RESOLUTION NO. 12-13730

A RESOLUTION ADOPTING TELECOMMUNICATION RATES FOR WHOLESALE TELECOMMUNICATIONS SERVICES BY SERVICE PROVIDERS ON THE DISTRICT'S BROADBAND SYSTEM; ADOPTING AN AVAILABILITY POLICY FOR ALL WHOLESALE TELECOMMUNCATIONS SERVICES; DELEGATING AUTHORITY FOR TELECOMMUNICATIONS LICENSE AGREEMENTS AMENDMENTS TO THE GENERAL MANAGER; TERMINATING REIMBURSEMENT TO SERVICE PROVIDERS FOR POWER SUPPLY; DELEGATING AUTHORITY TO AMEND SERVICE PROVIDER REIMBURSEMENT RATES AND OTHER DEFINED ACTIONS TO THE GENERAL MANAGER; AND RESCINDING RESOLUTION NO. 10-13569

FACTUAL BACKGROUND AND REASONS FOR ACTION

Pursuant to RCW 54.16.330 and RCW 54.16.005, the District has constructed, and may cause to be constructed from time to time, a Broadband System through which the District is authorized to provide wholesale telecommunications services and facilities ("hereinafter Telecommunications Services") to entities authorized to provide telecommunications services to the general public and internet service providers at reasonable and nondiscriminatory rates.

The District must comply with the laws of the State of Washington, RCW 54.24.080, sound utility principles and the covenants of the District's Bond resolutions in establishing rates. The District is required to establish, maintain and collect rates which are fair, nondiscriminatory and adequate to provide revenues sufficient for the payment of the principal and interest on such revenue obligations for which payment has not otherwise been provided and all payments which the District is obligated to set aside in any special fund or funds created for such purpose. The District must also collect revenues for the proper operation and maintenance of the public utility and all necessary repairs, replacements and renewals.

In determining non-preferential and nondiscriminatory rates, terms and conditions, RCW 54.16.340 allows the District to consider such matters such as service quality, cost of service, technical feasibility of connection points on the District's system, time of response to service requests, system capacity, and other matters reasonably related to the provision of wholesale telecommunications services.

RCW 54.16.330 requires the District to account for any and all revenues and expenditures related to its wholesale telecommunications facilities and services separately from revenues and expenditures related to its internal telecommunications operations.

The District previously adopted rates (including some conditions of use and fees) for Telecommunications Services, pursuant to Resolution No. 10-13569.

The Board has been engaged in a strategic planning effort with regard to the Fiber & Telecom System and has taken several actions as summarized below.

On April 16, 2012, adopted Resolution No. 12-13719 establishing a new Fiber & Telecom System strategic policy direction as outlined in "Alternative 2" of the General Manager's April 9, 2012 recommendation, with a directive to promote a sustainable Fiber & Telecom System business over time, taking into consideration cost recovery, along with competition, changes in technology and other factors influencing the Fiber & Telecom System.

After public hearing on April 16, 2012, continued by motion, the moratorium on future requests for use of dark fiber or dark fiber pathways adopted by the Commission on March 5, 2012, was continued to a public hearing on August 6, 2012 or such earlier date that may be established, to consider staff recommendations relating to dark fiber offerings and rates and/or continuation of the moratorium.

On May 21, 2012, the Commission by Resolution No. 12-13722 adopted financial policies for the Fiber & Telecom System. The Fiber & Telecom System strategic policy direction included, among other actions that:

1. The District should implement other reasonable and cost effective recommendations from independent experts including:

    - Market to existing locations with a service drop;
    - Shift some responsibilities and costs to retail service providers;
    - Restructure wholesale fiber rates and increase over time;
    - Reduce expenses to match work load;
    - Invest capital wisely to keep reliability high; and
    - Expand the system only with revenue generated by fiber-optic network.

2. In addition, District staff should evaluate and implement reasonable and cost-effective ideas from customer-owners and service providers including among others, considering charging higher rates.

Recommendations made by CCG Consulting, LLC ("CCG") were evaluated and considered by District staff. District staff engaged in further financial analyses with regard to proposed rate increases. District staff met with service providers and obtained their input. District staff considered all of the options in light of the Commission's adopted Fiber & Telecom Financial Policies.

In order to address immediate rate and cost concerns and to meet the financial policies, District staff recommends the following:

- 75% initial increase in 2012 to Fiber Internet Packages (download/upload) in the category of 100 Mbps/100 Mbps per end user;
- Add a new Fiber Internet Package category of 100 Mbps/10Mbps at $30 MRC (monthly recurring charge) per End-user.
- Across-the-board rate increases on all other Telecommunications Services of 9% in 2012; and

In order to address longer term rate concerns, District staff notes that future rate increases should be anticipated based on staff's continued review and focus on longer-term financial policies to assess and allow for flexibility in rates to reflect cost recovery, along with market prices, changes in technology, and other reasonably related factors; and the evaluation of the wholesale rate structure to reflect recommendations to shift the wholesale rate structure based on wholesale access by loop (or connection).

In keeping with Commission's directive to shift some responsibilities and costs to Service Providers, District staff recommends that reimbursement to Service Providers for requested installation, maintenance and necessary replacement (as determined by the District) of the power supply unit as described in the Telecommunications Access and Transport Services License Agreements be terminated, the pricing for such reimbursement currently set forth in Resolution No. 10-13569 also be terminated and the responsibility be shifted to the Service Providers for these power supply unit costs. The amount of the remaining reimbursement for battery removal and replacements should be delegated to the General Manager or his designee to be set forth in a separate fee resolution.

Currently, existing fees and charges are embedded in the Telecommunications Rates contained in Resolution 10-13569 as Non-Recurring Charges (NRCs). District staff anticipates that as rate review continues and/or new practices are contemplated, the District may need to add and/or adjust fees and charges in a timely manner taking into consideration cost recovery, along with market prices, changes in technology, and other factors influencing the Fiber & Telecom System. Therefore, District staff recommends fees and charges, including NRCs and initial deposits that may be required for services, be included in a separate Telecommunication Services fees and charges resolution, along with other new fees and charges. Staff recommends that changes and additions to the fees and charges would be delegated to the General Manager, or designee, as provided in a separate resolution. This will provide flexibility in timing of adoption during a calendar year, which is also in keeping with the recently adopted Fiber and Telecom Financial Policies.

In the past, the Commission has approved changes to the Telecommunications Services Access and Transport Agreements and Telecommunications Facilities License Agreements between the District and retail Service Providers. In order to provide flexibility to facilitate changes which may be necessary to meet the District's Fiber & Telecom strategic policy objectives, District staff recommends the Commission also delegate to the General Manager or designee, the ability to amend the terms and conditions of these Telecommunications Licenses

with Service Providers (including termination that may be deemed necessary and/or creation of new agreements) in keeping with the adopted Fiber & Telecom strategic policy and in keeping with changes to this Rate Resolution and anticipated Fee Resolution delegating fee setting authority to the General Manager.

As directed by the Commission, since the April 16th public hearing on the Dark Fiber pathway use moratorium, District staff has evaluated such use and recommends continued license and use of Dark Fiber pathways, subject to establishment by the Commission of an Availability policy, the recommended rate increases set forth herein and changes in terms of use set forth in the Telecommunications Facilities License Agreement, as may be deemed appropriate by the General Manager. A separate hearing will be held to take action on this moratorium.

District staff recommends the Commission adopt a policy and condition all Telecommunications Services (which includes infrastructure and facilities) upon "Availability" based upon standards as reasonably determined by District staff.

Finally, based upon District staff's evaluation of the Fiber & Telecom System strategic policy, CCG's recommendations, and the District's staff analyses, District staff recommends and the General Manager concurs, that the Telecommunication Rates attached hereto as Exhibit A be adopted as set forth in this resolution to be effective August 1, 2012.

The adoption of this rate resolution is not a major action under the State Environmental Policy Act, and as such is categorically exempt under SEPA guidelines, WAC Ch. 197-11-800(15)(i).

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. Resolution No. 10-13569 is hereby rescinded and superseded, effective as of 24:00 hours on July 31, 2012.

Section 2. The Commission hereby adopts those Telecommunications Services categories, rates and conditions for service, as set forth in Exhibit A attached, entitled *Wholesale Telecommunication Services Rates,* pursuant to RCW 54.16.330. The rate increases and effective dates for the rate increases shall be as set forth below, unless the Board directs other action in the future:

- 75% initial increase to Fiber Internet Packages (download/upload) in the category of 100 Mbps/X100 Mbps per end user effective August 1, 2012;
- 9% rate increase applicable to all other Telecommunications Services effective August 1, 2012.

Section 3. The Commission hereby finds and declares that all Telecommunications Services (including but not limited to access and transport services, dark fiber pathways use, facilities and infrastructure) are all subject to "Availability" as defined by the standards which will be reasonably determined by District staff or as may be established by the Commission.

Section 4. The Commission finds it is in the best interests of the District to delegate to the General Manager or his designee the authority to amend existing Telecommunications License Agreements, terminate existing license agreements, and/or create new agreements to carry out the Fiber & Telecom System strategic planning objectives as the General Manager or his designee deems appropriate.

DATED this 13th day of June 2012.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

WHOLESALE TELECOMMUNICATION SERVICES RATES

1. General Conditions of Service: All Wholesale Telecommunications Services shall be subject to Availability. In addition all of the following conditions shall be met for District provision of all Telecommunication Services referenced.

A. Service Providers shall enter into a Telecommunications Access and Transport Services License Agreement ("Agreement"), in the form(s) approved by the District, make timely deposit and payment, as set forth in the Agreements, in order to avoid termination of service.

B. Service Providers will be charged on a monthly basis according to the rates set in this document. Any additional charges that are incurred for special equipment, provisioning, or charges from other carriers will be passed on to and be the responsibility of the Service Provider.

C. Unless otherwise specified, charges include the Gateway device at the District's specified demarcation point. The Service Provider must supply, at its own cost, any additional equipment required to deliver services.

D. Service Providers shall submit service requests to the District through the District's approved and designated submission process. Upon approval of the request form and in compliance with District regulations, the service request will be completed at such time designated by the District.

E. Service Providers will be charged Non-Recurring Charges (NRC) and other fees as set forth in the Wholesale Telecommunications Services Fees & Charges policy.

2. Definitions – Unless the context clearly indicates otherwise, the following definitions shall apply to this document, Telecommunications Rates.

Asymmetrical: The term asymmetric (also asymmetrical or non-symmetrical) refers to any system in which the data speed or quantity differs in one direction as compared with the other direction, averaged over time. Asymmetrical data flow can, in some instances, make more efficient use of the available infrastructure than symmetrical data flow, in which the speed or quantity of data is the same in both directions, averaged over time.

Availability: May be defined for all Telecommunication Services through standards reasonably determined by District staff or policies established by the District Board of Commissioners.

Bit: Bit is a contraction of the term Binary digit. It is the smallest unit of information (data) a computer can process, representing either high or low, yes or no, or 1 or 0. It is the basic unit in data communications. A bit can have a value of zero (a space) or one (a mark).

WHOLESALE TELECOMMUNICATION SERVICES RATES

BPL: Broadband over Power Lines or BPL is a method of data transmission using electrical power lines.

Bulk Rate End-user: Used in the Bulk Video Transport Port Charge to determine the number of End-users utilizing the Service Provider's video services and the District's transport of such video services. The number of Bulk Rate End-users is determined by dividing the bulk rate charged by the Service Provider to its bulk rate video customers by a divisor, which is the Service Provider's current published standard rate for the equivalent level of video service, as determined by the District.

Bulk Video Transport Port Charges: District charges assessed the Service Providers based upon the number of End-users receiving video services in multiple dwelling or multiple business units such as, but not limited to, hotels, motels, apartments, hospitals, colleges, condominiums, and commercial or residential leased spaces.

Burstable Rate: Burst is a term used in a number of information technology contexts to mean a specific amount of data sent or received in one intermittent operation. It can be contrasted with *streamed, paced, or continuous.* Generally, a burst operation implies that some threshold has been reached that triggers the burst. Depending on the particular technology, a burst operation can be intermittent at a regular or an irregular rate.

Co-location: In general, co-location is moving or placing things together, sometimes implying a proper order. This term (often spelled "colocation") is used to mean the provision of space for a customer's telecommunications equipment on the service provider's premises. For example, a Web site owner could place the site's own computer servers on the premises of the Internet service provider (ISP). Or an ISP could place its network routers on the premises of the company offering switching services with other ISPs. The alternative to co-location is to have the equipment and the demarcation point located at the customer's premises. The District offers co-location on a wholesale basis to Service Providers.

Caged Co-location: Provides a fenced area in the co-location space with access controlled by the end-user.

Double Play: A Data Local Loop fiber internet package and either a POTS Local Loop or a video transport service provided by a Service Provider to an End-user at the same street address.

DNS: Domain Name System or DNS is a system for converting host names and domain names into IP addresses on the Internet or on local networks that use the TCP/IP protocol. For example, when a Web site address is given to the DNS either by typing a URL in a browser or behind the scenes from one application to another, DNS servers return the IP address of the server associated with that name.

DS-1: Digital Signal, level 1. 1.544 million bits per second.

WHOLESALE TELECOMMUNICATION SERVICES RATES

DS-1 (T-1) Business Transport Services: Delivers a DS-1 (T-1) standard 1.544 Mbps in support of 24 voice connections each encoded at 64Kbps.

End-user: A customer of a Service Provider receiving telecommunications services over the District's telecommunications network. Each customer billed by the Service Provider is considered a separate End-user. For example, a Duplex with each unit-owner or tenant billed separately by the Service Provider is considered two End-users.

Ethernet: Ethernet is the most widely-installed local area network (LAN) technology. Specified in a standard, IEEE 802.3, Ethernet was originally developed by Xerox and then developed further by Xerox, DEC, and Intel. Fast Ethernet or 100BASE-T provides transmission speeds up to 100 megabits per second and is typically used for LAN backbone systems, supporting workstations with 10BASE-T cards. Gigabit Ethernet provides an even higher level of backbone support at 1000 megabits per second (1 gigabit or 1 billion bits per second). 10-Gigabit Ethernet provides up to 10 billion bits per second.

Fixed Rate: A specific amount of data sent or received in one continuous operation, usually done at a regular or preset rate.

Gateway: A device used to provide an entrance and exit to a communications network.

Gbps: Gigabits per second. Gig is one thousand million bits per second.

Internet Access Provider (IAP): One of several large companies that offers access directly to the Internet. An IAP has the equipment and the telecommunication line access required to have a point-of-presence (PoP) on the Internet for the geographic area served.

ISP: Internet Service Provider.

Layer 2: Layer 2 refers to the Data Link layer of the commonly-referenced multilayered communication model, Open Systems Interconnection (OSI). The Data Link layer is concerned with moving data across the physical links in the network. In a network, the switch is a device that redirects data messages at the layer 2 level, using the destination Media Access Control (MAC) address to determine where to direct the message.

Layer 3: Layer 3 refers to the Network layer of the commonly-referenced multilayered communication model, Open Systems Interconnection (OSI). The Network layer is concerned with knowing the address of the neighboring nodes in the network, selecting routes and quality of service, and recognizing and forwarding to the Transport layer incoming messages for local host domains.

Local Loop: A local loop is the connection from a communication company's central office in a locality to its customers' premises, at homes and businesses. The District currently provides Local Loops via fiber-optics, wireless or BPL.

WHOLESALE TELECOMMUNICATION SERVICES RATES

Mbps: Mbps stands for millions of bits per second or megabits per second and is a measure of bandwidth (the total information flow over a given time) on a telecommunications medium. Depending on the medium and the transmission method, bandwidth is also sometimes measured in the Kbps (thousands of bits or kilobits per second) range or the Gbps (billions of bits or gigabits per second) range.

Meet-me: A pre-determined point between communications networks, where information is transferred and/or cross connected.

MRC: Monthly Recurring Charge, occurring every month.

NRC: Non-Recurring Charge, a one-time charge.

ONT: Optical Network Terminal, also referred to, as Premises Gateway Device (PGD)

Pathway: A communications pathway is analogous to a circuit, which connects two or more points to exchange information.

PGD (also known as ONT): The premises gateway device which serves as the demarcation point at an End User's residence or business at which the District's telecommunications system ends and the Service Provider assumes control for purposes of providing retail services.

Premises Gateway Device: (PGD) or (ONT).

Point-to-Point: Connecting location A with location B via communications circuits.

Point-to-Multipoint: Connecting multiple locations together via communication circuits.

PoP: A point-of-presence (PoP) is an access point to the Internet with a unique Internet Protocol (IP) address. An Internet service provider (ISP) has a point-of-presence on the Internet and probably more than one.

POTS: Plain Old Telephone Service. The basic service supplying standard single line telephones, telephone lines and access to the public switched network.

Port(s): The physical interface between a device and a circuit, located on the End-user Gateway device for provision of Service Providers' telecommunications services.

Satellite Downlink: Includes District services required for Service Providers to receive and retransmit a video signal for viewing of a special event, such as a seminar or teleconference, not covered by the District's other video channels.

Service Provider: Includes Third Party Services Providers as defined in the Electric Service Regulations and other authorized entities including Public Utility Districts and NoaNet.

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Service-Off Provisioning Hold: Allows a POTS line to be temporarily turned off during seasonal periods of non-use, while holding the provisioning information including the phone number for an end-user.

SONET: Synchronous Optical NETwork. An optical interface standard that allows flexibility in transporting many digital signals with different capacities, and to provide a design standard for manufacturers.

STS-1: Synchronous Transport Signal level 1. An electrical signal that is converted to or from SONET's optically based signal; equivalent to the OC-1 signal of 51.84 Mbps.

Symmetrical: The term symmetric (also symmetrical) refers to any system in which data speed or quantity is the same in both directions, averaged over time. Examples include two-way radio, standard twisted-pair telephone Internet connections, cable modem Internet connections in which the cable is used for transmission as well as for reception, and full-motion videoconferencing.

Triple Play: A Data Local Loop fiber internet package and a POTS Local Loop and a video transport service provided by a Service Provider to an End-user at the same street address.

TDM: Time Division Multiplex. A technique for transmitting a number of separate data, voice and/or video signals simultaneously over one communications medium by quickly interleaving a piece of each signal one after another.

UPS: Uninterrupted Power Supply is a device that supplies reliable and continuous power to the Premises Gateway Device (PGD). The UPS system is comprised of two major components, which may be integrated into a single enclosure, which include the power supply unit and the sealed battery (charged by the power supply unit).

VLAN: A virtual (or logical) LAN is a local area network with a definition that maps workstations on some other basis than geographic location (for example, by department, type of user, or primary application). The virtual LAN controller can change or add workstations and manage load balancing and bandwidth allocation more easily than with a physical picture of the LAN. Network management software keeps track of relating the virtual picture of the local area network with the actual physical picture.

Voice over Internet Protocol (VoIP): A technology for transmitting ordinary telephone calls over the Internet using packet-linked routes. Also called IP telephony

Wireless: Wireless is a method of transmitting data without wires using a system of transmitters and antennas.

Wholesale Telecommunications Services (or sometimes referred to herein as Telecommunications Services): means the provision of telecommunications services or facilities

WHOLESALE TELECOMMUNICATION SERVICES RATES

for resale by authorized Service Providers, all as defined by RCW 54.16.005 as now exists or as may be hereafter amended.

3. Ethernet Transport

A. Product Summary

The District offers Layer 2, Point-to-Point and Point-to-Multipoint Ethernet transport (VLAN) over the District's telecommunications infrastructure.

B. Pricing

Service Providers will be charged on a monthly basis according to the rates set forth herein. Out of County is defined as connecting to inter-county "Meet-me" points such as NoaNet's Columbia or Sickler PoP's. Any additional charges that are incurred for special equipment, provisioning, or charges from other carriers will be passed on to the Service Provider by the District and the Service Provider shall be responsible for payment. Multiple VLAN's can occur on a single port. Pricing for Point-to-Point Ethernet services are offered either as Fixed Rate or Burstable Rate products, with pricing as shown in the following tables:

Fixed Rate Point-to-Point	**MRC per VLAN per Port**	
	In County	Out of County
10 Mbps	**$ 106.82**	**$ 54.50**
20 Mbps	**$ 130.80**	**$ 65.40**
100 Mbps	**$ 599.50**	**$ 300.84**
1 Gbps	**$3,379.00**	**$1,689.50**

Burstable Rate Point-to-Point (Minimum Commitment)	**MRC per VLAN per Port**		
	In County	Out of County	Burst per Mbps above committed [1] per VLAN, per port
10 Mbps (Max. burst is 100 Mbps)	**$106.82**	**$54.50**	**$8.39**
20 Mbps (Max. burst is 100 Mbps)	**$130.80**	**$65.40**	**$6.54**
100 Mbps (Max. burst is 1 Gbps)	**$570.07**	**$285.58**	**$4.58**

[1] Usage is measured and billed on 95th percentile of total ingress traffic, measured per VLAN per port, over the full month. Burst usage is rounded up to next full Mbps.

WHOLESALE TELECOMMUNICATION SERVICES RATES

4. Data Local Loop

A. Product Summary

The District offers local loop data connectivity to the End-user premises, to Service Providers. Data Local Loop service includes Domain Name System (DNS) services.

B. Provisioning

Data Local Loop packages are offered on a commercially reasonable basis and are provisioned to allow the bandwidth as specified. Actual bandwidth obtained by Service Providers and/or their end users is subject to many factors, not within District control and is not guaranteed. Upon Service Provider request, and at the District's discretion, lower or intermediate bandwidth packages may be provisioned for the Service Provider at the same pricing as the next higher bandwidth package.

C. Pricing

Service Providers will be charged on a monthly basis according to the rates set forth herein. Any additional charges that are incurred for special equipment, provisioning, or charges from other carriers will be passed on to the Service Provider by the District and the Service Provider shall be responsible for payment. A bundled service discount shall be applied to Service Providers providing a Double Play or a Triple Play for its End-users. Rates are per End-user and may not be resold to more than one End-user. Local loops will be offered in either symmetrical or asymmetrical form with rates as shown in the following tables:

Wireless or BPL Packages (download/upload)	MRC per End-user
Up to 1Mbps/ 1Mbps	$21.09

Fiber Internet Packages (download/upload)	MRC per End-user
Up to 6 Mbps/768 kbps[2]	$21.09
Up to 25 Mbps/2 Mbps[2]	$21.09
Up to 100 Mbps/10 Mbps	$30.00
Up to 100 Mbps/100 Mbps	$39.11
Up to 1 Gbps/1 Gbps	$218.00
Double Play Bundle Discount	$2.18
Triple Play Bundle Discount	$3.27

[2] BUNDLE DISCOUNTS DO NOT APPLY.

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5. POTS Local Loop (Plain Old Telephone Service)

A. Product Summary

The District offers POTS local loop connectivity for Service Providers to supply to the End-user premises.

B. Pricing

Service Providers will be charged on a monthly basis according to the rates set in this document. Any additional charges that are incurred for special equipment, provisioning, or charges from other carriers will be passed on to the Service Provider by the District and the Service Provider shall be responsible for payment.. In order for a Service Provider to receive the discounted rates for lines three through eight, initial lines one and two must be utilized by the End-user with that same Service Provider. Service-Off Provisioning Hold allows End-users to hold the local loop provisioning at a reduced rate while the service is not being used.

Residential POTS	MRC
1st Line	$10.90
2nd Line	$10.90
3rd Line	$ 5.45
4th Line	$ 5.45
Service-Off Provisioning Hold	$ 5.45 per line

Business POTS	MRC
1st Line	$14.17
2nd Line	$14.17
3rd – 8th Lines	$9.81 per line
Service-Off Provisioning Hold	$6.54 per line

6. Internet Bandwidth

A. Product Summary

The District offers Layer 3 transport and upstream Internet connectivity to the District's upstream multi-homed Internet Access Provider (IAP). Internet is offered on a 100 Mbps Internet access port.

WHOLESALE TELECOMMUNICATION SERVICES RATES

B. Pricing

Service Providers will be charged on a monthly schedule according to the rates set forth herein with a minimum initial commitment of 12 months. Any additional charges that are incurred for special equipment, provisioning, or charges from other carriers will be passed on to the Service Provider by the District and the Service Provider shall be responsible for payment. Internet bandwidth is burstable above the minimum commitment level at the burst price related to the minimum commitment level. Service Provider may choose to fix their maximum bandwidth burst at the commitment level or at a higher level at the time of signup, at whole, not partial Mbps. Internet Bandwidth is billed at the 95th percentile of the greater of inbound or outbound traffic, measured over a full month. If a Service Provider's usage is measured at less than its committed level, it will pay the minimum monthly committed amount. Service Provider may switch products upon 10 business days' written notice to the District and will be switched at the beginning of the next month. Pricing includes transport to delivery points on the District's network.

Internet Bandwidth (Minimum commitment)	**MRC**
1 Mbps	**$ 327.00**
3 Mbps	**$ 817.50**
5 Mbps	**$1,226.25**
10 Mbps	**$2,125.50**

7. Co-Location Rates

A. Product Summary

The District offers co-location at several of its facilities, to include 20 amp 120 volt AC power and provisioning up to 864 kilowatt hours.

B. Pricing

Service Providers will be charged on a monthly basis according to the rates set forth herein. Any additional charges that are incurred for special equipment, provisioning, or charges from other carriers will be passed on to the Service Provider by the District and the Service Provider shall be responsible for payment.

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Co-Location	MRC
Non-caged per full rack (42 units)	**$476.33**
Non-caged per unit of rack (1.75 inch vertical x 19 or 23 inch wide)	**$18.53**
Caged Floor Space per Cage (10' x 10')	**$2,082.99**
Additional 20 amp 120 volt AC power	**$114.45**

8. Pathway Rates

A. Product Summary

The District intends to offer telecommunications pathways over dark fiber. Service Providers will be required to enter into a Telecommunications Facilities License Agreement for pathway orders. Critical Path Dark Fiber Pathways are subject to additional Service Level Agreements as defined in the Telecommunications Facilities License Agreement, or other agreements deemed necessary by the General Manager or designee.

B. Pricing

Service Providers shall be charged on a monthly basis according to the rates set forth herein. Any additional charges that are incurred for special equipment, provisioning, or charges from other carriers will be passed on to the Service Provider by the District and the Service Provider shall be responsible for payment.

Dark Fiber Pathway	MRC Per Fiber Strand, Per Mile, Per Month
Single pair, non-redundant Minimum 14 miles required.	**$37.06**
Four fiber strands, redundant full duplex Minimum 14 miles required.	**$33.79**
Single fiber Minimum 14 miles required.	**$41.42**

WHOLESALE TELECOMMUNICATION SERVICES RATES

Dark Fiber Pathway	Minimum Monthly Charge
Single pair, non-redundant Minimum 14 miles required.	**$1,037.68**
Four fiber strands, redundant full duplex Minimum 14 miles required.	**$1,892.24**
Single fiber Minimum 14 miles required.	**$579.88**

Critical Path Dark Fiber Pathway	MRC Per Fiber Strand, Per Mile, Per Month
Single pair, non-redundant Minimum 14 miles required.	**$74.12**
Four fiber strands, redundant full duplex Minimum 14 miles required.	**$67.58**
Single fiber Minimum 14 miles required.	**$81.75**

Critical Path Dark Fiber Pathway	Minimum Monthly Charge
Single pair, non-redundant Minimum 14 miles required.	**$2,075.36**
Four fiber strands, redundant full duplex Minimum 14 miles required.	**$3,784.48**
Single fiber Minimum 14 miles required.	**$ 1,144.50**

9. DS-1 (T-1) Business Transport Services

A. Product Summary

The District offers DS-1 (T-1) Business Transport Services delivered via TDM.

B. Pricing

Business Transport Service	MRC
DS-1 (1.544Mbps)	**$102. 46**

WHOLESALE TELECOMMUNICATION SERVICES RATES

Service Providers will be charged on a monthly basis according to the rates set in this document. Any additional charges that are incurred for special equipment, provisioning, or charges from other carriers will be passed on to the Service Provider by the District and the Service Provider shall be responsible for payment.

10. Advanced Business Transport Services

A. Product Summary

The District offers STS-1 Business Transport Services delivered by the Service Provider to the End-user premises and the Service Provider via TDM.

B. Pricing

Service Providers will be charged on a monthly basis according to the rates set in this document. Any additional charges that are incurred for special equipment, provisioning, or charges from other carriers will be passed on to the Service Provider by the District and the Service Provider shall be responsible for payment.

Advanced Business Transport Service	MRC
STS-1 (51.84Mbps) – Short Haul 2 network segments	$1,068.20
STS-1 (51.84Mbps) – Long Haul 3 or more network segments	$1,779.97

11. Video Transport Services

A. Product Summary/Service Provider Compliance with FCC Orders

The District offers Video transport services to authorized Service Providers. Service Providers shall comply with any FCC orders issued, including but not limited to, prohibitions against exclusive contracts for video services to Multiple Dwelling Units (MDU's) as defined in any such orders, as now exist or as may be hereafter amended.

B. Pricing

Service Providers will be charged for Video transport services on a monthly basis according to the rates below. Any additional charges that are incurred by the District, including but not limited to, special equipment, provisioning, or charges from other carriers will be passed on to the Service Provider by the District and the Service Provider shall be responsible for payment. Port charges are per End-user and a Port may not be split for sale to more than one End-user.

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Bulk Video Transport Port Charges shall apply where the Service Provider provides video services to End-users and charges on a bulk-rate basis. The number of Bulk Rate Video Transport Port Charges to be paid by the Service Provider shall be determined in accordance with the following formula:

$$\text{Bulk Rate End-users} = \frac{\text{Total bulk rate charged by Service Provider}}{\text{Service Provider standard rate charged for the equivalent level of service}}$$

At the District's discretion, and upon reasonable notice to Service Provider, District shall have the right to audit the Service Providers books and records to confirm the rates being charged by the Service Provider at the District's cost. In the event the audit reveals a discrepancy in the District's favor, the Service Provider shall be responsible for the audit's cost.

Video Port Charge, non-District Gateway rate will apply in situations, including but not limited to, where the Service Provider, developer, property owner or other person or entity is supplying the telecommunications infrastructure and non-District Gateways within a development and multiple owner and /or tenant buildings.

Video Transport Services will be offered at rates shown in the following table:

Video Transport Services	MRC
Video Port Charge per End-user	**$ 9.81**
Bulk Video Transport Port Charge per Bulk Rate End-user	**$ 9.81**
Video Port Charge, non-District Gateway, per End-user	**$ 5.45**
Satellite downlink Per hour plus all related District expenses	**$109.00**