

**BROADBAND INTERNET ACCESS TRANSMISSION SERVICE  
WHOLESALE SERVICE GUIDE AND WHOLESALE RATES  
GENERAL**

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1.1 General Regulations

Nelson Telephone Cooperative (“Cooperative”) is an Incumbent Local Exchange Carrier (ILEC). The service provided under these terms and conditions is the transport component of wireline broadband Internet access transmission service, as defined in the Federal Communications Commission’s Report and Order in CC Docket Nos. 02-33 and 01-337 released September 23, 2005, FCC 05-150 (“Broadband Internet Order”). These terms and conditions are intended to comply with the requirements for permissive detariffing of the transmission component of wireline broadband internet access service as set forth in the Broadband Internet Order.

1.2 Limitations of Service

Service is offered subject to availability of the necessary facilities and/or equipment and subject to the provisions of these terms and conditions. The Cooperative reserves the right not to provide service where the necessary facilities or equipment are not available.

The Cooperative reserves the right to discontinue or suspend furnishing service, without written notice, when necessitated by conditions beyond its control, when the customer is using the service in violation of the provisions of these terms and conditions or in violation of the law, or the network is or could be placed in peril by the customer’s use.

Title to all facilities provided by the Cooperative under these terms and conditions remains with the Cooperative.

1.3 Basic Terms and Conditions of Service

Service is offered on a monthly basis. For purposes of computing charges, a month is considered to have 30 days. The minimum period for which service is provided to the customer and for which charges are applicable is one month.

1.4 Billing and Payment

The Cooperative shall bill on a current basis all charges incurred by and credits due to the customer. The Cooperative shall bill in advance charges for all services to be provided during the ensuing billing period.

Bills will be payable upon receipt. Interest at the rate of 1.5% per month (unless a lower rate is prescribed by law, in which event at the highest rate allowed by law) may be applied in accordance with Cooperative’s standard credit policy to any unpaid amount commencing 30 days after the statement date.

The Cooperative may require the customer to submit a formal credit application. Applicant for service or customer whose financial condition is not acceptable to the Cooperative or is not known to the Cooperative may be required at any time to make a deposit up to an amount equaling the installation charges, if applicable, and/or up to three (3) months actual or estimated charges for the services to be provided. The Cooperative may also require customer to provide other assurances of payment through the use of credit cards, bank accounts, debits or similar means. In the case of a cash deposit, interest at the rate paid in that locality for escrow accounts, not to exceed 6% simple interest, will be paid for the period which the deposit is held by the Cooperative. At the Cooperative’s option, such deposit may be refunded or credited to the customer at any time prior to termination of service.

For purposes of billing, the start of service is the same day of acceptance by the customer of the Cooperative’s service. The end of service is the last day after receipt by the Cooperative of notification of discontinuance.

The Cooperative, at its option, may terminate service for nonpayment after written notice has been provided to the customer for delinquency.

When payment for service is made by check, draft or other negotiable instrument, a reasonable handling charge of \$50.00 will be assessed for each time such item is returned unpaid to the Cooperative for any reason except to the extent limited by law.

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The customer shall give the Cooperative prompt written notice of any disputed charges appearing on an invoice. After receiving notice of dispute, the Cooperative shall take reasonable steps to resolve such dispute. The customer shall pay all non-disputed charges while resolution of the disputed charges is pending.

In the event that legal action is instituted by the Cooperative to recover any sums due and Cooperative prevails, the Cooperative shall be entitled to recover its costs of collection, legal costs, court costs and reasonable attorney's fees, in addition to whatever relief the court may award. Any sums then due shall earn interest at the rate of 1.5% simple interest per month (unless a lower rate is prescribed by law, in which event at the highest rate allowed by law) from the date these sums were accrued until the entire debt is paid in full.

1.5 Liability

The entire liability of the Cooperative for all claims of whatever nature arising out of the Cooperative's provision of the services and not caused by the customer's negligence, shall not exceed an amount equal to the proportionate fixed monthly charges to the customer for the period of service during which any mistake, omission, interruption, delay, error or defection in the services of the Cooperative's equipment of any other event of action giving rise to a claim occurs. The Cooperative's liability for its willful misconduct, if any, is not limited by these terms and conditions. In no event shall the Cooperative be liable for special, punitive, consequential or incidental damages. The Cooperative disclaims any express or implied warranties with respect to the services of Cooperative equipment, including without limitation, any implied warranties or merchantability and fitness for a particular purpose.

The Cooperative is not liable for any act of omission of any other Cooperative or companies furnishing a portion of the service.

The Cooperative shall be indemnified and held harmless by the customer against:

- (A) Claims for libel, slander infringement of copyright or unauthorized use of a trademark, trade name, or service mark arising out of the material, data, information, or other content transmitted over the Cooperative's facilities.
- (B) Claims for patent infringement arising from combining or connecting the Cooperative's facilities with apparatus and systems of the customer.
- (C) All other claims arising out of any act of omission of the customer in connection with any service provided by the Cooperative.

The Cooperative shall not be liable for and the customer indemnifies and hold the Cooperative harmless from any and all loss, claims, suits, or other actions, or any liability whatsoever, whether suffered, made, instituted or asserted by the customer or any other party or persons, for any personal injury to, or death of any person, or persons, and for any loss, damages, defacement or destruction of the premises of the customer of any other property, whether owned by the customer or others, of for any incidental, special or consequential damages, including interruption to business, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, removal, presence, condition, location or use of any equipment provided by the Cooperative or wiring provided by the Cooperative where such installation, operation, failure to operate, maintenance, condition, location or use is not the direct result of the Cooperative's intentional acts. No agent or employees of other companies shall be deemed to be agents or employees of the Cooperative.

1.6 Interruption of Service

Credit allowance for interruptions of service which are not due to the Cooperative's testing or adjusting, or due to negligence of the customer, or to the failure of channels, equipment and/or communications systems provided by the customer, are subject to the general liability provisions set forth herein. It shall be the obligation of the customer to notify the Cooperative of any interruption in service. Before giving such notice, the customer shall ascertain that the trouble is not being caused by any action or omission of the End User subscriber, not within his control, or is not in the wiring or equipment connected to the terminal of the Cooperative.

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1.7 Discontinuance by Cooperative

The Cooperative, by written notice to the customer, may immediately discontinue service or cancel an application for service without incurring any liability for any of the following reasons:

- (A) Nonpayment of any sum due to the Cooperative for service for more than 30 days beyond the date of rendition of the bill for such service;
- (B) A violation of any regulation governing the service under these terms and conditions;
- (C) A violation of any law, rule or regulation of any government authority having jurisdiction over the service;
- (D) The Cooperative is prohibited from furnishing services by order of a court or other government authority having jurisdiction.

1.8 Cancellation by Customer

Service will be provided until canceled by the customer. If the customer orders service and then cancels the order before the service begins, before completion of the minimum period, or before completion of some other period mutually agreed upon, in writing, by the customer and the Cooperative, a charge will be made to the customer for the nonrecoverable portions of expenditures or liabilities incurred expressly on behalf of the customer by the Cooperative and not fully reimbursed by any assessed installation, minimum, or monthly charges (including those for the minimum service period). If, based on such an order, any construction has either begun or been completed, and no service provided, the nonrecoverable cost of such construction shall be borne by the customer.

1.9 Inspection, Testing and Adjustment

Cooperative may, upon reasonable notice, make such tests and inspections as may be necessary to determine whether the requirements of these terms and conditions are being complied with in the installation, operation or maintenance of the customer's or the Cooperative's equipment. The Cooperative may interrupt the service at any time, without penalty to itself, because of departure from any of these requirements except as provided below.

Upon reasonable notice, the facilities provided by the Cooperative shall be made available to the Cooperative for such tests and adjustments as may be necessary to maintain them in satisfactory condition. No interruption allowance will be granted from the time during which such tests and adjustments are made.

1.10 Change of Service Arrangement

When a change in service arrangement involves the continued use by the customer of circuits furnished by the Cooperative, installation charges do not apply to the circuits continued in use. The minimum service period for the circuits continued in use is determined from the date of the initial installation.

1.11 Taxes and Surcharges

Customer will be billed for and is liable for payment of all applicable federal, state and local taxes, surcharges, utility, other assessments, taxes or fees including such amounts as the Cooperative may be authorized to pass through to the customer.

When utility or telecommunications assessments, gross receipts taxes, regulatory fees, franchises fees, or privilege, occupational, excise, or other similar taxes or fees, based on interstate receipts are imposed by certain taxing jurisdictions upon the Cooperative, the amounts of such taxes or fees may be billed to customers in such a taxing jurisdiction on a prorated basis. The amount of charge that is prorated to each customer's bill is determined by the services provided to and billed to a customer service location in such a taxing jurisdiction with the aggregate of such charges equal to the amount of the tax or fee imposed upon the Cooperative.

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1.12 Credit Regulations

Pursuant to limitations set forth in Section 1 preceding, the following will apply:

Interruption of Service

No credit will be allowed for relinquishing facilities in order to perform routine maintenance.

Credit for failure of service or equipment will be allowed only when such failure is caused by or occurs in facilities or equipment provided by the Cooperative. As used in these terms and conditions, all equipment, facilities and/or services for which the Cooperative renders a bill for payment are considered provided by the Cooperative whether or not the equipment, facilities and/or service are owned and operated by the Cooperative.

No credit will be allowed for:

- (A) Failure of service or equipment due to customer or authorized user-provided facilities.
- (B) Failure of service or equipment due to negligence of willful act of the customer or his authorized user.
- (C) Unauthorized use by agents, employees, or representatives of the customer. Credit allowance for failure of service or equipment starts when the customer notifies the Cooperative of the failure or when the Cooperative becomes aware of the failure, and ceases when service has been restored and/or the equipment becomes operational.

The customer shall notify the Cooperative of failures of service or equipment and make reasonable attempts to ascertain that the failure is not caused by the customer-provided facilities.

Credit will be allowed only for the disabled portions of the service or equipment.

The Cooperative, at its option, may deny a customer request for credit in accordance with Cooperative's standard credit policy against charges incurred of service provided by another Cooperative where notification of alleged inferior or inadequate service has not been received by Cooperative's Customer Service Department within 24 hours of the occurrence. No credit will be allowed absent such notification.

Outage Credit

For the purposes of these terms and conditions, all months contain 30 days. Service and equipment offered by the Cooperative are on a 24-hour per day, seven days a week basis unless specifically stated otherwise.

For purposes of credit computations, every month shall be considered to have 720 hours.

No credit shall be allowed for an interruption of less than 24 hours.

The customer shall be credited for an interruption of 24 hours or more at the rate of 1/30th of the monthly recurring charge for the facilities affected for each period of 24 hours or major fraction thereof.

Cancellation Credit

Where the Cooperative cancels a service or the provision of equipment and the final service period is less than the monthly billing period, a credit will be issued for any amounts billed in advance, prorated by 1/30th of the monthly recurring charge equipment was provided. This credit will be issued to the customer or applied against the balance remaining on the customer's account.

When the customer or the Cooperative cancels a service or feature associated with a service, associated monthly recurring charges previously billed will not be refunded or prorated for any unused portion of the current billing period.

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SERVICE DESCRIPTION**

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2.1 Digital Subscriber Line Access Services

Digital Subscriber Line (DSL) Access Services provide transmission services over local exchange service facilities that can be used for simultaneous voice and data communications. Service is provided, where available, between the customer's End User designated premises and designated Cooperative Serving Wire Center. The customer purchases DSL Access Service, as described following, for the purpose of combining these services with its own information service(s) to create a new retail service for sale to its end user customers.

2.2 Digital Subscriber Line Access Service Offerings - General

The Cooperative will offer Asymmetric Digital Subscriber Line (ADSL) Access Service, and may also offer Symmetric Digital Subscriber Line (SDSL) Access Service, based on the Cooperative's determination. The Cooperative reserves the right to determine which of these services it will make available for wholesale purchase. This service guide will refer to ADSL and SDSL collectively as DSL, unless a distinction is implied.

DSL enables data traffic generated by a customer-provided modem to be transported to a DSL Access Connection Point using the Cooperative's local exchange service facilities. A DSL Access Service Connection Point is an interconnection point designated by the Cooperative that aggregates data traffic from and to Cooperative DSL equipped Serving Wire Centers (SWCs). The DSL Access Service Connection Point may be located within the operating territory of the Cooperative or in the operating territory of another Cooperative provided both companies agree on such an arrangement.

When both the DSL-equipped SWC and its associated DSL Access Service Connection Point are located within the Cooperative's operating territory, the customer's DSL Access Service must be connected to a single Internet Service Provider (ISP) using the Cooperative's Special Access, or Ethernet Transport service provided under the Cooperative's Access Service Tariff.

When both the DSL-equipped SWC from which the Cooperative provides DSL service is located within the Cooperative's operating territory and its associated DSL Access Service Connection Point is located in the operating territory of another Cooperative, the customer's DSL Access Service must be connected to a single Internet Service Provider (ISP) using the Special Access, or Ethernet Transport service offered by the other Cooperative.

DSL Access Service is available as two service options: DSL Voice-Data and DSL Data-Only.

- (A) The DSL Voice-Data offering provides transmission of data signals at peak data transmission speeds using the Cooperative's existing local exchange service line for simultaneous voice and data communications.
- (B) The DSL-Data-Only offering provides transmission of data signals at peak data transmission speeds using the Cooperative's existing local exchange service line and does not provide the ability to transmit voice communications.

Limitations

DSL Access Service is available as two service options described above and several maximum upstream/downstream speed offerings as provided for in Section 3. Maximum upstream speed is from the End User customer's equipment to the DSL Access Connection Point and maximum downstream speed is from the DSL Access Service Connection Point to the End User customer's equipment.

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2.2 Digital Subscriber Line Access Service (Cont'd)

The Cooperative does not provide customer premises equipment (CPE) in conjunction with the DSL Access Service offering.

DSL Access Service may not be used in conjunction with multi-point Special Access Service configurations.

DSL Access Service will be furnished where suitable facilities exist as determined by the Cooperative.

DSL Access Service will be provided over Cooperative local exchange service facilities. When the customer orders the DSL Voice-Data option, the rates and regulations for DSL Access Service are in addition to any rates and regulations that apply for the associated local exchange service line provided under the terms and conditions in the Cooperative's general and/or local exchange service tariffs. The Cooperative will automatically disconnect the DSL Access Service Voice-Data option when the associated local exchange service line is disconnected for any reason.

Rates and regulations for Special Access Services, and Ethernet Transport Access Service, provided under the Cooperative's access tariff, will apply for the access service(s) provided between the ISP's customer designated premises and the DSL Access Service Connection Point.

Undertaking of the Cooperative

The Cooperative will provide DSL Access Service at rates and charges mutually agreed to by the ISP and the Cooperative, as follows:

- (A) The Cooperative will determine if the associated local exchange service line or facility is suitable for use with the DSL Access Service option ordered by the customer. Service will not be provided on lines or facilities that the Cooperative determines are not suitable for DSL Access Service or on lines or facilities that produce interference with other services provided by the Cooperative.
- (B) The Cooperative, after determining if the facilities are suitable for DSL Access Service, will notify the customer if the customer's CPE is compatible with the equipment deployed in the Cooperative's SWC and, if any additional CPE is necessary to support DSL Access Service.
- (C) The Cooperative will provision and maintain DSL Access Service from the DSL Access Service Connection Point to the Point of Termination at the DSL Access Service customer's End User customer premises.

Obligations of the Customer

In addition to the regulation described in other section of these terms and conditions, the following provisions apply to DSL Access Service:

- (A) The customer is responsible for providing the Cooperative with the necessary information to provision DSL Access Service (e.g., customer name, telephone number and premises address; billing name and address when different from the customer name and premises address; its Internet Protocol (IP) address; and the contact name and telephone number of the ISP with which the customer's DSL Access Service will interconnect).
- (B) The customer is responsible for providing and maintaining all required CPE, which is compatible with the DSL Access Service.

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2.2 Digital Subscriber Line Access Service (Cont'd)  
Obligations of the Customer (Cont'd)

- (C) The customer will deal directly with its end user customers with respect to all matters pertaining to the service provided, including marketing, sales, ordering, installation, maintenance, trouble reporting, repair, billing and collections. The customer will not direct its end users to contact the Cooperative for any aspects of the service the customer provides.
- (D) The customer will submit orders for DSL Access Service to the Cooperative in a format and manner designated by the Cooperative.
- (E) The customer will obtain the appropriate authorization to allow the Cooperative to provision DSL Voice-Data Access Service over the customer's end user's existing telephone exchange service line.

Rate Regulations

This section contains the regulations governing the rate and charges that apply for DSL Access Service. Regulations governing the rates and charges for Special Access Services, and Ethernet Transport Access Service, used in conjunction with DSL Access Service, are as specified in the Cooperative's Access Service Tariffs.

(A) Minimum Period

The minimum period for which DSL Access Service is provided to a customer and for which charges are applicable is one month.

(B) Moves

A move involves a change in the physical location of the Point of Termination at the DSL Access Service End User customer's designated premises or of the DSL Access Service End User customer designated premises. When the move is to a new location within the same building, the charge for the move will be an amount equal to one half of the nonrecurring (i.e., installation) charge for the service affected. Moves to a different building will be treated as a discontinuance and start of service and all associated nonrecurring charges will apply.

(C) Temporary Suspension of Service

When the associated local exchange service line over which the DSL Voice-Data option is provided is temporarily suspended, the DSL Voice-Data Access Service and one-half of the DSL Voice-Data Line Charge monthly rate will be temporarily suspended for the time period that the associated local exchange service is suspended.

(D) Changes to Existing Service

All changes to existing DSL Access Service (e.g., a change of ISP and restoration of the DSL Access Service following disconnect for non-payment of charges and/or a disconnect of the associated local exchange service line for any reason), other than changes involving DSL option conversions, DSL network reconfigurations and administrative activities, as described below, will be treated as a discontinuance of the existing service and an installation of a new service. A nonrecurring installation charge will apply per DSL Access Service line for this work activity.

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**RATES AND CHARGES**

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3.1 ADSL Access Service Basic Pricing Arrangements:

ADSL Line Charge, for service having a maximum upward speed of 3 Mbps, and a maximum downward speed of 20 Mbps, subject to Central Office and Outside Plant capabilities

	Monthly <u>Rate</u>	Nonrecurring <u>Charge</u>
Per Voice Data Option,	\$20.00	\$50.00
Per Voice Data Option, 500 units minimum	\$15.00	\$50.00
Per Voice Data Option, 500 units, 3-Year Term	\$12.00	\$50.00

ADSL Quantity Deficiency Charge – The monthly rate for all Line Charges reverts to the individual per line rate if quantity purchase in any month drops below the 500 minimum.

ADSL Early Termination Charge – An Early Termination Charge will apply if the customer commits to DSL under a 3-Year Term and terminates service prior to the end of the 3-Year Term. The early termination charge is equal to the number of months remaining in the term agreement times the monthly rate under the 3-Year Term. For example, if a customer signed up for DSL under a 3-Year Term and terminates DSL after two years, the early termination charge would be twelve (that is, 36 - 24 months) times the monthly contracted rate.

3.2 Video Line Service Charges, over ADSL or SDSL Service Arrangements:

Video Line Charge, for one-way video delivery, providing video capability on downward-only service with a maximum downward speed of 10 Mbps or more, subject to Central Office and Outside Plant capabilities

	Monthly <u>Rate</u>	Nonrecurring <u>Charge</u>
Per Voice Data Option,	\$10.00	\$ 0.00
Per Voice Data Option, if DSL not also present	\$15.00	\$50.00