



***WHOLESALE CUSTOMER SERVICE  
POLICY, RATES, TERMS AND CONDITIONS OF SERVICE  
FOR  
TELECOMMUNICATIONS***

*December 12, 2006*

# ***BENTON PUD***

## **WHOLESALE CUSTOMER SERVICE POLICY, RATES, TERMS AND CONDITIONS OF SERVICE FOR TELECOMMUNICATIONS**

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## **PUBLIC UTILITY DISTRICT NO. 1 OF BENTON COUNTY**

### **WHOLESALE CUSTOMER SERVICE POLICY, RATES, TERMS AND CONDITIONS OF SERVICE FOR TELECOMMUNICATIONS**

**Resolution No. 1919 – December 12, 2006**

#### **1. GENERAL**

The following Wholesale Customer Service Policy, Rates, Terms and Conditions of Service for Telecommunications (Terms) has been adopted by Resolution No. 1863 dated November 8, 2005.

These Terms are established in accordance with Chapters 54.16.330 and 54.16.040 of the Revised Code of Washington and are subject to modification under the legislative authority of Public Utility District No. 1 of Benton County (Utility).

#### **2. DEFINITIONS**

- (a) AID-TO-CONSTRUCTION (AtoC), refers to the Customer or End-User borne portion of the installation costs. See detail in Line Extension Section later in this document.
- (b) CARRIER, refers to the person, firm or corporation, using or desiring to use the Utility's wholesale telecommunications services.
- (c) CUSTOMER, is a Carrier, an ESP, a Peer or an RSP using the Utility's wholesale telecommunications services. Customers are not agents of the Utility and no agency relationship exists.
- (d) UTILITY, when used in these terms, in applications for service or in rate schedules, refers to Public Utility District No. 1 of Benton Country, Washington.
- (e) END-USER, refers to the person, firm or corporation using or desiring to use telecommunications services purchased through an RSP (or ESP).
- (f) ESP (EDUCATIONAL SERVICE PROVIDER), refers to the organization (typically an Educational Service District), using or desiring to use with intent to re-sell to educational institutions, the Utility's wholesale telecommunications services.
- (g) MONTHLY RECURRING CHARGE (MRC), is a fixed amount billed monthly for telecommunications services. See rate schedule.
- (h) NETWORK OPERATING CENTER (NOC), monitors performance and status of the network.
- (i) NON RECURRING CHARGE (NRC) is a one time billing for each new service order. See rate schedule.
- (j) PEER, refers to another utility (or organization with similar peer-type relations to Utility) using or desiring to use the Utility's wholesale telecommunications services.
- (k) POINT OF DELIVERY is the point where the Utility's fiber, cables, wires or wireless apparatus are connected to those of the Customer or End-User. Unless otherwise stipulated in the Service Request, contract, or rate schedules, such connection with overhead/underground fiber optic cable and or low voltage lines the Point of Delivery will be the Telecommunications Network Demarcation Point as defined in RCW 19.28.400.
- (l) PROPERTY LINE is the point at which the Customer or End-User's property begins.

- (m) RSP (RETAIL SERVICE PROVIDER), refers to the person, firm or corporation, using or desiring to use with intent to re-sell to End-User, the Utility's wholesale telecommunications services.
- (n) SERVICE ORDER (SO) refers to the document that defines and requests telecommunications services from the Utility and the process to provide the services.
- (o) TELECOMMUNICATIONS PRODUCTS AND SERVICES is the furnishing or readiness to furnish Ethernet, TDM, Wireless, Point-to-Point, Fixed Wireless, and/or Internet circuit based products, and Network Operating Center (NOC) services.
- (p) WHOLESALE TELECOMMUNICATIONS is the furnishing or readiness to furnish telecommunications transport or other transport methods agreed upon by the Utility for the purpose specified in the application for service or contract and rate schedule or schedules applicable thereto.

### **3. CUSTOMER CRITERIA**

All Customers will be required to complete or provide at a minimum the following:

- 1) An executed Master Service Agreement (MSA).
- 2) A refundable deposit or other surety as required in accordance with the MSA. Customers which are governmental or municipal entities or have specific contracts with the Utility may be exempted from the payment guarantee requirement at the discretion of the Utility.
- 3) Proof and maintenance of commercial general liability (bodily injury and property damage) and comprehensive automobile liability (bodily injury and property damage) insurance, with each policy having maximum limits of not less than \$1,000,000.
- 4) Washington State UBI (business license) number.
- 5) For Customers reselling to End-Users, the following will also be required:
  - a) An Open System Interconnect (OSI) Layer 3 router for provisioning of circuits to End-Users.
  - b) Ability to provide technical support to the End-Users.
  - c) Ability to install and provide End-User services.
  - d) Ability to connect and collect (i.e. billing) functions to End-Users.

The application or Service Order shall set forth all information that the Utility may reasonably require. Until signed by the Utility and by the Customer, the application or Service Order is merely a written request for service and does not in itself bind the Utility to serve, nor does it bind the Customer to take service for a longer period than the minimum requirements (if any) of the rate schedule. Setup fees are not refundable in any amount.

#### 4. SERVICE LIMITATIONS AND ACCEPTABLE USE

To ensure that all Utility Customers experience reliable service, the Utility requires each Customer to adhere to the limitations, terms and conditions shown below.

- (a) Transmission, distribution or storage of any material in violation of any applicable law or regulation is prohibited.
- (b) Unauthorized use, or forging, of mail header information is prohibited (e.g., "spoofing").
- (c) Unauthorized attempts by a user to gain access to any account or computer resource not belonging to that user is prohibited (e.g., "cracking").
- (d) Obtaining or attempting to obtain service by any means or device with intent to avoid payment is prohibited.
- (e) Unauthorized access, alteration, destruction, or any attempt thereof, of any information of any Utility Customer or End-User by any means or device is prohibited.
- (f) Engagement in any activity that will cause a denial-of-service (e.g., synchronized number sequence attacks) to any Utility Customer or End-User whether on the Utility network or on another provider's network is prohibited.
- (g) Using Utility's products and services to interfere with the use of the Utility network by other Customers or End-Users is prohibited.
- (h) When reselling to End-Users, each Utility Customer is responsible for the activities of its End-User's and representatives, and by accepting service from the Utility, is agreeing to ensure that its End-Users and representatives abide by these Terms. Complaints about End-Users and representatives of a Utility Customer will be forwarded to the End-User's Customer postmaster for action. If violations of the Utility's Terms occur, the Utility reserves the right to terminate services with or take action to stop the offending Customer or End-User from violating the Utility's Terms.
- (i) Each separately operated business activity and each separate building or residence will be considered an individual End-User for billing purposes.

Service shall be used exclusively for the purpose or purposes stated in the Service Order, under which it is supplied.

Should it be ascertained that a Customer is using service under any rate schedule contrary to the purposes stipulated in these Terms, the Utility shall notify the Customer that such use is contrary to the purpose and intent of the Terms and contrary use must be discontinued. Should the Customer fail to discontinue the contrary use of such service within a period of three (3) days, 72 hours, after receiving such notification, the Utility may discontinue service to the Customer or End-User.

Failure of the Utility at any time to suspend service, or to terminate the service, or to resort to any other legal remedy, shall not affect the Utility's rights to resort to any such remedies for the same or any future default, breach or violation by the Customer.

## 5. BILLING AND CONNECTION

- (a) Rate Schedule – Refer to applicable current rate schedule published by the Utility (Schedule A). The rate schedule is subject to change at any time by the Utility.
- (b) Monthly Bills – The Utility renders bills to its Customers on a monthly basis. All bills for telecommunications services are due and payable when rendered and become delinquent twenty (20) days thereafter. Customer is responsible to pay for all services regardless of non-receipt of payment from their customer.
- (c) Past Due Accounts – The Utility in administering these Terms will take the necessary steps, actions, and proceedings as permitted by law for enforcement and collection of all fees, billings, or other charges related to past due accounts. Failure to receive a bill will not release the Customer from obligation of payment. The Utility, under reasonable administrative processes may refuse to connect or may disconnect telecommunications service for violation of any of these Terms, such as, failure to pay charges for telecommunications service when delinquent, violation of Terms or contract provisions, or theft or illegal diversion of telecommunications services.
- (d) Disconnection of service for any of the foregoing causes does not release the Customer from the obligation to pay for services received or charges specified in any existing contract or Service Order. The Utility will not restore such services until compliance with these Terms are assured and delinquent amounts, with reasonable penalties and charges for restoration of service, and necessary security deposits or other payment guarantees have been paid in full or satisfactory arrangements have been made with the Utility.
- (e) Service Charges – When service has been disconnected for fraudulent use or noncompliance with these Terms, or when a service call is necessary to collect an amount owed, or the Utility is required to reconnect as the result of nonpayment or failure to make application for service, a service charge may be levied. The amount of the charge will be the actual cost to the Utility for labor, transportation, overheads and other direct costs.
- (f) Reconnection Charges – When service has been disconnected because of non-payment of telecommunications services, a reconnection charge of \$100 is required to be paid by the Customer if the reconnection is made during regular working hours. When reconnections are made on Saturdays, Sundays, holidays, or outside of regular working hours, the reconnection charge shall be actual cost or not less than \$150.
- (g) Returned Checks – If a check tendered to the Utility, for payment of a bill, is not honored by the Customer's bank, the Utility will charge the Customer an accounting charge of \$30. Such action may result in a special security deposit requirements or disconnection of service.
- (h) After Hour Repairs – If said repairs, improvements or additions are made outside of regular working hours for the convenience of the Customer, the Customer will be required to reimburse the Utility for costs incurred.
- (i) Minimum Service Period – The minimum service period for each Service Order is specified in the Service Order documents. Early termination will result in total cost of the remaining contract period.

## **6. INTERRUPTION OF SERVICE AND SERVICE LEVEL AGREEMENTS**

The Utility will use reasonable diligence to provide an adequate uninterrupted telecommunications service. If the telecommunications service is interrupted without notice for any cause including but not limited to acts of God, floods, fires, accidents, strikes, riots, mobs, public enemy, laws, government regulations, terrorist acts, or failure of equipment or devices, the Utility shall not be liable to Customer or any third party for personal injuries, loss, consequential or other damages resulting there from, nor will such failure constitute a breach of agreement for service. The Utility does not guarantee uninterrupted service. If special service level agreements are required and agreed to by the Utility, such agreement will be noted on the Service Order.

The Utility shall have the right to suspend service without notice for the purpose of making repairs, improvements or additions to its system. Best efforts will be made to ensure appropriate Customers are notified.

**SCHEDULE A**

**RATE Version 5.0**

<b>Transport Connections</b> <b>Local loop price per end</b>	<b>NRC</b> (See Note 2)	<b>MRC</b> (1 – Year Term. See Notes 3 and 4)
10 Mbps	\$500	\$250
25 Mbps	\$500	\$350
100 Mbps	\$500	\$500
1000 Mbps	\$1000	\$2000

<b>Transport Connections for Internet Use</b>	<b>NRC</b> (See Note 2)	<b>MRC</b> (1 – Year Term. See Notes 3 and 4)
<b>Fiber (A layer 2, full-duplex, committed information rate, premium service)</b>		
3-5 Mbps (3 Mbps min. 5 Mbps burst. See notes 1, 6 and 8)	\$300	\$125
5-7 Mbps (5 Mbps min. 7 Mbps burst. See notes 1, 6 and 8)	\$300	\$180
<b>Fixed Wireless (A layer 3, half-duplex, best effort service)</b>		
Residential 2 Mbps	\$100	\$18
Business 1 Mbps (See notes 7 and 8)	\$100	\$36
Business 2 Mbps (See notes 7 and 8)	\$100	\$60

<b>WiFi</b> <b>RF Connection with Internet Access</b>	<b>NRC</b>	<b>MRC</b> (1 – Year Term)
1 Mbps Single User	\$0	\$13
System-Wide Access (unlimited users, unlimited user use each day)	\$200	\$200

<b>Internet Access (See note 5)</b>	<b>NRC</b>	<b>MRC</b> (1 – Year Term)
1 Mbps	\$100	\$335
3 Mbps	\$100	\$804
5 Mbps	\$100	\$1,005
10 Mbps	\$100	\$1,675
20 Mbps	\$100	\$2,881

<b>TDM Connections</b> <b>Local Loop Circuit (2 Ports and bandwidth)</b>	<b>NRC</b> (See Note 2)	<b>MRC</b> (1 – Year Term. See Notes 3 and 4)
DS1	\$1,000	\$150
DS3	\$1,500	\$750
OC3	\$2,000	\$1,250
OC12	\$2,500	\$2,500

**Notes:**

- 1) Sustained burst rates 35% above minimum bandwidth for 60 days will require upgrading to next rate tier. Bandwidth is measured utilizing the 95-percentile method.
- 2) Aid-to-Construction charges may also apply. Aid-to-Construction costs will be estimated per connection request and PUD line extension policy.
- 3) 10% MRC deduction for 5-year term.
- 4) NRCs and MRCs (excluding the WiFi and the Internet Access products) include connection only. Internet Access must be provided by the Customer (RSP or ESP). The RSP or ESP is also required to provide an OSI Layer 3 device on the PUD’s network to manage Customer’s IP address space.
- 5) Internet Access charge does not include Transport Connection, Internet Connection, WiFi, or TDM Connection.
- 6) Connection includes one VLAN.
- 7) Fixed Wireless infrastructure can be configured for layer 2 transport with a PUD-provided switch. This addition includes one VLAN and adds \$200 NRC and \$50 MRC to rates.
- 8) Additional VLANs can be added to these connections. Each additional VLAN will cost \$100 NRC.
- 9) Transport Connections include a reasonable (e.g., 5) number of VLANs for application.
- 10) The PUD reserves the right to charge at anytime for Service Orders (Customer would be notified at time of request before work started).
- 11) Products other than those shown may be available, but pricing will be handled on a negotiated basis.

**LINE EXTENSION POLICY**

It is the policy of the Utility to provide access to telecommunications service for all Customers within its service area, provided that such service extensions are feasible, economically justifiable, environmentally sound (or desirable), and comply with the applicable service extension conditions. If the above mentioned conditions are met, the Utility will install a fiber-optic system, from the backbone or lateral, to a Customer or End-User's premise. The Customer is responsible for all installation costs; however, 75% of the revenue generated by the service contract may be applied toward the costs of installation. All additional costs will be charged to the Customer as an Aid-to-Construction. Installation costs include the costs to purchase and install the conduit system, the fiber-optic cable, the gateway, and any other related equipment. The Customer or End-User may provide a conduit system on their property to the Utility's specifications for installation of the Utility's fiber-optic cable instead of having the conduit system provided by the Utility.