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December 18, 2007

HAND DELIVERY

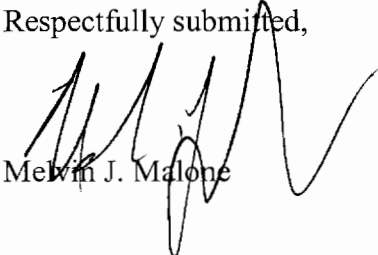
Honorable Eddie Roberson, Chairman
c/o Sharla Dillon, Docket & Records Manager
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

RE: JOINT PETITION OF VERIZON COMMUNICATIONS, INC., MCI COMMUNICATIONS SERVICES, INC. D/B/A VERIZON BUSINESS SERVICES, VERIZON SERVICES CORPORATION AND GOAMERICA RELAY SERVICES CORP. FOR EXPEDITED APPROVAL OF THE ASSIGNMENT OF THE CONTRACT TO PROVIDE RELAY SERVICES FROM VERIZON SERVICES CORPORATION TO GRSC, FOR GRSC TO UTILIZE STELLAR NORDIA SERVICES, LLC AS A SUBCONTRACTOR IN THE PERFORMANCE OF THE CONTRACT, AND FOR THE TRANSFER OF RELATED ASSETS FROM VERIZON BUSINESS SERVICES TO GRSC, TRA Docket No. 07-00204

Dear Chairman Roberson:

In relation to the above-captioned matter, enclosed please find the *Amendment to Contract Between the State of Tennessee, Tennessee Regulatory Authority and Verizon Services Corporation*. I have enclosed a copy of this filing to be file-stamped for our records. If you have any questions or require additional information, please let me know.

Respectfully submitted,



Melvin J. Malone

Cc: Parties of Record

D. Billye Sanders, Counsel for Stellar Nordia Services, LLC

AMENDMENT
TO
CONTRACT
BETWEEN THE STATE OF TENNESSEE,
TENNESSEE REGULATORY AUTHORITY
AND
VERIZON SERVICES CORPORATION

This Amendment is made and entered into as of the Effective Date by and between the State of Tennessee, TENNESSEE REGULATORY AUTHORITY (the "TRA" or "the State"), VERIZON SERVICES CORPORATION ("Assignor") and GOAMERICA RELAY SERVICES CORP. ("GoAmerica" or "Assignee") (hereinafter referred to collectively as "the parties").

Assignee is a for-profit corporation.

Assignee's address is:

GoAmerica Relay Services Corp.
433 Hackensack Avenue, 3rd Floor
Hackensack, New Jersey 07601
(201) 996-1717 Telephone
(201) 996-1772 Fax

Assignee's place of incorporation or organization is Delaware.

Stellar Nordia Services, LLC ("Subcontractor") is a for-profit limited liability company.

Subcontractor's address is:

Stellar Nordia Services, LLC
3100 Cote-Vertu Boulevard
Suite 280
St-Laurent, Quebec
Canada H4R2J8
(514) 858-4797 Telephone
(514) 332-9930 Fax

Subcontractor's place of incorporation or organization is Nevada.

RECITALS

WHEREAS, the TRA and Assignor entered into a Contract for the provision of a Tennessee Relay Services Operation Administrator, effective from September 25, 2006 through September 25, 2011;

WHEREAS, pursuant to Section D.2 of the Contract, the Contract can be modified "only by a written amendment executed by all parties [t]hereto and approved by the appropriate Tennessee State officials;"

WHEREAS, pursuant to Section D.5 of the Contract, the Assignor or the Assignee cannot enter into a subcontract for services performed under the Contract "without obtaining the prior written approval of the State;"

WHEREAS, pursuant to the Asset Purchase Agreement, dated as of August 1, 2007, as amended from time to time, (the "APA"), by and between Assignee and Assignor's affiliate, MCI Communications Services, Inc. ("MCI," and together with Assignor, "Verizon"), MCI has agreed to sell, transfer and assign to Assignee, and Assignee has agreed to purchase from MCI, Verizon's telecommunications relay services ("TRS") business and substantially all of the assets used by Verizon to operate such business;

WHEREAS, among the assets to be transferred or assigned pursuant to the APA is the Contract Between the State of Tennessee, Tennessee Regulatory Authority and Verizon Services Corporation, effective as of September 25, 2006, (the "Contract") by and between the TRA and Assignor (a copy of the Contract is attached hereto as Exhibit A to this Amendment);

WHEREAS, the Assignee has entered into an agreement with Subcontractor under which the Subcontractor shall perform certain of the duties and responsibilities required of Assignee as the Contractor under the Contract;

WHEREAS, at its regularly scheduled December 3, 2007 Conference, the TRA approved, among other actions, the transfer of authority and the assignment of the Contract from Assignor to Assignee (a copy of the TRA's Order in Docket No. 07-00204, which contains such approval, is attached hereto as Exhibit B to this Amendment);

WHEREAS, at the December 3, 2007 Conference, the TRA also approved Certificates of Public Convenience and Necessity for the Assignee and Subcontractor for the operation of the Tennessee Relay Center; and

WHEREAS, it is a condition to the closing under the APA that MCI and GoAmerica obtain all necessary state regulatory approvals, which condition includes all approvals required to assign the Contract;

NOW, THEREFORE, in consideration of these premises and the mutual covenants and agreements set forth in the APA, and after obtaining the required state regulatory approvals from the TRA, the parties hereby amend the Contract in the following manner:

A. ASSIGNMENT AND ASSUMPTION

- A.1 The Assignor assigns, transfers, delegates, and delivers to Assignee, and Assignee accepts and assumes from Assignor, all of Assignor's right, title and interest in, and all obligations and liabilities with respect to the Contract, specifically including but not limited to, the obligations contained in Sections A.11, D.6, and D.7 of the Contract.

B. USE OF A SUBCONTRACTOR

- B.1 The Assignee has entered into an agreement with the Subcontractor under which the Subcontractor shall perform certain of the services provided for in the Contract. For the purposes of the Contract and pursuant to Section D.5 of the Contract, GoAmerica shall remain the "prime contractor" and shall remain responsible for all work performed under the Contract.
- B.2 In accordance with Section D.5 of the Contract, the subcontract between GoAmerica and Subcontractor contains Contract sections D.6 ("Conflicts of Interest") and D.7 ("Nondiscrimination").

C. APPROVAL OF TENNESSEE STATE OFFICIALS

- C.1 The undersigned Tennessee State officials hereby approve the assignment set forth in Section A.1 of this Amendment, as previously approved by the TRA in the Order attached as Exhibit B, and the subcontract as set forth in Section B.1 and B.2 of this Agreement.. The undersigned Tennessee State officials further acknowledge that such approvals are legally sufficient to allow Assignor to assign the Contract to the Assignee and to permit the Subcontractor to perform under the subcontract.

D. MISCELLANEOUS PROVISIONS

D.1 Effective Date. This Amendment shall have no force or effect unless and until the closing under the APA has occurred, at which time this Amendment shall automatically and without further action become effective.

D.2 Amendments. This Amendment and the Contract may not be modified or amended except by written agreement of the parties and approval from the appropriate Tennessee State officials.

D.3 Notice. All notices and other communications hereunder shall be in writing and shall be deemed duly delivered: (i) upon receipt, if delivered personally; (ii) three (3) business days after being mailed by registered or certified mail, postage prepaid, return receipt requested; (iii) one (1) business day after it is sent by commercial overnight courier service; or (iv) upon transmission, if sent via facsimile with confirmation of receipt, to the parties at the following address (or at such other address for a party as may be specified upon like notice):

D.3.1 If to Assignor, to:

Verizon Services Corp.
c/o Verizon Communications Inc.
One Verizon Way
Basking Ridge, New Jersey 07920
Attention: Richard McCarthy, VC61N050
Facsimile: (908) 630-0748
Telephone: (908) 559-5909

with a copy to:

c/o Verizon Communications Inc.
One Verizon Way
Basking Ridge, New Jersey 07920
Attention: Stephen B. Heimann, Esq., VC54S242
Facsimile: (908) 696-2063
Telephone: (908) 559-5695

D.3.2 If to Assignee, to:

GoAmerica Relay Services Corp.
433 Hackensack Avenue, 3rd Floor
Hackensack, New Jersey 07601
Attention: Daniel R. Luis
Facsimile: (201) 996-1772
Telephone: (201) 996-1717

with a copy to:

Chadbourne & Parke LLP
1200 New Hampshire Avenue, NW
Suite 300
Washington, DC 20036
Attention: Dana Frix, Esq.
Facsimile: (202) 974-6791
Telephone: (202) 974-5691

D.3.3 If to the State, to:

Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243
Attention: J. Richard Collier, General Counsel
Facsimile: (615) 741-9934
Telephone: (615) 741-2904, ext. 170

D.4 Governing Law. This Amendment shall be governed by the laws of the State of Tennessee.

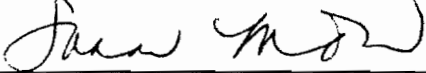
D.5 Headings. The headings used in this Amendment are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Amendment.

D.6 Counterparts. This Amendment may be executed in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same agreement. A facsimile transmission of this Amendment bearing a signature on behalf of a party will be legal and binding on such party.

[Signatures on following page]

IN WITNESS WHEREOF:

VERIZON SERVICES CORPORATION


Sandra O'Brien, Executive Director

12/18/07
Date

GOAMERICA RELAY SERVICES CORP.

Daniel R. Luis, President

Date

TENNESSEE REGULATORY AUTHORITY

Dr. Eddie Roberson, Chairman

Date

APPROVED:

DEPARTMENT OF FINANCE AND ADMINISTRATION:

M. D. Goetz, Jr., Commissioner

Date

DEPARTMENT OF HUMAN RESOURCES:

Not Applicable

Deborah E. Story, Commissioner

Date

COMPTROLLER OF THE TREASURY:

John G. Morgan, Comptroller of the Treasury

Date

IN WITNESS WHEREOF:

VERIZON SERVICES CORPORATION

Sandra O'Brien, Executive Director

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GOAMERICA RELAY SERVICES CORP.

Daniel R. Luis, President

12-18-07

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Daniel R. Luis, President

Date

TENNESSEE REGULATORY AUTHORITY

Dr. Eddie Roberson, Chairman

Date

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M. D. Goetz, Jr., Commissioner

Date

DEPARTMENT OF HUMAN RESOURCES:

Not Applicable

Deborah E. Story, Commissioner

Date

COMPTROLLER OF THE TREASURY:

John G. Morgan, Comptroller of the Treasury

Date

EXHIBIT A

Contract
Between the State of Tennessee,
Tennessee Regulatory Authority
and
Verizon Services Corporation

ORIGINAL

**CONTRACT
BETWEEN THE STATE OF TENNESSEE,
TENNESSEE REGULATORY AUTHORITY
AND
VERIZON SERVICES CORPORATION**

This Contract, by and between the State of Tennessee, TENNESSEE REGULATORY AUTHORITY, hereinafter referred to as the "State" and Verizon Services Corporation, hereinafter referred to as the "Contractor," is for the provision of a Tennessee Relay Services Operation Administrator, to manage a service for use by individuals who cannot access telecommunication by traditional methods and of which Relay is the most efficient technology for their use, as further defined in the "SCOPE OF SERVICES."

The Contractor is A FOR-PROFIT CORPORATION

The Contractor's address is:

Verizon Relay Services
22001 Loudon County Parkway
Ashburn, VA 20147
(703) 886-1419 Telephone
(703) 886-0682 Fax

The Contractor's place of incorporation or organization is Delaware.

A. SCOPE OF SERVICES:

A.1.1 Intrastate and Interstate calling.

The Tennessee Relay Service (TRS) has been established to provide access for the communicatively disabled to the intrastate telecommunications network which is functionally equivalent to that enjoyed by individuals who are not disabled. The communicatively disabled caller had, until the establishment of the TRS, been restricted to communicating over the telephone network with only those individuals who had specialized equipment such as TDDs, TTYs or personal computers. TRS provides telecommunication access to and from the communicatively disabled without the need for the non-disabled to utilize anything other than a telephone.

To access the TRS, 711 abbreviated dialing, in addition to one or more toll-free numbers, shall be provided. These toll-free numbers shall be universally available and shall be uniform throughout the state.

TRS in Tennessee is designed to only accept calls that originate from or terminate at Telecommunication Devices for the Deaf (TDD), Teletypes (TTY), Personal Computers (PC), or any other automated equipment used to facilitate telecommunications service for the communicatively disabled. Such calls shall both originate and terminate within the state. The TRS shall be capable of accepting calls placed across a state line which, if the relay center were not utilized, would be considered local intrastate calls. Individuals with communication disabilities subscribing to Tennessee intrastate service should be able to call or be called by any business or residence that has standard telephone service in Tennessee.

The intrastate relay system will not be required to provide interstate calling. However, the intrastate TRS must be capable of accommodating any interstate TRS that may be authorized or funded through the federal jurisdiction. If the Contractor elects to provide interstate relay calls, these calls must be accounted for separately from intrastate calls and shall not be billed pursuant to any contract.

A.1.2 Voice and Hearing Carry-Over.

The TRS must accept calls from a voice-capable caller who is hearing-disabled and permit this caller to speak his or her own message directly to a call recipient who is hearing capable without such transmission being processed by the relay Communications Assistant (CA). Similarly, the TRS must accept calls from a hearing capable caller who is speech-disabled and permit this caller to receive the transmission directly from the other party without any intervention from the CA. These services are known as voice carryover (VCO) and hearing carryover (HCO), respectively.

A.1.3 Speech-to-Speech Relay.

The TRS shall provide speech-to-speech (STS) relay services for those callers who are speech-disabled. STS calls must be handled by a relay CA who has been specially trained to understand the speech patterns of callers with speech disabilities and can communicate the caller's message.

A.1.4 Spanish and Other Non-English Relay.

The TRS shall provide intrastate and interstate Spanish Relay Services. The TRS shall also provide other non-English relay services as directed by the State or based on changes in the State's demographics which warrants the availability of such service.

A.1.5 Directory Assistance Calls.

The TRS will provide directory assistance without charge, unless otherwise ordered by the State.

A.1.6 Emergency Calls.

The TRS shall accept emergency calls and shall be capable of switching such calls to local emergency numbers although this service will not be recommended or promoted as a replacement of the dialing of local emergency numbers (E-911) which are equipped to handle TDD calls. Relay center callers should be discouraged from utilizing the Tennessee relay system as an emergency response service.

The TRS, when handling incoming calls made to E-911, must have a system that would automatically and immediately transfer the caller to the nearest Public Safety Answering Point (PSAP). If the caller disconnects before being connected to E-911 services, the CA handling the call must orally provide the telephone number of the caller to E-911 officials.

A.2 Access to Relay Center.

Access to the TRS through the abbreviated dialing of 711 shall be provided. In addition to the provision of 711, one or more toll-free numbers shall be provided. 711 abbreviated dialing shall not replace emergency 911. The toll-free numbers shall be universally available and shall be uniform throughout the state.

While the Contractor is not restricted to utilizing only one toll-free number for the relay center, the Contractor will utilize the least amount of numbers as possible for access to the center to eliminate confusion and to promote easy and frequent utilization of the center.

A.3 Relay Call Limitations.

The TRS will be capable of handling any call normally provided by common carriers. Only those calls that are incapable of relay due to lack of existing technology are exempt for handling by the TRS. However, where possible, the Contractor must establish a future handling date to provide relay for such calls when technology becomes available.

A.4 Special Calling Service.

The TRS shall provide its users with conference and three-way calling and other custom calling features as they become available in this state and to the extent technically feasible. Charges assessed to such TRS users shall not exceed the charges assessed by the dominant exchange company serving the exchange from which the call is being placed. Additionally, charges for ancillary services not traditionally provided by the local exchange company, must not exceed the rates assessed to those persons without communication disabilities.

A.5 TRS Technical Service Standards.

- A.5.1 The TRS shall provide relay service for all exchanges 24 hours a day, every day, including holidays.
- A.5.2 There shall be no restrictions on duration or number of calls placed by callers through the relay center.
- A.5.3 The TRS shall be able to accept calls from all FCC type approved customer premise equipment (CPE) which uses either ASCII or BAUDOT formats.
- A.5.4 Transmission circuits shall meet or exceed interexchange performance standards for circuit loss and noise.
- A.5.5 The TRS shall have a sufficient number of CAs, circuit trunks and other facilities to achieve the standards of service required by this RFP.
- A.5.6 The TRS shall comply with all State rules and regulations pertaining to operator services, particularly the provisions of 1220-4-2.23, .24, .25, .26, .27, .28, .29(1) (2) (3), .30, .31, .33, .36, .39 and .41. (See Attachment A).
- A.5.7 The TRS must provide access to each user's interexchange carrier (IXC) of choice, and to all other operator service, to the same extent that such access is provided to voice users.
- A.5.8 The TRS must answer 85% of all calls within ten (10) seconds by any method to prevent the caller's call from being placed in a sequence "to be answered in the order received" or on-hold. The ten (10) seconds timing begins when the call reaches the network of the TRS.
- A.5.9 The TRS shall make available to CAs the use of a "hot key" to be used to alert the TRS user of the presence of a recorded or interactive message for the number called. The TRS shall be capable of allowing the CA to record interactive or recorded messages to be used in order to facilitate the existing call, for the length of the call only.

A.5.10 The TRS shall be able to accommodate calls to pay-per-call services.

A.5.11 To ensure service reliability, the TRS shall be equipped with a back-up service and power capability in accordance with the State rules found in Attachment A, including uninterruptible power sources for emergency use. In addition, the TRS shall have an emergency place of action for service disruption, (e.g., extraordinary weather occurrences or disasters, etc.).

A.6 Turbo Code

A.6.1 The TRS shall provide Turbo Code.

A.7 TRS Operational Standards.

A.7.1 The TRS shall employ a sufficient number of supervisory personnel to oversee CAs and to maintain required service levels. Such supervisors shall meet the same qualifications and have the same training as the CAs they supervise.

A.7.2 CAs shall be subject to personality profiling and screening for suitability for the demands of relay work.

A.7.3 CAs shall be trained in all aspects of hearing and speech disabilities, cultures and language including, but not limited to, American Sign Language (ASL), Standard English Translation, cued speech, finger spelling, manual English, speech-reading and speech-amplification as well as trained to be sensitive to the special needs of the communicatively disabled.

A.7.4 CAs shall be capable of typing a minimum of 60 words per minute and be literate in grammar and spelling.

A.7.5 CAs shall be tested to determine that the requisite proficiency and suitability have been achieved. Documentation of this testing shall be retained by the Contractor, and may be subject to audit.

A.7.6 CAs shall be subject to ongoing training with respect to hearing impaired culture, language and needs sensitivity.

A.7.7 CAs shall adhere to the following standards:

A.7.7.1 CAs shall not intervene or interject personal comments, judgements, or additional information when relaying calls.

A.7.7.2 CAs shall be as transparent as possible to the users of the TRS. They shall avoid use of the third person and shall not intentionally alter the content of the relay calls.

A.7.7.3 CAs shall adhere to the Code of Ethics for Interpreters of the Deaf.

A.7.7.4 CAs shall only leave messages with third parties when instructed to do so by the calling party.

A.7.7.5 CAs shall relay all calls regardless of the obscene or illegal nature of the call.

A.7.7.6 CAs shall not discuss the contents of relayed calls, any caller identifying factors, calling points, or other information about relayed calls other than what is necessary to train other

CAs. Such training shall never refer to specific individuals, places, or content that would disclose to a trainee, or other person confidential information.

A.7.7.7 All communications made by or to a person with a communications disability is a privileged communication and is not subject to disclosure in any court proceeding or otherwise pursuant to T.C.A. § 24-10210.

A.7.7.8 CAs shall disconnect promptly at the end of each call to avoid additional charges. Where a caller or called party refuses disconnection and/or is abusive or uncooperative, the TRS supervisor may intervene to handle the call.

A.7.7.7 CAs may deny completion of relay calls where credit authorization is denied or where a caller is extremely, abusive, harassing, and uncooperative with the CAs. The CA shall document such incidents with intervention, where necessary, by the supervisor.

A.7.7.10 CAs shall provide, when requested by the TRS user and where possible, CA genders at the beginning of the call and, at the time during the call when a transfer of CA is necessary.

A.7.7.11 CAs shall relay a call verbatim unless the relay user requests summarization or interpretation of an ASL call.

A.7.7.12 CAs answering and placing a TTY based relay call must stay with the call for a minimum of ten (10) minutes before being replaced by another CA. CAs answering and placing an STS call must stay with the call for a minimum of fifteen (15) minutes, before being replaced by another CA for the same call.

A.8 Customer Profile.

The TRS shall provide to STS users the option to maintain a customer profile list that includes the name and telephone numbers of frequently called individuals to be used to complete relay calls. Such information shall not be deemed customer proprietary network information under Section 222 of the Communications Act and shall be transferred to the new Contractor from the previous Contractor if a change of Contractor occurs at the end of a contract period or any time during an existing contract.

A.9 Call Rating and Billing Requirements.

A.9.1 The calling or called parties using the TRS shall not be charged for calls originating and terminating within the same toll-free local calling area despite the fact that these calls may be routed through a relay center located outside the toll-free area.

A.9.2 The TRS shall not impose a charge for additional calls that must be made by the relay user to complete a call related to a recorded or interactive message.

A.9.3 All toll calls placed through the TRS shall be rated to the users of the service at the hearing-impaired discount rate applied by the State. These calls shall be rated as if the calls were placed between the originating and terminating call points instead of routed through the relay center. The timing of the call for billing purposes shall begin immediately upon pick-up at the called number. If a caller requests a person-to-person toll call, the timing begins only after the requested person has answered the call.

A.9.4 Calls to 900, 976, or 900-like services or other pay-per-call services shall not be subject to the hearing impaired discount and the caller should be advised accordingly.

A.9.5 Provider compensation billing submitted shall be based on the following assumptions. Any call which is answered by a live relay CA may count as one call for the provider compensation purpose regardless of whether the call is completed to the called party. Duration, for purposes of call measuring for provider compensation shall be from the time a live CA begins to relay a call including giving instructions on how to utilize the service until the call is terminated by the calling or called party, whichever comes first. Calls shall be billed to the contractor on a per minute basis measured by the duration of the call.

A.9.6 TRS shall include a method of providing sufficient billing and collection of information to allow calls to be billed accurately. The system must be capable of providing at a minimum, automatic number identification (ANI), the called number, the billing start and end time, and type of call, i.e., person-to-person, etc. Information local calls are to be retained by the Contractor for service monitoring, auditing and contractor reporting purposes.

A.9.7 The TRS shall forward a record of each billable call to the designated billing agent, i.e., LEC, IXC, etc. within 30 days of the date such service was supplied. The record must contain the telephone number or credit card number for all end user billable calls, i.e., local or toll; originating and terminating numbers; date of the call; start and end time of the call type (person to person), collect, etc; and preferred IXC for interlata calls.

A.10 Federal Communication Commission (FCC) Compliant.

A.10.1 Not limited to these rules in this Contract, the TRS must meet or exceed the FCC's mandatory minimum operational, technical and functional standards necessary to maintain state certification as indicated in CC Docket Number 98-67 et. seq., and amended docket.

A.11 Facility Requirement.

The primary relay center facility shall be located in Tennessee. There may be one or more center locations so long as service quality levels are maintained uniformly throughout the state. The center shall have adequate equipment, furniture and facilities, either owned or leased, to provide TRS for all possible center call volumes. If the TRS is located in a facility offering other services, the relay service shall be isolated appropriately to assure confidentiality standards are upheld. The relay center must be ready for operation by or before September 25, 2006. Off-peak or holiday center traffic as well as some specialized services such as Speech to Speech and other non-English relay services, may be handled at an out-of state center to cut down on the cost of the contractor. However, peak service shall be handled through the Tennessee center.

A.12 Auditing Requirements

A.12.1 The Contractor shall report monthly to the State on the service of the relay center. Such report shall include the following: total number of calls relayed in that month, show a breakdown of the number of calls initiated by non-impaired (voice) and hearing impaired parties handled through the TRS, the average duration of the call, the average speed of answer time, the daily average number of calls in queue, the blockage rate, the average length of time a call is in queue to be answered, and a summary of all relay complaints registered during that month.

A.12.2 The Contractor shall report annually to the State and/or fund administrator on the operations and traffic patterns of the center. On the first day of October in each year of the contract, the Contractor shall submit its annual report to the State which shall include

a summary of all charges to date submitted to the contractor for payment, the monthly call volume for that year for intrastate and interstate calls, the average call duration in each month, and the average monthly cost per call or minute. As a part of the report, the Contractor shall submit the number of personnel stationed in Tennessee and serving the center at that time.

A.13 Outreach and Consumer Related Activities.

A.13.1 The Contractor shall provide Outreach Personnel located in the state of Tennessee to provide outreach and activities to Tennessee relay users.

A.13.2 The Contractor shall work with the local exchange carriers of Tennessee to ensure that the LECs publish in their directories, provide periodically informational billing inserts, place instructions in their telephone directory on how to use the TRS, include the listing of TTY numbers toll-free numbers and instructions on 711 access in the directory and provide relay information through its directory assistance services.

A.13.3 The Contractor shall engage in outreach activities, promotional campaigns and other means of educating the public as to the benefits of TRS. The Contractor shall with the approval of the State and other appropriate officials, develop promotional materials, brochures and educational tools to explain TRS.

A.13.4 The Contractor shall promote the TRS annually by distributing 10,000 brochures, pamphlets, posters or other tangible means of information to the community as well as radio Public Service Announcements statewide.

A.13.5 The Contractor shall establish a Relay Advisory Committee of community members and relay users. This committee shall meet quarterly, at the expense of the relay provider, to discuss the relay and telecommunication needs of the relay users in the state. This committee shall consist of no fewer than five (5) members from the West, Middle and Eastern parts of the state; as well as, members representing the users various relay types.

A.14 The Contractor shall obtain from the State, prior to the effective date of the Contract, a Certificate of Public Convenience and Necessity (CCN) pursuant to Tennessee Code Annotated, Section 65-4-201.

B. CONTRACT TERM:

B.1. Contract Term. This Contract shall be effective for the period commencing on September 25, 2006 and ending on September 24, 2011. The State shall have no obligation for services rendered by the Contractor which are not performed within the specified period.

C. PAYMENT TERMS AND CONDITIONS:

C.1. There shall be no cost to the State for the performance of services under this contract as described in Section A.

The Contractor shall submit monthly invoices for the actual number of intrastate minutes processed through the TRS to the "Fund Administrator" designated by the State. Said invoices shall be submitted in form and substance acceptable to the State and Fund Administrator with all necessary supporting documentation prior to any payment. Such payments from the Fund Administrator shall constitute the entire compensation due the Contractor for services rendered pursuant to this Contract and the Contractor's obligation

hereunder regardless of the difficulty, materials, hours worked, or materials or equipment required. The unit rates of this contract are firm for the duration of the contract and are not subject to increase for any reason unless amended.

C.2 The State or it's designee reserves the right to audit any and all financial and operational aspects of the TRS during the course of this contract.

C.3 In consideration of products and services provided hereunder by the Contractor, the Contractor shall charge per conversation minute for TRS to the TRS Fund Administrator as follows:

Cost Item Description	Cost Per Minute				
	Year 1	Year 2	Year 3	Year 4	Year 5
Tennessee Relay Service per conversation minute	\$1.17	\$1.17	\$1.17	\$1.20	\$1.20

D. STANDARD TERMS AND CONDITIONS:

- D.1. Required Approvals. The State is not bound by this Contract until it is approved by the appropriate State officials in accordance with applicable Tennessee State laws and regulations.
- D.2. Modification and Amendment. This Contract may be modified only by a written amendment executed by all parties hereto and approved by the appropriate Tennessee State officials in accordance with applicable Tennessee State laws and regulations.
- D.3. Termination for Convenience. The State may terminate this Contract without cause for any reason. Said termination shall not be deemed a Breach of Contract by the State. The State shall give the Contractor at least sixty (60) days written notice before the effective termination date. The Contractor shall be entitled to receive compensation for satisfactory, authorized service completed as of the termination date, but in no event shall the State be liable to the Contractor for compensation for any service which has not been rendered. Upon such termination, the Contractor shall have no right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- D.4. Termination for Cause. If the Contractor fails to properly perform its obligations under this Contract in a timely or proper manner, or if the Contractor violates any terms of this Contract, the State shall have the right to immediately terminate the Contract and withhold payments in excess of fair compensation for completed services. Notwithstanding the above, the Contractor shall not be relieved of liability to the State for damages sustained by virtue of any breach of this Contract by the Contractor.
- D.5. Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any of the services performed under this Contract without obtaining the prior written approval of the State. If such subcontracts are approved by the State, they shall contain, at a minimum, sections of this Contract pertaining to "Conflicts of Interest" and "Nondiscrimination" (sections D.6. and D.7.). Notwithstanding any use of approved subcontractors, the Contractor shall be the prime contractor and shall be responsible for all work performed.

- D.6. Conflicts of Interest. The Contractor warrants that no part of the total Contract Amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Contractor in connection with any work contemplated or performed relative to this Contract.
- D.7. Nondiscrimination. The Contractor hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the Contractor on the grounds of disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. The Contractor shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.
- D.8. Records. The Contractor shall maintain documentation for all charges against the State under this Contract. The books, records, and documents of the Contractor, insofar as they relate to work performed or money received under this contract, shall be maintained for a period of three (3) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the State, the Comptroller of the Treasury, or their duly appointed representatives. The financial statements shall be prepared in accordance with generally accepted accounting principles.
- D.9. Monitoring. The Contractor's activities conducted and records maintained pursuant to this Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.
- D.10. Strict Performance. Failure by any party to this Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this Contract shall not be construed as a waiver or relinquishment of any such term, covenant, condition, or provision. No term or condition of this Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties hereto.
- D.11. Independent Contractor. The parties hereto, in the performance of this Contract, shall not act as employees, partners, joint venturers, or associates of one another. It is expressly acknowledged by the parties hereto that such parties are independent contracting entities and that nothing in this Contract shall be construed to create an employer/employee relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.
- The Contractor, being an independent contractor and not an employee of the State, agrees to carry adequate public liability and other appropriate forms of insurance, including adequate public liability and other appropriate forms of insurance on the Contractor's employees, and to pay all applicable taxes incident to this Contract.
- D.12. State Liability. The State shall have no liability except as specifically provided in this Contract.
- D.13. State and Federal Compliance. The Contractor shall comply with all applicable State and Federal laws and regulations in the performance of this Contract.
- D.14. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Contractor agrees that it will be subject to the

exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Contract. The Contractor acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising therefrom, shall be subject to and limited to those rights and remedies, if any, available under *Tennessee Code Annotated*, Sections 9-8-101 through 9-8-407.

- D.15. Completeness. This Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions of the parties' agreement. This Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.
- D.16. Severability. If any terms and conditions of this Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions hereof shall not be affected thereby and shall remain in full force and effect. To this end, the terms and conditions of this Contract are declared severable.
- D.17. Headings. Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.

E. SPECIAL TERMS AND CONDITIONS:

- E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Contract, these special terms and conditions shall control.
- E.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by facsimile transmission, by overnight courier service, or by first class mail, postage prepaid, addressed to the respective party at the appropriate facsimile number or address as set forth below or to such other party, facsimile number, or address as may be hereafter specified by written notice.

The State:

Miki Murphy Klein
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243
615-741-3939, ext 206 (Office Number)
615-741-8953 (Fax Number)

The Contractor:

Verizon Relay Services
Gerald "Jerry" Nelson
Senior Manager
22001 Loudon County Parkway
Ashburn, VA 20147
(703) 886-1419 Telephone
(703) 886-0682 Fax

All instructions, notices, consents, demands, or other communications shall be considered effectively given as of the day of delivery; as of the date specified for overnight courier service delivery; as of three (3) business days after the date of mailing; or on the day the facsimile transmission is received mechanically by the telefax machine at the receiving location and receipt is verbally confirmed by the sender if prior to 4:30

p.m. CST. Any communication by facsimile transmission shall also be sent by United States mail on the same date of the facsimile transmission.

- E.3. Performance Bond. Upon approval of the Contract by all appropriate State officials in accordance with applicable State laws and regulations, the Contractor shall furnish a performance bond in the amount equal to two hundred thousand dollars (\$200,000.00), guaranteeing full and faithful performance of all undertakings and obligations under this Contract for the initial Contract term and all extensions thereof. The bond shall be in the manner and form prescribed by the State and must be issued through a company licensed to issue such a bond in the State of Tennessee.

The Contractor shall obtain the required performance bond in form and substance acceptable to the State and provide it to the State no later than May 19, 2006. Failure to provide the performance bond prior to the deadline as required shall result in contract termination.

In lieu of a performance bond, a surety deposit, in the sum of two hundred thousand dollars (\$200,000.00), may be substituted if approved by the State prior to its submittal.

- E.4. Confidentiality of Records. Strict standards of confidentiality of records shall be maintained in accordance with the law. All material and information, regardless of form, medium or method of communication, provided to the Contractor by the State or acquired by the Contractor on behalf of the State shall be regarded as confidential information in accordance with the provisions of State law and ethical standards and shall not be disclosed, and all necessary steps shall be taken by the Contractor to safeguard the confidentiality of such material or information in conformance with State law and ethical standards.

The Contractor will be deemed to have satisfied its obligations under this section by exercising the same level of care to preserve the confidentiality of the State's information as the Contractor exercises to protect its own confidential information so long as such standard of care does not violate the applicable provisions of the first paragraph of this section.

The Contractor's obligations under this section do not apply to information in the public domain; entering the public domain but not from a breach by the Contractor of this Contract; previously possessed by the Contractor without written obligations to the State to protect it; acquired by the Contractor without written restrictions against disclosure from a third party which, to the Contractor's knowledge, is free to disclose the information; independently developed by the Contractor without the use of the State's information; or, disclosed by the State to others without restrictions against disclosure.

It is expressly understood and agreed the obligations set forth in this section shall survive the termination of this Contract.

- E.5. Date/Time Hold Harmless. As required by *Tennessee Code Annotated*, Section 12-4-118, the contractor shall hold harmless and indemnify the State of Tennessee; its officers and employees; and any agency or political subdivision of the State for any breach of contract caused directly or indirectly by the failure of computer software or any device containing a computer processor to accurately or properly recognize, calculate, display, sort or otherwise process dates or times.
- E.6. Force Majeure. The obligations of the parties to this contract are subject to prevention by causes beyond the parties' control that could not be avoided by the exercise of due care

including, but not limited to, acts of God, riots, wars, strikes, epidemics or any other similar cause.

E.7. Incorporation of Additional Documents. Included in this Contract by reference are the following documents:

- a. The Contract document and its attachments
- b. All Clarifications and addenda made to the Contractor's Proposal
- c. The Request for Proposal and its associated amendments
- d. Technical Specifications provided to the Contractor
- e. The Contractor's Proposal

In the event of a discrepancy or ambiguity regarding the Contractor's duties, responsibilities, and performance under this Contract, these documents shall govern in order of precedence detailed above.

IN WITNESS WHEREOF:

VERIZON SERVICES CORPORATION:

Sandra M. O'Brien, Executive Director

Date

TENNESSEE REGULATORY AUTHORITY

Ron Jones, Chairman

Date

APPROVED:

DEPARTMENT OF FINANCE AND ADMINISTRATION:

M. D. Goetz, Jr., Commissioner

Date

DEPARTMENT OF PERSONNEL:

Not Applicable

Nat E. Johnson, Acting Commissioner

Date

COMPTROLLER OF THE TREASURY:

John G. Morgan, Comptroller of the Treasury

Date

Attachment A

1220-4-2-.23 EMERGENCY OPERATION.

(1) Each telephone utility shall make reasonable provisions to meet emergencies resulting from failures of lighting or power service, sudden and prolonged increases in traffic, illness of operators, or from fire, storm or acts of God, and each telephone utility shall inform employees as to procedures to be followed in the event of emergency in order to prevent or mitigate interruption or impairment of telephone service.

(2) It is essential that all central offices have adequate provision for emergency power. In offices without installed emergency power facilities, there shall be a mobile power unit available which can be delivered on short notice, and which can be readily connected.

Authority: T.C.A. §65-2-102. Administrative History: Original rule certified May 9, 1974.

1220-4-2-.24 CONSTRUCTION WORK NEAR UTILITY FACILITIES.

Even though all contractors working in the vicinity of utility lines or structures are responsible for exercising due diligence in preventing damage to utility property or interruption to utility services, telephone utilities shall, when requested, furnish to contractors appropriate information concerning location of underground conduit, cable, etc., in order to prevent any interruption of service to telephone customers. Nothing in this rule is intended to affect the responsibility, liability, or legal rights of any party under applicable laws or statutes.

Authority: T.C.A. §65-2-102. Administrative History: Original rule certified May 9, 1974.
REGULATIONS FOR TELEPHONE COMPANIES CHAPTER 1220-4-2
April, 2005 (Revised) 9

1220-4-2-.25 PROVISIONS FOR TESTING.

Each telephone utility shall provide or have access to test facilities which will enable it to determine the operating and transmission capabilities of circuit and switching equipment, either for routine maintenance or for fault location.

Authority: T.C.A. §65-2-102. Administrative History: Original rule certified May 9, 1974.

1220-4-2-.26 METER AND RECORDING EQUIPMENT TEST FACILITIES.

(1) Each utility furnishing telephone service, where local exchange billing is based on the number and/or duration of messages shall provide the necessary facilities, instruments, and equipment for testing its metering or recording equipment. Any utility may be exempted from this requirement by the Authority.

Authority: T.C.A. §65-2-102. Administrative History: Original rule certified May 9, 1974. Editorial changes made by the Secretary of State pursuant to Public Chapter 305 of 1995; "Commission" and references to the "Commission" were changed to "Authority" and references to the "Authority"; effective March 28, 2003.

1220-4-2-.27 ACCURACY REQUIREMENTS.

(1) All meters and/or recording devices used to record data and prepare customer's bills shall be in good mechanical and electrical condition, shall be accurately read and shall not involve approximations. All meters and/or recording devices shall accurately perform the following:

(a) For message rate service, where timing of length of message is not involved, the meter and/or recording device shall show accurately the number of completed messages sent by the station which it is measuring.

(b) For message toll service, the meter and/or recording device shall show accurately the number of calls and the time involved in each call and the station making such call.

(c) Where the recording equipment provides coded information that is used to automatically prepare customer bills, accurate interpretation of such coded information is required.

Authority: T.C.A. §65-2-102. Administrative History: Original rule certified May 9, 1974.

1220-4-2-.28 ADEQUACY OF SERVICE.

(1) Each utility shall employ engineering and administrative procedures to determine the adequacy of service being provided to the customer.

Authority: T.C.A. §65-2-102. Administrative History: Original rule certified May 9, 1974.

1220-4-2-.29 BASIC UTILITY OBLIGATIONS.

(1) Each telephone utility shall provide telephone service to the public in its service area. Such service shall meet or exceed the standards set forth in Chapter 1220-4-2. Regulations for Telephone Companies.

(2) Each telephone utility has the obligation of continually reviewing its operations to assure the furnishing of adequate service.

(3) Where a telephone utility is generally operated in conjunction with any other enterprise, suitable records shall be maintained so that the results of the telephone operation may be determined upon reasonable notice and request by the Authority.

REGULATIONS FOR TELEPHONE COMPANIES CHAPTER 1220-4-2

(Rule 1220-4-2-.29, continued)

April, 2005 (Revised) 10

(4) Business office shall be so located and staffed that customers and the public will have convenient access to qualified personnel, including supervisory personnel where warranted, to answer questions relating to services and rates, accept and process applications for service, explain charges on customers' bills, adjust charges made in error and in general, represent the utility to the customer.

(a) Where one business office serves several communities toll-free calling to the business office from such communities shall be provided. By means of directory information or assistance, signs on company buildings and property, newspaper advertising or other methods necessary, the utility shall keep its customers and the public advised as to means of contacting the business office.

(b) Business office services will be available to the customers and the public during the normal hours of the normal work week, excluding holidays and at such other times as may be warranted by circumstances.

(c) It will be the responsibility of the utility to insure that qualified personnel, instructed to be

courteous, considerate and efficient, are available to promptly serve those who contact the business office.

(d) The utility shall inform the customer of any service connection charge to be applied to his bill and the monthly charge for the service ordered, with the exception of business customers not requiring this information, prior to undertaking any action to furnish the service ordered. To customers inquiring about new service, the utility shall provide any information and assistance necessary to obtain service conforming to the customer's needs.

Authority: T.C.A. §§65-202, 65-2-102, 65-4-104, and 65-4-106. Administrative History: Original rule certified May 9, 1974. Amendment filed August 18, 1982; effective September 17, 1982. Editorial changes made by the Secretary of State pursuant to Public Chapter 305 of 1995; "Commission" and references to the "Commission" were changed to "Authority" and references to the "Authority"; effective March 28, 2003.

1220-4-2-.30 TRAFFIC RULES.

- (1) Suitable practices shall be adopted by each telephone utility concerning the operating methods to be employed by operators with the objective of providing efficient and pleasing service to the customers.
- (2) Telephone operators shall be instructed to be courteous, considerate and efficient in the handling of all calls, and to comply with the provisions of the Communications Act of 1934 in maintaining the secrecy of communications.
- (3) All operator-handled calls shall be carefully supervised and disconnects made promptly.
- (4) When an operator is notified by a customer that he has reached a wrong number on a direct dialed call, the customer shall be given credit on his bill when the Claim has been substantiated.

Authority: T.C.A. §65-2-102. Administrative History: Original rule certified May 9, 1974.

1220-4-2-.31 TRANSMISSION REQUIREMENTS.

- (1) Telephone utilities shall furnish and maintain adequate plant, equipment and facilities to provide satisfactory transmission of communications between customers in their service area.

Authority: T.C.A. §§65-202, 65-2-102, 65-4-104, and 65-4-106. Administrative History: Original rule certified May 9, 1974. Amendment filed August 18, 1982; effective September 17, 1982.
REGULATIONS FOR TELEPHONE COMPANIES CHAPTER 1220-4-2
April, 2005 (Revised) 11

1220-4-2-.32 PUBLIC TELEPHONE SERVICE.

- (1) The utility shall establish public telephone service at locations where the public convenience will be served. The Authority may direct installation of a public telephone where it is needed.

Authority: T.C.A. §§65-202, 65-2-102, 65-4-104, and 65-4-106. Administrative History: Original rule certified May 9, 1982. Amendment filed August 18, 1982; effective September 17, 1982. Editorial changes made by the Secretary of State pursuant to Public Chapter 305 of 1995; "Commission" and references to the "Commission" were changed to "Authority" and references to the "Authority"; effective March 28, 2003.

1220-4-2-.33 INTERRUPTIONS OF SERVICE.

Interruptions occur, the utility shall re-establish service' with the shortest possible delay.

(2) Arrangements shall be made to receive customer trouble reports 24 hours daily and to clear trouble of an emergency nature at all hours, consistent with the bona fide needs of the customer and personal safety of utility personnel.

(3) Each telephone utility shall maintain an accurate record of trouble reports made by its customers. This record shall include appropriate identification of the customer or service affected, the time, date and nature of the report, the action taken to clear trouble or satisfy the complaint, and the date and time of trouble clearance or other disposition. This record shall be available to the Authority or its authorized representatives upon request at any time within the period prescribed for retention of such records.

Authority: T.C.A. §65-2-102. Administrative History: Original rule certified May 9, 1974. Editorial changes made by the Secretary of State pursuant to Public Chapter 305 of 1995; "Commission" and references to the "Commission" were changed to "Authority" and references to the "Authority"; effective March 28, 2003.

1220-4-2-.34 SERVICE OBJECTIVES AND SURVEILLANCE LEVELS.

(1) Certain measurements have been shown to be most important in determination of quality of telephone service. The results of these measurements may vary, however, depending on the size of the service area being measured, geography and demography of the service area, types of equipment operated by the telephone utility, season of the year (weather) and number of days in the month being measured. For these reasons, no single statistical standard can serve as a strict demarcation level between "good" and "poor" service for every company in Tennessee.

(2) Accordingly, the Authority has established herein a set of criteria which is generally recognized as being on the one hand, measures of reasonable and economically attainable service, and on the other hand, levels of service which indicate a need for scrutiny of service and corrective action.

(3) Each utility shall make measurements to determine the level of service for each item included in these rules to the extent feasible. In central offices of such size that recording equipment is not presently, or normally installed for the purpose of measuring accurately such functions as dial tone speed and central office overflows, this rule does not mandate the installation of such measuring equipment. Each utility shall, however, make the necessary physical checks and observations in such offices to assure that levels of service on any of the items included herein are being maintained.

(4) These rules require scheduled formal reports on a quarterly basis. In addition where continuing service problems are indicated by failure to meet surveillance levels and/or complaints in individual exchange areas, the Authority may require reports of investigation and corrective action be taken. If unreasonable hardship to a utility or to a customer results from the application of any rule herein prescribed, application may be made to the Authority for the modification of the rule or for temporary or permanent exemption from its requirements. The adoption of these rules by the Authority shall in no way preclude it from altering or amending them pursuant to applicable statutory procedures, nor

REGULATIONS FOR TELEPHONE COMPANIES CHAPTER 1220-4-2

(Rule 1220-4-2-.34, continued)

April, 2005 (Revised) 12

shall the adoption of these rules preclude the Authority from granting temporary exemptions from its regulations in exceptional cases.

Authority: T.C.A. §§65-202, 65-2-102, 65-4-104, and 65-4-106. Administrative History: Original rule certified

May 9, 1982. Amendment filed August 18, 1982; Effective September 17, 1982. Editorial changes made by the Secretary of State pursuant to Public Chapter 305 of 1995; "Commission" and references to the "Commission" were changed to "Authority" and references to the "Authority"; effective March 28, 2003.

1220-4-2-.35 INSTALLATION OF SERVICE.

(1) (a) In any area where facilities are available, 85% of the utility's regular service order installations shall normally be completed within five (5) working days in exchanges of more than 3000 access lines. The intervals commence with the receipt of application unless a later date is requested by the applicant.

(b) In any area where facilities are available, 75% of the utility's regular service order installations shall normally be completed within five (5) working days in exchanges of less than 3000 access lines.

(c) Surveillance Level - In any reporting entity of less than 3000 access lines, completion of less than 75% within five (5) working days on a continuing basis indicates a need for investigative or corrective action.

(d) Surveillance Level - In any reporting entity of less than 3000 access lines, completion of less than 65% within five (5) working days on a continuing basis indicates a need for investigative or corrective action.

(2) Ninety percent of the utility's commitments to customers in a Reporting Entity as to the date of installation of regular service orders shall be met excepting customer caused delays and acts of God.

(a) Surveillance Level-A continued rate or less than 88% indicates a need for investigative or corrective action.

(3) A regrade order shall normally be filled no later than 30 days where facilities are available after the customer has made application for a different grade of service except where the customer requests a later date. In the event of the utility's inability to so fill such an order, the customer will be advised and furnished the estimated date when it will be available.

(4) If the Authority finds an applicant and/or area should be served, viewing all the surrounding circumstances, it may direct that the company serve that area.

Authority: T.C.A. §§65-2-102, 65-4-104, and 65-4-106. Administrative History: Original rule certified May 9, 1974. Amendment filed August 18, 1982; effective September 17, 1982. Amendment filed March 31, 1987; effective June 29, 1987. Editorial changes made by the Secretary of State pursuant to Public Chapter 305 of 1995; "Commission" and references to the "Commission" were changed to "Authority" and references to the "Authority"; effective March 28, 2003.

1220-4-2-.36 OPERATOR HANDLED CALLS.

(1) All operator-handled calls shall be carefully supervised. Calls requiring timing shall be carefully timed.

(2) Each utility shall maintain adequate personnel to provide an average operator answering performance as follows on a monthly basis:

REGULATIONS FOR TELEPHONE COMPANIES CHAPTER 1220-4-2

(Rule 1220-4-2-.36, continued)

April, 2005 (Revised) 13

(a) Ninety percent of toll and assistance operator calls answered within ten seconds (equivalent measurements may be used).

i. Surveillance level - Answering time of less than 87% of calls within ten seconds (or equivalent measurement) on a continuing basis indicates a need for investigative or corrective action.

(b) Eighty-five percent of calls to Directory Assistance answered within ten seconds (equivalent measurement may be used).

(c) Surveillance Level-Answering time within ten seconds (equivalent measurement may be used) on less than 78% of calls to Directory Assistance on a continuing basis indicates a need for investigative or corrective action.

(3) An "answer" shall mean that the operator is ready to render assistance and/or ready to accept information necessary to process the call. An acknowledgment that the customer is waiting on the line shall not constitute an answer

Authority: T.C.A. §65-2-102. Administrative History: Original rule filed February 2, 1976; effective March 3, 1976.

1220-4-2-.37 LOCAL DIAL SERVICE.

(1) Sufficient central office capacity and equipment shall be provided to meet the following requirements during the average busy season, busy hour.

Dial tone within three seconds on 98.0% of calls.

i. Surveillance Level - Dial tone within three seconds on less than 97.4% of calls on a continuing basis indicates a need for investigative or corrective action.

(b) Completion of 97% of local dialed calls without encountering an equipment busy condition(blockage).

i. Surveillance Level - When the completion rate falls below 92% on a continuing basis investigative or corrective action should be initiated.

Authority: T.C.A. §65-2-102. Administrative History: Original rule filed February 2, 1976; effective March 3, 1976.

1220-4-2-.38 DIRECT DISTANCE DIAL SERVICE.

(1) Engineering and maintenance of the trunk and related switching components in the internal network shall be such as to permit attaining the following objective on properly dialed calls, during the average busy season. without encountering blockages or equipment irregularities.

DDD Calls by customer (incoming trunks) -98%.

Surveillance Level-96%.

Authority: T.C.A. §65-2-102. Administrative History: Original rule filed February 2, 1976; effective March 3, 1976.

1220-4-2-.39 CUSTOMER TROUBLE REPORTS.

(1) Service shall be maintained in such a manner that the monthly rate of all customer trouble reports not exceed the following objective levels by reporting entity:

Exchanges having 14,000 or more access lines - 6.0 per 100 access lines.

Exchanges having 3,000 to 14,000 access lines - 6.5 per 100 access lines.

Exchanges having less than 3,000 access lines - 9.5 per 100 access lines.

(2) Surveillance Level - A customer trouble rate exceeding the monthly level shown below for three consecutive months in a reporting entity indicates a need for investigation or corrective action:

Exchanges having 14,000 or more access lines - 7.0 per 100 access lines.

Exchanges having 3,000 to 14,000 access lines - 7.5 per 100 access lines.

Exchanges having less than 3,000 access lines - 11.0 per 100 access lines.

Authority: T.C.A. §§ 65-2-102, 65-4-104, and 65-4-106. Administrative History: Original rule certified May 9, 1974. Amendment filed February 2, 1976; effective March 3, 1976. Amendment filed August 18, 1982; effective September 17, 1982. Amendment filed March 31, 1987; effective June 29, 1987.

1220-4-2-.40 REPEALED.

Authority: T.C.A. §65-2-102. Administrative History: Original rule certified May 9, 1974. Repealed by Public Chapter 440; effective July 1, 1985.

1220-4-2-.41 SAFETY PROGRAM.

(1) Each utility shall adopt and execute a safety program fitted to the size and type of its operations. At a minimum, the safety program should:

(a) Require employees to use suitable tools and equipment in order that they may perform their work in a safe manner.

Instruct employees in safe methods of performing their work.

(c) Instruct employees whom, in the course of their work are subject to the hazard of electrical shock, asphyxiation or drowning, in acceptable methods of first aid.

Authority: T.C.A. §65-2-102. Administrative History: Original rule certified May 9, 1974)

EXHIBIT B

TRA Order in Docket No. 07-00204
Approving the Parties' Joint Petition