

BASS

R. DALE GRIMES

TEL: (615) 742-6244
FAX: (615) 742-2744
dgrimes@bassberry.com

BERRY • SIMS_{PLC}

A PROFESSIONAL LIMITED LIABILITY COMPANY
ATTORNEYS AT LAW

150 THIRD AVENUE SOUTH, SUITE 2800
NASHVILLE, TN 37201
(615) 742-6200

www.bassberry.com

OTHER OFFICES:

KNOXVILLE
MEMPHIS

August 21, 2012

Via Hand-Delivery

Executive Director Earl Taylor
c/o Sharla Dillon
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243

**Re: *Agreement for the Transport and Termination of Extended Area Service (EAS)*
 Traffic Between Peoples Telephone Company
 Docket No. 12-00097**

Dear Chairman Hill:

Enclosed you will find an original and five (5) copies of the Agreement for the Transport and Termination of Extended Area Service (EAS) Traffic and the Disaster Recovery Plan for Peoples Telephone Company. I also enclose a \$50 filing fee check. Please file the original and four copies of this material in the above-referenced docket and stamp the additional copy as "filed". Then please return the stamped copy to me by way of our courier.

This material is being filed today also by way of email to the Tennessee Regulatory Authority Docket Manager, Sharla Dillon.

Should you have any questions concerning this matter, please do not hesitate to contact me at the email address or telephone number listed above.

With kindest regards, I remain

Very truly yours,



R. Dale Grimes



RDG:smb
Enclosures

AGREEMENT

for the

TRANSPORT AND TERMINATION OF
EXTENDED AREA SERVICE (EAS) TRAFFIC

Effective as of April 1, 2012

Between

Peoples Telephone Company

and

Level 3 Communications, LLC

Table of Contents

Introduction - EAS Traffic Agreement

Recitals

1.0 Definitions

2.0 Interpretation and Construction

3.0 EAS Traffic

3.1 Scope of Traffic Covered by this Agreement

3.2 Excluded Traffic

3.3 Intermediary EAS Traffic Functions

3.4 Access Traffic

3.5 Treatment of Information Service Provider Traffic

3.6 Trunk Groups

3.7 Signaling

3.8 Network Maintenance and Trunk Provisioning

3.9 No Compensation

4.0 Disclaimer of Representations and Warranties

5.0 No Cancellation or Non-Recurring Charges

6.0 Indemnification

7.0 Limitation of Liability

8.0 Term and Termination

9.0 Compliance with Laws and Regulations

10.0 Severability

11.0 Miscellaneous

11.1 Authorization

11.2 Disclaimer of Agency; No Third Party Beneficiaries; Independent Contractor

11.3 Force Majeure

11.4 Treatment of Proprietary and Confidential Information

11.5 Choice of Law

11.6 Taxes

11.7 Billing and Payment; Disputed Amounts

11.8 Dispute Resolutions

11.9 Notices

11.10 Joint Work Product

11.11 No License

11.12 Survival

11.13 Publicity and Use of Trademarks or Service Marks

11.14 Non-Waiver

11.15 Entire Agreement

11.16 Counterparts

11.17 Modification, Amendment, Supplement, or Waiver

AGREEMENT
for the
TRANSPORT AND TERMINATION OF EXTENDED AREA SERVICE (EAS) TRAFFIC

This AGREEMENT FOR THE TRANSPORT AND TERMINATION OF EXTENDED AREA SERVICE ("EAS") TRAFFIC ("Agreement") by and between Peoples Telephone Company ("Peoples"), a Tennessee corporation and Level 3 Communications, LLC, ("Level 3"), a Delaware limited liability company. This Agreement may refer to either Peoples or Level 3 as a "Party" or to both Peoples and Level 3 as the "Parties."

RECITALS

WHEREAS, Peoples and Level 3 are local exchange carriers authorized to provide telecommunications services in Tennessee; and

WHEREAS, the Parties individually provide telecommunications services in specific exchange areas in Tennessee; and

WHEREAS, the Parties recognize that their respective end users may have Extended Area Service ("EAS") calling interests between certain separate communities; and

WHEREAS, the communities between which EAS calling may be provided are each separate and mutually exclusive geographic areas; and

WHEREAS, the Parties recognize that the ability to provide EAS calling to their respective customers is dependent on the establishment of connecting carrier facilities and appropriate terms and conditions between the Parties; and

WHEREAS, Peoples's service and network responsibilities cannot and do not extend beyond Peoples' incumbent LEC service area; and

WHEREAS, the Parties desire to interconnect their respective networks to allow either Party to deliver specific EAS traffic to the other Party for transport and termination on the other Party's network;

NOW, THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Peoples and Level 3 hereby agree as follows:

This Agreement sets forth the terms, conditions, and compensation between the Parties for the establishment of connecting facilities and for transport and termination of EAS traffic delivered by one Party to the other Party.

1.0 DEFINITIONS

If used in this Agreement, the following terms have the meanings specified below in this Section 1.0.

1.1 "Act" means the Communications Act of 1934, as amended.

1.2 "Affiliate" means a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, a Party to this Agreement.

1.3 "Commission" means the Tennessee Regulatory Authority.

1.4 "Common Channel Interoffice Signaling" or "CCIS" or "Common Channel Signaling System 7" ("CCS") mean the signaling system, developed for use between switching systems with stored-program control, for transmitting call set-up and network control data over a digital signaling network separate from the public switched telephone network facilities that carry the actual voice or data traffic of the call. "SS7" means the common channel out of band signaling protocol developed by the Consultative Committee for International Telephone and Telegraph ("CCITT") and the American National Standards Institute ("ANSI").

1.5 "Customer," "End User" or "End User Customer" means the residence or business subscriber that is the ultimate user of Telecommunications Services provided by either of the Parties and for purposes of this Agreement may place or receive EAS calls.

1.6 "Digital Signal Level" means one of several transmission rates in the time-division multiplex hierarchy.

1.7 "Digital Signal Level 1" or "DS1" or "T1" means the 1.544 Mbps first-level signal in the time-division multiplex hierarchy. In the time-division multiplexing hierarchy of the telephone network, DS1 is the initial level of multiplexing.

1.8 "Digital Signal Level 3" or "DS3" or "T3" means the 44.736 Mbps third-level in the time-division multiplex hierarchy. In the time-division multiplexing hierarchy of the telephone network, DS3 is defined as the third level of multiplexing.

1.9 "Extended Area Service" or "EAS" is a service arrangement whereby End Users that obtain local exchange service in a specific Local Service Exchange Area are provided the ability to place interexchange calls to End Users that obtain local exchange service in another mutually exclusive specific Local Service Exchange Area on the basis of terms, conditions and charges that are distinct from the terms applicable to message toll service and exchange service. EAS is separate and distinct from exchange service that permits end users that obtain local exchange service in a specific Local Service Exchange Area to place calls to end users that obtain local exchange service in the same Local Service Exchange Area. EAS is separate and distinct from toll services that permit end users to place interexchange calls according to interexchange toll rates based on usage and/or distance-based charges. EAS calling is established to meet the public interest demand of end users that reside and obtain local exchange service in specific communities to place calls to end users that reside and obtain local exchange service in other specific communities without incurring specific telephone message toll charges. With respect to traffic originated in the service area of one party and directed to an

Information service provider located in the service area of the other party, the Parties agree to treat such traffic as EAS for purposes of this agreement. For purposes of this Agreement, EAS includes traffic between the specific Local Service Exchange Areas as set forth in Exhibit 1 to this Agreement and does not include the exchange of traffic pursuant to Section 251(b)(5) of the Communications Act of 1934, as amended. EAS does not include toll VOIP-PSTN traffic.

1.10 "EAS Traffic" means two way traffic that falls within the definition of "EAS" that is exchanged between the Parties.

1.11 "Information Service" is as defined in the Communications Act of 1934, as amended, except that Information Service does not include toll VOIP-PSTN traffic.

1.12 "Information Service Provider" or "ISP" is any entity, including but not limited to an Internet service provider that provides information services. Notwithstanding the foregoing, an internet service provider that provides voice over internet protocol ("VOIP") service is not an Information Service Provider.

1.13 "ISP Traffic" is traffic originated by an end user of one Party and delivered to the other Party for switching to an ISP. ISP Traffic does not include toll VOIP-PSTN traffic.

1.14 "Local Exchange Carrier" or "LEC" is any common carrier authorized to provide local exchange and exchange access services.

1.15 "Local Service Exchange Area" is a specific geographic service area encompassing an exchange area served by a Party as set forth in Exhibit 1 to this Agreement. The Local Service Exchange Areas define the mutually exclusive geographic areas between which the Parties exchange EAS pursuant to this Agreement.

1.16 "NXX Code" means a ten thousand (10,000) block of numbers which has the same initial three (3) digit prefix with a seven digit dialing sequence which is assigned to a LEC for the provision of its local exchange service.

1.17 "Point of Connection" or "POC" means the mutually agreed upon point of demarcation, within the incumbent service area of Peoples, where the Parties connect their networks for the exchange of EAS traffic.

1.18 "Rate Center" means the specific geographic point ("Vertical and Horizontal" ("V&H") coordinates) and corresponding geographic area which are associated with one or more particular NPA-NXX codes which have been assigned to a LEC for its provision of basic exchange telecommunications services. The "rate center point" is the finite geographic point identified by a specific V&H coordinate, which is used to measure distance-sensitive end user traffic to/from the particular NPA-NXX designations associated with the specific Rate Center. The "rate center area" is the exclusive geographic area identified as the area within which the LEC provides basic exchange telecommunications service bearing the particular NPA-NXX designations associated with the specific Rate Center.

1.19 "Tariff" means any applicable federal or state tariff of a Party that sets forth the generally available terms and conditions under which a Party offers a particular service, facility, or arrangement.

1.20 "Telecommunications" means the transmission, between or among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent or received.

1.21 "Termination" is, with respect to EAS Traffic pursuant to this Agreement, the switching of EAS Traffic at the terminating carrier's end office switch, or equivalent facility, and delivery of such traffic to the called party's premises.

1.22 "Transport" is, with respect to EAS Traffic pursuant to this Agreement, the transmission from the POC to the terminating carrier's end office switch that serves the called party.

2.0 INTERPRETATION AND CONSTRUCTION

2.1 All references to Sections, Exhibits and Schedules are deemed to be references to Sections of, and Exhibits and Schedules to, this Agreement unless the context otherwise requires. The headings used in this Agreement are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning of this Agreement. Unless the context shall otherwise require, any reference to any agreement, other instrument (including offerings, guides or practices of Peoples, Level 3 or other third party), statute, regulation, rule or tariff is to such agreement, instrument, statute, regulation, or rule or tariff as amended and supplemented from time to time (and, in the case of a statute, regulation, rule or tariff, to any successor provision).

2.2 The Parties acknowledge that some of the services, facilities, or arrangements described herein reference the terms of federal or state Tariffs of the Parties. Each Party hereby incorporates by reference those provisions of any tariff that governs any terms specified in this Agreement for the exchange of EAS traffic. If any provision contained in this main body of the Agreement and any Exhibit hereto cannot be reasonably construed or interpreted to avoid conflict, the provision contained in this main body of this Agreement prevails. If any provision of this Agreement and an applicable tariff cannot be reasonably construed or interpreted to avoid conflict, the Parties agree that the provision contained in this main body of this Agreement prevails.

3.0 EAS TRAFFIC

3.1 SCOPE OF TRAFFIC COVERED BY THIS AGREEMENT

3.1.1 This Agreement sets forth the terms and conditions under which the Parties agree to Transport and Terminate certain EAS Traffic delivered by one Party to the other Party at the POC. This Agreement only applies to the delivery of EAS traffic between an End User of one Party and an End User of the other Party. The specific Local Service Exchange Areas that are the subject of this Agreement between which customers of the Parties may be provided EAS calling service(s), together with the identification and location of associated end offices and location(s) of Point(s) of Connection, are set forth in Exhibit 1 to this Agreement.

3.1.2 This Agreement only applies to the specific Local Service Exchange Areas specified in Exhibit 1. From time to time, the Parties can negotiate the exchange of EAS Traffic between additional pairs of Local Service Exchange Areas, but this Agreement does not require the Parties to negotiate any changes. Without agreement by both Parties to such

changes, the specific Local Service Exchange Areas set forth in Exhibit 1 and the combination(s) of Local Service Exchange Areas that determines EAS calling as also set forth in Exhibit 1 will not change. It will constitute a default of this Agreement for a Party to deliver, over the connecting network facilities, any traffic other than the traffic that is within the scope of this Agreement as specifically identified in this Section 3.

3.1.3 Each Party agrees that it will not provision any of its services in a manner that will result in, or permits, the arbitrage and/or circumvention of the application of intrastate access charges by the other Party including, but not limited to, the resale or bridging of EAS service beyond the two specified Local Service Exchange Areas between which EAS is provided or the assignment of NPA-NXX numbers associated with one Rate Center for End Users that obtain local exchange service in a different Rate Center.

3.1.4 Both Parties warrant and represent that they will: (a) assign telephone numbers in a manner consistent with this Agreement to End Users that obtain local exchange service in the Rate Center associated with the telephone number; (b) provision their local exchange carrier services in a manner that the resulting traffic exchanged between the Parties pursuant to this Agreement will be confined to the scope of the traffic as set forth in this Section; (c) adopt the Rate Center areas and Rate Center points that are identical to those used by the incumbent local exchange carriers that serve the Local Service Exchange Areas related to the EAS Traffic pursuant to this Agreement; (d) will assign whole NXX Codes to each Rate Center, or where, applicable, thousand number blocks within a NXX Code assigned to that Rate Center; and (e) provide Calling Party Number on all EAS Traffic delivered to the other Party. Both Parties agree that they will engineer their respective networks and design their respective systems to deliver traffic in compliance with this Section 3. Notwithstanding this provision, nothing in this Agreement is intended to restrict the manner in which either party establishes terms and conditions of its provision of services to its end user customers. In the event either party provides a service that does not require a customer to pay a usage charge for a call between two points that do not constitute EAS Traffic, the non-EAS Traffic is not within the scope of this Agreement and is subject to the appropriate jurisdictional access charges applied by the terminating carrier.

3.1.5 If a Party violates (the "Violating Party") any of the terms, warranties or representations provided for in this Section 3.0 (a "Violation"), and if the other Party (the "Non-Violating Party") provides written notification to the Violating Party of a suspected Violation(s), or if the Violating Party discovers the Violation(s) itself, the Violating Party will, unless otherwise mutually agreed to by the Parties, within five (5) days following such notification or discovery, correct and/or remove the specific service arrangement that has resulted in the Violation(s). In addition, the Non-Violating Party may request a study or other such demonstration of available switch data or other information that the Violation(s) has been corrected and/or removed. It will constitute a default of this Agreement if a Party does not correct and/or remove the Violation after notification or discovery. Repeated Violations will constitute a default of this Agreement.

3.2 EXCLUDED TRAFFIC

This Agreement does not cover any traffic originating or terminating in areas other than the Local Service Exchange Areas set forth in Exhibit 1. This Agreement does not apply to any traffic that both originates and terminates within the same Local Service Exchange Area. Except as provided in Section 3.4, below, the terms and conditions of this Agreement are not applicable to IntraLATA toll traffic; switched access traffic; InterLATA toll traffic; or any other

traffic that is not specifically identified in Section 3 as subject to this Agreement. Except as provided in Section 3.3 below, this Agreement is not applicable to traffic originated, terminated, or carried on third party networks not Parties to this Agreement or any traffic originated or terminated by users of Commercial Mobile Radio Services licensees. The Parties also specifically exclude verification traffic and 911 traffic from the scope of this Agreement. This Agreement is not applicable to toll VOIP-PSTN traffic; Peoples will bill interstate tariffed access charges for such traffic.

3.3 INTERMEDIARY EAS TRAFFIC FUNCTIONS

Neither Party will provide an intermediary function for the other Party's connection of its end users to the end users of a third party telecommunications carrier without the consent of all parties and without the establishment of mutually agreeable terms and conditions governing the provision of the intermediary function.

3.4 ACCESS TRAFFIC

Notwithstanding the requirements, warranties and representations set forth in this Section 3, Peoples and Level 3 will charge each other intrastate exchange access service charges pursuant to the access charge terms, conditions, and rates that they each apply to other intraLATA toll providers with respect to any traffic associated with the utilization of NXX codes by Level 3 and Peoples in such a manner that the traffic is not EAS Traffic or Peoples or Level 3 cannot determine whether the traffic is EAS Traffic.

3.5 TREATMENT OF INFORMATION SERVICE PROVIDER TRAFFIC

3.5.1 The Parties agree to switch and transport ISP Traffic in the manner described below in this Subsection 3.5 subject to amendment upon written agreement of the Parties.

3.5.2 The Parties acknowledge that under some current network and service arrangements, some ISP Traffic may be switched and transported as if this interstate ISP Traffic were actual EAS traffic. The Parties agree to a bill and keep arrangement in lieu of the default reciprocal compensation rate for ISP bound traffic. Peoples's interstate access tariff rates apply to toll VOIP-PSTN traffic. In the event that the manner in which ISP Traffic shall or may be treated is determined by an appropriate regulatory or legal body, or in the event that any action or decision of an appropriate regulatory or legal body results in a determination that the interim treatment of ISP Traffic pursuant to this Subsection is unlawful, improper, or not specifically required, the Parties will negotiate in good faith immediate modification and/or replacement language to this Agreement to effect new terms and conditions consistent with any such lawful action or determination. Upon the issuance of any such lawful action or determination, either Party may initiate negotiations of new terms and conditions to replace this Section 3.5 by transmitting a bona fide request for such negotiations to the other Party. Regardless of when or whether any such lawful action or determination may be issued, each Party reserves the right to terminate the effectiveness of this Section 3.5 at any time, and either Party may exercise this right by transmitting a bona fide request to the other Party. In the event that either Party exercises this right, the Parties agree to enter into good faith negotiations to determine mutually agreeable terms and conditions to replace this Section 3.5. The Parties recognize that replacement provisions may be necessary to require the Party with which an ISP(s) is connected (ISP Service Party) to provide compensation to, and/or service revenue sharing with,

the other Party for the cost of trunking and other network facilities that may be provisioned to originate calls to ISPs connected to the ISP serving Party. Under any circumstances where the Parties are subsequently unable to reach agreement with respect to new terms and conditions to replace this Section 3.5, the Parties agree to enter into arbitration consistent with the provisions of Section 252 of the Act. The voluntary application of the provisions of Section 252 by the Parties does not create obligations for either Party under the Act that do not otherwise apply.

3.5.3 In no case will either Party be obligated to provide compensation to the other Party for terminating ISP Traffic including, but not limited to, compensation for switching, transport or termination of ISP Traffic.

3.5.4 The Parties will cooperate fully in identifying ISPs and ISP Traffic exchanged between the Parties. Upon request, each Party will provide to the other Party a monthly listing of all known ISPs to which ISP Traffic is switched.

3.6 TRUNK GROUPS

3.6.1 The Parties agree to interconnect their respective networks for the purpose of allowing each Party to deliver EAS Traffic to the other Party. The Parties agree to establish the Point(s) of Connection as set forth in Exhibit 1. Each Party will make available to the other Party, at the POC(s), trunks over which the originating Party can terminate EAS Traffic to the End Users of the terminating Party.

3.6.2 The Parties agree to work cooperatively to forecast trunk requirements for the exchange of EAS Traffic between the respective End Users of the Parties. The Parties agree to connect trunks at a minimum DS1 level. Where EAS Traffic volumes are not established, trunk groups will be provisioned initially based on forecasts jointly developed by the Parties. The Parties may decide to provision one-way or two-way trunking arrangements.

3.6.3 Each Party is individually responsible for the provision and maintenance of facilities within its network to the POC which are necessary for routing, transporting, measuring, and billing traffic from the other Party's network and for delivering such traffic to the other Party's network in a mutually acceptable format and in a manner that neither destroys nor degrades the normal quality of service each Party provides to its respective end users.

3.6.4 Indirect Interconnection. The Parties agree alternatively to permit the indirect interconnection of their respective networks for the exchange of EAS Traffic under this Agreement. The Parties agree that indirect interconnection for the transport and termination of EAS Traffic may take place via a third party's tandem transit arrangement. To the extent indirect interconnection is used, the Parties shall establish two-way direct trunk groups, consistent with the provisions set forth above in Sections 3.6.1, 3.6.2 and 3.6.3, when the volume of transit traffic originating from one Party and passing through the third-party tandem transit switch to which each Party is directly connected, and terminating at the other Party, exceeds the two hundred forty thousand (240,000) minutes of use, on a monthly average basis, for each month of any three (3) consecutive months. In the event indirect interconnection is utilized, each Party shall be wholly financially responsible for the charges associated with the utilization of its chosen third party transit provider. Specifically, each Party shall be financially responsible for the tandem transit charges associated with traffic it originates. The Parties acknowledge that this provision shall be modified consistent with Section 9.2 of this Agreement

in the event that it is determined that an ILEC is not responsible for the transport of traffic beyond physical points of interconnection on its existing network.

3.7 SIGNALING

The Parties agree to cooperate on the exchange of all appropriate SS7 messages for local call set-up, including ISDN User Part ("ISUP") and Transaction Capability User Part ("TCAP") messages to facilitate full interoperability of all CLASS features and functions between their respective networks. All SS7 signaling parameters will be provided in conjunction with traffic trunk groups, where and as available in accordance with accepted industry practice and standard technical specifications. These parameters include, but are not limited to, Automatic Number Identification ("ANI"). Where SS7 signaling is not available, in-band signaling shall be used in accordance with accepted industry standards.

3.8 NETWORK MAINTENANCE AND TRUNK PROVISIONING

The Parties will work cooperatively to install and maintain a reliable network for the provision of EAS calling between the Parties' respective end users. The Parties will exchange relevant information to maintain reliability. The Parties agree to work cooperatively to forecast trunk requirements.

3.9 NO COMPENSATION

Except as provided in Subsections 3.4, the Parties agree that the mutual provisions and relative obligations of the Parties pursuant to this Agreement represent good and valuable consideration, the sufficiency of which between the Parties is acknowledged, and that neither Party has any obligation to provide any monetary compensation to the other Party for the other Party's origination or termination of traffic within the scope of this Agreement. The specific compensation terms and conditions set forth in this Agreement are related to, dependent on, and limited to the provision of local exchange service to end users located in the specific geographic areas set forth in Exhibit 1, the exchange of EAS traffic between the Parties with respect to these geographic areas, and all other terms and conditions set forth in this Agreement.

4.0 DISCLAIMER OF REPRESENTATIONS AND WARRANTIES

EXCEPT AS EXPRESSLY PROVIDED UNDER THIS AGREEMENT, NEITHER PARTY MAKES ANY WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE SERVICES, FUNCTIONS AND PRODUCTS IT PROVIDES UNDER OR CONTEMPLATED BY THIS AGREEMENT AND THE PARTIES DISCLAIM THE IMPLIED WARRANTIES OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE.

5.0 NO CANCELLATION OR NON-RECURRING CHARGES

No cancellation charges will apply with respect to any of the terms of this Agreement. Except as provided in Subsections 3.4 above, no non-recurring charges will apply with respect to any of the terms of this Agreement.

6.0 INDEMNIFICATION

6.1 Each Party agrees to release, indemnify, defend and hold harmless the other Party from and against all losses, claims, demands, damages, expenses, suits or other actions, or any liability whatsoever related to the subject matter of this Agreement, including, but not limited to, costs and attorneys' fees (collectively, a "Loss"), (a) whether suffered, made, instituted, or asserted by any other party or person, relating to personal injury to or death of any person, or for loss, damage to, or destruction of real and/or personal property, whether or not owned by others, incurred during the term of this Agreement and to the extent proximately caused by the acts or omissions of the indemnifying Party, regardless of the form of action, or (b) suffered, made, instituted, or asserted by its own customer(s) against the other Party arising out of the other Party's provision of services to the indemnifying Party under this Agreement. Notwithstanding the foregoing indemnification, nothing in this such Section 6.0 will affect or limit any claims, remedies, or other actions the indemnifying Party may have against the indemnified Party under this Agreement, any other contract, or any applicable Tariff(s), regulations or laws for the indemnified Party's provision of said services.

6.2 The indemnification provided herein is conditioned upon:

- (a) Prompt notice by the indemnified Party to the indemnifying Party of any action taken against the indemnified Party relating to the indemnification.
- (b) Sole authority by the indemnifying Party to defend any such action, including the selection of legal counsel. However, the indemnified Party may engage separate legal counsel at its sole cost and expense.
- (c) Prior written consent of the indemnified Party, which consent will not be unreasonably withheld before the indemnifying Party settles or consents to any judgment pertaining to the action.
- (d) The indemnified Party's assertion of any and all provisions in its Tariffs that limit liability to third parties as a bar to any recovery by the third party claimant in excess of such limitation of liability.
- (e) Reasonable cooperation and assistance in the defense of any such action by the indemnified Party.

6.3 In addition to its indemnity obligations under Sections 6.1 and 6.2, each Party will provide, in its Tariffs that relate to any Telecommunications Service or Network Element provided or contemplated under this Agreement, that in no case shall such Party or any of its agents, contractors or others retained by such parties be liable to any Customer or third party for (i) any Loss relating to or arising out of this Agreement, whether in contract or tort, that exceeds the amount such Party would have charged the applicable Customer for the service(s) or function(s) that gave rise to such Loss, or (ii) any Consequential Damages (as defined in subsection 7.2, below).

7.0 LIMITATION OF LIABILITY

7.1 Except in the instance of harm resulting from an intentional or grossly negligent action of one Party, the Parties agree to limit liability in accordance with this Section 7. The

liability of either Party to the other Party for damages arising out of failure to comply with a direction to install, restore or terminate facilities; or out of failures, mistakes, omissions, interruptions, delays, errors, or defects occurring in the course of furnishing any services, arrangements, or facilities hereunder will be determined in accordance with the terms of the applicable tariff(s) of the providing Party. In the event no tariff(s) apply, the providing Party's liability will not exceed an amount equal to the pro rata monthly charge for the period in which such failures, mistakes, omissions, interruptions, delays, errors or defects occur. Recovery of said amount will be the injured Party's sole and exclusive remedy against the providing Party for such failures, mistakes, omissions, interruptions, delays, errors or defects. Because of the mutual nature of the exchange of traffic arrangement between the Parties pursuant to this Agreement, the Parties acknowledge that the amount of liability incurred under this Section 7.1 may be zero.

7.2 Neither Party will be liable to the other in connection with the provision or use of services offered under this Agreement for indirect, incidental, consequential, reliance or special damages, including (without limitation) damages for lost profits (collectively, "Consequential Damages"), regardless of the form of action, whether in contract, warranty, strict liability, or tort, including, without limitation, negligence of any kind, even if the other Party has been advised of the possibility of such damages; provided, that the foregoing will not limit a Party's obligation under Section 6.

7.3 The Parties agree that neither Party will be liable to the customers of the other Party in connection with its provision of services to the other Party under this Agreement. Nothing in this Agreement is deemed to create a third party beneficiary relationship between the Party providing the service and the customers of the Party purchasing the service. In the event of a dispute involving both Parties with a customer of one Party, both Parties will assert the applicability of any limitations on liability to customers that may be contained in either Party's applicable Tariff(s).

8.0 TERM AND TERMINATION

This Agreement is effective on April 1, 2012, subject to any modification required by the Commission, and continues in force and effect unless and until terminated as provided herein. Either Party may terminate this Agreement by providing written notice of termination to the other Party, such written notice to be provided at least ninety (90) days in advance of the date of termination. In the event of termination, either party may elect to continue to utilize the existing interconnection facilities subject to payment of compensation to the other Party from the date of termination forward in accordance with terms and conditions mutually negotiated or determined by the Commission through arbitration in accordance with Section 252 of the Act.

9.0 COMPLIANCE WITH LAWS AND REGULATIONS

9.1 Each Party will comply with all federal, state, and local statutes, regulations, rules, ordinances, judicial decisions, and administrative rulings applicable to its performance under this Agreement. Each Party will promptly notify the other Party in writing of any governmental action that suspends, cancels, withdraws, limits, or otherwise materially affects its ability to perform its obligations hereunder.

9.2 Notwithstanding the mutual commitment contained in this Agreement, the Parties nevertheless enter into this Agreement without prejudice to any positions they have taken

previously, or may take in the future in any legislative, regulatory, or other public forum addressing any matters, including matters related specifically to this Agreement or other types of arrangements prescribed in this Agreement. If the Commission rejects this Agreement in whole or in part, the Parties agree to meet and negotiate in good faith to arrive at a mutually acceptable modification of the rejected portion(s). Further, this Agreement is subject to change, modification, or cancellation as may be required by a regulatory authority or court in the exercise of its lawful jurisdiction.

9.3 The Parties agree that it is in their mutual interest to seek approval of this Agreement, and the Parties will voluntarily file this Agreement with the Commission. Peoples shall be responsible for all costs of obtaining Commission approval. The filing of this Agreement does not create obligations for either Party under the Act that do not otherwise apply.

10.0 SEVERABILITY

If any provision of this Agreement is held by a court or regulatory agency of competent jurisdiction to be unenforceable, the rest of the Agreement remains in full force and effect and is not affected unless removal of that provision results in a material change to this Agreement. If a material change as described in this paragraph occurs as a result of action by a court or regulatory agency, the Parties will negotiate in good faith for replacement language that does not materially alter the economic effect of this Agreement on either Party. If replacement language cannot be agreed upon within a reasonable period, either Party may terminate this Agreement without penalty or liability for such termination upon written notice to the other Party in accordance with Section 8.0.

11.0 MISCELLANEOUS

11.1 AUTHORIZATION

11.1.1 Peoples is a corporation duly organized, validly existing and in good standing under the laws of the State of Tennessee and has full power and authority to execute and deliver this Agreement and to perform the obligations hereunder.

11.1.2 Level 3 is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder.

11.2 DISCLAIMER OF AGENCY; NO THIRD PARTY BENEFICIARIES; INDEPENDENT CONTRACTOR

Neither this Agreement, nor any actions taken by either Party, in compliance with this Agreement, creates an agency or joint venture relationship between the Parties, or any relationship. Neither this Agreement, nor any actions taken by either Party in compliance with this Agreement, creates an agency, or any other type of relationship or third party liability between the Parties or between a Party and the customers of the other Party. This Agreement is for the sole benefit of the Parties and their permitted assigns, and nothing herein, express or implied, creates or may be construed to create any third-party beneficiary rights hereunder. Nothing in this Agreement makes a Party a legal representative or agent of the other Party, nor does a Party have the right or authority to assume, create or incur any liability or any obligation of any kind, express or implied, against or in the name or on behalf of the other Party unless

otherwise expressly permitted by such other Party. Except as otherwise expressly provided in this Agreement, nothing contained herein requires a Party to perform any obligation of the other Party, whether regulatory or contractual, or to assume any responsibility for the management of the other Party's business.

11.3 FORCE MAJEURE

Neither Party is responsible for delays or failures in performance resulting from acts or occurrences beyond the reasonable control of such Party, regardless of whether such delays or failures in performance were foreseen or foreseeable as of the date of this Agreement, including, without limitation: adverse weather conditions, fire, explosion, power failure, acts of God, war, revolution, terrorism, civil commotion, or acts of public enemies; any law, order, regulation, ordinance or requirement of any government or legal body; or labor unrest, including, without limitation, strikes, slowdowns, picketing or boycotts; or delays caused by the other Party or by other service or equipment vendors; or any other circumstances beyond the Party's reasonable control. In such event, the affected Party, upon giving prompt notice to the other Party, is excused from such performance on a day-to-day basis, and the other Party is likewise excused from performance of its obligations on a day-to-day basis, to the extent such inference relates to the Party's performance obligations. The affected Party shall use its best efforts to avoid or remove the cause(s) of non-performance, and both Parties will proceed to perform with dispatch once the cause(s) are removed or cease.

11.4 TREATMENT OF PROPRIETARY AND CONFIDENTIAL INFORMATION

11.4.1 Both Parties agree that it may be necessary to provide each other during the term of this Agreement with certain confidential information, including trade secret information, including but not limited to, technical and business plans, technical information, proposals, specifications, drawings, procedures, customer account data, call detail records and like information (hereinafter collectively referred to as "Proprietary Information"). Proprietary Information remains the property of the disclosing Party. Both Parties agree that all Information must be in writing or other tangible form and clearly marked with a confidential, private or proprietary legend and that the Information will be returned to the owner within a reasonable time. Both Parties agree that the Information may be utilized by the non-disclosing Party only to the extent necessary to fulfill the terms of this Agreement or upon such terms and conditions as may be agreed upon between the Parties in writing, and for no other purpose. Both Parties agree to receive such Proprietary Information and not to disclose such Information. Both Parties agree to protect the Information received from distribution, disclosure or dissemination to anyone except employees and duly authorized agents of the Parties with a need to know such Information and which employees and agents agree to be bound by the terms of this Section. Both Parties will use the same standard of care to protect Information received as they would use to protect their own confidential and proprietary Information.

11.4.2 Notwithstanding the foregoing, both Parties agree that there will be no obligation to protect any portion of the Information that is either: 1) made publicly available by the owner of the Information or lawfully disclosed by a non-party to this Agreement; 2) lawfully obtained from any source other than the owner of the Information; 3) publicly known through no wrongful act of the receiving Party; 4) previously known to the receiving Party without an obligation to keep it confidential; 5) required to be disclosed by any governmental authority or

applicable law; or 6) approved for release by written authorization of the disclosing Party.

11.5 CHOICE OF LAW

11.5.1 The construction, interpretation, enforcement and performance of this Agreement will be in accordance with the laws of the State of Tennessee without regard to its conflict of laws principles.

11.6 TAXES

11.6.1 It is the mutual understanding of the Parties to this Agreement that there are no taxes specifically applicable to the subject matter of this Agreement or to either Party as a result of entering into this Agreement that would not otherwise be applicable to each respective Party. In the event that any government authority, however, determines to the contrary that a tax or taxes are applicable to the subject matter of this Agreement, each Party shall be responsible for those taxes resulting from an assessment against that Party.

11.7 BILLING AND PAYMENT; DISPUTED AMOUNTS

11.7.1 Because of the mutual benefits related to the subject matter of this Agreement, except for charges that arise pursuant to Subsection 3.4, the Parties agree that no charges will apply to the exchange of traffic pursuant to the terms of this Agreement. In the event that charges are applicable pursuant to Subsection 3.4, the following terms and conditions set forth in this Section 11.7 apply.

11.7.2 Charges for services provided pursuant to a Party's applicable tariff are subject to the payment terms and conditions set forth in the applicable tariff. The charges for any other service or arrangement ("Non-tariff Charges") under this Agreement are to be billed monthly and payable, in immediately available U.S. funds, within thirty (30) days of the date of the bill.

11.7.3 Although it is the intent of both Parties to submit timely and accurate statements of Non-tariff Charges, failure by either Party to present statements to the other Party in a timely manner does not constitute a breach or default, or a waiver of the right to payment of the incurred charges, by the billing Party under this Agreement, and the billed Party is not entitled to dispute the billing Party's statement(s) based on such Party's failure to submit them in a timely fashion.

11.7.4 If any portion of an amount due to a Party (the "Billing Party") for Non-tariff Charges under this Agreement is subject to a bona fide dispute between the Parties, the Party billed (the "Non-Paying Party") will notify the Billing Party of the amount it disputes ("Disputed Amount") within thirty (30) days of its receipt of the invoice containing such disputed amount and include in such notice the specific details and reasons for disputing each item. The Non-Paying Party must pay the Billing Party all undisputed amounts when due. Any portion of the invoice not disputed within thirty (30) days after the date Non-Paying Party receives the invoice shall be paid according to the terms thereof. The Non-Paying Party shall have the right to dispute any amounts paid until one hundred-twenty (120) days after the Non-Paying Party receives the invoice.

11.7.5 If the Parties are unable to resolve the issues related to the Disputed

Amounts of Non-tariff charges in the normal course of business within sixty (60) days after

delivery to the Billing Party of notice of the Disputed Amounts, each of the Parties will appoint a designated representative that has authority to settle the dispute and that is at a higher level of management than the persons with direct responsibility for administration of this Agreement. The designated representatives will meet as often as they reasonably deem necessary in order to discuss the dispute and negotiate in good faith in an effort to resolve such dispute. The specific format for such discussions will be left to the discretion of the designated representatives. However, all reasonable requests for relevant information made by one Party to the other Party must be honored.

11.7.6 If the Parties are unable to resolve issues related to the Disputed Amounts of Non-tariff charges within thirty (30) days after the Parties' appointment of designated representatives pursuant to subsection 11.7.5, then either Party may proceed under the dispute resolution provisions of Section 11.8.

11.7.7 The Parties agree that all negotiations pursuant to this subsection 11.7 will remain confidential and shall be treated as compromise and settlement negotiations for purposes of the Federal Rules of Evidence and state rules of evidence.

11.7.8 Any undisputed amounts of Non-tariff charges not paid when due will accrue interest from the date such amounts were due at the lesser of (i) one and one-half percent (1-1/2%) per month or (ii) the highest rate of interest that may be charged under applicable law.

11.8 DISPUTE RESOLUTION

Any dispute between the Parties regarding the interpretation or enforcement of this Agreement or any of its terms must be addressed in the first instance by good faith negotiation between the Parties. Should such negotiations fail to resolve the dispute in a reasonable time, either Party may initiate an appropriate action in a regulatory or judicial forum of competent jurisdiction.

11.9 NOTICES

Notices given by one Party to the other Party under this Agreement must be in writing and (i) delivered personally, (ii) delivered by express delivery service, or (iii) mailed, certified mail or first class U.S. mail postage prepaid, return receipt requested to the following addresses of the Parties:

To: Peoples Telephone Company
c/o Lisa Wigington, Director of Revenue Assurance and Regulatory Compliance, TEC
236 East Capitol Street
Jackson, MS 39201
Telephone Number: 601-354-9070

With copies to:

Stephen G. Kraskin

Communications Advisory Counsel LLC
2154 Wisconsin Ave. N.W.
Washington, D.C. 20007

To: Level 3, Legal Department – Interconnection Policy
1025 Eldorado Boulevard
Broomfield, Colorado 80021
Telephone Number: 720-888-4537

or to such other address as either Party may designate by proper notice. Notices will be deemed given as of (i) the next business day when notice is sent via express delivery service or personal delivery, or (ii) three (3) days after mailing in the case of first class or certified U.S. mail.

11.10 JOINT WORK PRODUCT

This Agreement is the joint work product of the Parties and has been negotiated by the Parties and will be fairly interpreted in accordance with its terms and, in the event of any ambiguities, no inferences will be drawn against either Party.

11.11 NO LICENSE

11.11.1 Nothing in this Agreement may be construed as the grant of a license, either express or implied, with respect to any patent, copyright, trademark, trade name, trade secret or any other proprietary or intellectual property now or hereafter owned, controlled or licensable by either Party. Neither Party may use any patent, copyrightable materials, trademark, trade name, trade secret or other intellectual property right of the other Party except in accordance with the terms of a separate license agreement between the Parties granting such rights.

11.11.2 Neither Party has any obligation to defend, indemnify or hold harmless, or acquire any license or right for the benefit of, or owe any other obligation or have any liability to, the other Party or its customers based on or arising from any claim, demand, or proceeding by any third party alleging or asserting that the use of any circuit, apparatus, or system, or the use of any software, or the performance of any service or method, or the provision of any facilities by either Party under this Agreement, alone or in combination with that of the other Party, constitutes direct, vicarious or contributory infringement or inducement to infringe, misuse or misappropriation of any patent, copyright, trademark, trade secret, or any other proprietary or intellectual property right of any Party or third party. Each Party, however, will offer the other reasonable cooperation and assistance in the defense of any such claim.

11.11.3 NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, THE PARTIES AGREE THAT NEITHER PARTY HAS MADE, AND THAT THERE DOES NOT EXIST, ANY WARRANTY, EXPRESS OR IMPLIED, THAT THE USE BY THE PARTIES OF THE OTHER'S FACILITIES, ARRANGEMENTS, OR SERVICES PROVIDED UNDER THIS AGREEMENT WILL NOT GIVE RISE TO A CLAIM BY ANY THIRD PARTY OF INFRINGEMENT, MISUSE, OR MISAPPROPRIATION OF ANY INTELLECTUAL PROPERTY RIGHT OF SUCH THIRD PARTY.

11.12 SURVIVAL

The Parties' obligations under this Agreement which by their nature are intended to continue beyond the termination or expiration of this Agreement survive the termination or expiration of this Agreement.

11.13 PUBLICITY AND USE OF TRADEMARKS OR SERVICE MARKS

Neither Party nor its subcontractors or agents may use the other Party's trademarks, service marks, logos, company name or other proprietary trade dress in any advertising, press releases, publicity matters or other promotional materials without such Party's prior written consent.

11.12 SURVIVAL

The Parties' obligations under this Agreement which by their nature are intended to continue beyond the termination or expiration of this Agreement survive the termination or expiration of this Agreement.

11.13 PUBLICITY AND USE OF TRADEMARKS OR SERVICE MARKS

Neither Party nor its subcontractors or agents may use the other Party's trademarks, service marks, logos, company name or other proprietary trade dress in any advertising, press releases, publicity matters or other promotional materials without such Party's prior written consent.

11.14 NON-WAIVER

Failure of either Party to insist on performance of any term or condition of this Agreement or to exercise any right or privilege hereunder may not be construed as a continuing or future waiver of such term, condition, right or privilege. The Parties recognize that Peoples is a Rural Telephone Company and is entitled to all rights afforded Rural Telephone Companies under the Act including, but not limited to, the rights afforded Peoples under 47 USC § 251(f).

11.15 ENTIRE AGREEMENT

This Agreement and any Exhibits, Schedules, or tariffs which are incorporated herein by this reference, sets forth the entire understanding and supersedes prior agreements between the Parties relating to the subject matter contained herein and merges all prior discussions between them, and neither Party is bound by any definition, condition, provision, representation, warranty, covenant or promise other than as expressly stated in this Agreement or as is contemporaneously or subsequently set forth in writing and executed by a duly authorized officer or representative of the Party to be bound thereby.

11.16 COUNTERPARTS.

This Agreement may be executed in two or more counterparts, each of which is deemed an original and all of which together shall constitute one and the same instrument.

11.17 MODIFICATION, AMENDMENT, SUPPLEMENT, OR WAIVER

No modification, amendment, supplement to, or waiver of the Agreement or any of its provisions shall be effective and binding upon the Parties unless it is made in writing and duly signed by the Parties. A failure or delay of either Party to enforce any of the provisions hereof, to exercise any option which is herein provided, or to require performance of any of the provisions hereof shall in no way be construed to be a waiver of such provisions or options.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of this 9th day of August, 2012.

Peoples Telephone Company

By



Printed

James W. Garner

Title

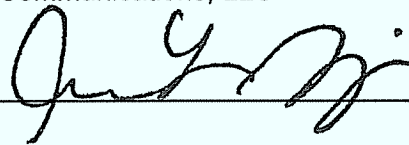
VP

Date:

8/9/12

Level 3 Communications, LLC

By



Printed

ANDREA PIERANTOZZI

Title

VP

Date:

8/3/12

EXHIBIT 1

This Exhibit specifies the Local Service Exchange Areas and Extended Area Services covered pursuant to the AGREEMENT FOR THE TRANSPORT AND TERMINATION OF EXTENDED AREA SERVICE (EAS) TRAFFIC between Peoples Telephone Company ("Peoples") and Level 3 Communications, LLC ("Level 3"), as follows:

- I. Extended Area Service Traffic Covered by this Agreement includes traffic originating and terminating between the Peoples Local Service Exchanges identified below and the Level 3 Local service Exchange identified below:

Traffic between Peoples' Erin exchange 931-289 and Tennessee Ridge exchange 931-721 Level 3's service in the same calling area as AT&T's Vanleer 931-764 exchange.

Traffic between Peoples' Henry exchange 731-243 and Level 3's service in the same calling area as AT&T's McKenzie 731-218 and 352 and Paris 731-231, 641, 642, and 644 exchanges. Peoples' Henry exchange resides on West Tennessee Telephone Company, Inc.'s Bradford switch CLLI BRFRTNXADS2 and can only be reached at this location.

Approved and executed this 9th day of August, 2012.

Peoples Telephone Company

Level 3 Communications, LLC

By James W. Garner

By Andrea Pierantozzi

Printed James W. Garner

Printed ANDREA PIERANTOZZI

Title VP

Title VP

Date 8/9/12

Date 8/3/12

PEOPLES TELEPHONE COMPANY

Disaster Recovery Plan

TABLE OF CONTENTS

1. PURPOSE	3
2. SINGLE POINT OF CONTACT	3
3. IDENTIFYING THE PROBLEM	4
4. SITE CONTROL	4
5. ENVIRONMENTAL CONCERNS	5
6. EMERGENCY RESPONSE COORDINATION	6
7. RECOVERY PROCEDURES	7
8. ACRONYMS	9

1

1. PURPOSE

- 1.1 In the unlikely event of a disaster occurring that affects the long-term ability of PEOPLES TELEPHONE COMPANY (hereinafter referred to as "PEOPLES") to deliver traffic to a Competitive Local Exchange Carrier (CLEC), general procedures have been developed to hasten the recovery process. Since each location is different and could be affected by an assortment of potential problems, a detailed recovery plan is impractical. However, in the process of reviewing recovery activities for specific locations, some basic procedures emerge that appear to be common in most cases.
- 1.2 These general procedures should apply to any disaster that affects the delivery of traffic for an extended time period. Each CLEC will be given the same consideration during an outage and service will be restored as quickly as possible.
- 1.3 This document will cover the basic recovery procedures that would apply to every CLEC.
- 1.4 Notwithstanding the above, PEOPLES recognizes and agrees that restoration of service activities of either party may be superceded by the policies and procedures of the National Security Emergency Preparedness (NSEP) Telecommunications Service Priority (TSP) System contained in PART 64 of the Code of Federal Regulations.

2. SINGLE POINT OF CONTACT

- 2.1. When a problem is experienced, regardless of the severity, the Network Management Team (NMT) at PEOPLES will observe traffic anomalies and begin monitoring the situation. Controls will be appropriately applied to insure the stability of PEOPLES' network. In the event that a switch or facility node is lost, the NMT will attempt to circumvent the failure using available reroutes.
- 2.2. PEOPLES TELEPHONE's NMT will remain in control of the restoration efforts until the problem has been identified as being a long-term outage. At that time, the NMT will contact PEOPLES' Directors and relinquish control of the recovery efforts. Even though the Directors may take charge of the situation, the NMT will continue to monitor the circumstances and restore traffic as soon as damaged network elements are revitalized.
- 2.3. The telephone number for PEOPLES is insert correct phone number. PEOPLES' address is Put in Erin address, Erin , Tennessee, .

3. IDENTIFYING THE PROBLEM

- 3.1. During the early stages of problem detection, the NMT will be able to tell which CLECs are affected by the catastrophe. Further analysis and/or first hand observation will determine if the disaster has affected CLEC equipment only, PEOPLES' equipment only, or a combination of both. The initial restoration activity will largely be determined by the equipment that is affected.
- 3.2. Once the nature of the disaster is determined and after verifying the cause of the problem, the NMT will initiate reroutes and/or transfers that are jointly agreed upon by the affected CLECs' Network Management Center and PEOPLES' NMT. The type and percentage of controls used will depend upon available network capacity. Controls necessary to stabilize the situation will be invoked and PEOPLES will attempt to re-establish as much traffic as possible.
- 3.3. For long-term outages, recovery efforts will be coordinated by the Directors of PEOPLES. Traffic controls will continue to be applied by the NMT until facilities are re-established. As equipment is made available for service, PEOPLES' Directors will instruct the NMT to begin removing the controls and allow traffic to resume.

4. SITE CONTROL

- 4.1. In the scenario of total loss of building use, what likely will exist is a smoking pile of rubble. This rubble will contain many components that could be dangerous. It could also contain remains of any personnel on the premises at the time of the disaster. For these reasons, the local Fire Marshal, with police assistance, will control the site until the building is no longer a threat to surrounding properties and the companies have secured the site from the general public.
- 4.2. During this time, the majority owner of the building should be arranging for a demolition contractor to mobilize to the site with the primary objective of reaching the cable entrance facility for a damage assessment. The results of this assessment would then dictate immediate plans for restoration, both short term and permanent.
- 4.3. In a less catastrophic event, i.e., the building is still standing and the cable entrance facility is usable, the situation is more complex. The site initially will be controlled by local authorities, until the threat to adjacent property has diminished. Once the site is returned to the control of the companies, the following events should occur.
- 4.4. An initial assessment of the main building infrastructure systems (mechanical, electrical, fire and life safety, elevators, and others) will

establish building needs. Once these needs are determined, the majority owner should lead the building restoration efforts. There may be situations where the site will not be totally restored within the confines of the building. The companies must individually determine their needs and jointly assess the cost of permanent restoration to determine the overall plan of action.

- 4.5. Restoration trailers from each company will result in the need for designated space and installation order. This layout and control is required to maximize the amount of restoration equipment that can be placed at the site and to prioritize those placements.
- 4.6. Care must be taken in this planning to insure other restoration efforts have logistical access to the building. Major components of telephone and building equipment will need to be removed and replaced. A priority for this equipment must also be jointly established to facilitate overall site restoration. (Example: If the AC switchgear has sustained damage, this would be of the highest priority in order to regain power, lighting, and HVAC throughout the building.)
- 4.7. If the site will not accommodate the required restoration equipment, then the companies would need to quickly arrange with local authorities for street closures, rights of way, or other possible available options.

5. ENVIRONMENTAL CONCERNS

- 5.1. In the worse case scenario, many environmental concerns must be addressed. Along with the police and Fire Marshal, the state environmental protection department will be on site to monitor the situation.
- 5.2. Items of concern in a large Central Office (CO) building could include:
 - 5.2.1. *Emergency generator engine fuel supply.* Damage to the standby equipment and the fuel handling equipment could have created "spill" conditions that necessitate handling within state and federal regulations.
 - 5.2.2. *Materials containing asbestos that may be spread throughout the wreckage.* Asbestos could be in many components of building, electrical, mechanical, outside plant distribution, and telephone systems.
 - 5.2.3. *Lead and acid.* These materials could be present in potentially large quantities depending upon the extent of damage to the power room.

5.2.4. *Mercury and other regulated compounds resident in telephone equipment.*

5.2.5. *Other compounds produced by the fire or heat.*

- 5.3. Once a total loss event occurs at a large site, local authorities will control immediate clean up (water on the wreckage from the fire department) and site access.
- 5.4. At some point, the companies will become involved with local authorities in the overall planning associated with site clean up and restoration. Depending on the clean up approach taken, delays in the restoration of several hours to several days may occur.
- 5.5. In a less severe disaster, items listed above are more defined and can be addressed individually depending on the damage.
- 5.6. In each case, the majority owner should coordinate building and environmental restoration as well as maintain proper planning and site control.

6. EMERGENCY RESPONSE COORDINATION

- 6.1. When an emergency has been declared, PEOPLES' Directors and the NMT will convene to inventory the damage and initiate corrective actions. These experts have regional access to outside vendors with personnel and equipment and will assume control of the restoration activity anywhere in PEOPLES' serving area.
- 6.2. In the past, PEOPLES has been involved with restoration activities resulting from hurricanes, tornadoes, ice storms and floods. They have demonstrated their capabilities in directing recovery operations during outages due to natural causes, human error or equipment failures, and have an excellent record of restoring service as quickly as possible.
- 6.3. During a major disaster, the NMT may move emergency equipment to the affected location, direct recovery efforts of local personnel, and coordinate service restoration activities with the CLECs. They will attempt to restore service as quickly as possible using whatever means is available, leaving permanent solutions such as the replacement of damaged buildings or equipment for local personnel to administer.
- 6.4. Part of the PEOPLES Directors' responsibility, after temporary equipment is in place, is to support the NMT efforts to return service to the CLECs. Once service has been restored, PEOPLES' Directors will return control of the network to normal operational organizations. Any long-term

changes required after service is restored will be made in an orderly fashion and will be conducted as normal activity.

7. RECOVERY PROCEDURES

7.1. The nature and severity of any disaster will influence the recovery procedures. One crucial factor in determining how PEOPLES will proceed with restoration is whether or not PEOPLES' equipment is incapacitated. Regardless of whose equipment is out of service, PEOPLES will move as quickly as possible to aid with service recovery; however, the approach that will be taken may differ depending upon the location of the problem.

7.2. CLEC OUTAGE

7.2.1. For a problem limited to one CLEC (or a building with multiple CLECs), PEOPLES has several options available for restoring service quickly. For those CLECs that have agreements with other CLECs, PEOPLES can immediately start directing PEOPLES-originating traffic to a provisional CLEC for completion. This alternative is dependent upon PEOPLES having concurrence from the affected CLECs.

7.2.2. Whether or not the affected CLECs have requested a traffic transfer to another CLEC will not impact PEOPLES' resolve to re-establish traffic to the original destination as quickly as possible.

7.3. PEOPLES' OUTAGE

7.3.1. Because PEOPLES' equipment has varying degrees of impact on the service provided to the CLECs, restoring service from damaged PEOPLES equipment is different. The outage will probably impact a number of Carriers simultaneously. However, PEOPLES' Directors will be able to initiate immediate actions to correct the problem.

7.3.2. A disaster involving any of PEOPLES' equipment locations could impact the CLECs, some more than others. A disaster at a CO would only impact the delivery of traffic to and from that one location, but the incident could affect many Carriers. If the CO is a Serving Wire Center (SWC), then traffic from the entire area to those Carriers served from that switch would also be impacted. A disaster that destroys a facility hub could disrupt various traffic flows, even though the switching equipment may be unaffected.

7.3.3. The NMT would be the first group to observe a problem involving PEOPLES' equipment. Shortly after a disaster, the NMT will

begin applying controls and finding re-routes for the completion of as much traffic as possible. These reroutes may involve delivering traffic to alternate Carriers upon receiving approval from the CLECs involved. In some cases, changes in translations will be required. If the outage is caused by the destruction of equipment, then PEOPLES' Directors will assume control of the restoration.

7.3.4. Loss of a Central Office

When PEOPLES loses a CO, PEOPLES' Directors will:

- 7.3.4.1. Place specialists and emergency equipment on notice;
- 7.3.4.2. Inventory the damage to determine what equipment and/or functions are lost;
- 7.3.4.3. Move containerized emergency equipment and facility equipment to the stricken area, if necessary;
- 7.3.4.4. Begin reconnecting service for hospitals, police and other emergency agencies; and
- 7.3.4.5. Begin restoring service to CLECs and other customers.

7.3.5. Loss of a Central Office with Serving Wire Center Functions

The loss of a CO that also serves as a Serving Wire Center (SWC) will be restored as described in Section 7.3.4.

7.3.6. Loss of a Facility Hub

In the event that PEOPLES loses a facility hub, the recovery process is much the same as above. Once the NMT has observed the problem and administered the appropriate controls, PEOPLES' Directors will assume authority for the repairs. The recovery effort will include:

- 7.3.6.1. Placing specialists and emergency equipment on notice;
- 7.3.6.2. Inventorying the damage to determine what equipment and/or functions are lost;
- 7.3.6.3. Moving containerized emergency equipment to the stricken area, if necessary;

7.3.6.4.Reconnecting service for hospitals, police and other emergency agencies; and

7.3.6.5.Restoring service to CLECs and other customers. If necessary, PEOPLES will aggregate the traffic at another location and build temporary facilities. This alternative would be viable for a location that is destroyed and for which building repairs are required.

7.4. COMBINED OUTAGE (CLEC AND PEOPLES EQUIPMENT)

7.4.1. In some instances, a disaster may impact PEOPLES' equipment as well as the CLECs'. This situation will be handled in much the same way as described in Section 7.3.6. Since PEOPLES and the CLECs will be utilizing temporary equipment, close coordination will be required.

8. ACRONYMS

- 8.1. CO - Central Office (PEOPLES)
- 8.2. NMT – Network Management Team (PEOPLES)
- 8.3. CLEC - Competitive Local Exchange Carrier
- 8.4. SWC - Serving Wire Center (PEOPLES' switch)