadvantaged from the outset of "equal access" in Virginia. Such a result surely is not right, nor is it consistent with rules that " . . . give no competitive edge to any carrier." Final Order, 2.

WHEREFORE, GTE Sprint of Virginia respectfully moves the Commission to docket and hear its application and petition on July 27, 1984.

Respectfully submitted,

GTE Sprint Communications Corporation  
of Virginia

  
By Counsel

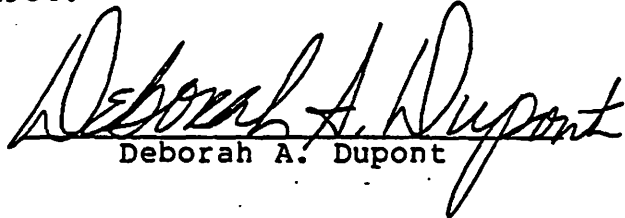
Deborah A. Dupont  
Michael B. Fingerhut  
GTE Sprint Communications Corp.  
1828 L Street, N.W.  
Suite 500  
Washington, D.C. 20036  
(202) 822-0002

Frederick C. Williams  
James E. Magee  
Isham, Lincoln & Beale  
1120 Connecticut Avenue, N.W.  
Suite 840  
Washington, D.C. 20036  
(202) 833-9730



CERTIFICATE

I hereby certify that a true copy of the foregoing motion was hand delivered or mailed, postage prepaid, to all parties of record in Case No. PUC840017, Anthony Gambardella, Esquire, Division of Consumer Counsel, Office of the Attorney General, Supreme Court Building, Richmond, Virginia 23219, and Robert M. Gillespie, Esquire, Office of the General Counsel, State Corporation Commission, Richmond, Virginia 23219 on July 23, 1984.

  
Deborah A. Dupont

## BEFORE THE

DOCUMENT CONTROL CENTER STATE CORPORATION COMMISSION

JUL 26 4 05 PM '84

OF VIRGINIA

In re the APPLICATION and PETITION of )  
 MCI Telecommunications Corporation of Virginia ) CASE NO. PUC 840022  
 for a Certificate to Operate as a Telephone )  
 Utility )

ANSWER OF  
 THE CHESAPEAKE AND POTOMAC  
 TELEPHONE COMPANY OF VIRGINIA  
 TO MCI'S RESPONSE TO MOTION  
 TO DELAY HEARING

---

The Application of MCI Telecommunications Corporation of Virginia ("MCI") for a certificate does not contain a plan to compensate local exchange telephone companies for intraLATA toll revenues lost to the illegal competition of MCI. Therefore, the Application does not comply with the Commission's rules governing certification. For that reason, The Chesapeake and Potomac Telephone Company of Virginia ("C&P") moved to delay the hearing scheduled for July 27, 1984, in order that MCI be allowed an opportunity to correct its Application. Instead of doing so, MCI responded to C&P's motion by arguing that the Application is as "concrete as possible." (Response, p. 3). MCI gave no indication that it would comply with the Commission's Rules.

Thus, the status of this case is that MCI has not met this Commission's requirements.<sup>1/</sup> This case can not go forward to hearing, for if it does, C&P will have been deprived of

---

<sup>1/</sup> MCI is thus in a different posture than other applicants, such as SouthernTel, TDX and USTS, which have recognized their obligation to block intraLATA calls or to compensate local exchange companies for lost toll revenue.

an opportunity to be fairly appraised of MCI's plan to comply with lawful certification requirements and will be deprived of any fair opportunity to test MCI's Application in a hearing. C&P therefore, renews its motion to delay the hearing.

In support of this Answer, C&P states:

- (1) The recent statutory amendment to the Utility Facilities Act of Virginia, Cha. 10.1, Title 56 Code of Virginia, modified the traditional Virginia rule that no more than one telephone company may operate in any particular geographical area by permitting this Commission to certify competitors in the interLATA, interexchange telephone business. House Bill 483 (1984). However, the status quo insofar as whether intraLATA, interexchange competition is permitted, was maintained. The law provides that intraLATA competition is not allowed and only can be permitted beginning in 1986 if the Commission finds intraLATA competition to be in the public interest.
- (2) Recognizing that the law does not permit intraLATA competition, this Commission adopted the requirement that interLATA carriers block any intraLATA calls. (SCC Certification Rule 2.) If any so-called "incidental" intraLATA calls did occur, the Rules provide that the local exchange companies be compensated for the lost toll revenues. Telephone companies seeking certificates as interLATA carriers must include a plan for blocking intraLATA calls or paying for any incidental calling.

- (3) MCI's Application for certification does not contain the required blocking or payment plan.
- (4) Given that fact, C&P asked that the hearing be delayed in order that MCI be given an opportunity to amend its Application to bring it into compliance with the Rules.
- (5) Instead of amending its Application, MCI responded by saying that its filed compensation plan - i.e., a plan to pay only access charges - is "as concrete as possible." (MCI Response p.3.) If MCI's Application is the best MCI can do, then the Application should be dismissed for nowhere in the Application does MCI present a plan to compensate C&P and the other local exchange companies for toll revenues lost to the illegal, intraLATA competition offered by MCI.
- (6) In effect, MCI, instead of proposing a good faith effort to comply with this Commission's Rules and the intent of the Virginia General Assembly, has fashioned a collateral attack on the Commission's Rules. Those Rules plainly require that adequate compensation from MCI be based on a full recovery of C&P's intraLATA toll revenue. C&P's average revenue from an intraLATA, intrastate DDD call per conversation minute is 18.23¢.<sup>2/</sup> It is this revenue, and the support it provides to keep dial

<sup>2/</sup> C&P's access revenue per minute from carriers such as MCI providing intrastate, interexchange service, assuming C&P collects both terminating and originating access charges, would be 11.20¢. If C&P collects access revenues for only one end of the call, access revenues would be 5.59¢.

tone line rates low, which C&P will lose to illegal, intraLATA competition. For MCI or the other OCCs to pay any less than this amount will result in an undeserved windfall to those companies at the expense of C&P's ratepayers.

- (7) It is important, moreover, to keep in mind that MCI and other companies which wish to engage in intraLATA business deserve no sympathy if they are required to pay C&P's lost toll revenue. C&P would prefer, and indeed the law intends, that no need for compensation exist, i.e., that illegal intraLATA calling not occur. MCI contends that it does not have the technological ability to block intraLATA calls. In the absence of that ability, and pursuant to this Commission's Rules, the revenue lost by C&P to this illegal competition should be recouped by C&P and inure to the benefit of its ratepayers and not to the shareholders of MCI. If this Commission were to accept a lesser proposition, the Commission's Rules would be rendered a nullity. To allow current interLATA access charges to serve as compensation for illegal intraLATA calls would be to permit, not prohibit, intraLATA competition.

WHEREFORE, C&P requests that MCI be required to follow the Commission's Certification Rules and to amend its Application

and that the hearing in this case be postponed until such Application is filed and the parties have a fair opportunity to review the Application and supporting evidence.

Respectfully submitted,

Warner F. Brundage, Jr.  
Warner F. Brundage, Jr.

Attorney for  
The Chesapeake and Potomac  
Telephone Company of Virginia

DOCUMENT CONTROL CENTER

JUL 26 10 57 AM '84

*United States  
Transmission Systems, Inc.**100 Plaza Drive  
Secaucus, N.J. 07096  
Telephone (201) 330-5000*

July 25, 1984

Warner F. Brundage, Jr.  
General Attorney  
C&P Telephone  
703 East Grace Street  
Richmond, VA 23219

*PUCS40024*

Dear Mr. Brundage:

Enclosed please find the responses to your  
Interrogatories numbered 1-5 inclusive in the above captioned  
proceeding. These responses were prepared by the undersigned.

Very truly yours,



Jack R. Lebowitz  
Attorney

JRL:cm  
Enclosures

cc: Hon. William C. Young  
All parties of record

CASE NO. 840024  
C&P Telephone  
W.F. Brundage, Jr.  
Date of Request: July 17, 1984

INTERROGATORY 1 :

Referencing paragraph 3 of the Application, when will USTS incorporate its Virginia subsidiary and by what means will USTS substitute the subsidiary as the applicant in this case?

RESPONSE 1 :

USTS filed its certificate of incorporation for its Virginia subsidiary on July 25, 1984. It proposes to substitute the subsidiary for the applicant in this case by a motion to the Virginia Corporation Commission for leave to amend its application accordingly.



CASE NO. 840024  
C&P Telephone  
W.F. Brundage, Jr.  
Date of Request: July 17, 1984

INTERROGATORY 2 :

Referencing p. 3, paragraph 5 of the Application, state whether USTS has been "present in Virginia, offering interstate service to Virginia subscribers" since at least January 1, 1984. If the answer is other than "yes", state when USTS began offering service in Virginia.

RESPONSE 2 :

Yes.

CASE NO. 840024  
C&P Telephone  
W.F. Brundage, Jr.  
Date of Request: July 17, 1984

INTERROGATORY 3 :

Further referencing p. 3, paragraph 5 of the Application, USTS states that it "already operates the facilities which will be used to provide intrastate service." State what modifications, if any, must be made to the facilities of USTS to provide intrastate service once the Application is granted.

RESPONSE 3:

As implied in the referenced portion of USTS' application, USTS knows of no particular technical modifications to its facilities which must be made initially for the particular purpose of adding intrastate service offerings to the interstate service currently being offered. USTS would expect that some allocations would be made by the exchange carriers to separate the interstate network access being provided from intrastate access. However, USTS understands these are accounting or reporting modifications and not technical changes, since the access facilities being

provided would be identical in either case. While USTS proposes no particular technical changes to initially provide intrastate service, however, it is continually modernizing and expanding its switching and transmission facilities as the need arises.

CASE NO. 840024  
C&P Telephone  
W.F. Brundage, Jr.  
Date of Request: July 17, 1984

INTERROGATORY 4 :

Referencing p. 4, paragraph 7 of the Application, USTS states that it is "technically unable to block all intraLATA calling without blocking interstate calls."

- A. State what intraLATA calls USTS is technically able to block.
- B. State what percentage of USTS's intraLATA calls are interstate calls.
- C. Provide examples of interstate, intraLATA calls carried by USTS in Virginia.

RESPONSE 4 :

(A.) In theory, USTS is technically able to block some intra-LATA calling at locations which use its later generation switches, such as the Northern Telecom DMS 250 switches. In practice, doing so would be an expensive and burdensome undertaking, as it would require extensive new software development to correlate customers' personal identification codes with their billing locations and tables of

excluded intra-LATA calling locations. Because of the expense and burden involved, and the short time such software programs would be needed and useful owing to the anticipated provision of equal access (which will allow the exchange company to "block" by simply carrying the intra-LATA call itself) and/or the prospect that USTS and other interexchange carriers may be allowed to handle intra-LATA traffic in the future, USTS proposes to compensate exchange carriers rather than block calls.

Moreover, blocking intraLATA calls would severely inconvenience USTS' customers. A blocked call would not be completed; rather, the customer would receive a recorded message telling him to redial via another carrier. USTS believes its customers would prefer to have their calls automatically completed, especially after dialing the 22-25 digits required under current forms of exchange access available to USTS. After "equal exchange access", attempted intra-LATA calls will automatically be routed to the exchange company, which will, in essence, constitute an efficient method of "blocking" via exchange carriers' facilities. Because of the inconvenience to its customers prior to equal access and the severe competitive consequences of that inconvenience for USTS, USTS proposes to compensate intra-LATA carriers rather than block.

(B.) This data does not exist in the form requested.

(C.) While USTS has not sought to determine each potential instance in which this situation could occur, the primary example would be calls carried within the Washington D.C. LATA, which LATA includes portions of Northern Virginia, the District of Columbia and Maryland. USTS has customers in each of these areas which are able to dial USTS' access number as a local call.

CASE NO. 840024  
C&P Telephone  
W.F. Brundage, Jr.  
Date of Request: July 17, 1984

INTERROGATORY 5 :

Referencing p. 5, paragraph 8 of the Application, describe the records USTS has available "pertinent to the measurement of incidental, intraLATA traffic...."

RESPONSE 5 :

These records consist of monthly billing data which records all calls carried and billed. The data is currently used only for normal billing purposes. The raw data on the billing tapes records the NPA and NXX's of the originating and terminating points and times. When the bills are processed, the computers use this NPA-NXX data to determine the airline mileage of each billed call based on horizontal and vertical coordinates contained in the standard NPA-NXX tables. In essence, this is the standard telephone industry procedure for applying mileage-based tariffs to individual calls.

While the raw billing data stream theoretically contains the information needed to produce reports which

distinguish intraLATA from interLATA calls, such reports could not currently be generated with the billing software used by USTS. Such reports would require that software be developed to identify the LATA of each originating and terminating point of all calls on the billing tapes by reference to the NPA-NXX records, and to determine whether such two points were in the same or different LATA's. Obviously, such software development is expensive, and its monthly application in USTS's billing process would add significantly to USTS's administrative burdens.



DOCUMENT CENTER BEFORE THE  
 JUL 26 4 09 PM '84 STATE CORPORATION COMMISSION  
 OF VIRGINIA

In re the APPLICATION and PETITION of )  
 GTE Sprint Communications Corporation of ) CASE NO. PUC 8400\_\_\_\_  
 Virginia for a Certificate of Public )  
 Convenience and Necessity )

PROTEST AND OPPOSITION  
 TO REQUEST FOR HEARING

GTE Sprint Communications Corporation of Virginia ("SPRINT") filed its Application for certificate on July 24, 1984, and at the same time requested that a hearing on this Application be held three (3) days hence. The Chesapeake and Potomac Telephone Company of Virginia ("C&P") has an interest in this case in that C&P wishes to assure that its intraLATA, interexchange toll business is not unlawfully infringed upon by SPRINT. C&P objects to the request for an expedited hearing and asks that SPRINT be required to give full public notice of its Application and that the public and C&P be given adequate time to consider SPRINT's Application before a hearing is scheduled.

From C&P's standpoint, SPRINT's Application suffers from the same deficiency as MCI's Application in Case No. PUC 840022 - the failure to comply with Rule 2 of the Commission's Certification Rules. The public may have other problems with the Application. All parties and potential parties should be given a fair opportunity to assess SPRINT's Application before a hearing is held.

WHEREFORE, C&P respectfully requests that SPRINT's request for an expedited hearing be denied.

Respectfully submitted,

  
Warner F. Brundage, Jr.

Attorney for  
The Chesapeake and Potomac  
Telephone Company of Virginia

8 4 0 7 3  
COMMONWEALTH OF VIRGINIA

0 0 9 7

STATE CORPORATION COMMISSION  
CENTER

JUL 27 10 49 AM '84

AT RICHMOND, JULY 27, 1984

APPLICATION OF

MCI TELECOMMUNICATIONS  
CORPORATION OF VIRGINIA

CASE NO. PUC840022

For a certificate of public  
convenience and necessity,  
for approval of its lease  
and service agreement, and  
for authority to set its rates  
based upon competitive factors

ORDER DENYING MOTION FOR  
DELAY IN THE HEARING

On July 18, 1984, the Chesapeake and Potomac Telephone Company of Virginia filed its Protest and Motion for Delay in the Hearing of the above-styled and numbered case. Having considered the Motion to Delay the Hearing, the Commission is of the opinion that it should be denied. Accordingly,

IT IS THEREFORE ORDERED that the Motion of the Chesapeake and Potomac Telephone Company of Virginia to delay the hearing of this matter is hereby denied.

ATTESTED COPIES hereof shall be sent to Warner F. Brundage, Jr., Esquire, C&P Telephone Company of Virginia 703 East Grace Street, Richmond, Virginia 23219; Hulihan W. Moore, Esquire, Attorney for MCI Telecommunications Corporation of Virginia, 1200 Mutual Building, Richmond, Virginia 23219-3095; Division of Consumer Counsel, Office of the Attorney General, 101 North 8th Street, Richmond, 23219; and to the Commission's Divisions of Communications, Accounting and Finance, and Economic Research and Development.

VIRGINIA

BEFORE THE STATE CORPORATION COMMISSION

PETITION OF	)	
	)	
AT&T COMMUNICATIONS OF VIRGINIA	)	CASE NO. PUC840023
	)	
For authority to set rates and	)	
charges pursuant to § 56-481.1	)	
of the Code of Virginia	)	

RESPONSE OF VIRGINIA EXCHANGE CARRIER  
ASSOCIATION ON BEHALF OF ITS MEMBER  
TELEPHONE COMPANIES AND COOPERATIVES  
TO A MOTION OF MCI TELECOMMUNICATIONS CORPORATION  
OF VIRGINIA FOR AN ORDER REQUIRING SPECIAL REPORTS

Virginia Exchange Carrier Association (VECA), having filed a Notice of Protest in this proceeding, moves the Commission to deny the motion of MCI Telecommunications of Virginia (MCI) seeking a special report, and, in support of its request, states as follows:

1. To prepare the report requested by MCI would require VECA members to expend a very large number of man hours. The expense of preparing the report will be substantial and will fall directly on the customers of VECA members. Our customers should not be required to incur this expense solely for the benefit of MCI.

2. MCI seeks detailed estimates as to matters that will exist at future dates as far off as January, 1988. Many of such estimates do not currently exist, would require extensive study and projections and could not be used as the basis for any action taken by the Commission.

3. The material requested is in many respects confidential and proprietary information that the VECA members have no obligation to reveal to MCI. Moreover, with the tremendous changes taking place in the industry, the VECA members may well become competitors of MCI in the future and should not be required to disclose confidential information to MCI upon which strategic marketing decisions could be based.

4. Each VECA member submits an Annual Report to the Commission detailing in great length the member's plant and operating data, including data on central office equipment, types of customers, numbers of telephones, main stations, extensions, numbers and types of calls and so forth.

Therefore, VECA respectfully requests that the motion of MCI be denied.

Respectfully submitted,

July 27, 1984

VIRGINIA EXCHANGE CARRIER  
ASSOCIATION

By



Its Counsel

John W. Riely  
Richard D. Gary  
Hunton & Williams  
P. O. Box 1535  
Richmond, Virginia 23212  
Of Counsel

JUL 27 1 49 PM '84

COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

PETITION OF  
AT&T COMMUNICATIONS OF VIRGINIA

For authority to set rates and  
charges pursuant to §56-481.1  
of the Code of Virginia

CASE NO. PUC840023

ANSWER OF CENTRAL TELEPHONE COMPANY OF VIRGINIA TO  
MOTION OF MCI TELECOMMUNICATIONS CORPORATION OF  
VIRGINIA FOR AN ORDER REQUIRING SPECIAL REPORTS

Comes now Central Telephone Company of Virginia (Centel),  
by counsel, and for its Answer to the Motion filed by MCI Tele-  
communications Corporation of Virginia (MCI) for an Order  
requiring special reports, pursuant to §56-36 of the Code  
of Virginia, and respectfully represents as follows:

1. That the allegations of Paragraph 1 of the said  
Motion are admitted.
2. That the allegations of Paragraph 2 of the said  
Motion are denied.
3. That the allegations of Paragraph 3 of the said  
Motion are denied.
4. That the allegations of Paragraph 4 of the said  
Motion are denied.
5. That the allegations of Paragraph 5 of the said  
Motion are denied.
6. That the current information requested in  
Paragraph 6A of the said Motion is a matter of  
public record, and that the forecasted data requested  
can be provided if this Commission so orders, although  
MCI should pay for the preparation of this data rather  
than Centel customers.

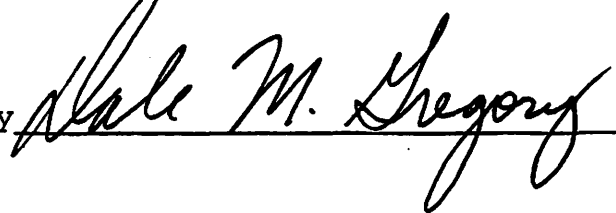
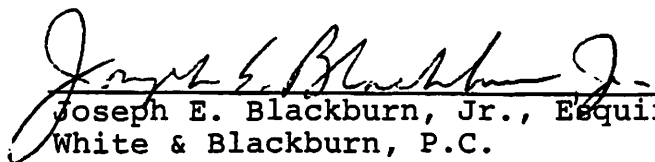
7. That the current information requested in Paragraph 6B of the said Motion is a matter of public record, and that the forecasted data requested can be provided if this Commission so orders, although MCI should pay for the preparation of this data rather than Centel customers.
8. That Centel cannot respond without further clarification or information to the requests made in Paragraphs 6C and D of the said Motion.
9. That the information requested in Paragraphs 6E and F of the said Motion is unavailable and unknown except to the extent said telephones are leased from Centel.
10. That the information requested in Paragraphs 6G and H is proprietary to Centel and Centel objects to furnishing this information.
11. That the information requested in 6I is a matter of public record in Centel's Access Charge Tariff on file with the State Corporation Commission.
12. That Centel affirmatively alleges that it is not a party to this proceeding, and that the Motion of MCI is improper under the Rules of this Commission.
13. That Centel affirmatively alleges that Virginia Code §56-36 was not intended to be used as MCI would attempt to use it herein to compete within the inter-exchange competitive market, and was only intended to be used for the purpose of assisting this Commission in regulating Centel and other telephone companies.

14. That Centel is not of the opinion that the requested information in said Motion is pertinent to determine whether the rates of AT&T Communications of Virginia should be deregulated.

Therefore, Centel respectfully requests that the Motion of MCI be denied.

CENTRAL TELEPHONE COMPANY OF VIRGINIA

BY

A handwritten signature in cursive script, reading "Dale M. Gregory", written over a horizontal line.A handwritten signature in cursive script, reading "Joseph E. Blackburn, Jr.", written over a horizontal line.

Joseph E. Blackburn, Jr., Esquire  
White & Blackburn, P.C.  
300 West Main Street  
Richmond, Virginia 23220



8 4 0 7 3 0 0 9 6

COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION  
DOCUMENT CONTROL CENTER

JUL 27 10 49 AM '84

AT RICHMOND, JULY 27, 1984

APPLICATION OF

UNITED STATES TRANSMISSION  
Systems, Inc.

CASE NO. PUC840024

For a certificate of public  
convenience and necessity,  
to provide inter-LATA Inter-  
exchange telephone services  
within Virginia

ORDER DENYING MOTION FOR  
DELAY IN THE HEARING

On July 17, 1984, the Chesapeake and Potomac Telephone  
Company of Virginia filed its Protest and Motion for Delay  
in the Hearing of the above-styled and numbered case. Having  
considered the Motion to Delay the Hearing, the Commission  
is of the opinion that it should be denied. Accordingly,

IT IS THEREFORE ORDERED that the Motion of the Chesapeake  
and Potomac Telephone Company of Virginia to delay the  
hearing of this matter is hereby denied.

ATTESTED COPIES hereof shall be sent to Warner F.  
Brundage, Jr., Esquire, C&P Telephone Company of Virginia  
703 East Grace Street, Richmond, Virginia 23219; Steven H.  
Davis, Esquire, Attorney for United State Transmission  
Systems, Inc., 520 Madison Avenue, New York, New York 10022;  
Jack Lebowitz, Esquire, U.S.T.S., Inc., 100 Plaza Drive,  
Secaucus, New Jersey, 07096; Division of Consumer Counsel,  
Office of the Attorney General, 101 North 8th Street, Richmond,  
Virginia 23219; and to the Commission's Divisions of Communications,  
Accounting and Finance, and Economic Research and Development.

# TDX Systems



C. A. Peyser  
President

July 26, 1984

Clerk of the State Corporation Commission  
c/o Document Control Center  
P.O. Box 2118  
Richmond, VA 23216

RE: PUC 840025  
Petition of TDX Systems, Inc.  
For a Certificate of Public  
Convenience and Necessity

To the Commission:

The Petition of TDX Systems, Inc. ("TDX") in the above-referenced proceeding is hereby amended as follows:

- (1) to substitute TDX Systems of Virginia, Inc. ("TDX of Virginia"), a wholly-owned subsidiary of TDX, as the applicant in this proceeding. TDX of Virginia was incorporated as a public service corporation in the Commonwealth of Virginia on July 25, 1984, and will provide the services proposed in the referenced petition. In all other respects, the petition is unaffected by this substitution;
- (2) to include the attached copy of the Articles of Incorporation of TDX of Virginia as Appendix H; and
- (3) to substitute the attached maps for those submitted as part of Appendix F. These maps provide a more precise illustration of the petitioner's points of presence in Virginia.

Very truly yours,

*C. Alan Peyser*  
C. Alan Peyser  
President

Enclosures

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION

APPLICATIONS OF

CASE NOS.

MCI TELECOMMUNICATIONS CORP.	PUC840022
UNITED STATES TRANSMISSION SYSTEMS, INC.	PUC840024
TDX SYSTEMS, INC.	PUC840025
SOUTHERNTEL OF VIRGINIA, INC.	PUC840020
GTE SPRINT COMMUNICATIONS CORP.	PUC840027

A complete transcript of the testimony and other incidents of the above-captioned matter when heard on July 27, 1984, before the Honorable Commissioners of the State Corporation, Richmond, Virginia.

Reported and transcribed  
by: Joyce A. Holzman

ASSOCIATED REPORTERS  
OFFICIAL COURT REPORTERS  
STATE CORPORATION COMMISSION  
POST OFFICE BOX 1197  
RICHMOND, VIRGINIA 23209

## APPEARANCES:

Honorable Thomas P. Harwood, Jr., Chairman

Honorable Preston C. Shannon, Presiding

Honorable Junie L. Bradshaw, Member

Robert M. Gillespie, Esquire,

Counsel to the Commission

Hullihen W. Moore, Esquire,  
and

William F. Marmon, Jr., Esquire,

Counsel for MCI Telecommunications  
Corporation

James E. Magee, Esquire,  
and

Deborah A. Dupont, Esquire,

Counsel for GTE Sprint  
Communications Corporation

Jack R. Lebowitz, Esquire,  
and

M. Reamy Ancarrow, Esquire,

Counsel for United States  
Transmission Systems, Inc.

Warner F. Brundage, Jr., Esquire,  
and

Gregg C. Sayre, Esquire,

Counsel for The Chesapeake and  
Potomac Telephone Company of Virginia

1  
2  
3 Reginald N. Jones, Esquire,  
4 and  
5 Steven W. Pearson, Esquire,

6 Counsel for SouthernTel of  
7 Virginia, Inc.

8 R. Michael Senkowski, Esquire,

9 Counsel for TDX Systems, Inc.

10 Anthony Gambardella, Esquire,

11 Senior Assistant Attorney General,  
12 Division of Consumer Counsel  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

# I N D E X

## Opening Statements:

Mr. Gillespie	Page	12
Mr. Moore	Page	15
Ms. Ancarrow	Page	18
Mr. Senkowski	Page	21
Mr. Jones	Page	22
Mr. Magee	Page	25
Mr. Gambardella	Page	28
Mr. Brundage	Page	32

## Testimony of:

### Kenneth A. Cox

Examination by Mr. Moore	Page	35
Examination by Mr. Brundage	Page	45
Examination by Mr. Gillespie	Page	54

### Stephen C. Gunn

Examination by Mr. Moore	Page	56
Examination by Mr. Gillespie	Page	59
Examination by Mr. Brundage	Page	60

### Nina W. Cornell

Examination by Mr. Moore	Page	65
Examination by Mr. Gillespie	Page	70
Examination by Mr. Gambardella	Page	74

### Jerome Stern

Examination by Mr. Lebowitz	Page	79
Examination by Mr. Gillespie	Page	83

### George J. Bloom

Examination by Mr. Lebowitz	Page	87
-----------------------------	------	----

### Marvin C. Moses

Examination by Mr. Senkowski	Page	91
Examination by Mr. Gillespie	Page	102

Warren B. French, Jr.

Examination by Mr. Jones

Page 107

Examination by Mr. Gillespie

Page 112

Jose E. Guzman

Examination by Mr. Magee

Page 114

Examination by Mr. Gillespie

Page 126

Examination by Mr. Brundage

Page 128

David H. Jones

Examination by Mr. Gillespie

Page 134

Examination by Mr. Gambardella

Page 138

E X H I B I T S

Exhibit A (PUC840022)	Page 16
Exhibit A (PUC840024)	Page 20
Exhibit A (PUC840025	Page 22
Exhibit A (PUC840020)	Page 23
Exhibit A (PUC840027)	Page 26
Hearing Exhibit 1 (PUC840022)	Page 67
Exhibit 1 - Reserved (PUC840024)	Page 86
Hearing Exhibit 1 (PUC840020)	Page 110
Exhibit 2 (PUC840020)	Page 110
Exhibit 3 (PUC840020)	Page 112



NOTE: The matter is called to be heard at 10:00 a.m., and begins as follows, viz:

THE BAILIFF: Case No. PUC840022, MCI Telecommunications Corporation, application for a certificate to operate as a telephone utility.

Case No. PUC840024, United States Transmission Systems, Inc., for a certificate to provide interLATA, interexchange telephone services in Virginia.

Case No. PUC840025, TDX Systems, Inc., for a certificate to operate as a reseller of telephone service in Virginia.

Case No. PUC840020, SouthernTel of Virginia, Inc., application for a certificate to provide intrastate interexchange telecommunications services.

COMMISSIONER SHANNON: Okay, I'm going to announce that we're going to entertain the application of GTE Sprint which filed its application with the Commission, and they had

1  
2 some difficulty getting a local attorney  
3 because like all these cases had most of the  
4 members of the Bar committed. But we have  
5 an Application filed by Ms. Deborah Dupont,  
6 and we will go ahead and entertain this even  
7 though it was filed late, and no Order has  
8 been entered yet, and no case number assigned.  
9 A case number will be assigned, Mr. Gillespie.

10 And the reason that we're letting  
11 them in is because we feel that we're looking  
12 at a competitive situation here, and the more  
13 carriers you have, the more competition you  
14 have, and GTE Sprint participated in the rule  
15 making proceeding, so I don't think it's a  
16 surprise to anyone.

17 Also, in anticipation of filing this  
18 Application, they went and made a publication  
19 in the papers announcing that they would be  
20 here; and so, having said that, they'll be  
21 heard in this case, too.

22 Now, what the batting order will be,  
23 while each case is a separate proceeding, and  
24 we may have some different interests reflected  
25 in some of the proceedings, MCI will

1  
2 go first, and you'll put your testimony on,  
3 and then it will be followed with United  
4 States Transmission. And United States  
5 Transmission also filed an application to  
6 substitute the name, the motion to substitute  
7 the name of their newly formed Virginia  
8 subsidiary. And so we're going to grant  
9 that motion, and I think that was formed the  
10 day before yesterday, if I recall correctly,  
11 so we're going to try to bring everything up  
12 to date.

13 And then after United States  
14 Transmission, after they've been heard, then  
15 TDX Systems and SouthernTel of Virginia will  
16 be heard, and their witnesses will appear.  
17 And then if the Staff has anything they want  
18 to say pertaining to all of them, they can  
19 go last and make their comments, Mr. Gillespie.

20 Do you have anything, Mr. Gillespie,  
21 a preliminary statement?

22 MR. GILLESPIE: Your Honor, I know  
23 that there are a lot of motions pending that  
24 perhaps the parties would like to have disposed  
25 of in advance. We should take these cases in

1  
2 order. For instance, MCI and USTS have drawn  
3 essentially the same protest from C&P Telephone  
4 Company.

5 COMMISSIONER SHANNON: Yes, there  
6 was a motion filed to continue this hearing,  
7 I think, because of the fact it was alleged  
8 by C&P that the rules hadn't been fully  
9 complied with regarding the blocking and  
10 paying of strictly intraLATA calls. We  
11 entered an Order this morning denying the  
12 Motion to Continue the case, so you don't  
13 have to be concerned about that.

14 But what we are going to do; we  
15 are going to go ahead and hear all of these  
16 cases and take it under advisement, and the  
17 Commission's intention promulgating the rule  
18 that it would be block pay is that we  
19 intended that the local service company be  
20 made whole for the loss of all such revenue.  
21 That's a little different between paying the  
22 access charges.

23 There seems to be some difference  
24 of opinion of what that is, and I would say  
25 this: That our intent was that they be made

1  
2 whole for the loss of revenue of each local  
3 call, that is, intraLATA call, and it could  
4 well be that would have to be the cost net  
5 of the access that they would normally pay.  
6 But I would admonish the parties the  
7 Commission has discussed this, and I think  
8 I've expressed this intent of the Commission  
9 to adopt a pay situation, and after we hear  
10 these cases, we're going to take it under  
11 consideration. But before any final deter-  
12 mination is made, we would expect the parties  
13 involved to get together with our Staff, and  
14 the Staff will notify us that the payment  
15 plan, if you can't technically block it, does  
16 carry out our intention.

17 Any questions on that?

18 MR. MOORE: I have a question,  
19 Your Honor, and I think that may take a little  
20 time. For example, if I can give an example,  
21 Mr. Brundage's brief cites 18.23 cents as the  
22 average call that he has. Those are the ones  
23 that he got, but he doesn't get compensated  
24 for those. He gets compensated for the ones  
25 he didn't get. And so I don't know whether

1  
2 we should average--

3 COMMISSIONER SHANNON: Well, that's  
4 exactly the reason that I want you-all to get  
5 together with the Staff. The Staff is going  
6 to have an absolutely objective point of view  
7 of this, and they represent the Commission in  
8 this regard, and I think that should be done  
9 promptly because I don't want to have to go  
10 and litigate all this after we issue the  
11 certificate. In other words, if the certificate  
12 is contingent upon getting the plan,  
13 I think you'll get the plan.

14 MR. MOORE: Your Honor, if I may  
15 respond to that briefly, sir. I think  
16 that may-- does put MCI and Sprint, also, in  
17 an unattenuable position of having to agree  
18 with C&P in order to get authority from this  
19 Commission, and I think that should be the  
20 decision of the Commission.

21 COMMISSIONER SHANNON: No, You have  
22 to satisfy the Commission-- that's all you  
23 have to satisfy-- not C&P. The Staff is not  
24 going to take any position other than the  
25 Commission's position on this.

1  
2 MR. MOORE: Thank you.

3 MR. BRUNDAGE: Your Honor, if I  
4 might, I'm Warner Brundage.

5 COMMISSIONER SHANNON: Sure.

6 MR. BRUNDAGE: I represent C&P. I  
7 think Mr. Gillespie said that C&P's position  
8 with respect to MCI and USTS is similar. We  
9 did file protests in both cases, but our  
10 position with respect to the two applications  
11 is a little bit different.

12 With respect to MCI and the Sprint  
13 applications, they proffered and offered only  
14 to pay C&P access charges for intraLATA calls,  
15 and we believe that is a clear violation of  
16 your rules.

17 With respect to USTS, they offered,  
18 and as the rules require, to compensate us  
19 for our lost revenues. And I have met and  
20 talked with their counsel, and we are in agree-  
21 ment that C&P and USTS ought to be able to  
22 conclude an appropriate arrangement within  
23 a very short period of time as to how we can  
24 assure that we are compensated for those  
25 revenues.

1  
2 But we think this process can work  
3 very promptly, and we think it should work  
4 very promptly, and we're very willing to  
5 work with the Staff.

6 COMMISSIONER SHANNON: I think it  
7 will. It will work for MCI, too. I know  
8 Mr. Moore will be cooperative there, and our  
9 Staff is certainly going to be just as fair  
10 as it possibly can be.

11 Mr. Gillespie, do you want to make  
12 your statement now?

13 MR. GILLESPIE: Your Honor, the  
14 Staff's position in this matter is neutral.  
15 At the conclusion of the presentations of  
16 the OCCs that are going to be heard this  
17 morning, Mr. David Jones from the Commission  
18 Staff will take the stand and give his review  
19 of the tariffs, the initial tariffs, that  
20 have been filed by each applicant.

21 And I would like to, if I could,  
22 state what the Staff has found in its initial  
23 review of the applications that are to be  
24 considered this morning, including the Sprint  
25 application that the Commission will also hear.



1  
2 In reviewing all five applications, MCI,  
3 USTS, TDX Systems, Inc., SouthernTel, and  
4 Sprint, the Staff has found that each appli-  
5 cation is in substantial compliance with the  
6 rules that the Commission promulgated on  
7 June 29th.

8 The one matter that is of concern  
9 in each of the applications is how each  
10 company intends to comply with Rule 6 in  
11 providing monthly usage reports. However,  
12 we sent a letter to the companies last week,  
13 and we received a response this morning from  
14 SouthernTel, and I believe all the other  
15 carriers, including SouthernTel, will present  
16 witnesses who can explain how they intend to  
17 submit usage reports that will be needed by  
18 the local exchange companies to be compensated  
19 properly for the use of their facilities.

20 Judge Shannon, you mentioned that  
21 USTS had filed amendment to substitute its  
22 Virginia subsidiary for its parent corporation,  
23 United States Transmission. The same thing  
24 has been filed just this morning by TDX  
25 Systems, Inc., and they will present documents, too.

1  
2 COMMISSIONER SHANNON: That will  
3 be granted, too.

4 MR. GILLESPIE: Other than that,  
5 we have the questions about the block of pay  
6 provisions, Rule 2 of the Commission's rules,  
7 which you have already indicated will be  
8 worked out among the companies and the Staff.  
9 And Mr. Brundage has indicated that C&P and  
10 USTS have reached an agreement on that.

11 One other item. I would like to  
12 point out to the Commission that the applica-  
13 tion filed by SouthernTel is to provide  
14 strictly intraLATA private line service.  
15 They mention in the application that a sister  
16 company, ICI, will provide resale services.  
17 I just wanted to mention that if ICI is  
18 to resell anything other than WATS, then ICI  
19 should apply for a certificate. That is, if  
20 they are going to resell FX or private line  
21 service--

22 COMMISSIONER SHANNON: We've made  
23 that known to them, especially, SouthernTel.

24 MR. GILLESPIE: Yes, I mentioned  
25 it to their attorneys. And this-- in essence,

1  
2 ICI would be operating in a similar manner  
3 to TDX. They would be reselling services  
4 other than WATS, and they would be certificated.

5 Other than that, the Staff will  
6 present Mr. Jones to review the tariffs at  
7 the conclusion of all of these cases submitted  
8 by the OCCs.

9 COMMISSIONER SHANNON: Thank you,  
10 Mr. Gillespie.

11 We have counsel here, so I'm going  
12 to ask each counsel to identify himself or  
13 herself; and if you have any little statement  
14 you want to make-- and I don't know it would  
15 be necessary to make a lengthy statement,  
16 but whatever you want to say about your case,  
17 say it when you enter your appearances.

18 And you can start, Mr. Moore, and  
19 you're appearing for--

20 MR. MOORE: We'd have to tender our  
21 notices and all that?

22 COMMISSIONER SHANNON: When you  
23 make your statement, tender your notices at  
24 the same time.

25 MR. MOORE: All right, sir. My name

1  
2 is Hully Moore. I'm with Christian, Barton,  
3 Epps, Brent & Chappell in Richmond, Virginia.  
4 With me is Mr. William F. Marmon, Jr., of  
5 MCI Communications Corporation. Together,  
6 we represent MCI Telecommunications of Virginia.

7 I would like to tender at this  
8 time, pursuant to Paragraph 5 of the  
9 Commission's Order of July 3, the tear sheets  
10 showing proof of publications of the required  
11 publications in newspapers having general  
12 circulation in the Commonwealth.

13 Also, pursuant to Paragraph 6 of  
14 the Commission's Order, I would tender the  
15 proof of service of the notices to those  
16 persons required to be served by mail. I  
17 would note that although it was sent, we  
18 have not gotten back the return card on the  
19 Peoples Mutual Telephone Company of Gretna.

20 COMMISSIONER SHANNON: They will  
21 be received in PUC840022 as Exhibit A.

22 MR. MOORE: Your Honor, we're here  
23 today for three things. First, a certificate  
24 of authority to operate as a telephone utility  
25 pursuant to 56-265.4:4.B. We're also here

1  
2 to have to the extent necessary the lease  
3 and service agreement approved as that may  
4 be required under Chapter 4 of Title 56.

5 Finally, we are here to obtain  
6 streamline regulation because we believe  
7 the evidence will show that regulation is  
8 not necessary for MCIV because they will be  
9 providing the service on a competitive basis.

10 We will call three witnesses. Our  
11 first witness will be Mr. Kenneth A. Cox.  
12 He's a former member of the FCC. He is now  
13 a Senior Vice President of the Applicant,  
14 and he also is a Senior Vice President and  
15 Director of MCI Communications Corporation.  
16 He will sponsor the Application and the  
17 Petition and will speak generally to it.

18 Second witness will be Mr. Stephen C.  
19 Gunn. He is the manager of tariffs and rates  
20 of MCI. He will respond to the Staff's  
21 inquiry concerning compliance with Commission  
22 Rule 6, the reports.

23 Finally, we will present Dr. Nina  
24 Cornell. Dr. Cornell is President of Cornell,  
25 Pelcovits, and Brenner. She is a consulting

1  
2 economist who is knowledgeable in the tele-  
3 communications economic field. Dr. Cornell  
4 will testify on the streamline regulation  
5 and the reason why rate regulation is not  
6 necessary for MCIV.

7 We also have present here, Mr. Larry  
8 Bouman, who is the Director of the Mid Atlantic  
9 Region Operations of MCI. We will not call  
10 Mr. Bowman, but if it's necessary, he is  
11 available to respond to questions concerning  
12 equipment and facilities.

13 Thank you.

14 COMMISSIONER SHANNON: Thank you,  
15 Mr. Moore.

16 Who appears for United States  
17 Transmission Systems of Virginia?

18 MS. ANCARROW: Your Honor, my name  
19 is M. Reamy Ancarrow. I'm with the law firm  
20 of LeBoeuf, Lamb, Leiby & MacRae in  
21 Washington, D. C., and I'm a member of the  
22 Virginia State Bar.

23 Also appearing with me today is  
24 Mr. Jack Lebowitz, who is with the company  
25 of USTS, and he will be making the presentation

1  
2 on behalf of USTS.

3 COMMISSIONER SHANNON: Do you have  
4 your notices of publication?

5 MS. ANCARROW: Mr. Lebowitz can  
6 speak to that, Your Honor.

7 MR. LEBOWITZ: Your Honor, we have  
8 with us the notices of publication. However,  
9 we're in the process of preparing the affi-  
10 davit of service on each of the affected  
11 parties on which service was made, and I'd  
12 ask that that application be-- that exhibit  
13 be accepted as a late filed exhibit.

14 COMMISSIONER SHANNON: All right.  
15 Why don't you put in the part that you have,  
16 and then we will note in the record that the  
17 affidavit-- affidavits are to be subsequently  
18 presented.

19 MR. LEBOWITZ: Then at this time  
20 I have the applications of publication from  
21 the Roanoke Times & World News, The Virginian-  
22 Pilot and Ledger Star, the Richmond Times-  
23 Dispatch. Notice was also published in The  
24 Washington Post. However, they have advised  
25 us that they will not be able to provide an

1  
2 affidavit for at least several weeks as per  
3 their normal time.

4 COMMISSIONER SHANNON: All right,  
5 we will receive those as Exhibit A in  
6 PUC840024, and then we will defer-- reserve  
7 the balance of it for when it's due. And  
8 that would probably be within the next  
9 several weeks, I expect?

10 MR. LEBOWITZ: That would be  
11 within the next several days, Your Honor.

12 COMMISSIONER SHANNON: Several  
13 days, all right. Except The Washington Post.

14 MR. LEBOWITZ: Yes.

15 COMMISSIONER SHANNON: Do you have  
16 anything further?

17 MR. LEBOWITZ: Yes. We're petitioning  
18 for the same relief as just described by MCI,  
19 and it's described in our Application filed on  
20 July 5th.

21 With me here today are two gentlemen,  
22 one of whom I hope will be here. He hasn't--  
23 he seems to have become lost at the airport  
24 this morning. Mr. Gerald Stern will speak,  
25 who will present the Application, and will



1  
2 speak to USTS' compliance with Rule 6, and  
3 generally describing the operations and  
4 facilities of USTS. And Mr. George Bloom,  
5 who is present in the hearing room, who will  
6 discuss the financial aspects of USTS'  
7 Application.

8 I hope that Mr. Stern will show up.  
9 I don't know what happened to him; but if at  
10 the time that MCI witnesses are concluded  
11 he's not yet with us, I'd ask Your Honors  
12 to put us at the bottom of the order.

13 COMMISSIONER SHANNON: Okay, thank  
14 you.

15 Who appears for TDX Systems?

16 MR. SENKOWSKI: R. Michael Senkowski  
17 appearing today on behalf of TDX Systems, Inc.  
18 I'm accompanied by Mr. Marvin C. Moses, Vice  
19 President of Finance and Administration of TDX  
20 Systems, Inc. Mr. Moses will be presenting  
21 the direct testimony for certification. TDX  
22 is the intrastate reseller.

23 I have copies of the proof of  
24 notice and proof of publication, which was  
25 submitted to the Clerk's office this morning.

1  
2 COMMISSIONER SHANNON: They will  
3 be received as Exhibit in PUC840025.

4 MR. SENKOWSKI: Thank you, Your  
5 Honor. I also have copies of the direct  
6 testimony of Mr. Moses that will be submitted  
7 in support of the Application, and, in  
8 addition-- which will be labeled Exhibit 1.  
9 In addition, we have a second exhibit, which  
10 is the motion to substitute the newly formed  
11 subsidiary, TDX Systems, Inc., as the Applicant  
12 in this case.

13 COMMISSIONER SHANNON: That has  
14 been done.

15 MR. SENKOWSKI: Yes.

16 COMMISSIONER SHANNON: We appreciate  
17 it. You have filed that motion today?

18 MR. SENKOWSKI: Yes.

19 COMMISSIONER SHANNON: Okay.

20 MR. SENKOWSKI: We're also asking  
21 for streamlined rate regulation as the other  
22 parties here.

23 COMMISSIONER SHANNON: Who appears  
24 for SouthernTel of Virginia, Inc.?

25 MR. JONES: My name is Reginald N.

Jones of the firm of Press, Fenderson, Culler,  
Jones-- excuse me-- Press, Fenderson, Culler,  
Jones, Waechter & Stoneburner, Your Honor.

Also appearing with me today is Steven W.  
Pearson of the firm of Thomas & Fiske.

The corporation has filed its  
Application for a certificate of public  
convenience and necessity pursuant to  
Section 56-265.4:4.B to construct a fiber  
optic telecommunications network in Virginia.

I offer for identification and enter  
into the record as Exhibit A the affidavits  
of publication of the notice in the newspapers  
having general circulation throughout the  
Commonwealth.

COMMISSIONER SHANNON: They will be  
received as Exhibit A in PUC840020.

MR. JONES: I want to note that while  
they vertified publication of the notice on  
July 13th in the Daily Press and the Roanoke  
Times, affidavits have not yet been received,  
and I understand they have been mailed to us.

COMMISSIONER SHANNON: We will have  
you file those later.

1  
2 MR. JONES: Also, a copy of the  
3 notice was mailed to the interexchange  
4 carriers, AT&T Communications, to each of  
5 the local exchange carriers, and to the  
6 Division of Consumer Counsel of the Attorney  
7 General's office. And by the same receipt,  
8 certified mail, return receipt requested, I  
9 have those receipts, and I'd like to offer  
10 those.

11 COMMISSIONER SHANNON: They will  
12 also be part of Exhibit A in PUC840020.

13 MR. JONES: Present today is  
14 Mr. Warren B. French, Jr., Chairman of the  
15 Board of SouthernTel of Virginia, Inc., who  
16 will be our witness. Also present is Mr. O.  
17 Gene Gabbard, who is President of SouthernTel  
18 of Virginia and the President of SouthernNet,  
19 the parent corporation, who is available to  
20 answer any questions you may have.

21 COMMISSIONER SHANNON: Thank you  
22 very much.

23 Now, we don't have a docket number  
24 yet assigned-- there will be one-- for GTE  
25 Sprint Communications Company of Virginia.

1  
2 MR. GILLESPIE: Your Honor, I  
3 inquired about a docket number for that case  
4 and was told that if it were to be docketed,  
5 it would be assigned Case No. PUC840027.

6 COMMISSIONER SHANNON: All right.  
7 That's the docket number then.

8 MR. MOORE: Your Honor, I would  
9 like to introduce as counsel for Sprint--  
10 has not appeared before the Commission, I  
11 believe-- first, is Deborah Dupont, who is  
12 with Sprint. The second is James E. Magee  
13 with Isham, Lincoln & Beale. They will be  
14 representing Sprint.

15 COMMISSIONER SHANNON: Thank you,  
16 Mr. Moore.

17 And we're glad to have both of you  
18 here today. Do you have a statement?

19 MR. MAGEE: Yes, Your Honor, we  
20 have. It will be brief.

21 Like MCI and USTS, GTE Sprint  
22 Communications Corporation of Virginia is  
23 by its Application seeking statewide interLATA  
24 already in the Commonwealth. In addition, it  
25 is also seeking streamlined regulatory authority

1  
2 pursuant to rules recently promulgated by  
3 the Commission.

4 At this time, with your permission,  
5 I would like to tender proof of service and  
6 notice of publication. I just note of 24  
7 newspapers, there are several returns that  
8 are outstanding. They will be tendered upon  
9 receipt.

10 COMMISSIONER SHANNON: Even though  
11 you did that without the benefit of an Order,  
12 in anticipation of being in the case, we will  
13 receive that as Exhibit A in PUC840027.

14 MR. MAGEE: Thank you.

15 COMMISSIONER SHANNON: I might note  
16 for the record for the Bailiff and Miss  
17 Court Reporter, we will add to the cases  
18 called the Application of GTE Sprint  
19 Communications Corporation of Virginia for  
20 a certificate of public convenience and  
21 necessity under 56-265.4:4.B, and for the  
22 establishment of rates on a competitive basis  
23 under 56-481.1 of the Code. That was also  
24 called in the PUC840027.

25 MR. MAGEE: We intend to call one

1  
2 witness this morning, Jose Guzman, who is  
3 the Secretary of GTE Sprint Communications  
4 Corporation of Virginia. Mr. Guzman will  
5 sponsor the Application and Petition for  
6 regulatory authority. He'll be prepared to  
7 answer any questions related thereto.

8 I should also note today in the  
9 hearing room Mr. Ronald D. Havens, who is  
10 an engineer with the Company if the Commission  
11 desires to have testimony on technical matters  
12 available.

13 Also present is Ms. Lynne Butler  
14 who has background information with the tariffs  
15 proposed in the Commonwealth, and she would be  
16 available if desired.

17 And Mr. Anthony DiTirro is prepared  
18 to address any further matters of GTE's  
19 financial capability to offer the services  
20 that are covered in the Application.

21 Thank you very much.

22 COMMISSIONER SHANNON: I might add  
23 that all of the Applications and supporting  
24 exhibit will be part of the record in each of  
25 the cases called.

1  
2 Mr. Gambardella, I see you're here  
3 this morning.

4 MR. GAMBARDELLA: Thank you, Your  
5 Honor.

6 I am Anthony Gambardella, Senior  
7 Assistant Attorney General representing the  
8 Division of Consumer Counsel in the Office  
9 of the Attorney General, and I do have a  
10 very brief statement, if I might.

11 COMMISSIONER SHANNON: Please do.

12 MR. GAMBARDELLA: The Commission  
13 faces two issues in each of these cases as  
14 you've already heard. The first is each of  
15 these companies asking for a certificate of  
16 public convenience and necessity under new  
17 Section 56-265.4:4.B as proposed. That  
18 certificate is to provide interexchange  
19 telephone service in the area that was  
20 formerly served by only AT&T Communications,  
21 Inc., and its corporate predecessor.

22 Second, each company requests that  
23 it be relieved of cost of service ratemaking  
24 under new Section 56-481.1 of the Code. So  
25 each company argues that it should receive



1  
2 relief because its rates will be based on  
3 competitive factors and should not be subject  
4 to the traditional cost of service ratemaking.

5 Commission Rules 3 and 4, which  
6 were recently adopted, state as showing, the  
7 basic parts of the showing, are necessary;  
8 and Rule 3 shows that they must demonstrate  
9 that they're authorized to do business as a  
10 public service corporation. And Rule 4 says  
11 that they must show that they are financially,  
12 managerially, and technically qualified and  
13 competent to provide the service.

14 And we've reviewed the Applications  
15 briefly; and as Mr. Gillespie has already noted,  
16 there has been here and there minor points,  
17 for example, TDX and USTS organized into  
18 corporations in order to comply with Virginia  
19 law. We think those can be taken care of,  
20 and we don't have any objection to the showing  
21 made under 56-265.4:4.B for the certificate  
22 itself.

23 With respect to the request for  
24 56.481-1, authority to be released from  
25 previous traditional ratemaking concepts,

1  
2 we do not think that the significant factorial  
3 issues raised with respect to these companies,  
4 they in all areas in which the companies will  
5 serve, AT&T is already serving. AT&T served  
6 throughout the Commonwealth, can't abandon  
7 that service under your newly adopted Rule 5  
8 unless they get authority in the first instance  
9 from you prior to that. And it's reasonable  
10 to conclude that these companies just can't  
11 exist unless they somehow compete with AT&T.  
12 So for that reason, we don't object to the  
13 showing of competition as such.

14 The request for authority to set  
15 comparative rates pursuant to 56-481.1 does  
16 raise another issue, however. Both State  
17 and Federal antitrust laws exempt conduct  
18 which would otherwise be an antitrust viola-  
19 tion where the conduct is compelled by State  
20 regulatory scheme.

21 The Commission should carefully  
22 consider the impact of its decision in each  
23 of these cases on antitrust enforcement in  
24 the Commonwealth, and we would suggest that  
25 any Order in this case, or in any of these

1  
2 case, you be specific about any conduct  
3 which you intend to compel these companies  
4 to take as opposed to permit.

5 In general, the Commission here  
6 is not approving or authorizing conduct.  
7 What it's doing is deciding its status,  
8 competitive or noncompetitive, and you're  
9 going to assume that in the future if you  
10 decide this company is competitive, it's  
11 going to be a competitor, and it's not going  
12 to engage in some violation of the antitrust  
13 laws.

14 Accordingly, it's the Attorney  
15 General's position that any anti-competitive  
16 actions and practices by any of these  
17 companies will be fully subject to the  
18 antitrust law unless the Commission speci-  
19 fically approves and compels that conduct  
20 in advance.

21 The Attorney General further  
22 takes the position that any anticompetitive  
23 activities exempt only and to the extent  
24 that the Commission has previously analyzed  
25 its anticompetitive impact, and then

1  
2 specifically compelled the company to engage  
3 in that conduct.

4           Given the limited amount of time  
5 to prepare this case, in fact, that these  
6 companies really can't do anything but  
7 compete with AT&T in our view, the Division  
8 has no objection to the granting of this  
9 request under 56.481.1 of each case. However,  
10 by our appearance, we don't mean to waive any  
11 antitrust enforcement authority of the Attorney  
12 General. Thank you.

13           COMMISSIONER SHANNON: Thank you,  
14 Mr. Gambardella.

15           Are there any other appearances  
16 of counsel?

17           Mr. Brundage.

18           MR. BRUNDAGE: Yes, Your Honor.  
19 I'm Warner Brundage. I represent C&P. With  
20 me is Mr. Gregg Sayre.

21           C&P has filed a protest, as I  
22 mentioned earlier, in several of these cases,  
23 and we have an interest in, I think, all of  
24 them to try to assure that the new carriers--

25           COMMISSIONER SHANNON: Would you

1  
2 identify for the record those that you've  
3 actually filed protests in?

4 MR. BRUNDAGE: Yes, Your Honor.  
5 We've filed in the USTS, the MCI, and the  
6 GTE Sprint application.

7 As I was saying, that our interest  
8 in these cases are rather limited in the  
9 sense that we're trying to assure that the  
10 new carriers do not infringe upon the intra-  
11 LATA markets and markets which they are not  
12 permitted to enter under provisions of  
13 Virginia law. Your rules are quite clear as  
14 to what is required for these new carriers.  
15 They are to certify that they will either  
16 block those calls or they are to propose a  
17 plan which they will comply with to compensate  
18 the local exchange companies for the lost  
19 revenues.

20 As Your Honor mentioned earlier,  
21 we're perfectly willing to sit down and meet  
22 with these companies. As I mentioned, USTS  
23 has indicated the willingness to compensate.  
24 We have agreed upon a plan to compensate us  
25 for lost revenues, and we believe a plan can

1  
2 be adopted very readily.

3 From C&P's standpoint, we would  
4 obviously prefer that the carriers comply  
5 with the law, that is, that they block the  
6 calls. That, obviously, would obviate all  
7 the necessity for negotiations or adoption  
8 of a compensation plan. We believe that's  
9 what they ought to do. And they have all  
10 proffered in their Applications, and they  
11 have promised to you that they will make  
12 attempts to block those calls, that they  
13 will encourage their customers not to make  
14 them, that they will tell them they cannot  
15 make those calls.

16 We're going to watch these carriers  
17 very carefully to make sure that they hold  
18 up to the words of their Applications, the  
19 promises contained therein. We're a bit  
20 concerned already that as you review their  
21 tariff language in some of these Applications,  
22 there is no restrictions within the language  
23 of the tariffs themselves. It restricts what  
24 they are calling intraLATA calling, and that's  
25 why, for example, this morning I'm going to

1  
2 ask that C&P be permitted to appear as an  
3 intervenor in TDX's Application. TDX has  
4 promised that they will block intraLATA  
5 calls; but, on the other hand, their tariff  
6 does not contain similar restrictions, and  
7 we want to make that clear request of the  
8 Commission.

9 Now, I will proffer evidence from  
10 Mr. David A. Kelly in the MCI case; and if  
11 necessary, I can repeat the evidence in  
12 the USTS case as to the revenue C&P obtains  
13 today from intraLATA toll calls and an  
14 equivalent amount of revenue we would get  
15 or revenue we would get if we collected  
16 access on those calls.

17 As I said earlier, we don't believe  
18 the law contemplates that intraLATA calling  
19 should be permitted, but your rules have  
20 given the carriers that option. If they  
21 cannot block, they can compensate for lost  
22 revenues, and we want to make sure they're  
23 on the record; we have a clear statement of  
24 what those lost revenues are. As I said,  
25 Mr. David A. Kelly will appear on our behalf

1  
2 and give testimony as such.

3 I think that's all I have, Your  
4 Honor.

5 COMMISSIONER SHANNON: Thank you,  
6 Mr. Brundage.

7 Any other attorney at this time?

8 Are there any public witnesses  
9 who want to speak?

10 Let the record show no response.

11 Mr. Moore, you may proceed.

12 MR. MOORE: We would call Mr. Kenneth  
13 A. Cox.

14  
15 KENNETH A. COX, called as a witness by  
16 and on behalf of MCI Telecommunications Corporation, being  
17 first duly sworn, testified as follows, viz:

18 DIRECT EXAMINATION

19 BY MR. MOORE:

20 Q Please state your name and position  
21 with the Applicant and its parent.

22 A I'm Kenneth A. Cox. My business  
23 address is 1133 19th Street N.W., Washington, D. C.; and  
24 as you stated earlier, I am Senior Vice President,  
25 Regulatory, and Director of MCI Communications Corporation,



2 the holding company, and I am Senior Vice President of  
3 the Applicant, MCI Telecommunications Corporation of  
4 Virginia.

5 Q Would you, please, state briefly  
6 your background in the telecommunications industry?

7 A I first started in telecommunications  
8 in 1956 when I was asked to serve as special counsel to  
9 the Senate-Congress Committee, and off and on for a period  
10 of about four years I represented that Committee in  
11 connection with its television inquiry.

12 In the spring of 1961 I was appointed  
13 Chief of the FCC's Broadcast Bureau, and two years later  
14 I became a member of the Commission. I served there a  
15 little over seven years, and during most of that time I  
16 was a member of its Telephone and Telegraph Committee with  
17 specific responsibility as to telecommunications matters.

18 Since September 1, 1970, I have been  
19 an Officer and Director of MCI Communications and of counsel  
20 to its regulatory law firm.

21 Q Would you, please, give a brief history  
22 of MCI Communications Corporation in the long distance  
23 telephone field?

24 A In December 1963, the original  
25 Microwave Communications, Inc., which is where MCI derives

its name, filed an application with the FCC for authority to construct and operate a microwave system between Chicago and St. Louis. After lengthy proceedings, it was granted that authority in August of 1969.

In 1970-71 the FCC conducted an extensive rule-making proceeding, an inquiry, as a result of which it adopted policy of general open entry for anyone who wanted to engage in intercity transmission. In the meanwhile, MCI and related companies had filed applications for a nationwide system. We perfected those applications and started to construct our system.

By September of 1973, we had completed the system from New York City to Texas. We encountered some problems with interconnection with the Bell System. There was extensive litigation, and that was resolved. Up to that point we had been providing private line services to business.

In the fall of 1974, we amended our tariff to offer a switch-voice service, and that, again, was litigated for some three and a half years. Initially, that also was a service offered to business. Starting in the spring of 1980, we offered-- began offering the service to the residential public as well. I think Exhibit 7-B-- 7-A, I believe it is to our Application, shows the present

state of our network, the extent of our operations, which originates service in a great many major communities around the country, and terminates service in all of the 48 contiguous states, plus Hawaii, Puerto Rico, U. S. Virgin Islands, and major areas in the Continent.

Q In how many states is MCI presently authorized to provide intrastate service?

A Eighteen.

Q And of those, are some of those only interLATA?

A I think 11 are only interLATA.

Q How does MCI propose to serve in Virginia?

Q We would serve through our subsidiary, MCI Telecommunications Corporation of Virginia.

Q Would you, please, give to the Commission the corporate structure and how MCIV, if we could call it that, would fit into that?

A Well, MCIV is the Applicant here, would be offering service in Virginia. It is a wholly owned subsidiary of MCI Telecommunications Corporation, which is, in turn, wholly owned by MCI Communications. MCI Telecommunications is the domestic telecommunications operating company of MCI. We have other affiliates, but

they engage in other business, all communications business.

Q And the Lease and Service Agreement, which is Exhibit 3 to the Application, which is the vehicle pursuant to which your services would be operating in Virginia?

A That is correct.

Q And in the Lease and Service Agreement, MCIT agrees to guarantee all valid debts and liabilities of MCIV and performance of all valid contracts?

A Yes, it does.

Q What is the dollar amount of MCIT's communications plant, and what were its revenues in 1983?

A The telecommunications plant, as reported to the FCC, was 275 million, with revenues of 1.3 billion, approximately.

Q And if we look at the ultimate parent, that is, MCIC, on a consolidated basis, what are its assets?

A Three and a half billion.

Q And MCIC's Annual Report and Form 10-K are Exhibit 4 and 5 of the Application, correct?

A Yes.

Q Now, what services will MCIV offer initially in Virginia?

A At the beginning, we will offer only

2 ordinary dial-up long distance service for service that  
3 we tariff under the name Executone. Later on, we will  
4 proffer other services, but at the outset, that's all.

5 Q And are the areas where you will  
6 initially serve listed in Paragraph 11 of the Application?

7 A Yes, there are eight major communities  
8 in Virginia.

9 Q What are MCI's plans for the future  
10 in Virginia?

11 A We have already constructed a terminal  
12 on the outskirts of Richmond. We don't have radio equipment  
13 installed yet, but that will be there in the very near  
14 future. We now operate with leased facilities, but we are  
15 conducting a microwave route to add to our existing nation-  
16 wide network, which will cross the State from north to  
17 south. When that is in place, we will use those facilities  
18 to that extent that they are appropriate in intrastate as  
19 well as the interstate service. We hope to have a point  
20 of presence in all of the LATAs in the Commonwealth within  
21 a year and to provide service to the entire Commonwealth.

22 Q And the network you refer to in Virginia  
23 is the network that is shown on Exhibit 7-B of the  
24 Application?

25 A Yes, which is a detail of service.

2 Q Now, your initial tariffs are filed  
3 as Exhibit 9 to the Application, is that correct?

4 A Yes.

5 Q And your tariffs will comply with  
6 Commission's rules including a two-week notice of any  
7 rate change?

8 A Yes.

9 Q Now, as part of this Application,  
10 MCIV has agreed that its service will be offered only on  
11 an interLATA basis, and it will either block or pay for  
12 any incidental intraLATA calls. Would you, please describe  
13 to the Commission what you will do to try to inhibit any  
14 intraLATA calls?

15 A Well, first, we're very careful with  
16 our advertising, which I happen to review, to be  
17 sure that we are not in any way leading the public to  
18 believe that we offer an intraLATA service. We're also  
19 very careful in sending our sales marketing personnel, so  
20 that in their dealings with the public, they don't mislead  
21 the public that we have an authority which, in fact, we  
22 don't have.

23 We propose to do as we have done in  
24 Pennsylvania and California at the request of the Commissions  
25 there, and are preparing to do in Minnesota where we face

similar situations, and that is to prepare and distribute to all of our customers a brochure which includes a map showing the LATAs in the State and stating very clearly that we are only authorized to provide service to them if they calling out of their LATA, and that calling within the LATA is handled by the local telephone company.

Furthermore, if people continue to dial short call toll calls as they normally do, they would not clear our system because they don't fit our pattern of dialing.

Q And the customer information material you refer to, the California and Pennsylvania information was included in your Application as Exhibits 8-A and 8-B, isn't that correct?

A True.

Q But you cannot absolutely guarantee there will be no intraLATA calls, correct?

A No.

Q And for those calls, the incidental intraLATA calls, will you compensate the local exchange companies for revenues lost as a result of the incidental intraLATA calls as provided in the Commission's Rule 2?

A Yes.

MR. MOORE: Your Honor, in light of

that, and especially what Judge Shannon said this morning, I think I will not examine Mr. Cox on what some of the potential problems may be if that's all right.

COMMISSIONER SHANNON: That will be fine.

BY MR. MOORE:

Q I'd like to turn our attention now to the competitive question of whether the service will be provided on a competitive basis in deregulation. How many other authorized facilities based interLATA carriers are there in the Commonwealth at this time?

A Well, at present there is only AT&T, which provides service throughout the Commonwealth; and, of course, looking in the future there will be the other applicants who are here this morning.

Q In areas where MCIV will be serving, is AT&T already providing quality service in those areas?

A Yes, it does, and it has for a good many years.

Q Except for a small part of Norfolk, would you have equal access to the customers, that is, dial 1 for long distance in the areas where you will be serving initially?



2 A No. Until equal access is expanded  
3 beyond those two central offices in Norfolk, we will  
4 continue to have inferior access through so-called MPA's  
5 facilities.

6 Q And has MCI been determined to be a  
7 nondominant carrier by the FCC?

8 A Yes, as a result of their rule-making  
9 proceeding in which it engaged, it was found that we do  
10 not have market dominance. We are not able to set rates  
11 without regard to competition, and, therefore, we can  
12 be subjected to a lesser degree of regulation.

13 Q Will, in fact, MCI have to provide  
14 its service on a competitive basis to survive in Virginia?

15 A Yes, that's the only way we're going  
16 to be around.

17 Q And are your initial rates in Exhibit 9  
18 to your Application lower than those of AT&T?

19 A Very slightly.

20 MR. MOORE: We would tender Mr. Cox  
21 for cross examination.

22 COMMISSIONER SHANNON: All right.

23 Who has protested MCI?

24 Mr.. Brundage, I believe you did.

25 MR. BRUNDAGE: Yes, Your Honor.

COMMISSIONER SHANNON: Anybody else?

Okay, Mr. Brundage.

MR. BRUNDAGE: If I could ask Mr. Moore a question. Is Mr. Cox tendered to support the Application?

MR. MOORE: Yes.

CROSS EXAMINATION

BY MR. BRUNDAGE:

Q Oh, Mr. Cox, I wonder if you would turn to Page 5 of your Application, Paragraph 12.

In Paragraph 12 you state that MCIV, which is the Virginia subsidiary of MCI, will provide intrastate service from each locality and area where MCIT currently provides its originating interstate service. Do I understand this to mean that MCIV will use the same facilities that MCIT uses today?

MR. MOORE: Your Honor, if I may.

COMMISSIONER SHANNON: Yes.

MR. MOORE: I don't mind him answering the question, but I don't want him answering the question without an objection. C&P filed a protest, which we said in our response was insufficient, and we said we wouldn't move to

strike at that time, and we haven't up to now because his issue was pay-- block or pay. In the protest, under the Commission's rules, 516(B), they're supposed to state what facts they plan to prove.

Now, this area of inquiry was not listed in the protest in anything he's filed. I don't mind him answering the question, but I don't want Mr. Brundage to be free to go throughout when he has not complied with the protest rule.

MR. BRUNDAGE: Well, Your Honor, if I might comment, just to give me a chance to go down the line a little bit, I think I'll try to do in very clearly to the question of intraLATA calling and our interest in this case. I think we have a very clear interest in this case with respect to whether or not MCI is infringing upon the intraLATA business, and I think it's an interest we're entitled to protect.

COMMISSIONER SHANNON: Well, the Commission is of the opinion that since Mr. Cox has testified that they agreed to make

the local service company, C&P, whole for the loss of revenue, we don't see the necessity to go into this area. However, we will let you ask the question about whether the MCIT is going to provide the facilities. You can go into that, if you will, but I think that he's committed to do what the Commission wants, that is, if they can't block, they're going to pay for the loss of revenue.

MR. BRUNDAGE: Well, do I understand the ruling, then, to be that I'm not permitted to inquire as to whether they can block?

COMMISSIONER SHANNON: Well, with us, it's the alternative. They've either got to block or pay, and it's going to be one or the other, and I think the testimony is they can't block, can't block every call.

MR. BRUNDAGE: I would suggest that I should be permitted an opportunity to cross examine on that question then.

MR. MOORE: Your Honor, we have-- they physically could block; but if they do, they would block not only intraLATA calls, but interstate calls and interLATA calls,

1  
2 and, you know, I think the Commission's  
3 ruling says block or pay, and we've tried  
4 to shorten this by saying we'll agree to pay,  
5 and we just--

6 COMMISSIONER SHANNON: I think the  
7 ruling stands because it's got to be one or  
8 the other, Mr. Brundage. I know there is  
9 some question about whether they technically  
10 can block or not, but I think he's given his  
11 answer here, and so-- we don't want to go  
12 into this area, because I don't really think  
13 it's going to help us make our decision.  
14 We've already made it; we've said you're  
15 going to be compensated for loss of revenue  
16 for all intraLATA calls that they may be  
17 making.

18 But you can ask the question, the  
19 initial question you asked, and he can answer  
20 it if he knows.

21 MR. BRUNDAGE: If the reporter can  
22 read back my question.

23 CHAIRMAN HARWOOD: I understood the  
24 question to be would they use the same basic  
25 facilities of the parent, or, I guess, the

grandparent perhaps, that they will use for the certificate sought here?

MR. BRUNDAGE: Are the companies currently providing service in Virginia.

COMMISSIONER SHANNON: Do you have the question?

THE REPORTER: I didn't know whether you wanted the colloquy on the record.

THE WITNESS: That's as I recall the question.

COMMISSIONER SHANNON: All right. If everybody recalls that's the question.

A Yes, if we are authorized to provide interLATA authority, we will use facilities, either the ones we presently lease, or the ones we are now constructing to offer interLATA service within the Commonwealth.

Q So there will be no technical change that has to be made to those facilities in order to provide intrastate service?

A Well, I'm not a technical expert. I believe that, obviously, the transmission facilities will handle any message that is imposed upon them, and the switches will switch them according to the switch they're instructed, and any call that reaches a switch which is

dialed to an area code which can be served would be completed.

Q Let me ask you to turn to Page 6 of your Application, Paragraph 15. You outline there your customer educational process to-- well, you spoke about this earlier in your testimony-- to notify customers about the restrictions upon your offering. Is MCI today currently soliciting customers in the Norfolk equal access area?

A Yes, we are representing to them that we're seeking authority to provide service in the Commonwealth; that we don't yet have it, but we are telling them that we will be able to handle that traffic anywhere AT&T can handle that traffic because to be competitive in offering that service we have to be on a parity with AT&T. We don't have to offer intraLATA in order to be competitive.

Q Do you have examples of the brochures and pamphlets you are currently using in Norfolk to solicit business?

A I don't have them with me. I can supply them to you. They are, I believe, in a rather standard pattern, starting in Charleston, West Virginia, and going through the successive areas where we have-- where equal access is to be made available. Typically, they're sent out about a hundred days in advance of the cut-over rate,

and so they had to be written as of the situation existing when they were prepared. I can supply you with one.

MR. BRUNDAGE: Your Honor, I wonder if we couldn't reserve an exhibit in the record for submission of these pamphlets that they are currently using to solicit business in Virginia.

COMMISSIONER SHANNON: I don't see any reason for objection.

MR. MOORE: We have presented to the Staff of the Commission.

COMMISSIONER SHANNON: Okay. We have identified your-- why don't we just add it as an additional exhibit to your Application, Mr. Moore. You had what-- nine-- you had nine exhibits to your Application, which is part of the record, so we'll just take No. 10 here for the brochure that you're using for soliciting customers from Norfolk.

MR. MOORE: All right, sir. I wonder if that wouldn't be better to be a separate exhibit because the Application--

COMMISSIONER SHANNON: Just mess up the numbering system. If I put Exhibit 2, then it's going to be confusing because you've made



1  
2 your Application set it up in the form of  
3 exhibits.

4 MR. MOORE: Yes, sir.

5 COMMISSIONER SHANNON: The record  
6 is clear on that. If you want, we can make  
7 it H-10.

8 MR. MOORE: All right. It doesn't  
9 matter.

10 BY MR. BRUNDAGE:

11 Q I wonder if you would turn to Page 7  
12 of your Application, please. Paragraph 17, the second  
13 sentence, you state that "MCIV's initial service offering  
14 is identical to that currently offered to Virginia customers  
15 on an interstate basis."

16 Let me ask you, does your tariff  
17 contain within it any restrictions informing the customers  
18 that they are not permitted to make intraLATA calls?

19 A Yes, the last page of the tariff,  
20 which lists the areas in which service is available, there  
21 is a services available for calling between these cities  
22 and from these locations to all our locations within the  
23 State of Virginia provided that the originating and  
24 terminating locations are in different LATAs.

25 Q And this is the kind of language that

you will use with your customers?

MR. MOORE: He didn't say that.

MR. BRUNDAGE: Well, that's the question.

MR. MOORE: What is your question?

BY MR. BRUNDAGE:

Q Is this the kind of language you're going to inform your customers in Virginia?

A No, my marketing people insist on trying to be-- to put it in the form that they think the public understand a little better than perhaps tariff language. You can see 8-A and 8-B, which, I think, fairly represent at the request of Commissions in Pennsylvania and California, which were also concerned about incidental intraLATA traffic, and required MCI to develop these means of informing the public. Those were shown to the Staff of the Commission before they were mailed to the public, and they were regarded as satisfactorily informing the public that we are only authorized to provide service between the LATAs.

Now, an explanation as to what a LATA is is not the easiest thing in the world.

Q Let me ask you to turn to Page 8, the last sentence of Paragraph 20. You state that MCIV's

proposed intrastate rates are lower in every mileage band than those currently in effect by AT&T of Virginia. Do you know how your rates compare to C&P of Virginia toll rates?

A Well, I have not made the comparison. I've been told that, I believe that C&P's rates are slightly above AT&T's, at least in the intraLATA mileages where they operate, and therefore, I assume that our rates are also below C&P's.

MR. BRUNDAGE: That's all I have,

Your Honor.

COMMISSIONER SHANNON: Thank you,

Mr. Brundage.

Mr. Gillespie.

#### CROSS EXAMINATION

BY MR. GILLESPIE:

Q Mr. Cox, I'm Bob Gillespie representing the Commission Staff. Are you the witness who will present testimony about the usage reports, the data?

A No, Mr. Gunn.

Q Okay. Then he is probably the witness who could answer a question about access charges. Let me go ahead and propose it to you. Has MCI been paying or keeping records on interstate access charges since the

FCC's May 25th Order?

A We are obliged to pay for interstate--  
for access charges under the access charge tariff that  
became effective May 25th, and we, of course, in the  
interstate jurisdiction pay a flat rate per access line,  
and we have a way in which we-- the operating company, or  
the local company, put percentages regarding this case  
because-- therefore, to be subject to that rate.

So we developed data on which we can  
base the calculation of the number of access lines, entry  
lines which are used for interstate access. I think  
Mr. Gunn is more familiar with it than I am, and he can  
perhaps expand upon this, but that's my understanding.

MR. GILLESPIE: Okay. Well, I believe  
I will defer that question to him when he tells  
us about the usage report. Thank you, sir.

Thank you.

COMMISSIONER SHANNON: Mr. Gambardella.

MR. GAMBARDELLA: No, sir.

COMMISSIONER SHANNON: Any redirect?

MR. MOORE: No, sir.

COMMISSIONER SHANNON: Thank you very  
much, Mr. Cox. You may stand down.

\* \* \* \* \*

WITNESS STOOD ASIDE

DOCUMENT CONTROL CENTER

CHRISTIAN, BARTON, EPPS, BRENT & CHAPPELL

1200 MUTUAL BUILDING

AUG 9 10 34 AM '84  
RICHMOND, VIRGINIA 23219-3095

TEL 804 644 7851

CABLE ADDRESS "BARPAR"

August 6, 1984

A. C. EPPS  
ANDREW J. BRENT  
BROCKENBROUGH LAMB JR.  
H. HARVEY CHAPPELL JR.  
CHARLES W. LAUGHLIN  
JOHN C. KENNY  
ALEXANDER WELLFORD  
MICHAEL L. SOFFIN  
DELMAN H. EURE  
FRED A. CROWDER  
RODERICK B. MATHEWS  
CARL J. BOWMER  
JAMES EDWARD BETTS  
C. DANIEL STEVENS  
LEE F. DAVIS JR.  
HULLIHEN W. MOORE  
MICHAEL W. SMITH  
STEPHEN R. LARSON  
PAUL C. TURNER  
CHARLES F. WIDRUFF  
DAVID D. REDMOND  
JAMES W. TREDWAY III  
AUGUSTUS C. EPPS JR.  
DANIEL E. ROGERS II  
DENNIS D. LAING  
DOUGLAS P. MAXWELL  
WILLIAM F. ETHEINGTON

ANDREW D. CHRISTIAN  
(1983-1987)  
ALEXANDER W. PARSON  
(1988-1972)  
ROBERT T. BARTON, JR.  
(1981-1980)  
RICHARD MCDERMON  
COUNSEL  
PETER E. BROADBENT, JR.  
PAUL W. JACOBS II  
ROBERT ALFRED GOULDIN  
ROSEMARY GILL KENYON  
MARGARET L. GRAMANN  
MARY T. METIL  
BRUCE A. TEMPLETON  
LOUIS R. MONACELL  
DANIEL B. FENTON  
DAVID C. KOHLER  
MARIA L. PAYNE  
W. TODD BENSON  
WARREN D. HARLESS  
WILLIAM D. REDD  
KAREN CATO GORAN

Robert M. Gillespie, Esquire  
General Counsel  
State Corporation Commission  
P.O. Box 1197  
Jefferson Building  
Richmond, Virginia 23209

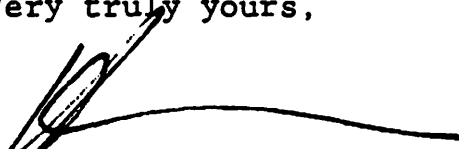
Re: PUC840022

Dear Mr. Gillespie:

During the hearing in the above-styled case, the Commission requested copies of MCI's solicitation material for the Norfolk area. I enclose copies of such material to be included as an exhibit in this case.

I have forwarded a copy of this material to all counsel of record.

Very truly yours,

  
Hullihen Williams Moore

HWM/mam  
Enclosures

cc: All Counsel of Record  
William C. Young, Clerk

*I hereby certify the  
Exhibit # to be H-10.  
Sharon W. Burant  
Clerk*

*PUC 840022*  
*Exhibit No. 11*  
*Filed AUG 9 1984*

*Incorrectly marked as Exhibit No. 2.*

*Should be H-10, per Commissioner Shannon.*

*Robert M. Gillespie*

**AUTHORIZATION  
Card for  
MCI  
Long Distance  
Service  
Connect.**

**FOR OFFICE  
USE ONLY.**

The person named below designates MCI Telecommunications Corporation as his/her Primary Long Distance Carrier and authorizes C&P Telephone to make the connections necessary to ensure that his/her long distance calls will be routed automatically to MCI. It is understood that there is no installation fee or monthly charge. And that when this service begins (on or about September 1, 1984) no extra digits need be dialed to access the MCI network.

Please connect the following telephone numbers to MCI DIAL DIRECT<sup>SM</sup> Service. (List all separate numbers in your home \*)

**RETURN BY JULY 15, 1984 FOR 60 FREE MINUTES.\***

Return to: MCI Customer Service, 8300 Greensboro Dr., 9th floor, McLean, VA 22101, or call 800-624-2010. Office hours: 8 a.m. to 10 p.m. weekdays, 12 p.m. to 5 p.m. Saturday and Sunday.

Address and Telephone  
Number Corrections  
Requested

Name of Authorized Person

Title

Authorized Signature

Date

\*See reverse side

RP

DOCUMENT CONTROL CENTER

AUG 9 10 31 AM '84

**\*Your 60 free minutes of time will appear as a one-time credit to your first month's bill for MCI DIAL DIRECT Service. The credit for free minutes is based on MCI's evening rate for long distance calls on MCI's network in the Continental U.S.**

**Other telephone numbers:**

---

---

**My average long distance bill is** \_\_\_\_\_.

MCI CUSTOMER SERVICE  
8300 GREENSBORO DRIVE  
MCLEAN, VA 22102

**MCI**

One more chance to tell

C&P TELEPHONE

you want lower long  
distance phone bills.

J. G. ROBINSON  
940 GATES AV  
NORFOLK, VA 23517

Return authorization form by:

SEPTEMBER 1, 1984 D1-60

for **FREE 60 minutes** of  
long distance calls!

DEAR TELEPHONE USER:

URGENT REMINDER ABOUT LETTERS YOU RECEIVED SEVERAL WEEKS AGO FROM C&P TELEPHONE AND MCI -- THE NATION'S LONG DISTANCE PHONE COMPANY. IF YOU HAVEN'T SIGNED AND RETURNED YOUR CARD... TIME IS RUNNING OUT ON DEADLINE FOR BIG SAVINGS WITH MCI'S NEW, IMPROVED DIAL "1" sm SERVICE (WORKS ON ROTARY PHONES, TOO!).

C&P TELEPHONE NEEDS YOUR SIGNATURE ON AUTHORIZATION FORM (NEXT PAGE) TO PUT YOUR LONG DISTANCE CALLS THROUGH MONEY-SAVING MCI DIAL "1" SERVICE. EVEN IF YOU ARE CURRENT MCI CUSTOMER.

NO INSTALLATION FEE OR SERVICE CHARGE. NO MONTHLY FEES. YOU ARE BILLED ONLY FOR CALLS MADE AT MCI'S LOWER RATES. WITH NEW MCI DIAL "1" LONG DISTANCE SERVICE...

- \* YOU HAVE NO EXTRA DIGITS TO DIAL. MAKE LONG DISTANCE CALLS THE SAME WAY YOU DO WITH AT&T. BUT SAVE UP TO 40% OFF AT&T RATES!
- \* YOU QUALIFY FOR VOLUME DISCOUNTS. SO THE MORE LONG DISTANCE CALLS YOU MAKE, THE MORE YOU SAVE.
- \* YOU CAN CALL ANYWHERE IN THE CONTINENTAL U.S. AT&T GOES. ANY TIME.
- \* YOU ENJOY TOP QUALITY BECAUSE MCI IS AMERICA'S MOST MODERN LONG DISTANCE NETWORK.
- \* BUT YOU MUST ACT IMMEDIATELY! SIGN AND RETURN AUTHORIZATION FORM NOW... FOR 60 FREE MINUTES.

Enjoy this kind of savings with MCI!

SINCERELY,

THOMAS J. WYNNE  
DIRECTOR  
MID ATLANTIC REGION

NORFOLK	MIN	AT&T	MCI	% SAVED
TO: CLEVELAND*	1	.58	.37	36.2
NEW HAVEN**	15	3.60	2.72	24.4
DAVENPORT***	3	.55	.43	21.8

RATES: \*WEEKDAY \*\*EVENING \*\*\*NIGHT & WEEKEND

RATE COMPARISONS: MCI TARIFF FCC #1 AND AT&T TARIFF FCC #1 AS OF 6-1-94. RATES FOR INTERSTATE CALLS ON MCI'S NETWORK, SUBJECT TO TAXES AND CHANGES IN ACCORDANCE WITH LAW.



# AUTHORIZATION FORM FOR MCI LONG DISTANCE SERVICE CONNECT

Attention:

C&P TELEPHONE  
LONG DISTANCE INTERFACE

Return by:

SEPTEMBER 1, 1984

for **FREE** 60 minutes of  
long distance calls!

The undersigned designates MCI Telecommunications Corporation as Primary Long Distance Carrier...and authorizes the local Bell Operating Company to make the connections necessary to ensure that long distance calls be routed automatically to MCI. It is understood that there is no installation fee or monthly charge. And that when this service begins, no extra digits need be dialed to access the MCI network.

J. G. ROBINSON  
940 GATES AV  
NORFOLK, VA 23517

RP

PLEASE LIST ALL SEPARATE  
NUMBERS FOR CONNECTION  
TO MCI DIAL "1" SERVICE.

SIGN HERE

AUTHORIZED SIGNATURE

DATE

Your 60 free minutes of time will appear as a one-time credit to your first month's bill for MCI DIAL "1" Service. The credit for free minutes will be based on MCI's evening rate for long distance calls on MCI's network in the Continental US.

PLEASE REFOLD THIS LETTER SO OUR ADDRESS AND PERMIT NUMBER  
SHOW THROUGH THE WINDOW OF THE ENCLOSED REPLY ENVELOPE.

Address to  
show through  
reply envelope  
provided.

FIRST CLASS PERMIT 11285 MCLEAN, VA

POSTAGE WILL BE PAID BY ADDRESSEE

MCI CUSTOMER SERVICE  
8300 GREENSBORO DRIVE  
MCLEAN, VA 22102



SIGNATURE REQUIRED FOR  
60 FREE MINUTES\* OF  
LONG DISTANCE CALLS

As you read this letter, C&P Telephone is preparing to make access to an improved, low-cost long distance service available to businesses and families like yours in the Norfolk area through MCI...the nation's long distance company.

This new service is called MCI DIAL "1" Long Distance<sup>SM</sup> Service. This is the first time it is available in the Norfolk area. And it may well be the most positive benefit to you of the reorganization of AT&T. Because it means that now

...you don't have to change the way you dial your calls to get lower rates on long distance calls.

All you have to do to start your savings is sign and return the enclosed Authorization Card instructing C&P Telephone to connect you to the MCI DIAL "1" Long Distance<sup>SM</sup> Service.

MCI DIAL "1"<sup>SM</sup> Service, like AT&T, will allow you to call long distance from Norfolk to any other phone out-of-state in the Continental United States, 24 hours a day, 7 days a week, and save up to 40% over AT&T.

And, from Norfolk you will be able to call everywhere in Virginia that AT&T goes...places important to you like Richmond and Roanoke.

MCI is the most widely-used, low-cost, long distance company in the country. We handle more than four million long distance calls a day. More than all the smaller long distance companies combined.

Over the last two years, we've saved America hundreds of millions of dollars on its long distance bills.

That's reason enough to choose MCI over AT&T. But there's more.

We have spent more than one billion dollars over the last two years alone preparing for MCI DIAL "1"<sup>SM</sup> Service...making MCI the most modern long distance system in the country. More up to date than even AT&T!

We sound so good that almost 400 of the Fortune 500<sup>TM</sup> companies use MCI -- and you can be sure they would never settle for service that wasn't reliable and economical. (In fact, more than 300,000 businesses of all sizes rely on MCI for long distance calling.)

TM FORTUNE 500 IS A REGISTERED TRADEMARK OF TIME INC.

\* APPLICATION FOR INTRASTATE SERVICE ON FILE

721

**INTRODUCING...the new MCI DIAL "1" Long Distance<sup>SM</sup> Service.**



Why should MCI give a good customer  
like you 60 FREE MINUTES of long  
distance calls...just for sending  
us your signature?

We took a survey recently...

We asked MCI users like you around the country - "What one single improvement in your MCI service would please you most?"

The answer came back overwhelmingly - "Get rid of those extra digits we must dial to get MCI's lower-cost service!"

Well, here's good news. It's about to happen. And MCI customers in the Norfolk area will be among the first in the nation to take advantage of the new MCI DIAL "1" Long Distance<sup>SM</sup> Service.

What's that got to do with  
FREE long distance calls?

We're about to tell you...

Within the next few days, homes and businesses in the Norfolk area will get a letter from C&P Telephone. They're sending it as a part of the reorganization of AT&T.

The letter will say, in effect, that a number of communications companies (like MCI) are competing along with AT&T to be your long distance phone company.

And that now you actually have to tell C&P Telephone which of those companies you want to handle your own long distance service.

Well, of course you have already picked MCI over AT&T. But C&P Telephone has no way of knowing that. So now you have to let them know. And that's what the enclosed reply card is for.

When you sign and return the Authorization Card, MCI will continue as your primary long distance carrier. C&P Telephone will connect you directly - without charge - to the new MCI DIAL "1"<sub>SV</sub> Service so you no longer have to dial all those extra digits.

Then, when you place your long distance calls on MCI, you simply dial "1"...and the long distance area code/number to get MCI savings. (No more extra digits!)

With MCI DIAL "1"<sub>SV</sub> Service, you save on long distance calls from the Norfolk area\* to anywhere that AT&T goes in the Continental U.S. To Hawaii, Puerto Rico, or major cities in Canada. Anytime. With a new, improved quality. And with no monthly fee.

\* APPLICATION FOR INTRASTATE SERVICE ON FILE

722

---

INTRODUCING...the new MCI DIAL "1" Long Distance Service.

With MCI you get it all  
at lower cost.

	MCI	AT&T
Dial "1" to access	✓	✓
No special codes	✓	✓
Rotary phone calling as well as push button	✓	✓
Reach any phone in continental U.S.	✓	✓
Call any time of day	✓	✓
Call any day of week	✓	✓
No monthly fee	✓	✓
No installation charge	✓	✓
Access to any phone in the world	✓	✓
Access to directory assistance	✓	✓
Easy credit card calling	✓	✓
Lowest rates any time	✓	
Lowest rates any day	✓	
Lowest credit card rates	✓	
	MCI	AT&T

**MCI**

No wonder MCI sounds better to  
so many families and businesses.  
Return the Authorization Card today.

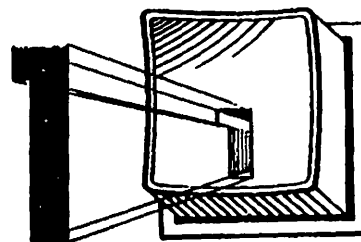
INTRODUCING  
the new MCI DIAL "1"  
Long Distance Service.

WHY  
MCI SOUNDS  
BETTER  
FOR YOU.

THE FACTS.  
**12345**

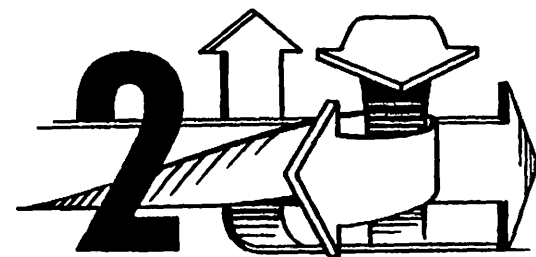
NO EXTRA  
DIGITS.

When you select MCI DIAL "1"  
Service, calling long distance becomes  
as easy and quick as it is now through  
AT&T. There are no extra digits to dial. No  
authorization codes. Just dial "1" and then  
the area code/number. It's easy. Quick.  
Even if you have a rotary phone.



CALL  
EVERYWHERE

Anytime. Use MCI to call long distance  
and save. Coast to coast and beyond.  
To Hawaii. Puerto Rico. The U.S. Virgin  
Islands. To major calling areas in Canada.  
And whether you're calling in-state or  
out— in fact, anywhere AT&T goes—you  
get the same no-nonsense service any  
hour of the day or night. Any day of the  
week. And you can continue to use your  
phone to call anywhere else in the world.



# QUALITY.

MCI has the most modern telecommunications network. So there's an exactly simple reason why MCI should perform everyone else in the long distance telephone business. Our technology is newer. We've spent well over a billion in the last two years making our network the very best in the country—better and more efficient than AT&T. That's one of the ways we save you money on every call.

# RELIABILITY.

More than one million families and hundreds of thousands of businesses use MCI—including almost 400 of the Fortune 500.<sup>™</sup> (And they can't afford to settle for second-rate service.) With MCI, you get performance that's as reliable as it is economical. So why pay more than you have to...when it's so easy to sign up with MCI?

Fortune 500 is a registered trademark of Time, Inc.

# SAVINGS.

MCI will save you up to 40% on long distance. First-class long distance service doesn't have to cost a fortune. Not when MCI offers first-class service at rates that will be up to 40% lower than AT&T's. So you'll see a big difference in your monthly telephone expenses. And you pay no monthly fee.

Here are some samples of current rate comparisons from around the country so you can see how quickly your savings add up with MCI...

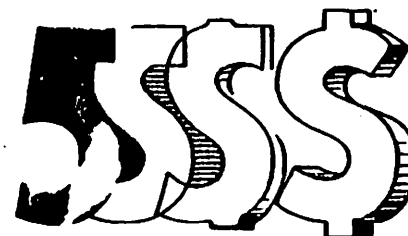
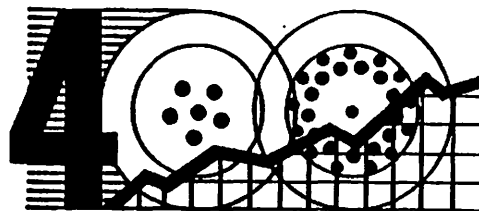
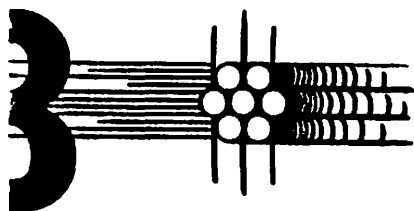
## Rate Comparison Chart

☐ Weekday Rate    ☐ Evening Rate    ☒ Night and Weekend

	Min.	AT&T	MCI	% SAVE
Denver to Dallas	20	8.79	7.49	14.8
Atlanta to Jacksonville, FL	3	1.36	1.03	24.3
Chicago to St. Louis	15	6.04	5.14	14.9
Baltimore to Norfolk	7	2.92	2.40	17.8
New York to Boise	4	2.21	1.92	13.1
Omaha to Cheyenne	2	1.05	.75	28.6
Mobile to Baton Rouge	4	1.05	.68	35.2
New Orleans to Miami	3	.88	.56	36.4
Boston to San Diego	21	6.32	4.47	29.3
Reno to Honolulu	1	.44	.21	52.3
Cleveland to Houston	20	7.51	5.34	28.9
Minneapolis to Lansing	6	1.68	1.12	32.5

Rate comparisons taken from MCI Tariff FCC#1 and AT&T Tariff FCC#263 as of 5/11/84. The FCC has ordered AT&T to reduce its rates and MCI intends to maintain differentials comparable to the above. Rates for interstate calls on MCI's own network. Rates subject to applicable taxes and to changes in accordance with law.

724



MR. MOORE: We call Mr. Gunn.

STEPHEN C. GUNN, called as a witness  
by and on behalf of MCI Telecommunications Corporation,  
being first duly sworn, testifies as follows, viz:

DIRECT EXAMINATION

BY MR. MOORE:

Q Mr. Gunn, would you state your name  
and position with MCI for the record?

A My name is Stephen C. Gunn. I'm the  
Manager of Tariffs and Rates, MCI Telecommunications  
Corporation.

Q And as Manager of Tariffs and Rates,  
are you in a position to advise the Commission of the  
ability of MCIV to provide reports to the Commission?

A Yes, I am.

Q Well, Mr. Gunn, in Mr. Gillespie's  
letter, which he referred to this morning of July 17, 1984,  
he stated that the Staff "may need your usage broken down  
by, 1, number of calls; 2, time of day; 3, minutes of usage;  
and 4, amounts of inter and intraLATA. In addition the  
Commission may need your related revenues."

Are you familiar with that?

A Yes, I am.

2 Q Can MCIV provide all of this  
3 information as requested by Mr. Gillespie in his letter?

4 A Yes, we can.

5 Q And when you refer to time of day,  
6 you're talking about dividing them into basically three  
7 categories, that is, day, evening, and nights and weekends?

8 A That's true.

9 Q Now, the information we've referred to  
10 as requested in this letter, is that proprietary for MCI?

11 A Yes, we would like to apply for a  
12 protective order for that information.

13 Q So you would like the Commission if it  
14 requires that information for there to be a protective  
15 order so it is not available to the general public or to  
16 competitors of MCI?

17 A Yes, that's true.

18 Q Mr. Gunn, you refer to if you can  
19 provide this information, is the computer software to  
20 provide this data to the Commission fully in place at  
21 this time?

22 A No, right now, we're in the development  
23 stage.

24 Q When do you believe that the system will  
25 be in place so that you could begin providing your reports

2 to the Commission?

3 A We should have that in place by  
4 January 1st.5 Q And your reports will, however, be  
6 based on billing data, so at that time you can go back  
7 to whenever MCIV is allowed, first, to offer intraLATA-  
8 interLATA service in Virginia and provide those reports,  
9 is that not correct?

10 A Yes, that's true.

11 Q And, Mr. Gunn, once you get caught up  
12 with these reports and your software is in place and your  
13 computers are operating properly, how long after the close  
14 of a month could you provide the reports to the Commission?

15 A Within 60 days.

16 Q So that the end of January, January's  
17 usage, then, would be reported by the 1st of April, is that  
18 correct?

19 A That's true.

20 Q Now, I'm not going to try to repeat the  
21 question that Mr. Gillespie asked, but I would ask you if  
22 you can to please try to answer the question that  
23 Mr. Gillespie asked Mr. Cox.

24 A I'm sorry, could you ask that again?

25 MR. GILLESPIE: If I can go out of order.



## CROSS EXAMINATION

BY MR. GILLESPIE:

Q Basically, have you been paying for interstate access under access charges following the FCC's May 25th order implementing access charges?

A Yes, I believe we have. That is not my area of expertise, but I believe we have.

Q And you have been separating-- you have been providing usage data in order to pay the interstate access charges?

A I noted that the computer system is being developed. I don't know if it's been completed. We're using-- in fact, the system that we'd be putting together to provide the State of Virginia with information its requested is a spin-off of that system. I believe it has been completed, but I'm not sure.

Q I would hope that we might decrease the regulatory burden by coordinating the data that we need with the data that the FCC needs. In other words, all you need do is separate between interstate-intrastate. And you have the software under development to do this?

A Yes, sir.

Q How long-- what's the lag between your billing customers for the interstate calls and your

compensating local exchange companies for those interstate access charges?

A I'm afraid I don't know. I could get that information.

Q Are you facing the same problem there that you would be for Virginia, that it might take six months to have the software available to do it?

A We might be able to get that information sooner only because that's been in the development stage longer. Like I said, the information for Virginia is a spin-off of that. We've come upon that a little late in the game. So we're working on that now. We have to change our software system.

MR. GILLESPIE: Okay. Thank you

COMMISSIONER SHANNON: Mr. Moore.

MR. MOORE: That's all I have.

COMMISSIONER SHANNON: Mr. Brundage.

MR. BRUNDAGE: If I might.

#### CROSS EXAMINATION

BY MR. BRUNDAGE:

Q I'm sort of at a disadvantage here not having Mr. Gillespie's letter to MCI with regard to the reporting requirement order and MCI's response, but

let me make sure I understand what you've just testified to. Did you say that MCI will have the capabilities of providing minutes of use data broken down between interstate and intrastate usage?

A Yes, sir.

Q And your intrastate data will be broken down between interLATA and intraLATA?

A Yes, sir.

Q And this will not be available until January?

A I believe that's when our software people told us they could develop the program to accomplish that.

Q Are you maintaining the data, today's current data, so that you can apply this software program?

A Yes.

Q Retroactive?

A Yes, we can go back and give retroactive.

Q Do you have any intent to report your intrastate usage before you're certified as an intrastate carrier?

MR. MOORE: Your Honor, I don't think that's an appropriate question, especially, for this witness who is testifying on capability

of this company, and I think that on these issues, I think that's a policy question.

COMMISSIONER SHANNON: All he has to say is "I don't know."

MR. MOORE: Well, I think that the question is improper, Your Honor. I would object to it.

COMMISSIONER SHANNON: What's the basis for the question, Mr. Brundage?

MR. BRUNDAGE: I'm simply inquiring, Your Honor, as to whether or not they have the ability today to report the intrastate usage.

COMMISSIONER SHANNON: Well, that wasn't the question, I don't think. The question was will they report it? The last question you asked, I think he can answer.

Can you answer that question?

THE WITNESS: No, sir, I really don't know.

COMMISSIONER SHANNON: All right. Well, I guess that covers that.

BY MR. BRUNDAGE:

Q You don't know whether you have the capability or you don't--

A Right now, no, we don't have the capability to do that. We're developing that software mechanism to put those reports together.

Q Will you keep your data back to 1/1/84? Do you have data going back to 1/1/84 of usage?

MR. MOORE: Your Honor, Mr. Brundage is fishing for another matter, and that is whether he may be entitled to some kind of access charges before they're certificated. That's not a question before the Commission in this case. This is whether this Applicant should be authorized, and that's where he's headed.

COMMISSIONER SHANNON: I agree. I think that is true, and the Commission is nodding its heads, and so we're going to have to rule with Mr. Moore on that objection, Mr. Brundage.

MR. BRUNDAGE: I'm having a hard time today, Your Honor.

COMMISSIONER SHANNON: Well, we trade

off, you know. Mr. Moore had a hard time  
last time. (Laughter)

MR. MOORE: You're doing very well,  
Mr. Brundage.

MR. BRUNDAGE: That's all the  
questions I have.

COMMISSIONER SHANNON: Mr. Gambardella.

MR. GAMBARDELLA: No, Your Honor, but  
at least Mr. Moore gets to get on both sides  
of this, of the bad days.

COMMISSIONER SHANNON: All right.  
Anything further, Mr. Moore, of  
this witness?

MR. MOORE: No, sir.

COMMISSIONER SHANNON: Thank you,  
Mr. Gunn. You may stand down.

\* \* \* \* \*

WITNESS STOOD ASIDE

MR. MOORE: We would call Dr. Nina  
Cornell.

NINA W. CORNELL, called as a witness  
by and on behalf of MCI Telecommunications Corporation,  
being first duly sworn, testifies as follows, viz:

DIRECT EXAMINATION

BY MR. MOORE:

Q Would you, please, state your name,  
address, and company affiliation for the record?

A My name is Nina W. Cornell. My address  
is 1211 Connecticut Avenue, N.W., Suite 708, Washington,  
D.C. 20036. I'm the President of the consulting firm of  
Cornell, Pelcovits & Brenner Economists, Inc.

Q Would you, please, briefly summarize  
your qualifications as an economist in the telecommunications  
field?

A I have a Ph.D. and a Master's degree  
in economics from the University of Illinois. The last  
three and a half years approximately I have been doing  
consulting work, most of which is in the field of communica-  
tions, and most, but not all of that, in the field of  
telecommunications.

Prior to that, I spent three years at  
the Federal Communications Commission where I served as  
the Chief of the Office of Plans and Policy, and in an  
informal way was asked to serve as the Chief Economist of

the Commission.

Prior to that I spent a little bit more than a year, I believe, at the Council of Economic Advisers where I was on the staff dealing with regulatory issues more broadly than just communications, but including communications.

Prior to that, just about a year at the Council on Wage and Price Stability, where, again, I was dealing on regulatory issues, primarily, energy.

And prior to that, four years at the Brookings Institution looking at a wide variety of natural resource and environmental issues and including some communications issues.

Q Dr. Cornell, I hand you now a document and ask you if that is not a more complete statement of your qualifications and background?

A I think it's embarrassing.

MR. MOORE: Not for us.

I would ask that this be marked as Exhibit-- I guess it will be No. 1.

COMMISSIONER SHANNON: We will mark that as Exhibit 1, bearing in mind that we have Exhibit 10 for the Application, but they'll be Application exhibits, and this



will be Hearing Exhibit 1.

Do you have extra copies?

MR. MOORE: I handed four.

THE BAILIFF: I'm sorry.

BY MR. MOORE:

Q Are you familiar with the MCI Telecommunications Corporation of Virginia's Application and Petition in this case?

A I have looked it over.

Q Are you familiar with the services that MCI proposes to offer the Commonwealth?

A Yes.

Q In your opinion, is MCI going to have to provide its services on a competitive basis to survive?

A Yes.

Q Why?

A First of all, MCI will have no monopoly customers; and in addition to AT&T, which is in the market everywhere and offering its service, MCI will have to compete with the other applicants, assuming that you grant their certificates, and assuming you grant MCI's, obviously, which are being considered this morning, and with those resellers, which, I gather, if you're reselling WATS, you do not have to have a certificate.

In addition, MCI has no unique or monopoly form of interconnection to local exchanges; that is, whatever MCI can get, again, the applicants who appear this morning, resellers can get, and in that nonequal access market, there is quite a fierce competition going on in the other jurisdictions where there are multiple entrants.

Q Dr. Cornell, in making its determination of whether to deregulate the rates of MCI, the Commission has stated that it will consider at least three factors. These are the number of companies providing the service, the geographic availability of the service from other companies, and the quality of service available from the other companies.

With respect to the first, Doctor, please comment on the number of companies providing the service.

A Again, at the moment, the only authorized provider is AT&T, which is ubiquitous and everywhere. You have-- the Commission has in front of it today the applications who are here who are asking for certification. If all of them are granted, if I counted right, they'll have four competitors in the unequal access market right there.

In addition, as I said, my understanding

2 is that WATS resellers do not have to have a certificate,  
3 and how many of them there are, I don't know, but they're  
4 free to come and enter. They have the same interconnections  
5 that MCI has.

6 Q Please comment on the geographic  
7 availability of service from other companies factor.

8 A Again, AT&T is everywhere, and the fact  
9 that it is the same point that I was trying to make earlier,  
10 that anyplace MCI can go, any one of this group of OCCs  
11 or resellers can go; that whatever would be a barrier to  
12 MCI in a particular geographic region would be an equal  
13 barrier to the other, and whatever would make it possible  
14 for MCI to enter a particular geographic area would make  
15 it possible for all the rest of these companies to enter  
16 as well.

17 Q What about the quality of service  
18 factor provided by the Commission?

19 A MCI, like the other OCCs and resellers  
20 who have to take nonequal access can all offer the same  
21 quality of service one to another. There are no artificial  
22 barriers to equality in that regard. None of them offer  
23 the same service that AT&T offers, but among the nonequal  
24 interconnection companies, there is no differential unique  
25 to MCI necessarily.

2 Q In your opinion, is rate regulation  
3 necessary for MCIV in Virginia?

4 A No.

5 Q And you would recommend to this  
6 Commission that it not regulate the rates of MCIV in this  
7 State?

8 A That is correct.

9 MR. MOORE: That's all I have. We  
10 tender Dr. Cornell for cross examination.

11 COMMISSIONER SHANNON: Mr. Brundage.

12 MR. BRUNDAGE: No, Your Honor.

13 COMMISSIONER SHANNON: Mr. Gambardella--  
14 excuse me-- I think Mr. Gillespie.

15

16 CROSS EXAMINATION

17 BY MR. GILLESPIE:

18 Q Dr. Cornell, I'm Bob Gillespie  
19 representing the Commission Staff. If I could, I'd like  
20 to ask you a few questions.

21 Within the realm of interexchange  
22 telephone companies, could you name some entry barriers  
23 that stand in the way of a company becoming an interexchange  
24 carrier?

25 A Well, one of-- of course, one of the

2 real ones is the need to go through proceedings like this  
3 that you're not allowed to advertise and offer your service  
4 and solicit customers where it takes a lot of doing to get  
5 customers without coming in in front of the Commissions  
6 that govern the particular jurisdictions in getting  
7 permission. That is a kind of entry barrier. I don't  
8 know that I would really call it an enormous entry barrier  
9 precisely, but it seems to be true based on the experience  
10 of carriers today that you've got to put in place-- if  
11 you're going to be a facilities based carrier, you're going  
12 to have to build facilities and get a certain minimum  
13 network reach, if I can put it that way. Very few people  
14 want to call just from one city to another city; and if  
15 there is enough of that traffic from one user, they are  
16 going to get a private line or a private system to do that.  
17 So you've got to get a minimum network reach of one kind  
18 or another.

19 Now, you can get some of that,  
20 obviously, through resale, but to be a fully competitive  
21 presence you're going to have to do that with facilities.  
22 That can take both capital and raising capital, convincing  
23 the capital market that you're a viable firm, and it's--

24 Q Excuse me. The existence of a minimum  
25 network, is that number two?

2 A Yes, I was just going through the  
3 factors that go into that.

4 Q And the first was legal barriers and  
5 legal proceedings?

6 A The legal barriers.

7 Q The second is a minimum network?

8 A That's right. You have to convince  
9 capital markets that you're viable, and then you have  
10 to take a while to build that. So that it's hard to get;  
11 in effect, you cannot get facilities starting from scratch  
12 overnight, that it's-- I don't know that I'd call it a  
13 barrier to entry as much as it is a delay in entry. You  
14 can't-- if you decide you want to be a facilities based  
15 carrier today and you go out and form a company, it's  
16 several years before you can, in fact, be offering  
17 facilities as competition to an existing firm in the  
18 market.

19 It's the time necessary to convince  
20 capital markets that you're a good risk and the time  
21 necessary to acquire rights of way, acquire radios,  
22 get frequency clearance if you're going to do microwave  
23 system, or get rights of way to lay fiber  
24 optic, if you're going to use fiber optic, or getting  
25 satellite launches, whatever form of facilities

competition you're going to engage in. Those take time to construct.

Q Any additional entry barriers?

A Again, I'm talking about entry into what I call the unequal access market. I think those are the major-- those are the two major aspects of getting into that market. Until equal access is available, nobody else can get into the equal access market.

Q Okay. But the market factor is broader than that, though? The market I'm talking about is being able to offer interexchange telecommunications to people who want to have that.

A Well, within that, there are sort of two different kinds of services that can be offered. If you want to offer interexchange communications to absolutely everybody, even if you only want to offer it to absolutely everybody in Richmond, Virginia, you either offer it to Tone service customers or you wait for equal access till you can offer it to rotary dial customers.

You can try to convince them to go out and spend more money and become a Tone service customer; but if they don't want to become a Tone services customer, at the present time, only AT&T can offer services to Tone service customers where there is not equal access.

Q But it is available to the others if they desire to give Tone facilities?

A Well, only if the customer gets Tone facilities.

Q Right. The customer has it all?

A The customer has to do it.

Q Let me ask you about entry barriers that I think were quite significant but have been removed. Would it be a significant barrier if a state allowed only one carrier to be authorized to provide the service?

A Absolutely.

Q That creates a monopoly?

A That is, by definition, a monopoly, yes.

Q And is it also a significant barrier if one carrier controls bottleneck facilities?

A That is itself a competitor, yes.

MR. GILLESPIE: Thank you.

COMMISSIONER SHANNON: Mr. Gambardella.

MR. GAMBARDELLA: Yes, Your Honor.

CROSS EXAMINATION

BY MR. GAMBARDELLA:

Q Dr. Cornell, you said that MCI will



have no monopoly customers, is that correct?

A That is correct.

Q And I take it that means AT&T will have monopoly customers, and those are the rotary dial customers you were just talking about, is that correct?

A That's true.

MR. GAMBARDILLA: That's all I have.

COMMISSIONER SHANNON: Mr. Moore, any redirect?

MR. MOORE: No redirect.

COMMISSIONER SHANNON: Thank you, Dr. Cornell. You may stand down. Thank you very much.

THE WITNESS: Thank you.

\* \* \* \* \*

WITNESS STOOD ASIDE

MR. MOORE: Your Honor, that concludes our case. If you would like, I would like for the Commission, I would like to reiterate, if I may take a moment, that we do want the certificate to operate in the entire State of Virginia. We would like to be asking for exemption from rate regulation, and we're also asking for a ruling, if we are exempted from rate regulations, that the

1  
2 provisions of Chapter 4 Title 56 are not  
3 applicable; or, in the alternative, an approval  
4 of the Lease and Service Agreement pursuant to  
5 which MCIV will provide its services.

6 And, finally, we would ask for a  
7 protective order or the rules to be provided  
8 so that the information we provide to the  
9 Commission will be protected and not available  
10 to the public or MCI's competitors.

11 COMMISSIONER SHANNON: All right.  
12 We'll take that under consideration, and we  
13 will stand in recess.

14 And I want to make sure we take  
15 exactly a 10-minute recess because we've got  
16 a lot to cover this morning, and I'd like to  
17 be prepared next to go forward with United  
18 States Transmission.

19 (Recess.)

20 THE BAILIFF: The Commission resumes  
21 its session.

22 COMMISSIONER SHANNON: I believe  
23 we're ready to hear from United States  
24 Transmission.

25 MR. BRUNDAGE: Your Honor, before we

1  
2 go onto that case, I had already proposed we  
3 were going to put Mr. Kelly on the stand to  
4 talk a little bit about this revenue compen-  
5 sation question. In light of the Commission's  
6 ruling and in light of the fact that Mr. Moore  
7 certainly restricted his testimony on that  
8 subject, I would propose to hold that in  
9 abeyance pending the outcome of these  
10 negotiations.

11 COMMISSIONER SHANNON: I thank you,  
12 Mr. Brundage.

13 Is United States Transmission ready?

14 MR. LEBOWITZ: Yes, Your Honor.

15 COMMISSIONER SHANNON: All right,  
16 go right ahead.

17 MR. LEBOWITZ: Your Honor, I'm  
18 pleased to report that in the last several  
19 hours both our lost affidavits have been  
20 telecopied to the Commission, and our lost  
21 witness has also caught another flight, and  
22 we're ready to proceed.

23 I'd like to hand up the affidavit  
24 as to our service in publications.

25 COMMISSIONER SHANNON: All right.

1  
2 That will be received as Exhibit A in  
3 PUC840024.

4 Are you Mr. Lebowitz?

5 MR. LEBOWITZ: Yes, sir.

6 COMMISSIONER SHANNON: Thank you.  
7 Go right ahead.

8 MR. LEBOWITZ: Your Honor, as I  
9 mentioned earlier, the relief that we are  
10 seeking today is similar to that of MCI's,  
11 whose application you just heard. We have  
12 submitted an Application for a certificate  
13 of public convenience and necessity and a  
14 Petition to be certified as a competitive  
15 carrier.

16 I have with me today two witnesses  
17 that will speak very briefly as to the aspects  
18 of the Application and Petition that are  
19 pertinent and would be able to field questions.

20 Our first witness is Mr. Gerald  
21 Stern.

22 COMMISSIONER SHANNON: Come around,  
23 Mr. Stern.

24 And as was indicated earlier, the  
25 Application and all the attachments to it are

part of the record in each of these cases.

JEROME STERN, called as a witness by  
and on behalf of United States Transmission Systems, Inc.,  
being first duly sworn, testifies as follows, viz:

DIRECT EXAMINATION

BY MR. LEBOWITZ:

Q Could you state your name and business  
address for the record?

A My name is Jerome Stern, and I work  
at 100 Plaza Drive in Secaucus, New Jersey.

Q And what is your job title, Mr. Stern?

A I'm Manager of Network Development.

Q Could you briefly state your professional  
and employment experience? Educational experience;  
excuse me.

A I have a Bachelor of Science in  
electronic engineering technology from Capitol  
Institute of Technology received in 1972. I have a  
Master's of Business Administration from George Mason  
University in Fairfax, Virginia, 1979. I have approxi-  
mately 20 years in this business; first half, largely  
in the equipment side working for people like PulseCom  
in Falls Church, Virginia; and the last half of the common

2 carrier side of things, such as Da-Tran, Com-Tech General,  
3 Graphic Scanning, and ITT in various capacities for the  
4 past three and a half years.

5 Q And what are your current responsi-  
6 bilities in connection with United States Transmission  
7 Systems and USTS of Virginia?

8 A I'm responsible for making plans  
9 concerning network development, network expansion, plans  
10 for how we would provide new services, expansion of the  
11 networks with regard to involvement with the interstate  
12 and intrastate market. I have a staff which is responsible  
13 for the coordination with the various local carriers.  
14 That about sums up.

15 Q And are you familiar with the Application  
16 of USTS and other pleadings that USTS has introduced in this  
17 proceeding?

18 A Yes.

19 Q Now, Mr. Stern, it's true, is it not,  
20 that USTS is currently providing, pursuant to FCC tariffs,  
21 interstate service to customers in Virginia through its  
22 own facilities, is that correct?

23 A Yes, that's true.

24 Q Could you briefly describe what cities  
25 USTS plans to serve in Virginia if it is granted authority

2 to provide intrastate service?

3 A We are planning at the present time  
4 to provide services from Richmond, Lexington, Newport News,  
5 and Norfolk, and certain locations in northern Virginia,  
6 which would access through Washington, D.C. via 236.  
7 We would offer private line services as well as long distance  
8 telephone.

9 Q And in your opinion, is USTS of  
10 Virginia technically capable of providing high quality  
11 service to interstate customers in Virginia?

12 A Yes, absolutely.

13 Q Now, I show you a letter dated July 17,  
14 1984, from Staff Counsel Robert Gillespie to these various  
15 carriers that inquires of the carriers plans to submit a  
16 report pursuant to the Commission's Rule 6. Could you  
17 briefly describe for each of those items what information  
18 USTS of Virginia would be able to supply to the Commission?

19 A The letter I have before me describes  
20 reports which may be required involving usage by number of  
21 calls, time of day, minutes of usage, amount of inter and  
22 intraLATA traffic. We can-- well, let me say before  
23 commenting that we want to cooperate with this Commission  
24 in every way possible to provide whatever information is  
25 required, and-- however, some of this we simply aren't

2 equipped to do it in the near term.

3 With regard to number of calls, we  
4 have no problem. Time of day, we would report by tariff  
5 periods, which, I believe, is what you really want. Of  
6 the usage, we have no problem with that. The amount of  
7 interLATA, we have no problem with that. It's the intra-  
8 LATA reporting that our system currently simply doesn't  
9 comprehend, and it would have to be done manually in the  
10 interim until we were able to modify the data processing  
11 system. We don't have any way at the present time to  
12 automatically identify the LATA by numbers that a call  
13 originates or terminates in.

14 Q You are familiar, are you not, with  
15 the Commission's requirement in its new rules that carriers  
16 either block or pay compensation to the exchange companies  
17 for incidental intraLATA calls that its customers might  
18 make until such time as equal access to the LATA?

19 A Yes.

20 Q And is USTS prepared to compensate  
21 the local carriers for such incidental calls?

22 A Yes, we are. The methodology has to be  
23 worked out especially since we can't specifically identify  
24 these calls except by manual analysis. Basically, we are  
25 going to discuss with C&P some method which would be based



2 on an estimate of the traffic because we simply aren't  
3 able to identify the individual call as such except by  
4 some kind of sample and manual analysis.

5 MR. LEBOWITZ: Thank you, Mr. Stern.

6 Your Honors, I have no further  
7 foundation questions of this witness. However,  
8 I point out that Mr. Stern is the proper witness  
9 to ask about any of the operational questions  
10 USTS' proposed interstate service offerings  
11 in Virginia. Mr. Bloom will handle questions  
12 which will go more to the financial capabilities  
13 of the Applicant.

14 COMMISSIONER SHANNON: All right.

15 Mr. Gillespie.

16  
17 CROSS EXAMINATION

18 BY MR. GILLESPIE:

19 Q Mr. Stern, a few questions. Since the  
20 FCC's Order of May 25, 1984, has USTS been paying inter-  
21 state access charges?

22 A I don't believe so.

23 Q Have you been--

24 A Oh, I'm sorry-- interstate?

25 Q Yes, interstate.

2 A Yes, sir. Yes, we have.

3 Q And do you know how long the lag is  
4 between your submitting bills to your subscribers and your  
5 paying local exchange companies for this interstate access?

6 A No, sir, I don't know that.

7 Q You named the areas that USTS initially  
8 will be offering originating service from Richmond,  
9 Lexington, Newport News, Norfolk, and areas of Northern  
10 Virginia. Do you know where you will be offering originating  
11 service six months from now?

12 A In the State of Virginia?

13 Q Yes.

14 A No, sir, I really can't say, and the  
15 reasons that I have to hesitate is even within those access  
16 areas, it depends on certain matters of the access involving  
17 equal access. If you had-- if our customers had the ability  
18 to call in LATA-wide rather than just in a local exchange  
19 area, we would instantly increase our coverage from these  
20 existing groups. I'm not certain when such features will  
21 be made available to us, so I can't really comment on  
22 exactly what the coverage will be incoming at any particular  
23 time. I can only tell you what it is now. It's the local  
24 exchange areas in those cities that surround our pockets.

25 MR. GILLESPIE. Thank you. No further

questions.

COMMISSIONER SHANNON: Mr. Brundage.

MR. BRUNDAGE: Yes, Your Honor.

After USTS' Application was filed, I served interrogatories upon USTS, which they have answered. All of those interrogatories relate directly to the Application. I can either propose-- and they relate to our interests in this case, and I could propose to either go over those point by point with the witness or simply submit for the record the interrogatories and the responses.

COMMISSIONER SHANNON: Why don't you submit to the record. I think that would be probably better.

MR. BRUNDAGE: We're in the process of getting some copies made, Your Honor.

COMMISSIONER SHANNON: All right. Why don't we--

MR. BRUNDAGE: And I have a copy you can have.

COMMISSIONER SHANNON: All right, the interrogatories which were submitted by C&P to United States Transmission will be Reserved

Exhibit 1 in PUC840024.

MR. BRUNDAGE: This is a copy,  
and I'll have a few more.

That's all I have, Your Honor.

COMMISSIONER SHANNON: Mr. Gambardella.

MR. GAMBARDELLA: No, sir.

COMMISSIONER SHANNON: Any redirect,  
Mr. Lebowitz?

MR. LEBOWITZ: No, Your Honor.

COMMISSIONER SHANNON: You may stand  
down, Mr. Stern. Thank you very much.

COMMISSIONER BRADSHAW: One short  
question, Mr. Stern. For my VMI colleague,  
why did you go to Lexington?

THE WITNESS: Lynchburg.

COMMISSIONER BRADSHAW: I thought  
you said Lexington.

THE WITNESS: No, sir, I thought  
I said Lynchburg.

COMMISSIONER BRADSHAW: Oh, okay.  
That answers my question.

COMMISSIONER SHANNON: I understood  
him to say Lexington.

\* \* \* \* \*

WITNESS STOOD ASIDE

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

COMMISSIONER SHANNON: Do you have  
another witness, Mr. Lebowitz?

MR. LEBOWITZ: Yes, sir, I call George  
Bloom.

COMMISSIONER SHANNON: Come around,  
Mr. Bloom.

GEORGE J. BLOOM, called as a witness by  
and on behalf of United States Transmission Systems, Inc.,  
being first duly sworn, testifies as follows, viz:

DIRECT EXAMINATION

BY MR. LEBOWITZ:

Q Mr. Bloom, will you, please, state your  
name and business address for the record?

A My name is George J. Bloom. I reside  
at 100 Plaza Drive, Secaucus, New Jersey.

Q And what is your job title?

A I'm Associate Treasurer of ITT  
Communications and Information Services, Inc., the parent  
company of United States Transmission Systems, Inc.

Q And could you briefly describe your  
educational and professional background?

A Yes, I received a B.S. in accounting

from Rutgers University in 1957 and an M.S. in business from Columbia University in 1960.

Q And what have you done professionally since then?

A Well, I've worked in the telecommunications industry for over 20 years. During that time, in progressive responsibility for three major companies; New Jersey Bell Telephone Company, Xerox Corporation, and the ITT Company. In all three companies, I have served in various financial and administrative positions.

Q And what are your current responsibilities as to ITT Communications and Information Services, vis-a-vis United States Transmission Systems and USTS of Virginia?

A Well, as Associate Treasurer for ITT, primarily, I'm responsible for obtaining the funds necessary to support the activities of United States Transmission Systems and their capital requirements. In doing this, I am responsible for the daily control and activities for meeting our system-wide cash needs, obtaining external borrowing for short term and long term basis, carrying out ongoing banking relationships; and generally responsible for handling all the financial policies of the communications group.

Q You are familiar with the financial

aspects of USTS of Virginia's Application in this proceeding?

A Yes, I have dealt with that.

Q And is, in your opinion, the various  
ITT parent corporations of USTS of Virginia committed to  
providing adequate financing to provide for plant, personnel  
and expenses to provide adequate service in Virginia?

A Yes, they are.

MR. LEBOWITZ: I have no further  
questions, and the witness is available for  
cross examination.

COMMISSIONER SHANNON: Any questions  
of Mr. Bloom? Mr. Gillespie.

MR. GILLESPIE: No.

COMMISSIONER SHANNON: Mr. Brundage.

MR. BRUNDAGE: No, Your Honor.

COMMISSIONER SHANNON: Mr. Gambardella.

MR. GAMBARDELLA: No questions, Your  
Honor.

COMMISSIONER SHANNON: Thank you very  
much, Mr. Bloom. You may stand down.

\* \* \* \* \*

WITNESS STOOD ASIDE

MR. LEBOWITZ: Your Honor, that

1  
2 concludes the witness that I have available  
3 for USTS of Virginia's direct case today.

4 As I mentioned earlier, the relief  
5 requested by USTS is by and large contained  
6 in USTS of Virginia's moving papers. We have  
7 not produced any expert economic evidence  
8 today on the competitive carrier position  
9 portion of the relief that we have requested  
10 because we believe that those questions of  
11 fact as the number of carriers competing in  
12 this State, and so forth, is self-evident  
13 or will be evident from the bulk of the  
14 evidence that's adduced today.

15 I would also like to add that if  
16 the Commission sees fit to grant MCI's  
17 requested motion, that the data tendered  
18 pursuant to the Commission's Rule 6 be later  
19 deemed to be proprietary, we would ask that  
20 similar relief be accorded.

21 Thank you.

22 COMMISSIONER SHANNON: Thank you,  
23 Mr. Lebowitz.

24 All right. Then I think we will  
25 hear from TDX. Who appears for TDX?



MR. SENKOWSKI: R. Michael Senkowski,  
appears for TDX.

COMMISSIONER SHANNON: All right,  
Mr. Senkowski.

MR. SENKOWSKI: I'd like to call  
Marvin V. Moses as a witness in support of  
the Application.

MARVIN C. MOSES, called as a witness  
by and on behalf of TDX Systems, Inc., being first duly  
sworn, testifies as follows, viz:

MR. SENKOWSKI: Before beginning  
the direct testimony of Mr. Moses, I would  
like to take an opportunity to address the  
basis for intervention of Mr. Brundage and  
C&P. As I understand, C&P is concerned that its  
tariff, proposed tariff filed by TDX, does  
not clearly delineate the Company's only  
intending to provide intrastate interLATA  
service. In response to that, I'd like to  
advise the Commission in reviewing the draft  
tariff for TDX last night, it was identified  
that there is a mistake in the second page of

the tariff which describes the Application of service.

The tariff, as submitted to the Commission, presently reads that it will provide intrastate interstate service. That should have been intrastate interLATA service. I believe that's responsive to Mr. Brundage's concern. And in all other respects, the tariff is clear on its face that we don't intend to provide intraLATA--

COMMISSIONER SHANNON: Does that satisfy your concern, Mr. Brundage?

MR. BRUNDAGE: The only other question I have about this tariff is on Page 6 of their tariff, Your Honor, and the feature-- or service offering what they call travel feature, and the words of the tariff are that they allow a customer to call anywhere from anywhere in Virginia.

COMMISSIONER SHANNON: Yes.

MR. BRUNDAGE: And that was another concern. But I understand the amendment to Page 2 should be all inclusive and delineate the scope of the tariff, and so

I think that solves our problem.

COMMISSIONER SHANNON: The problem of that language on Page 6 should be cleared up so there shouldn't be any inconsistency.

MR. SENKOWSKI: If the Commission so desires, we are so advised.

COMMISSIONER SHANNON: I think it would be better to do it that way.

MR. SENKOWSKI: I did not want to resolve that issue up front. I would like to provide to the Commission and to the reporter copies of the direct testimony by Mr. Moses.

COMMISSIONER SHANNON: All right. I wonder if it wouldn't-- to make it short, I wonder if we would facilitate matters to take about five minutes or so that it takes each of us to read it rather than to have him read it into the record. It's going into the record; we'll put it in the record, of course, but I think it would be easier because we haven't had a chance to see it, sit and read it for a minute.

Has everybody had an opportunity

to read it? I guess I'm the slowest reader  
in here. I have finished it.

Please proceed, Mr. Senkowski.

It will be copied into the record  
as if the questions asked and the answers read.

(Prepared testimony follows)

PUC 840025

Applicant's Exhibit (MCM) 1

Page 1 of 4

TESTIMONY OF MARVIN C. MOSES

Q: Mr. Moses, would you state your name and business address for the record?

A: Marvin C. Moses  
TDX Systems, Inc.  
1920 Aline Avenue  
Vienna, Virginia 22180

Q: What is your relationship with TDX?

A: Vice President, Finance and Administration, and  
Treasurer

Q: What are your responsibilities as Vice President, Finance and Administration?

A: I have responsibility for the operation of the financial, administrative and legal activities of TDX.

Q: How long have you held that position?

A: 2-1/2 years.

Q: Are you familiar with the petition filed by TDX for authority to operate as a reseller of intrastate telephone service in the Commonwealth of Virginia?

A: Yes.

Q: Are you authorized to speak on behalf of TDX today with respect to that petition?

A: Yes.

Q: Is the pending TDX Petition current and accurate in all respects?

A: I would like to update the TDX Petition in three respects. First, I would like to substitute a newly formed and wholly owned subsidiary of TDX Systems, Inc. as the petitioner in this proceeding. The new company is TDX Systems of Virginia, Inc. Second, I would like to provide for the record the Articles of Incorporation for the new TDX company which were

PUC 840025  
Applicant's Exhibit (MCM) 1  
Page 2 of 4

granted on July 25, 1984, that authorize TDX Systems of Virginia, Inc. to be a public service company. Third, I have more detailed maps of TDX service locations to provide the Commission. This material is designated as TDX Exhibit 2. In all other respects, the TDX Petition remains unchanged. The officers and directors of TDX Systems of Virginia, Inc. will be the same as for TDX Systems, Inc.

Q: Please describe TDX Systems, Inc. and TDX Systems of Virginia, Inc.

A: TDX Systems of Virginia, Inc. is a wholly owned subsidiary of TDX Systems, Inc. TDX Systems, Inc. is owned by Cable and Wireless, North America. Both TDX companies are headquartered at 1920 Aline Avenue, Vienna, Virginia. They also have Richmond and Norfolk, Virginia offices.

Q: Please describe TDX's background and experience in telecommunications.

A: In 1976, the Federal Communications Commission authorized the sharing of interstate services by telecommunications users. It also permitted new entities called network managers to secure and manage services for groups of such users. Subsequently, TDX entered into the business of serving as a network manager of interstate services for shared user groups. In this capacity, TDX has developed extensive experience and highly sophisticated computer assisted techniques for determining the least cost routing for interstate services.

Q: Please describe the scope of TDX's current operations as a network manager.

A: TDX serves as a network manager of interstate services for shared user groups located in cities in the States of California, Georgia, Maryland, Massachusetts, New Jersey, New York, Pennsylvania, Texas, Virginia and the District of Columbia.

Q: What are TDX's current business plans relative to communications?

A: In light of recent FCC and state regulatory actions, TDX has made a business judgment to become a resale common carrier for interstate services and, where permitted, intrastate services as well.

PUC 840025  
Applicant's Exhibit (MCM) 1  
Page 3 of 4

Q: Would you briefly describe what services TDX will provide as an intrastate interexchange carrier in Virginia?

A: TDX will purchase telephone services from telephone companies to be resold to Virginia customers. A customer purchasing a communications service from TDX will be provided, via dial up or dedicated lines, access to call processors which are connected via data lines to TDX's central computer system. The computer system will make the route selection using the available TDX facilities and retain billing information. The rates, charges and conditions which TDX will apply to its intrastate Virginia service are set forth in the tariff submitted with TDX's petition.

Q: What benefits will TDX's certification bring to Virginia consumers?

A: The entry of TDX into the resale common carrier business will help ensure lower telecommunications costs to consumers through sophisticated least cost routing capabilities of TDX. TDX will also enhance competition in the provision of telephone services in Virginia. TDX will bring into the resale marketplace the telecommunications expertise it has gained as a network manager for shared user groups, locally and nationwide. Customers will also benefit from having computer based data on their actual telecommunications usage and costs for their management and business needs.

Q: Where will TDX initially offer service in Virginia?

A: Initially, TDX will provide service to customers located in the Richmond and Norfolk LATAs. Customers located in those areas will be able to reach any other interLATA point in the state. Such subscribers will also be offered a Travel Call option permitting them to originate interLATA calls from any location within the Commonwealth. As market conditions permit and consumer interest is established, TDX will consider expanding its service to subscribers in other cities.

PUC 840025

Applicant's Exhibit (MCM) 1

Page 4 of 4

Q. Please describe TDX's plans to comply with Rule 2 requirements that intra-LATA calls must be blocked or the exchange carrier compensated for incidental calls not blocked.

A. As set forth in the Petition, TDX plans to block intraLATA calls. However, I want to provide several points of clarification. First, due to distinctive characteristics of TDX switches, trunking and network architecture, we can block today as presently configured. This may not be the case for our competitors who have different switching and trunking systems. Second, as TDX moves into the common carrier business, we also may have to reconfigure our network operation and it is possible that we might then have problems ensuring complete blocking. In such cases, we would advise the exchange carrier and the Commission of the need for a compensation system. Third, if our competitors can work out acceptable compensation plans for incidental calls, TDX would expect to have the same opportunity to utilize that alternative in lieu of blocking. In sum, TDX will fully comply with Rule 2 -- either through blocking as presently proposed, or through a compensation plan acceptable to the Commission and similar to that available to TDX's competitors.

Q: Would you please describe TDX's plan for complying with Rule 6 of the Rules governing the certification of inter-LATA interexchange carriers?

A: TDX will submit an annual financial report to the Commission and will maintain Virginia books in accordance with generally accepted accounting principles. In addition, TDX will file a monthly report showing its monthly usage of local exchange telephone services and facilities as required under the effective access charge tariffs or schedules of the local exchange telephone company. If so required by the Commission, TDX will report its monthly usage of local exchange service in terms of number of calls, time of day, and minutes of usage, and will report its revenues relating to such usage.

Q: How will TDX secure financing for its operations?

A: As indicated in its Petition, TDX has cash from its current operations and any additional, necessary financing will be provided by its parent.



MR. SENKOWSKI: If it please the Commission, we could, in the interest of time, proceed perhaps with just a few pertinent questions--

COMMISSIONER SHANNON: Certainly.

MR. SENKOWSKI: --in response to the Staff. The testimony and the Application demonstrate Mr. Moses' qualifications and authority to speak for the Company. They both review the Applicant's qualifications from a financial, legal, and technical background. I think we could just address several of the questions that the Staff has indicated they had some concerns about and desired us to address.

The first would be the question raised as to where TDX will initially offer service in Virginia. It appears that the last question on Page 3 of the direct testimony.

Q Mr. Moses, where will TDX initially offer service in Virginia?

A Initially, TDX will provide service to customers located in the Richmond and Norfolk LATAs.

Customers located in those areas will be able to reach any interLATA point in the state. Such subscribers will also be offered a travel call option-- you, I think, clarified that point previously-- which would permit them to originate calls from any point in the State subject to the restrictions on the interLATA.

As market conditions permit and consumer interest established, TDX will consider expanding its service in the State of Virginia to subscribers in other cities.

I might add that we serve Richmond today and Norfolk. Norfolk is a very recent addition to our service base.

Q Another area that the Staff has indicated interest is in how Rule 2 would be complied with. Mr. Moses, could you, please, describe TDX's plans to comply with Rule 2 requirements that intraLATA calls must be blocked or exchange carriers compensated for incidental calls not blocked.

A As set forth in the Petition, TDX plans to block intraLATA calls. However, I want to provide several points of clarification.

First, due to the distinctive characteristics of TDX's switches, trunking and network architecture,

we can block today as presently configured. This may not be the case for our competitors who have different switching and different trunking systems.

Second, as TDX moves into the common carrier business, we also may have to reconfigure our network operation and it is possible that we might then have problems ensuring complete blocking. In such cases, we would advise the exchange carrier and the Commission, and we would anticipate at that time to work out arrangements for our need for compensation to the local exchange carrier.

If our competitors can work out acceptable compensation plans, TDX would expect to have the same opportunity to utilize that alternative in lieu of blocking. In sum, we'll fully comply with Rule 2 either through blocking as presently proposed or through a compensation plan acceptable to the Commission similar to that of TDX's competitors.

Q Now, Mr. Moses, another area that the Staff has indicated interest is how TDX would comply with Rule 6 of the rules governing the certification of interLATA exchange carriers?

A TDX will submit an annual financial report to the Commission and maintain its Virginia books in accordance with generally accepted accounting principles.

In addition, TDX will file a monthly report showing its monthly usage of local exchange telephone services and facilities as required under the effective access charge tariffs or schedules of the local exchange telephone company. If so required by the Commission, TDX will report its monthly usage of local exchange service in terms of numbers of calls, time of day, and again, I would reiterate that time of day is interpreted to mean day, evening, night type of breakout, and minutes of usage, and will report its revenues related to such usage.

MR. SENKOWSKI: If it please the Commission, that would conclude our direct testimony.

COMMISSIONER SHANNON: Mr. Gillespie.

# CROSS EXAMINATION

BY MR. GILLESPIE:

Q Mr. Moses, a couple of questions. Do you have any projection as to where TDX will be offering originating service six months from now?

A The only thing I can specifically say is that we have, first of all, not previous-- I think it's important to emphasize it had not previously provided common carrier service, and this is described in the part of

testimony that's being filed. We have provided services as a network manager to shared user groups. We have shared user groups today in Richmond and have had such for approximately a year to a year and a half. We have started to provide services, shared user groups, in Norfolk, and will actually have a switch located in Norfolk within the month of August.

Given that this certificate is granted, we would provide common carrier service in those two locations. And I can't give you specifics today as to whether the --what cities we would expand into. Obviously, it would be generally governed by both economic and financial situations.

Q What's your status with the Federal Communications Commission? What sort of carrier are you?

A We are not a carrier. We are a network manager of shared user groups. Back in 1976, the format in which we operate was authorized by the Federal Communications Commission, and that is how we provide service today to our shared user groups.

The testimony does discuss the fact that we're providing shared users-- service to shared user groups today in approximately six or eight or nine states as I stated in--

Q In that status with the FCC, are you required to pay the access charges that were just implemented May 25th?

A The only access charges that would apply would be those to which the shared users or business customers would themselves have applied. In other words, any access charges that our shared user group as commercial customers would be subject to would be paid and prorated to shared users.

Q And if you are reselling a service, I guess the person from whom you are purchasing, say, a WATS line, would be paying the access charges applicable to that WATS line?

A That's correct.

MR. GILLESPIE: Thank you. No further questions.

COMMISSIONER SHANNON: Mr. Gambardella.

MR. GAMBARDELLA: No questions, Your Honor.

COMMISSIONER SHANNON: Mr. Brundage.

MR. BRUNDAGE: No questions.

CHAIRMAN HARWOOD: Mr. Moses, just one question. Would it be fair to say that you would consider offering service anywhere in

Virginia if your analysis indicates you can go in and make a buck?

THE WITNESS: Certainly, subject to that financial consideration, we would make that.

CHAIRMAN HARWOOD: Would you be looking at Virginia as an entire market area with that in view?

THE WITNESS: I think it's a fair comment. We are a Virginia based company; and, obviously, very close to our home.

CHAIRMAN HARWOOD: Thank you.

COMMISSIONER SHANNON: Thank you very much, Mr. Moses. You may stand down.

\* \* \* \* \*

WITNESS STOOD ASIDE

MR. SENKOWSKI: Your Honor, just to add in closing, I just have a couple of points I wanted to raise. One is that with respect to Staff meetings on a compensation system, if I understand from the outset, will be held between C&P and new interexchange carriers and the Staff, TDX would like an

1  
2 opportunity to participate in those hearings.

3 COMMISSIONER SHANNON: You will be  
4 given the opportunity to sit in on them.

5 MR. SENKOWSKI: Thank you. Also,  
6 we are if you decide some certain other requests  
7 in certification seeking to have our rates  
8 handled in a deregulatory fashion. With  
9 respect to the Rule 6 requirement, we would  
10 share and join in the request for proprietary  
11 protection of the same type and basically the  
12 same treatment that any other carrier being  
13 considered for that approach.

14 COMMISSIONER SHANNON: We will take  
15 that into consideration.

16 MR. SENKOWSKI: That concludes.

17 COMMISSIONER SHANNON: Thank you.  
18 Thank you very much, Mr. Senkowski.

19 Let's see. I believe now we may hear  
20 from SouthernTel of Virginia, please.

21 MR. JONES: Yes, sir.

22 COMMISSIONER SHANNON: All right.

23 MR. JONES: Your Honor, I have  
24 available Mr. Warren French, Jr., who is the  
25 Chairman of the Board of SouthernTel of



1  
2 Virginia as an Applicant. I will state to  
3 you that SouthernTel is willing to rely upon  
4 the records established by Application and  
5 Amended Application and exhibits thereto;  
6 and if the Commission feels that due to  
7 pressures of time that they would want to  
8 waive having Mr. French appear at this time,  
9 we would be willing to do that.

10 COMMISSIONER SHANNON: No, you can  
11 have Mr. French appear and state briefly what  
12 his-- that probably would be a good idea.

13  
14 WARREN B. FRENCH, JR., called as a  
15 witness by and on behalf of SouthernTel of Virginia, Inc.,  
16 being first duly sworn, testifies as follows, viz:

17 DIRECT EXAMINATION

18 BY MR. JONES:

19 Q Mr. French, would you, please, state  
20 your name and address?

21 A I'm Warren B. French, Jr., of Edinburg,  
22 Virginia.

23 Q What is your relationship with the  
24 Applicant?

25 A I'm Chairman of the Board of SouthernTel

of Virginia, Incorporated, and Director of SouthernNet, Incorporated. SouthernTel is a wholly owned subsidiary of SouthernNet.

Q Are you involved in any other companies providing telephone services in Virginia?

A I'm President of Shenandoah Telecommunications Company and its subsidiary which includes Shenandoah Telephone Company.

Q Would you just give a brief summary of SouthernTel's Application?

A The corporation was organized as a public service corporation on May the 4th, 1984, and applied to the State Corporation Commission for a certificate of public convenience and necessity to construct a fiber optic telecommunications network in Virginia. The Company is prepared to proceed with the development of an intrastate and interstate facilities based network. They will operate in Virginia through provision nonswitch point to point private line service as a carrier service. We plan to construct a fiber optic transmission system to serve the major industrial and population centers of the State, with a background network as shown in Exhibit A as been filed as part of our amended application.

Construction will be in phases

with the following schedule: From Richmond to Charlottesville, February of '85; Charlottesville to Washington, July of '85; Charlottesville to Greensboro, North Carolina, via Danville, in July of '85; Richmond to Norfolk in December of '85; and Lynchburg to Roanoke in March of '86.

At the present time, we do not plan to offer switch services. ICI, an affiliate of SouthernTel's parent company, SouthernNet, plans to provide resale service in Virginia under the main section phase. ICI will comply with the applicable laws and regulations for services as provided.

SouthernTel plans to construct this toll network with the local network connected toll networks, the local networks of the five C&P LATAs of Virginia and the Washington D.C. LATA, including that portion of the Washington LATA which goes to Virginia. The interconnection with the C&P LATAs, SouthernTel will serve more than 70 percent of the access lines in Virginia. SouthernTel plans to connect its toll network to the networks of other telephone companies pending discussion with each company.

Q Mr. French, has SouthernTel applied for and received authorization from the Federal Communications Commission to provide for those services on an interstate

1 French - Direct

110

2 basis?

3 A Yes, authorization was received from  
4 the FCC on July the 25th, 1984, and we offer a copy for  
5 the record.

6 COMMISSIONER SHANNON: That will be  
7 identified as Exhibit 1.

8 THE WITNESS: Thank you.

9 COMMISSIONER SHANNON: Hearing  
10 Exhibit 1.

11 BY MR. JONES:

12 Q Mr. French, are you aware of  
13 Mr. Gillespie's letter of July 17, 1984, concerning  
14 usage reporting pursuant to Rule 6?

15 A Yes, and we have responded to  
16 Mr. Gillespie's letter, and we offer a copy for the record.

17 COMMISSIONER SHANNON: This is a copy  
18 of your response to Mr. Gillespie?

19 THE WITNESS: Yes, sir.

20 COMMISSIONER SHANNON: That will be  
21 received as Exhibit 2.

22 BY MR. JONES:

23 Q Does SouthernTel have the managerial,  
24 financial, and technical ability to render the services  
25 proposed?

A Yes, the background of the principals participating in the management of the Company as set forth in Amended Application as Exhibit D. The experience of each of the Officers and Directors is impressive. I believe their background adequately demonstrates their ability to perform the task for the Company.

The combined financial statement of SouthernTel of Virginia and SouthernNet, Incorporated, in the Application, Exhibit E. This is a newly formed company. Our business plan provides for substantial funding through investors. Once we have a certificate, we're confident that our plan will work. You may find reassuring that the fact that our business plan is patterned after a fiber network now in operation in Florida.

The Company's technical ability performance is best demonstrated by its proposed network and points of presence in each of the proposed service areas. In addition to the excellent experience of our staff, the parent corporation, SouthernNet, has an agreement with MicroTel to share Technical information including use of MicroTel's technical engineering staff.

Q Do you feel it's in the public interest for the Commission to certificate SouthernTel of Virginia?

A Naturally, I believe it is. SouthernTel

is ready to make a tremendous investment in this State to construct a state of the art fiber optic transmission network to serve the people of Virginia. We believe that if we are certificated, it will be a good corporate decision to provide high quality service to the public at competitive prices. That, to me, is definitely in the public interest.

MR. JONES: That concludes the direct examination of Mr. French. I would like to offer at this time for the record a copy, a certified copy of the Articles of Incorporation, Charter of the Corporation showing that the corporation is incorporated in Virginia as a public service corporation.

COMMISSIONER SHANNON: That will be received as Exhibit 3.

Mr. Gillespie, do you have any questions of Mr. French?

# CROSS EXAMINATION

BY MR. GILLESPIE:

Q Mr. French, just a couple of matters. The item that we have as Exhibit 2, the FCC authorization, which entity is that for?

A SouthernTel of Virginia.

1 French - Direct

113

2 Q SouthernTel of Virginia. And you only  
3 received that July 25th?

4 A Yes.

5 Q What-- is the FCC going to require any  
6 reporting for access charge purposes for interstate  
7 operations?

8 A That I do not know.

9 Q Okay. Now, as for the Virginia  
10 operations of SouthernTel of Virginia, I understand it's  
11 a private line network; will not link up with local exchange  
12 facilities?

13 A Private line network will be furnished  
14 to ICI or any other carriers.

15 Q But the other carriers will be the one  
16 that will actually link with the local exchange facilities?

17 A Yes.

18 MR. GILLESPIE: That's all. Thank  
19 you, sir.

20 COMMISSIONER SHANNON: Mr. Gambardella.

21 MR. GAMBARDELLA: No questions, Your  
22 Honor.

23 COMMISSIONER SHANNON: Thank you,  
24 Mr. French. You may stand down.

25 \* \* \* \* \*

WITNESS STOOD ASIDE

1  
2 MR. JONES: We request that any  
3 usage data which may be submitted at a future  
4 time to the Commission also be protected  
5 under an Order of the Commission as proprietary  
6 information.

7 And this concludes our presentation.

8 COMMISSIONER SHANNON: Thank you.  
9 All right, I believe we're ready to hear now  
10 from the last of the five applicants, will be  
11 GTE Sprint Communications of Virginia.

12 MR. MAGEE: James Magee, representing  
13 GTE Sprint.

14 I'd like to call Mr. Guzman, please.

15  
16 JOSE E. GUZMAN, JR., called as a  
17 witness by and on behalf of GTE Sprint Communications  
18 Corporation, being first duly sworn, testifies as follows,  
19 viz:

20 DIRECT EXAMINATION

21 BY MR. MAGEE:

22 Q Would you state your full name for  
23 the record, please?

24 A My name is Jose E. Guzman, Jr.

25 Q Mr. Guzman, would you, also, give



2 your current business address, please?

3 A My business address is 1350 Old Bayshore  
4 Highway, Suite 580, Burlingame, California 94010.

5 Q What is your connection with GTE  
6 Sprint Communications Corporation of Virginia?

7 A I was elected this week as the  
8 Corporate Secretary to GTE Sprint of Virginia.

9 Q Mr. Guzman, would you give us a brief  
10 description of how long you've been involved in the tele-  
11 communications industry?

12 A I graduated from law school from the  
13 University of California in 1978. I immediately went to  
14 work with Southern Pacific Company, which at that time  
15 owned a subsidiary called Southern Pacific Communications  
16 Company, which is a corporate predecessor to GTE Sprint  
17 of Virginia's parent.

18 Since going to work for Southern Pacific  
19 Company in 1978, I spent just about all of my time  
20 involving legal matters related to GTE Sprint Communications  
21 Corporation both as a general business and corporate nature  
22 and as a regulatory nature, also.

23 Q Now, Mr. Guzman, what is the purpose  
24 of your testimony here today?

25 A The purpose of the testimony is to

2 present an overview of what GTE Sprint of Virginia is  
3 asking for authority to provide in this Application.

4 Q All right. What authority is GTE  
5 Sprint Communications Corporation of Virginia requesting  
6 from the Commission?

7 A As stated in our Application, we're  
8 applying for the authority to provide statewide interLATA  
9 intrastate toll communications services.

10 Q And are you also asking for streamlined  
11 regulation pursuant to the Commission's recently promulgated  
12 rule?

13 A Yes, we are.

14 Q Mr. Guzman, what services does Sprint  
15 as a company provide?

16 A Principally, GTE Sprint of Virginia  
17 will intend to provide the same services that it provides  
18 on an interstate basis pursuant to tariffs on file with  
19 the FCC. There are three principal services to be provided.  
20 One of them is a service called Sprint, which is a dial-up  
21 switch service. Another one is called direct Sprint, which  
22 provides our customers with direct access toward our  
23 switches without having to dial up the access number in  
24 punching an authorization code. The third service that  
25 we provide is a monthly lease line service, or a private

2 line service.

3 Initially, we're proposing to provide  
4 the Sprint service only in the State of Virginia, but as  
5 our facilities expand, we expect it will be able to provide  
6 Direct Sprint and monthly lease line service, also.

7 Q What areas do you intend to serve  
8 initially with Sprint service to the Commonwealth?

9 A We will be providing service to the  
10 same areas that we provide interstate service for our  
11 customers presently. I'll refer you to Exhibit E of our  
12 Application, which consists of two maps of the State of  
13 Virginia-- or, excuse me-- the Commonwealth of Virginia,  
14 and on the lower left of the two maps are the cities that  
15 we serve within the Commonwealth.

16 Q Mr. Guzman, does GTE Sprint Communications  
17 Corporation of Virginia intend to expand coverage in the  
18 Commonwealth at any point in the near future?

19 A Yes.

20 Q Could you tell us where and when,  
21 please, approximately?

22 A We are planning by sometime in the  
23 fourth quarter of this year to provide service to the new  
24 cities of-- well, the cities aren't new, but the territory  
25 new-- Charlottesville, Lynchburg, Fredericksburg, and

2 Petersburg.

3 Q Let me turn your attention briefly to  
4 matters involving financial and managerial ability to offer  
5 service, Mr. Guzman. Could you tell us, briefly, what has  
6 been GTE Sprint's experience with respect to financial  
7 growth in the past few years?

8 A The past few years we have done very  
9 well financially. We've experienced a dramatic increase  
10 in our revenues. In 1980, I think, we had revenues of  
11 around-- excuse me-- we had income of around \$34 million.  
12 That has increased through 1983 of income of over  
13 \$200 million.

14 Q How much capital expansion is antici-  
15 pated in the calendar year 1984?

16 A We'll be expanding almost \$800 million  
17 for capital expansion in 1984.

18 Q Mr. Guzman, how many employees does  
19 Sprint have through the country?

20 A GTE Sprint, the parent corporation of  
21 GTE Sprint of Virginia, has over 5,000 employees nationwide.

22 Q And how many of those are technically  
23 oriented?

24 A I would say that about over a thousand  
25 of them are technically oriented and work in some technical

2 areas in a number of different technical areas.

3 Q And their services will be made  
4 available for purposes of the services that GTE Sprint  
5 Communications Corporation of Virginia is offering?

6 A That's correct. GTE Sprint, the parent  
7 corporation, is prepared and is fully committed to providing  
8 all the resources, both financial, managerial and technical,  
9 to GTE Sprint of Virginia to allow it to provide the  
10 service that we're asking for authority to provide in  
11 Virginia.

12 Q Mr. Guzman, what evidence can you  
13 provide to this Commission with regard to the managerial  
14 ability of the Applicant in terms of ability to provide  
15 the services?

16 A Well, I think that the best evidence for  
17 showing our managerial expertise is in the success that  
18 GTE Sprint has had in the past few years. We have a--  
19 as I mentioned earlier, we've done quite well, and we've  
20 experienced a dramatic increase in our business and in our  
21 revenues.

22 We also have been managing since 1978,  
23 the Sprint network, which is one of the largest in the  
24 country. We have over 42 million channel miles, or over  
25 10,000 miles in the microwave system. We've recently added

2 transmission systems of a fiber optic nature and of a  
3 satellite nature for our systems. We also have over 55  
4 switches in our system, and we process over one and a half  
5 million calls a day on the Sprint network. So I think  
6 that that's good evidence of our managerial expertise.

7 Q Mr. Guzman, in your opinion, is GTE  
8 Communications Corporation of Virginia technically,  
9 financially, and managerially able to provide interLATA  
10 service to the Commonwealth?

11 A Yes, it is.

12 Q Mr. Guzman, I just want to direct your  
13 attention to a couple of matters in the Application itself.  
14 Specifically, the services that Sprint proposes to offer  
15 on an intrastate interLATA basis, will they be offered over  
16 existing network facilities in the Commonwealth today?

17 A Yes, they will. We will anticipate--  
18 we anticipate using the transmission facilities and the  
19 other facilities of GTE Sprint, the parent corporation.

20 Q And these are facilities illustrated  
21 in Exhibit E of the Application?

22 A That's correct.

23 Q And, Mr. Guzman, the Application also  
24 contains the initially proposed tariffs, does it not?

25 A That's correct. I think it's Exhibit F,

I believe.

Q I'd like to direct your attention to Page 17 of your Application, the fifth line from the bottom, and ask you if there is a correction that you wish to make for the record.

COMMISSIONER SHANNON: I picked that up. In Paragraph 26--

MR. MAGEE: Yes, sir.

COMMISSIONER SHANNON: --where it's "intraLATA."

MR. MAGEE: Yes, a rather glaring typographical error.

COMMISSIONER SHANNON: I saw that.

THE WITNESS: Your Honor, that jumped out and screamed at all of us as we saw it, but, yes, in Paragraph 26, Page 17, Line 3, the word "intraLATA" should be corrected to read "interLATA."

MR. MAGEE: Your Honor, we have a copy of the Application for the Bailiff. In light of the fact that we just received our number for our case today, I did not know whether one had been tendered. We'd like to do that now. I know it's in evidence already.

2 COMMISSIONER SHANNON: All right.

3 BY MR. MAGEE:

4 Q Mr. Guzman, you have been present  
5 through the courtroom proceedings this morning, have you  
6 not?

7 A Yes, I have.

8 Q And I assume that you were present when  
9 Judge Shannon indicated the Commission wanted the inter-  
10 exchange carriers to meet with C&P and the Staff for  
11 purposes of working out a proposal in compliance with  
12 Commission Rule 2?

13 A I heard that.

14 Q Is GTE Sprint Communications Corporation  
15 of Virginia willing to participate in this discussion?

16 A Yes, we are. We're looking forward  
17 to sitting in as representatives with C&P and discussing  
18 the block or compensate issue.

19 Q And do you intend to comply with  
20 Rule 2?

21 A Yes, we intend to comply fully with  
22 the Commission's Rule 2.

23 Q Does GTE Sprint already inhabit  
24 interLATA calls such as one plus seven-digit variety?

25 A Yes, we do. Our system is-- it requires



that Area Code and number be used in completing calls.

I know that when a customer wants to place a local call, for example, and goes through various dialing patterns but does not use an Area Code for the called number, that number would be blocked; that call would be blocked.

Q And if I may briefly direct your attention to Sprint's experience in other states. Exhibit G to your Application consists of a brochure that was used in California. Would GTE Spring undertake to disseminate similar materials in the Commonwealth if this Commission sees fit to authorize it to provide interLATA services?

A Yes, we would. We'd be prepared, too, and we are prepared to inform our customers and our potential customers of the restrictions on intraLATA calling.

Q Mr. Guzman, I'd like to address your attention to another matter of some concern here today, and that is the report to Rule 6 that the Commission has promulgated. Have you had an opportunity to review Mr. Gillespie's letter that has been referenced several times throughout the course of the day?

A Yes, I have. I saw it this morning, although I'm informed that we were not furnished with a copy of that, but I have seen copies of the letter that

went out to the other Applicants.

Q Can you tell us whether GTE Sprint Communications Corporation of Virginia will be able to provide the data requested at some point in the future?

A Yes, we will, and it will be at some point in the future.

Q Why is that?

A I think much like the witness, Mr. Gunn, for MCI testified this morning, we're in the development stage of some programs which would allow us to provide this information. Those programs should be fully developed by the end of this year or the beginning of next year, 1985.

Q Now, Mr. Guzman, at such time that that information is produced, would it be considered proprietary and commercially sensitive, highly commercially sensitive?

A Yes, highly commercially sensitive, and we would ask that-- as the other Applicants have asked, that the Commission treat it as proprietary information and do so and issue a protective order.

MR. MAGEE: Judge Shannon, we would make a similar request.

COMMISSIONER SHANNON: All right, that

2 will be taken under advisement.

3 BY MR. MAGEE:

4 Q Mr. Guzman, several questions just  
5 briefly with regard to Sprint's request for streamlined  
6 regulation. How does the FCC classify Sprint in terms  
7 of regulation at this point in time?

8 A Sprint is classified as a nondominant  
9 carrier under the rules of the FCC.

10 Q Do you know whether AT&T serves the  
11 area that Sprint proposes to serve on an intrastate basis  
12 in the Commonwealth?

13 A Yes, Sprint serves the same area as  
14 GTE-- excuse me-- AT&T serves the same area that GTE Sprint  
15 of Virginia proposes to serve.

16 Q And I will ask the same question of you  
17 that was posed by counsel for MCI to Mr. Cox. Does GTE  
18 Sprint Communications Corporation of Virginia believe it's  
19 going to have to compete in order to survive in the  
20 Commonwealth?

21 A Yes.

22 Q And one last question, sir. How do  
23 your rates compare per intrastate rates with AT&T's rates?

24 A They are lower than AT&T's intrastate  
25 rates.

2 MR. MAGEE: Thank you, Mr. Guzman.

3 Mr. Guzman is available for cross examination.

4 COMMISSIONER SHANNON: Mr. Gillespie.

6 CROSS EXAMINATION

7 BY MR. GILLESPIE:

8 Q Just a couple of matters, Mr. Guzman.

9 As an interstate carrier, you have been filing reports with  
10 the FCC, have you not?

11 A Yes.

12 Q Since the May 25th Order you have been  
13 providing them reports on usage as necessary for compensating  
14 local exchange companies for access?

15 A I believe that that's true. I don't  
16 have personal knowledge of that, but I believe that that's  
17 true.

18 Q Well, perhaps you can't answer this.  
19 Would you know if the data submitted to the FCC is treated  
20 as proprietary?

21 A I do not know whether or not it is.

22 COMMISSIONER SHANNON: I wonder if  
23 you could make a determination-- that would  
24 be applicable to all similarly situated. If  
25 it is treated as proprietary by the FCC, I would

like to know if you could notify Mr. Gillespie of that.

THE WITNESS: We will do that.

MR. MAGEE: If I may, Judge Shannon, I think there is some misunderstanding as to exactly what the carriers are required to provide in terms of data, the carriers pursuant to the Federal tariff, the NECHR, that which is provided to the FCC. So if it meets with the Commission approval, what I would undertake to do is provide for the record a statement of our understanding, if that would be all right, to Mr. Gillespie.

COMMISSIONER SHANNON: All right.

You might want to send out to all other counsel.

MR. MAGEE: Would that be satisfactory?

MR. GILLESPIE: It would be. I think the others are probably in the same boat.

COMMISSIONER SHANNON: Yes. I appreciate that.

BY MR. GILLESPIE:

Q One other matter, Mr. Guzman. I believe you had said that you project-- you will soon be serving the cities of Charlottesville, Lynchburg, and

2 Fredericksburg?

3 A As well as Petersburg.

4 Q When will that be accomplished?

5 A I don't have a specific date. I'm  
6 told that sometime in the fourth quarter of this year  
7 we'll turn that service to those four areas.

8 Q Do you have any projections about  
9 additional areas that might be served 12 months from now?

10 A No, sir, I don't.

11 MR. GILLESPIE: Fine. Nothing further.

12 COMMISSIONER SHANNON: Mr. Gambardella.

13 MR. GAMBARDELLA: No questions, Your  
14 Honor.

15 COMMISSIONER SHANNON: Mr. Brundage,  
16 did you intervene in this?

17 MR. BRUNDAGE: Yes, sir.

18 COMMISSIONER SHANNON: All right.

19

20 CROSS EXAMINATION

21 BY MR. BRUNDAGE:

22 Q A few questions. I believe you stated  
23 earlier that if the certificate is granted that you will  
24 use existing Sprint facilities in Virginia, is that true?

25 A That's correct.

2 Q And I believe you also stated that  
3 the existing system would inhibit intraLATA one plus seven  
4 digit calls?

5 A That's correct.

6 Q Does it inhibit intraLATA one plus ten  
7 digit calls?

8 A Technically, the system does not.  
9 Technically, those calls can be completed.

10 Q So to the extent that those calls have  
11 to be inhibited after you have to encourage your customers  
12 not to make them, as you put it in promotional means,  
13 brochures, et cetera to your customers?

14 A That's correct.

15 Q Now, is Sprint currently engaged in  
16 soliciting customers in the Norfolk area for business of  
17 equal access offices?

18 A Yes, it is.

19 Q And in the brochures you are using  
20 there, are you informing the customers that they are  
21 limited to interLATA calling?

22 A I don't believe that's the case in  
23 that because up to today and including today, we have not  
24 yet been authorized to provide any intrastate services in  
25 Virginia. I believe that the promotional material states

that we are providing interstate service, and I think an asterisk and a line at the bottom of one of the pages notes that we have applied for intrastate authority in the Commonwealth of Virginia, and that the matter is pending.

COMMISSIONER SHANNON: Mr. Magee.

MR. MAGEE: Judge Shannon, with apologies to Mr. Brundage, I would be more than pleased to make available, pursuant to what was done earlier today, copies of the material being disseminated.

COMMISSIONER SHANNON: I think that would be helpful; just make that part of the Application.

MR. BRUNDAGE: A couple more questions, Your Honor.

Q You have filed tariffs with your Application, and having just received your Application today, I'm not sure that I've had a chance to review all aspects of the tariff.

A I don't think I got it much sooner than you did, so--

Q Can you point out to me where within the tariff Sprint limits its offering to interLATA business?



2 A In our proposed tariff, which is  
3 attached as Exhibit F, I believe, to the Application--  
4 yes, Exhibit F, Page 22, it's noted that we will be  
5 providing service to areas in Virginia consistent with  
6 the orders of the State Corporation Commission.

7 Q Let me ask you to look at Page 4 of  
8 your tariff.

9 A Excuse me; I don't have one with me, sir.  
10 (Document handed to witness).

11 A (Continuing) Yes, sir.

12 MR. BRUNDAGE: In the initial paragraph  
13 on that page, you set forth the application of the  
14 tariff, and that applies to intercity services  
15 furnished by Sprint between and among points in  
16 the Commonwealth of Virginia.

17 I make a similar request, Your Honor,  
18 as we did with respect to TDX, that that general  
19 scope of the tariff be limited to the interLATA  
20 service.

21 COMMISSIONER SHANNON: I think that's  
22 a reasonable request, and I'm sure Mr. Magee  
23 would see that that's done.

24 MR. MAGEE: Judge Shannon, we have  
25 no problem with that.

COMMISSIONER SHANNON: All right.

MR. BRUNDAGE: That's all I have,  
Your Honor.

COMMISSIONER SHANNON: All right.

Anything further?

Judge Harwood, do you have a question?

CHAIRMAN HARWOOD: I assume you were  
here when Mr. Moses testified, and I asked him,  
"Would you consider going anywhere in Virginia  
where your analysis showed you though you could  
make a profit?"

Is your answer the same as his?

THE WITNESS: Yes, it is.

CHAIRMAN HARWOOD: And the second  
one, your Exhibit G, do you intend-- I know  
that you have supplied the information you  
gave in California describing what a LATA  
was and all, and I like to see that you use--  
it starts out by saying "Thanks to the  
California Public Utilities Commission"  
and ends up saying "We are delighted to  
announce this important Sprint service, and  
we applaud the California Public Utilities  
Commission on their decision."

2 Someone is creative within the  
3 organization. (Laughter)

4 THE WITNESS: I'm sure the same  
5 creativity will be applied to you here in  
6 Virginia. (Laughter)

7 COMMISSIONER SHANNON: Anything  
8 further, Mr. Magee?

9 MR. MAGEE: No, Your Honor.

10 COMMISSIONER SHANNON: Mr. Guzman,  
11 you may stand down. Thank you very much.

12 \* \* \* \* \*

13 WITNESS STOOD ASIDE

14  
15 COMMISSIONER SHANNON: Does that  
16 conclude your case?

17 MR. MAGEE: Yes, it does, Your Honor.

18 COMMISSIONER SHANNON: All right.  
19 I believe, Mr. Gillespie, you said that you  
20 had a Staff witness who wanted to comment  
21 briefly.

22 MR. GILLESPIE: Yes, Your Honor;  
23 Mr. David Jones.

24

25

1  
2                    DAVID H. JONES, called as a witness  
3 by and on behalf of the Commission Staff, being first duly  
4 sworn, testifies as follows, viz:

5                    DIRECT EXAMINATION

6 BY MR. GILLESPIE:

7                    Q                    Sir, would you, please, state your  
8 name and position for the record?

9                    A                    I'm David H. Jones, Senior Utilities  
10 Specialist in the Division of Communications for the  
11 Commission.

12                    Q                    Mr. Jones, have you had an opportunity  
13 to review the initial tariff that has been filed by MCI  
14 Telecommunications of Virginia, United States Transmission  
15 Systems of Virginia, TDX Systems, Inc. of Virginia,  
16 SouthernTel of Virginia, and GTE Sprint of Virginia?

17                    A                    Yes, I have.

18                    Q                    Would you, please, tell the Commission  
19 what the results of your review have been?

20                    A                    Overall, having gone through each  
21 tariff, I've found that these tariffs are reasonable.  
22 It's a difficult word to use in trying to define, but,  
23 in essence, the tariffs offer services similar to those  
24 services provided in the State in the intraLATA market  
25 by AT&T now. That might be a measured toll service; we

2 are familiar with private line service and resale as the  
3 appropriate applicants have stated.

4 I didn't find the tariffs to be unduly  
5 cumbersome to get through. I think if a customer can  
6 understand tariffs in effect today by the local exchange  
7 companies and AT&T, they can understand these. (Laughter)  
8 That says a lot in a word, but I didn't have any real  
9 problem with the tariff.

10 There are a few areas, I think, as  
11 sort of a housekeeping clean-up nature, and I have spoken  
12 with most of the Applicants about this, and I think those  
13 things can be corrected, and I wouldn't mind sort of  
14 hitting on those points if that's--

15 Q Would you, please, tell the Commission  
16 your areas of concern?

17 A Primarily, our Rule 11 dealing with  
18 the notice of change of rates. Since some of the carriers  
19 more or less incorporated their FCC tariffs, those tariffs  
20 provide a lesser time period ranging from one to five days,  
21 and based on the fact that all the Applicants state they  
22 fully intend to comply with the rules, I would suggest that  
23 they make some changes in their tariffs to state what type  
24 of notice or state that notice will be given for rate  
25 changes commensurate with Rule 11.

2 And I also concur with, I believe,  
3 the expressed intent of all the carriers, proposed  
4 carriers, to state that they only provide-- the tariffs  
5 only cover interLATA service within the State. Overall,  
6 again, the tariffs purport to provide a service that,  
7 in my opinion, will offer customers similar type services  
8 that they can find today and offer them the chance to  
9 move to alternative carriers of their choice.

10 MR. GILLESPIE: Thank you, Mr. Jones.

11 COMMISSIONER SHANNON: Are there  
12 differences in the rate levels?

13 THE WITNESS: Yes, sir. There are  
14 differences in--

15 COMMISSIONER SHANNON: Do you recall  
16 which has the lowest rate?

17 THE WITNESS: It's hard to say,  
18 Judge Shannon, because the different rate  
19 schedules have different mileage bands, and  
20 some have a-- just a one rate per minute of  
21 use with volume discounts. Most have volume  
22 discounts. The more you call the greater  
23 discount you get on your calling, so it's  
24 difficult to say.

25 And I was interested in hearing

1 the spokespersons for the carriers state that  
2 their tariffs were less than-- rates were  
3 less than AT&T, and I take them on their  
4 face value there. When I looked through  
5 them, I could see that they tended to be less  
6 than or equal to, rarely-- it would depend on  
7 the usage, but I would say at this point in  
8 time they appear to be less than AT&T's.

9  
10 COMMISSIONER SHANNON: Of course,  
11 your comments are directed to the initial  
12 tariff--

13 THE WITNESS: That's correct.

14 COMMISSIONER SHANNON: --and  
15 certificate, that given freedom under the  
16 new statute, they will not have to file  
17 those tariffs with this Commission.

18 THE WITNESS: We'd only request  
19 that they give us some type of notice  
20 because I fully believe that the consumer  
21 in Virginia will still call us if they  
22 don't know what's going on, and I would  
23 like to think that we know what's going on.

24 COMMISSIONER SHANNON: That would  
25 be information, even though we wouldn't

require it, they might want to do that just as a matter of policy.

THE WITNESS: We can verify for them that rates change and that notice has been given and that our rules are followed even though we don't regulate the rate levels.

COMMISSIONER SHANNON: Any questions of Mr. Jones?

MR. GAMBARDILLA: Your Honor, I have a couple.

COMMISSIONER SHANNON: Mr. Gambardella.

#### CROSS EXAMINATION

BY MR. GAMBARDILLA:

Q Mr. Jones, it's true, isn't it, that they can also, if certified, change the terms and prices in these tariffs without notification, isn't it?

A They follow the rules, and this-- I may not understand exactly what your question is, but the rules require that they give notice that changes are being made, and there is no attachment to whether or not the rates are regulated, the way I understand the rules.

Q Did you make any examination of the comparative rate levels in terms of whether they were



above cost, below cost, right on cost?

A I don't believe that is very possible in an initial application. I don't believe any carrier or any public service company at this point in time-- you'd have to go with rates that appear reasonable and to cover the costs.

I went back, short of hedging on the FCC tariff that they had, if they were using those tariffs in the interstate jurisdiction, I tend to think they wouldn't continue using them if they were not profitable, and I would follow that to the states, also.

Q So you don't have any idea, then, whether they might be passing below costs in Virginia and pricing significantly above costs in another state?

A I couldn't really answer that because you have to consider in an intrastate service that you have more short haul comparative to an interstate service, and to the extent that the short-haul rate may not cover the cost, that would be the case in Virginia.

Q Did you make a detailed examination of the potential competitive impact of any of the terms of these tariffs?

A You'll have to clarify what you mean.

2 I don't--

3 Q Did you do any economic analysis of  
4 the particular terms of these tariffs to determine they  
5 would increase competition or decrease competition?

6 A By "terms," do you mean things like  
7 deposits, cost of obtaining the service?

8 Q Yes, sir.

9 A No, I didn't do an economic analysis  
10 of it.

11 MR. GAMBARDELLA: That's all I have,  
12 Your Honor.

13 COMMISSIONER SHANNON: All right.

14 Any further questions?

15 Thank you, Mr. Jones, you may step  
16 down.

17 \* \* \* \* \*

18 WITNESS STOOD ASIDE

19  
20 COMMISSIONER SHANNON: And I take it  
21 that this concludes the case of the five  
22 Applicants.

23 Mr. Brundage.

24 MR. BRUNDAGE: Yes, Your Honor,  
25 just a housekeeping point here. In USTS'

1  
2 Application, 840024, I had proffered Exhibit 1,  
3 the interrogatories, and I have additional  
4 copies of that now.

5 COMMISSIONER SHANNON: All right.  
6 If you will distribute those, they will be  
7 appreciated.

8 Let the Commission have a set of  
9 those.

10 COMMISSIONER SHANNON: Anything  
11 further?

12 MR. MOORE: May I ask a question?

13 COMMISSIONER SHANNON: Yes.

14 MR. MOORE: Is the Commission going  
15 to adjourn now so that you will simply give  
16 notice that the Staff is satisfied?

17 COMMISSIONER SHANNON: I was going  
18 to comment on that.

19 MR. MOORE: I'm sorry. Thank you,  
20 Your Honor.

21 COMMISSIONER SHANNON: First of  
22 all, I wanted to thank everybody for their  
23 professional manner in which the case has  
24 been presented. You've done a very good  
25 job, and it's been very helpful, and we

1  
2 have a good record.

3 I was going to suggest-- I'm going  
4 to tell you that we're going to take all five  
5 of the Applications under advisement, but I  
6 want to urge that the Applicants get together  
7 with the Commission Staff just as quickly as  
8 they can to work out this Rule 2 problem we  
9 have, and I'm going to let Mr. Gillespie and  
10 the Staff determine how that would be done.  
11 It probably should be-- maybe done on an  
12 individual basis because you don't want to  
13 discuss among your competitors what your costs  
14 are-- I understand that-- and the Commission  
15 is certainly taking under consideration all  
16 of your requests for the protection of pro-  
17 prietary information, and we will rule on that  
18 when we issue our final ruling in this case.

19 I want to make it abundantly clear--  
20 my colleagues here remind me that on this  
21 question of the Rule 2 on the loss of revenue,  
22 the Commission's got to be satisfied, not the  
23 Staff. The Staff is not making the decision  
24 in other words, and I think that will relieve  
25 your mind, Mr. Moore.

1  
2 MR. MOORE: Yes, sir.

3 COMMISSIONER SHANNON: I'm not  
4 disparaging the Staff. They do a very  
5 admirable and commendable job as demonstrated  
6 in this case.

7 I don't think there is anything  
8 further to come before the Commission.

9 Now, we have another case this  
10 afternoon at 2 o'clock so we'll stand in  
11 recess until 2 o'clock in this same courtroom.

12  
13 NOTE: The hearing was concluded  
14 at 12:45 p.m., July 27, 1984.  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25