

ORIGINAL

Conley E. Ward [ISB No. 1683]  
Michael C. Creamer [ISB No. 4030]  
GIVENS PURSLEY LLP  
601 West Bannock Street  
P.O. Box 2720  
Boise, Idaho 83701-2720  
Office: (208) 388-1200  
Fax: (208) 388-1300  
www.givenspursley.com  
*Attorneys for Albion Telephone Company, Inc.*

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IDAHO PUBLIC  
UTILITIES COMMISSION

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

APPLICATION FOR APPROVAL OF  
NEGOTIATED AGREEMENT BETWEEN  
ALBION TELEPHONE COMPANY, INC.  
AND VERIZON WIRELESS

Case No.: ALB-T-07-04

**APPLICATION FOR APPROVAL OF  
NEGOTIATED AGREEMENT**

1. Albion Telephone Company, Inc. ("Albion"), through its attorneys Givens Pursley LLP, hereby files this Application for Approval of Negotiated Agreement ("Agreement") between Albion and Verizon Wireless. A copy of the Agreement is submitted herewith.
2. This Agreement was reached through voluntary negotiations between Albion and Verizon Wireless and is submitted for Commission review and approval pursuant to Section 252(e) of the Telecommunications Act of 1996.
3. Section 252(e)(2) of the Telecommunications Act of 1996 directs that a state Commission may reject an agreement reached through voluntary negotiations if the Commission finds that: the agreement discriminates against a telecommunications carrier not a party to the agreement; or the implementation of the agreement is not consistent with the public interest, convenience and necessity.

**APPLICATION FOR APPROVAL OF NEGOTIATED AGREEMENT**

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4. Albion respectfully submits that the Agreement does not discriminate and is consistent the public interest, and, therefore requests that the Commission approve this Agreement expeditiously. Approval of this Agreement will enable the parties to implement the Agreement and provide their respective customers with increased local telecommunications services choices.

5. The designated representative of each Party, for purposes of responding to inquiries in this matter is:

For Albion Telephone Company, Inc.:  
Mike Dolezal  
Albion Telephone Company, Inc.  
P.O. Box 98  
Albion, ID 83311

With copy to:  
Conley E. Ward  
Michael C. Creamer  
Givens Pursley LLP  
601 W. Bannock Street  
P.O. Box 2720  
Boise, ID 83701-2720

For Verizon Wireless to:  
Mary Bacigalupi  
2785 Mitchell Drive, MS 8-1  
Walnut Creek, CA 94598

With copy to:  
Verizon Wireless  
1300 I Street, NW Suite 400W  
Washington, DC 20005

Attn: Regulatory Counsel, Interconnection

6. This Agreement does not affect the rights of non-parties and expeditious approval would further the public interest. Therefore, Albion requests that the Commission approve this Agreement without a hearing.

DATED this 23<sup>rd</sup> day of October 2007.

GIVENS PURSLEY LLP

A handwritten signature in black ink, appearing to read "Michael C. Creamer", written over a horizontal line.

Michael C. Creamer

*Attorneys for Albion Telephone Company, Inc.*

**CERTIFICATE OF SERVICE**

I hereby certify that on this 23<sup>rd</sup> day of October 2007, I served a true and correct copy of the foregoing by delivering it to the following individuals by the method indicated below, addressed as stated.

Jean Jewell, Secretary  
Idaho Public Utilities Commission  
472 West Washington Street  
P.O. Box 83720  
Boise, ID 83720-0074

U.S. Mail  
 Facsimile  
 Overnight Mail  
 Hand Delivery  
 E-mail

Verizon Wireless  
1300 I Street, NW Suite 400W  
Washington, DC 20005

U.S. Mail  
 Facsimile  
 Overnight Mail  
 Hand Delivery  
 E-mail

Attn: Regulatory Counsel, Interconnection

Mary Bacigalupi  
2785 Mitchell Drive, MS 8-1  
Walnut Creek, CA 94598

U.S. Mail  
 Facsimile  
 Overnight Mail  
 Hand Delivery  
 E-mail



Michael C. Creamer

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IDAHO PUBLIC  
UTILITIES COMMISSION

*ALB-T-07-04*

**TRAFFIC EXCHANGE AGREEMENT**

**BETWEEN**

**ALBION TELEPHONE COMPANY**

**AND**

**VERIZON WIRELESS**

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**I. Article I**

**1. INTRODUCTION**

This traffic exchange and compensation agreement (“Agreement”) is effective as of the 12<sup>th</sup> day of July 2007 (the “Effective Date”), by and between Albion Telephone Company (“Albion”) with offices at 225 West North Street, Albion, ID 83311 and the Verizon Wireless entities listed on the signature page of this Agreement and on Attachment A, individually and collectively doing business as Verizon Wireless (collectively “VZW”) with an office and principal place of business at One Verizon Way, Basking Ridge, NJ 07920.

**2. RECITALS**

WHEREAS, Albion is an incumbent Local Exchange Carrier in the State of Idaho;

WHEREAS, VZW is a Commercial Mobile Radio Service provider of two-way mobile communications services operating within the State of Idaho;

WHEREAS, The Parties acknowledge that Albion is entitled to maintain that it is a rural telephone company (as defined in 47 U.S.C. 153) as provided by 47 U.S.C. 251(f). By entering into this Agreement, Albion is not waiving its right to maintain that it is a rural telephone company and its right to maintain that it is exempt from § 251(c) under 47 U.S.C. 251(f) of the Act;

WHEREAS, Albion and VZW exchange calls between their networks and wish to establish traffic exchange and compensation arrangements for exchanging traffic as specified below;

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, Albion and VZW hereby agree as follows:

**II. Article II**

**1. DEFINITIONS**

Special meanings are given to common words in the telecommunications industry, and coined words and acronyms are common in the custom and usage in the industry. Words used in this contract are to be understood according to the custom and usage of the telecommunications industry, as an exception to the general rule of contract interpretation that words are to be understood in their ordinary and popular sense. In addition to this rule of interpretation, the following terms used in this Agreement shall have the meanings as specified below:

1.1 “Act” means the Communications Act of 1934, as amended.

- 1.2 “As Defined in the Act”, means as specifically defined by the Act, as may be interpreted from time to time by the FCC, the Commission, Idaho state courts, or federal courts.
- 1.3 “As Described in the Act” means as described in or required by the Act, as may be interpreted from time to time by the FCC, the Commission, Idaho state courts, or federal courts.
- 1.4 “Affiliate” means a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person. For purposes of this paragraph, the term “own” means to own an equity interest (or the equivalent thereof) of more than ten (10) percent.
- 1.5 “Central Office Switch” means a switch used to provide Telecommunications Services, including, but not limited to:
  - (a) “End Office Switch” is a switch in which the subscriber station loops are terminated for connection to either lines or trunks. The subscriber receives terminating, switching, signaling, transmission, and related functions for a defined geographic area by means of an End Office Switch.
  - (b) “Remote End Office Switch” is a switch in which the subscriber station loops are terminated. The control equipment providing terminating, switching, signaling, transmission, and related functions would reside in a host office. Local switching capabilities may be resident in a Remote End Office Switch.
  - (c) “Host Office Switch” is a switch with centralized control over the functions of one or more Remote End Office Switches. A Host Office Switch can serve as an end office as well as providing services to other remote end offices requiring terminating, signaling, transmission, and related functions including local switching.
  - (d) “Tandem Office Switch” is a switching system that establishes trunk-to-trunk connections. Local tandems switch calls from one end office to another within the same geographic area, and access tandems switch traffic from host or end offices to and from an Interexchange Carrier. A Tandem Office Switch can provide host office or end office switching functions as well as the tandem functions. For purposes of this Agreement, a mobile switching office is the equivalent of a Tandem and End Office Switch.
- 1.6 “Commercial Mobile Radio Services” or “CMRS” means a radio communication service between mobile stations or receivers and land stations, or by mobile stations communicating among themselves that is

provided for profit and that makes interconnected service available to the public or to such classes of eligible users as to be effectively available to a substantial portion of the public. 47 C.F.R. § 20.

- 1.7 "Commission" means the Idaho Public Utilities Commission.
- 1.8 "Extended Area Service" or "EAS" is as defined and specified in Albion's then current General Subscriber Services Tariff.
- 1.9 "Effective Date" means the date first above written.
- 1.10 "FCC" means the Federal Communications Commission.
- 1.11 "Interconnection" for purposes of this Agreement is the linking of Albion and VZW networks for the exchange of telecommunications traffic described in this Agreement.
- 1.12 "Interexchange Carrier" or "IXC" means a carrier, other than a CMRS carrier, that provides or carries, directly or indirectly, InterLATA Service or IntraLATA Toll Traffic.
- 1.13 "InterLATA Service" means telecommunications between a point located in a local access and transport area and a point located outside such area.
- 1.14 "IntraLATA Toll Traffic," means those station calls that originate and terminate within the same local access and transport area and that are carried outside Albion's Local Service Area.
- 1.15 "Local Access and Transport Area" or "LATA" means a contiguous geographic area:
- (a) Established before February 8, 1996, by a Bell operating company such that no exchange area includes points within more than 1 metropolitan statistical area, consolidated metropolitan statistical area, or State, except as expressly permitted under the AT&T Consent Decree; or
  - (b) Established or modified by a Bell operating company after February 8, 1996, and approved by the FCC.
- 1.16 "Local Service Area" means, for VZW, Major Trading Area Number 36 (Salt Lake City) and for Albion, its local calling area contained in Albion's then current General Subscriber Services Tariff.
- 1.17 "Local Traffic" is defined for all purposes under this Agreement as Local Service Area traffic that is originated by one Party's network, and terminates to the other Party's network within the same Major Trading Area (MTA). Local Traffic may be handled on an indirect basis through a

third-party tandem provider provided that the service provided by VZW is a two-way mobile service. For purposes of determining originating and terminating points, the originating or terminating point for Albion shall be the end office serving the calling or called party, and for VZW shall be the cell site location which services the calling or called party at the beginning of the call.

- 1.18 “Local Exchange Carrier” or “LEC” means any person that is engaged in the provision of telephone exchange service or exchange access. Such term does not include a person insofar as such person is engaged in the provision of the commercial mobile service under § 332(c) of the Act, except to the extent that the Federal Communications Commission finds that such service should be included in the definition of such term. 47 U.S.C. § 153(26).
- 1.19 “Major Trading Area” or “MTA” mean the Major Trading Area designated by the FCC which is the service area based on the Rand McNally 1992 Commercial Atlas & Marketing Guide, 123<sup>rd</sup> edition, at pages 38-39, as further specified or modified by 47 C.F.R. § 24.202(a) or other applicable law.
- 1.20 “Mobile Station” means a radio-communication station capable of being moved and which ordinarily does move. 47 U.S.C. § 153(28).
- 1.21 “Non-Local Traffic” means all traffic that is not Local Traffic as defined in § 1.17 hereof and includes IntraLATA Toll Traffic.
- 1.22 “NPA” or the “Number Plan Area” also referred to as an “area code” refers to the three-digit code which precedes the NXX in a dialing sequence and identifies the general calling area within the North American Numbering Plan scope to which a call is routed to (*i.e.*, NPA/NXX-XXXX).
- 1.23 “NXX” means the three-digit code, which appears as the first three digits of seven-digit telephone numbers within a valid NPA or area code.
- 1.24 “Party” means either Albion or VZW, and “Parties” means Albion and VZW.
- 1.25 “Point of Interconnection” or “POI” means the mutually agreed upon point between the Parties’ respective networks where an originating Party’s traffic is deemed to be handed off to the terminating Party’s network.
- 1.26 “Rate Center” means the specific geographic point and corresponding geographic area that is associated with one or more NPA-NXX codes that have been assigned to an incumbent LEC for its provision of exchange services.

- 1.27 “Reciprocal Compensation” means an arrangement between two carriers in which each receives the same compensation rate from the other carrier for the transport and termination on each carrier’s network of Local Traffic, as defined in § 1.17 above, that originates on the network facilities of the other carrier. Compensation, regardless of the Party that receives it, is symmetrical.
- 1.28 “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 and received. 47 U.S.C. § 153(43).
- 1.29 “Telecommunications Act” means the Communications Act of 1934, as amended.
- 1.30 “Telecommunications Carrier” means any provider of telecommunications services, except that such term does not include aggregators of telecommunications services (as defined in 47 U.S.C. § 226(a)(2)). A Telecommunications Carrier shall be treated as a common carrier under this chapter only to the extent that it is engaged in providing telecommunications services, except that the Federal Communications Commission shall determine whether the provision of fixed and mobile satellite service shall be treated as common carriage. 47 U.S.C. § 153(44).
- 1.31 “Telecommunications Services” means the offering of Telecommunications for a fee directly to the public or to such classes of users as to be effectively available directly to the public, regardless of the facilities used.
- 1.32 “Termination” means the switching of Local Traffic at the terminating carrier’s end office switch, or equivalent facility, and delivery of such traffic to the called Party’s premises or mobile handset.
- 1.33 “Transiting Traffic” is traffic that originates from one provider’s network, “transits” one or more other provider’s network substantially unchanged, and terminates to yet another provider’s network.
- 1.34 “Transport” means the transmission and any necessary tandem switching of Local Traffic subject to § 251(b)(5) of the Act from the Point of Interconnection between the two carriers to the terminating carrier’s End Office Switch that directly serves the called party, or equivalent facility provided by a carrier other than an incumbent LEC.
- 1.35 “Type 2 Service” often referred to as a trunk side connection, is a service that involves interconnection to a telephone company end office (Type 2-B) or tandem (Type 2-A).

**2. INTERPRETATION AND CONSTRUCTION**

All references to Sections, Exhibits and Schedules shall be deemed to be references to Sections of, and Exhibits and Schedules to, this Agreement unless the context shall otherwise require. The headings of the Sections and the terms 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 or third party offering, guide or practice, statute, regulation, rule or tariff is for convenience of reference only and is not intended to be a part of or to affect the meaning of a 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).

**3. SCOPE**

- 3.1 This Agreement is intended, *inter alia*, to describe and enable specific traffic exchange and Reciprocal Compensation arrangements between the Parties. This Agreement does not obligate either Party to provide arrangements not specifically provided for herein.
- 3.2 This Agreement sets forth the terms, conditions, and rates under which the Parties agree to interconnect the CMRS network of VZW and the Incumbent Local Exchange Carrier (ILEC) network of Albion for purposes of exchanging Local Traffic, provided that the service provided by VZW to its customer is a two-way mobile service as defined in 47 U.S.C. § 153(27). This Agreement does not cover VZW one-way paging service traffic or fixed wireless. VZW does not currently provide fixed wireless services in Albion's Local Service Area. VZW agrees that it will provide Albion prior notice of its intent to launch fixed wireless services in Albion's Local Service Area. Upon Albion's receipt of such notice, the Parties agree to negotiate an appropriate agreement or an Amendment to this Agreement, which will address the exchange of such traffic.
- 3.3 This Agreement relates to the exchange of traffic between Albion and VZW. VZW represents that it is a CMRS provider of telecommunications services to subscribers in MTA No. 36 (Salt Lake City). Additions or changes to VZW's NPA/NXXs will be as listed in Telcordia's Local Exchange Routing Guide ("LERG") under Operating Company Number ("OCN") 6565 in Idaho.
- 3.4 Albion's NPA/NXX(s) are listed in the LERG under OCN 2213.
- 3.5 Any amendment, modification, or supplement to this Agreement must be in writing and signed by an authorized representative of each Party.

4. **SERVICE AGREEMENT**

- 4.1 **Description of Arrangements.** This Agreement provides for the following interconnection and arrangements between the networks of Albion and VZW. Additional arrangements that may be agreed to in the future will be delineated in Attachment B to this Agreement. An NPA/NXX assigned to VZW shall be treated as Local Service Area traffic and included in any EAS calling scope, or similar program, to the same extent as any other incumbent LEC's NPA/NXX in the same rate center provided that VZW assigns numbers from such NPA/NXX to customers within the Local Service Area of Albion and VZW has network facilities to serve such customers.
- 4.2 **4.2 Indirect Interconnection:** The Parties agree to interconnect their networks indirectly *via* a third party LEC ("Third Party Tandem Provider") in order to exchange Local Traffic, and that the originating Party is responsible for any transit fees imposed by the Third Party Tandem Provider. This arrangement of indirect interconnection will be subject to renegotiation if by change of law or for any other reason the Third Party Tandem Provider no longer offers the transiting service.
- 4.3 **Direct Interconnection:** Where the total Local Traffic exchanged between VZW and Albion's specific Tandem Office Switch or specific End Office Switch exceeds 500,000 mobile-to-land minutes of use per month for three consecutive months, VZW and Albion shall work cooperatively to implement direct interconnection arrangements and amend this Agreement as required. VZW may also request an amendment to establish a direct interconnection regardless of the volume of traffic exchanged. For direct interconnection, the POI shall be any technically feasible point on Albion's network, including points on Albion's network, if any, that extend beyond Albion's service area boundary.

5. **COMPENSATION**

5.1 **Traffic Subject to Reciprocal Compensation.**

Reciprocal Compensation is applicable for Transport and Termination of Local Traffic as defined in § 1.17 and is related to the exchange of traffic described in § 4 and in Attachment B, as applicable. For the purposes of billing compensation for Local Traffic, billed minutes will be based upon actual usage recorded and/or records/reports provided by the transiting carrier. Measured usage begins when the terminating recording switch receives answer supervision from the called end-user and ends when the terminating recording switch receives or sends disconnect (release message) supervision, whichever occurs first. The measured usage is aggregated at the end of the measurement cycle and rounded to a whole minute. Billing for Local Traffic shall be based on the aggregated

measured usage less traffic recorded as local that is deemed Non-Local Traffic based on the default factor provided in § 5.3(e).

The rate for Reciprocal Compensation shall be **\$0.0175** per minute.

The Parties agree to bill each other for Local Traffic as described in this Agreement unless the Local Traffic exchanged between the Parties is balanced and falls within an agreed upon threshold ("Traffic Balance Threshold"). The Parties agree that for purposes of this Agreement, the Traffic Balance Threshold is reached when the Local Traffic exchanged, both directly and indirectly, falls between 55% / 45% in either the wireless-to-landline or landline-to-wireless direction. When the actual usage data for three (3) consecutive months indicates that the Local Traffic exchanged, both directly and indirectly, falls within the Traffic Balance Threshold, then either Party may provide the other Party a written request, along with verifiable information supporting such request, to eliminate billing for Reciprocal Compensation per minute. Upon written consent by the Party receiving the request, which shall not be withheld unreasonably, there will be no billing for Reciprocal Compensation on a going forward basis unless otherwise agreed to by both Parties, in writing. The Parties' agreement to eliminate billing for Reciprocal Compensation carries with it the precondition regarding the Traffic Balance Threshold discussed above. As such, the two points have been negotiated as one interrelated term containing specific rates and conditions, which are non-separable for purposes of § 16 hereof.

#### 5.2 Traffic Subject to Switched Access Compensation.

Access charges apply to all Non-Local Traffic originated on VZW's network and delivered to Albion for termination to its customers as described in § 4 and Attachment B, as applicable. VZW shall compensate Albion at Albion's applicable access tariff rates for all VZW-originated Non-Local Traffic only to the extent that such VZW-originated Non-Local Traffic is not handed off to an Interexchange Carrier for delivery to Albion.

#### 5.3 Calculation of Payments and Billing.

- (a) VZW will compensate Albion for Local and Non-Local Traffic delivered to Albion for termination to its customers, as prescribed and at the rates provided in §§ 5.1 and 5.2. Albion will compensate VZW for Local Traffic originated by Albion customers on Albion's network and delivered to VZW, for termination to its customers, as prescribed in § 4 and at the rate provided in § 5.1.
- (b) VZW shall prepare a monthly billing statement to Albion reflecting the calculation of Reciprocal Compensation due VZW. Albion shall prepare a monthly billing statement to VZW, which will separately reflect the calculation of Reciprocal Compensation,

Switched Access Compensation, and total compensation due Albion. Billing shall be based on actual measured usage, when available. To the extent VZW does not have the capability to bill based on actual measured usage, Albion may provide the actual measured usage for use by VZW. If actual measured usage is not available, the Parties agree that usage from the third-party transit provider may be used for billing. Alternatively, if VZW does not measure or cannot obtain the landline-to-wireless usage data from Albion or from the third-party transit provider, then VZW may bill using a factor that is based on each Party's proportion of originating Local Traffic to total Local Traffic exchanged between the Parties. This estimated percentage is referred to as the Traffic Factor and is listed below. The Parties agree to review the Traffic Factor on a periodic basis and, if warranted by the actual usage, revise the Traffic Factor appropriately.

- |    |                      |     |
|----|----------------------|-----|
| a) | Landline-to-Wireless | 30% |
| b) | Wireless-to-Landline | 70% |

- (c) Albion will prepare its bill in accordance with its existing CABS / SECABS billing system. VZW will prepare its bill in accordance with its existing process for billing Reciprocal Compensation using the following formula:

VZW shall use the Albion mobile-to-land MOUs (Minutes of Use) to calculate the land-to-mobile MOUs by dividing the mobile-to-land MOUs by 70% to arrive at 100% of the total traffic. The mobile-to-land minutes are then subtracted from the 100% value to arrive at the 30% land-to-mobile minutes VZW would bill Albion. (Ex.: 100,000 MOUs are determined to be mobile-to-land. 100,000 is divided by 70% to arrive at 142,857 MOUs total traffic exchanged. 100,000 is then subtracted from 142,857 to arrive at the land-to-mobile MOUs of 42,857 that VZW will bill Albion.)

- (d) The Parties will make an effort to conform to current and future OBF (CABS BOS) standards, insofar as is reasonable.
- (e) Recognizing that Albion has no way of measuring Non-Local Traffic, and in the event that VZW does not track the usage information required to identify the Non-Local Traffic originated or terminated by Albion, both Parties agree to use a default factor of 0% as an estimate of Non-Local Traffic. The actual recorded usage shall be the basis for billing, when available and verifiable.
- (f) Each Party may request to inspect, during normal business hours, the records which are the basis for any monthly bill issued by the

other Party and to request copies thereof provided that the requested records do not exceed twelve (12) months in age from the date the monthly bill containing said record information was issued.

- (g) No Party shall bill the other Party for traffic that is older than twelve (12) months or that predates this Agreement.

## **6. NOTICE OF CHANGES**

If a Party contemplates a change in its network, which it believes will materially affect the inter-operability of its network with the other Party, the Party making the change shall provide at least ninety (90) days advance written notice of such change to the other Party, provided, however, that this provision shall not apply to changes necessitated by emergencies or other circumstances outside the control of the Party modifying its network.

## **7. GENERAL RESPONSIBILITIES OF THE PARTIES**

- 7.1 Each Party is individually responsible to provide facilities within its network which are necessary for routing, transporting and, consistent with § 5, measuring and billing traffic from the other Party's network and for delivering such traffic to the other Party's network in an acceptable industry standard format, and to terminate the traffic it receives in that acceptable industry standard format to the proper address on its network. The Parties are each solely responsible for participation in and compliance with national network plans, including The National Network Security Plan and The Emergency Preparedness Plan. Neither Party shall use any service related to or use any of the services provided in this Agreement in any manner that prevents other persons from using their service or destroys the normal quality of service to other carriers or to either Party's customers, and subject to notice and a reasonable opportunity of the offending Party to cure any violation, either Party may discontinue or refuse service if the other Party violates this provision.
- 7.2 Each Party is solely responsible for the services it provides to its customers and to other Telecommunications Carriers.
- 7.3 Each Party is responsible for managing NXX codes assigned to it.
- 7.4 Each Party is responsible for obtaining Local Exchange Routing Guide ("LERG") listings of the Common Language Location Identifier ("CLLI") assigned to its switches.
- 7.5 Each Party agrees to adhere to the blocking requirements for interconnection (P.01) as provided in Telcordia documentation GR145 –

Core Compatibility for Interconnection of a Wireless Service Provider and a Local Exchange Company Network.

- 7.6 SS7 Out of Band Signaling (CCS/SS7) shall be the signaling of choice for interconnecting trunks where technically feasible for both Parties. Use of a third-party provider of SS7 trunks for connecting VZW to the Albion SS7 systems is permitted. Such connections will meet generally accepted industry technical standards. Each Party is responsible for its own SS7 signaling and therefore, neither Party will bill the other Party for SS7 signaling charges.
- 7.7 Each Party shall be responsible for its own independent connections to the 911/E911 network.
- 7.8 All originating traffic shall contain basic call information within the Initial Address Message (IAM) such as the calling number and will meet generally accepted industry technical standards. Altering of data parameters within the IAM shall not be permitted.

## **8. TERM AND TERMINATION**

- 8.1 Subject to the provisions of § 14, the initial term of this Agreement shall be for a two-year term ("Term"), which shall commence on the Effective Date. This Agreement shall automatically renew for successive month-to-month periods, unless not less than sixty (60) days prior to the end of the Term or any renewal term, either Party notifies the other Party of its intent to renegotiate a new agreement. In the event of such renegotiations, this Agreement shall remain in effect until the earlier of: (1) when a new agreement becomes effective, or (2) one (1) year from receipt of the termination notification of the current Agreement.
- 8.2 The Parties agree that disputed and undisputed amounts due under this Agreement shall be handled as follows:
  - (a) If any portion of any amount due to a Party (the "Billing Party") under this Agreement is subject to a bona fide dispute between the Parties, the Party billed (the "Non-Paying Party") shall, within thirty (30) days of its receipt of the invoice containing such disputed amount, give written notice to the Billing Party of the amounts it disputes ("Disputed Amounts") and include in such notice the specific details and reasons for disputing each item. The Non-Paying Party shall pay when due all undisputed amounts to the Billing Party. The Parties will work together in good faith to resolve issues relating to the disputed amounts. If the dispute is resolved such that payment of the disputed amount is required, whether for the original amount or for the settlement amount, the Non-Paying Party shall pay the full disputed or settlement amounts

with interest at the lesser of (i) one and one-half percent (1½%) per month or (ii) the highest rate of interest that may be charged under Idaho applicable law. In addition, the Billing Party may initiate a complaint proceeding with the appropriate regulatory or judicial entity, if unpaid undisputed amounts become more than ninety (90) days past due, provided the Billing Party gives an additional thirty (30) days notice and opportunity to cure the default.

- (b) Any undisputed amounts not paid when due shall accrue interest from the date such amounts were due at the lesser of (i) one and one-half percent (1½%) per month or (ii) the highest rate of interest that may be charged under Idaho applicable law.
- (c) Undisputed amounts shall be paid within thirty (30) days of receipt of invoice from the Billing Party.

8.3 Upon termination or expiration of this Agreement in accordance with this Section:

- (a) Each Party shall comply immediately with its obligations as set forth above;
- (b) Each Party shall promptly pay all amounts (including any late payment charges) owed under this Agreement;
- (c) Each Party's indemnification obligations shall survive termination or expiration of this Agreement.

8.4 All invoices under this Agreement shall be sent to:

<b>Verizon Wireless</b>	<b>Albion Telephone Company, Inc.</b>
Damian Talamantez Verizon Wireless 15505 Sand Canyon Ave., Bldg D-1 Irvine, CA 92618 949-286-7442	Julie Laumb Albion Telephone Company, Inc. 225 West North Street P.O. Box 98 Albion, ID 83311

8.5 Either Party may terminate this Agreement in whole or in part in the event of a default of the other Party, provided, however, that the non-defaulting Party notifies the defaulting Party in writing of the alleged default and the defaulting Party does not implement mutually acceptable steps to remedy such alleged default within thirty (30) days after receipt of written notice thereof.

**9. CANCELLATION CHARGES**

Except as provided herein, no cancellation charges shall apply.

**10. NON-SEVERABILITY**

- 10.1 The services, arrangements, terms and conditions of this Agreement were mutually negotiated by the Parties as a total arrangement and are intended to be non-severable.
- 10.2 VZW recognizes that Albion may at some time provision facilities in order to support exchange of traffic under this Agreement, and agrees that compensation for establishing and provisioning these facilities is non-severable from provisioning of such facilities.

**11. INDEMNIFICATION**

- 11.1 Each Party (the "Indemnifying Party") shall indemnify and hold harmless the other Party ("Indemnified Party") from and against loss, cost, claim liability, damage, and expense (including reasonable attorney's fees) to customers and other third parties for:
- (a) Damage to tangible personal property or for personal injury proximately caused by the negligence or willful misconduct of the Indemnifying Party, its employees, agents or contractors;
  - (b) Claims for libel, slander, or infringement of copyright arising from the material transmitted over the Indemnified Party's facilities arising from the Indemnifying Party's own communications or the communications of such Indemnifying Party's customers; and
  - (c) Claims for infringement of patents arising from combining the Indemnified Party's facilities or services with, or the using of the Indemnified Party's services or facilities in connection with, facilities of the Indemnifying Party.

Notwithstanding this indemnification provision or any other provision in this Agreement, neither Party, nor its parent, partners, subsidiaries, affiliates, agents, servants, or employees, shall be liable to the other for Consequential Damages (as defined in § 12.3).

- 11.2 The Indemnified Party will notify the Indemnifying Party promptly in writing of any claims, lawsuits, or demands by customers or other third parties for which the Indemnified Party alleges that the Indemnifying Party is responsible under this Section, and, if requested by the Indemnifying Party, will tender the defense of such claim, lawsuit or demand.
- (a) In the event the Indemnifying Party does not promptly assume or diligently pursue the defense of the tendered action, then the Indemnified Party may proceed to defend or settle said action and

the Indemnifying Party shall hold harmless the Indemnified Party from any loss, cost liability, damage and expense.

- (b) In the event the Party otherwise entitled to indemnification from the other elects to decline such indemnification, then the Party making such an election may, at its own expense, assume defense and settlement of the claim, lawsuit or demand.
- (c) The Parties will cooperate in every reasonable manner with the defense or settlement of any claim, demand, or lawsuit.

## **12. LIMITATION OF LIABILITY**

- 12.1 No liability shall attach to either Party, its parents, subsidiaries, affiliates, agents, servants, employees, officers, directors, or partners for damages arising from errors, mistakes, omissions, interruptions, or delays in the course of establishing, furnishing, rearranging, moving, terminating, changing, or providing or failing to provide services or facilities (including the obtaining or furnishing of information with respect thereof or with respect to users of the services or facilities) in the absence of gross negligence or willful misconduct.
- 12.2 Except as otherwise provided in § 11, no Party shall be liable to the other Party for any loss, defect or equipment failure caused by the conduct of the first Party, its agents, servants, contractors or others acting in aid or concert with that Party, except in the case of gross negligence or willful misconduct.
- 12.3 In no event shall either Party have any liability whatsoever to the other Party for any indirect, special, consequential, incidental or punitive damages, including but not limited to loss of anticipated profits or revenue or other economic loss in connection with or arising from anything said, omitted or done hereunder (collectively, "Consequential Damages"), even if the other Party has been advised of the possibility of such damages.

## **13. DISCLAIMER**

**EXCEPT AS OTHERWISE PROVIDED HEREIN, NEITHER PARTY MAKES ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR INTENDED OR PARTICULAR PURPOSE WITH RESPECT TO SERVICES PROVIDED HEREUNDER. ADDITIONALLY, NEITHER PARTY ASSUMES ANY RESPONSIBILITY WITH REGARD TO THE CORRECTNESS OF DATA OR INFORMATION SUPPLIED BY THE OTHER PARTY WHEN THIS DATA OR INFORMATION IS ACCESSED AND USED BY A THIRD-PARTY.**

**14. REGULATORY APPROVAL**

The Parties understand and agree that this Agreement will be filed with the Commission, and to the extent required by FCC rules may thereafter be filed with the FCC. Each Party covenants and agrees to fully support approval of this Agreement by the Commission or the FCC under § 252(e) of the Act without modification. The Parties, however, reserve the right to seek regulatory relief and otherwise seek redress from each other regarding performance and implementation of this Agreement. In the event the Commission or FCC 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.

The Parties agree that their entrance into this Agreement is without prejudice to any positions they may have taken previously, or may take in future, in any legislative, regulatory, judicial or other public forum addressing any matters, including matters related to the same types of arrangements covered in this Agreement.

**15. CHANGE IN LAW**

The Parties acknowledge that the respective rights and obligations of each Party as set forth in this Agreement are based on the text of the Act and the rules and regulations promulgated thereunder by the FCC and the Commission as of the Effective Date (“Applicable Rules”). In the event of any amendment to the Act, any effective legislative action or any effective regulatory or judicial order, rule, regulation, arbitration award, dispute resolution procedures under this Agreement or other legal action purporting to apply the provisions of the Act to the Parties or in which the FCC or the Commission makes a generic determination that is generally applicable which revises, modifies or reverses the Applicable Rules (individually and collectively, “Amended Rules”), either Party may, by providing written notice to the other Party, require that the affected provisions of this Agreement be renegotiated in good faith and this Agreement shall be amended accordingly to reflect the pricing, terms and conditions of such Amended Rules relating to any of the provisions of this Agreement.

**16. MOST FAVORED NATION PROVISION**

In accordance with § 252(i) of the Act and 47 C.F.R. § 51.809, VZW shall be entitled to adopt from Albion any entire Interconnection/Compensation agreement provided by Albion to any other CMRS provider that has been filed and approved by the Commission, for services described in such agreement, on the same terms and conditions. The term of the adopted agreement shall expire on the same date as set forth in the agreement that was adopted.

**17. DISPUTE RESOLUTION**

Except as provided under § 252 of the Act with respect to the approval of this Agreement by the Commission, the Parties desire to resolve disputes arising out of or

relating to this Agreement without, to the extent possible, litigation. Accordingly, except for action seeking a temporary restraining order or an injunction related to the purposes of this Agreement, or suit to compel compliance with this dispute resolution process, the Parties agree to use the following dispute resolution procedures with respect to any controversy or claim arising out of or relating to this Agreement or its breach.

- 17.1 Informal Resolution of Disputes. At the written request of a Party, each Party will, within thirty (30) days of such request, appoint a knowledgeable, responsible representative, empowered to resolve such dispute, to meet and negotiate in good faith to resolve any dispute arising out of or relating to this Agreement. The Parties intend that non-lawyer, business representatives conduct these negotiations. The location, format, frequency, duration, and conclusion of these discussions shall be left to the discretion of the representatives. Upon agreement, the representatives may utilize other alternative dispute resolution procedures such as mediation to assist in the negotiations. Discussions and correspondence among the representatives for purposes of these negotiations shall be treated as Confidential Information developed for purposes of settlement, exempt from discovery, and shall not be admissible in the arbitration described below or in any lawsuit without the concurrence of all Parties. Documents identified in or provided with such communications, which are not prepared for purposes of the negotiations, are not so exempted and may, if otherwise discoverable, be discovered or otherwise admissible, be admitted in evidence, in the arbitration or lawsuit.
- 17.2 Formal Dispute Resolution. If negotiations fail to produce an agreeable resolution within ninety (90) days, then either Party may proceed with any remedy available to it pursuant to law, equity or agency mechanisms; provided, that upon mutual agreement of the Parties such disputes may also be submitted to binding arbitration. In the case of an arbitration, each Party shall bear its own costs. The Parties shall equally split the fees of any mutually agreed upon arbitration procedure and the associated arbiter.
- 17.3 Continuous Service. The Parties shall continue providing services to each other during the pendency of any dispute resolution procedure, and the Parties shall continue to perform their payment obligations including making payments in accordance with this Agreement.

## 18. MISCELLANEOUS

### 18.1 Authorization.

- (a) Albion Telephone Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Idaho and has full power and authority to execute and delivery this Agreement and to perform its obligations hereunder, subject to any necessary regulatory approval.

- (b) Idaho 6-Clark Limited Partnership d/b/a Verizon Wireless is a limited partnership, duly organized, validly existing and in good standing under the laws of the State of Idaho. Verizon Wireless (VAW) LLC d/b/a Verizon Wireless is a limited liability company, duly organized, validly existing and in good standing under the laws of the State of Delaware. Each has full power and authority to execute and deliver this Agreement and perform its obligations hereunder, subject to any necessary regulatory approval.
- 18.2 Compliance. Each Party shall comply with all applicable federal, state, and local laws, rules, and regulations applicable to its performance under this Agreement. Nothing in this Agreement shall be construed as requiring or permitting either Party to contravene any mandatory requirement of federal or state law, or any regulations or orders adopted pursuant to such law.
- 18.3 Independent Contractors. Neither this Agreement, nor any actions taken by VZW or Albion in compliance with this Agreement, shall be deemed to create an agency or joint venture relationship between VZW and Albion, or any relationship other than that of co-carriers. Neither this Agreement, nor any actions taken by VZW or Albion in compliance with this Agreement, shall create contractual, agency, or any other type of relationship or third party liability between VZW and Albion end users or others.
- 18.4 Force Majeure. Neither Party shall be liable for any delay or failure in performance of any part of this Agreement from any cause beyond its control and without its fault or negligence including, without limitation, acts of nature, acts of civil or military authority, government regulations, embargoes, epidemics, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, work stoppages, equipment failure, power blackouts, volcanic action, other major environmental disturbances, unusually severe weather conditions or any other circumstances beyond the reasonable control and without fault or negligence of the Party affected (collectively, a "Force Majeure Event"). If any Force Majeure condition occurs, the Party delayed or unable to perform shall give immediate notice to the other Party and shall take all reasonable steps to correct the Force Majeure condition. During the pendency of the Force Majeure, the duties of the Parties under this Agreement affected by the Force Majeure condition shall be abated and shall resume without liability thereafter.
- 18.5 Confidentiality.
- (a) Any information such as specifications, drawings, sketches, business information, forecasts, models, samples, data, computer programs and other software and documentation of one Party (a "Disclosing Party") that is furnished or made available or

otherwise disclosed to the other Party or any of its employees, contractors, or agents (its "Representatives" and with a Party, a "Receiving Party") pursuant to this Agreement ("Proprietary Information") shall be deemed the property of the Disclosing Party. Proprietary Information, if written, shall be clearly and conspicuously marked "Confidential" or "Proprietary" or other similar notice, and, if oral or visual, shall be confirmed in writing as confidential by the Disclosing Party to the Receiving Party within ten (10) days after disclosure. Unless Proprietary Information was previously known by the Receiving Party free of any obligation to keep it confidential, or has been or is subsequently made public by an act not attributable to the Receiving Party, or is explicitly agreed in writing not to be regarded as confidential, such information: (i) shall be held in confidence by each Receiving Party; (ii) shall be disclosed to only those persons who have a need for it in connection with the provision of services required to fulfill this Agreement and shall be used by those persons only for such purposes; and (iii) may be used for other purposes only upon such terms and conditions as may be mutually agreed to in advance of such use in writing by the Parties. Notwithstanding the foregoing sentence, a Receiving Party shall be entitled to disclose or provide Proprietary Information as required by any governmental authority or applicable law, upon advice of counsel, only in accordance with § 18.5.b of this Agreement.

- (b) If any Receiving Party is required by any governmental authority or by applicable law to disclose any Proprietary Information, then such Receiving Party shall provide the Disclosing Party with written notice of such requirement as soon as possible and prior to such disclosure. The Disclosing Party may then seek appropriate protective relief from all or part of such requirement. The Receiving Party shall use all commercially reasonable efforts to cooperate with the Disclosing Party in attempting to obtain any protective relief which such Disclosing Party chooses to obtain.
- (c) In the event of the expiration or termination of this Agreement for any reason whatsoever, each Party shall return to the other Party or destroy all Proprietary Information and other documents, work papers and other material (including all copies thereof) obtained from the other Party in connection with this Agreement and shall use all reasonable efforts, including instructing its employees and others who have had access to such information, to keep confidential and not to use any such information, unless such information is now, or is hereafter disclosed, through no act, omission or fault of such Party, in any manner making it available to the general public.

- 18.6 Governing Law. This Agreement shall be governed by Federal law, where applicable, and otherwise by the domestic laws of the State of Idaho without reference to conflict of law provisions. Notwithstanding the foregoing, the Parties may seek resolution of disputes under this Agreement by the FCC, the Commission, or the Idaho state courts, or federal court, as appropriate.
- 18.7 Taxes. Each Party purchasing services hereunder shall pay or otherwise be responsible for all federal, state, or local sales, use, excise, gross receipts, transaction or similar taxes, fees or surcharges levied against or upon such purchasing Party (or the providing Party when such providing Party is permitted to pass along to the purchasing Party such taxes, fees or surcharges), except for any tax on either Party's corporate existence, status or income. Whenever possible, these amounts shall be billed as a separate item on the invoice. To the extent a sale is claimed to be for resale tax exemption, the purchasing Party shall furnish the providing Party a proper resale tax exemption certificate as authorized or required by statute or regulation by the jurisdiction providing said resale tax exemption. Failure to timely provide such sale for resale tax exemption certificate will result in no exemption being available to the purchasing Party.
- 18.8 Assignment. This Agreement shall be binding upon the Parties and shall continue to be binding upon all such entities regardless of any subsequent change in their ownership. Except as provided in this paragraph, neither Party may assign or transfer (whether by operation of law or otherwise) this Agreement (or any right or obligations hereunder) to a non-affiliated party without the prior written consent of the other Party which consent will not be unreasonably withheld; provided that either Party may assign this Agreement to a corporate Affiliate or an entity under its common control by providing prior written notice to the other Party of such assignment or transfer. Any attempted assignment or transfer that is not permitted hereby is void *ab initio*. Without limiting the generality of the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the Parties' respective successors and assigns.
- 18.9 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 shall not be construed as a continuing or future waiver of such term, condition, right or privilege.
- 18.10 Notices. Notices given by one Party to the other Party under this Agreement shall be in writing and shall be (i) delivered personally; (ii) delivered by express delivery service; or (iii) mailed, certified mail, return receipt requested to the following addresses of the Parties:

<p><b>To: VZW</b>                  Verizon Wireless                  Attn: Mary Bacigalupi                  2785 Mitchell Drive, MS 8-1                  Walnut Creek, CA 94598</p>	<p><b>To: Albion Telephone Company, Inc.</b>                  Albion Telephone Company, Inc.                  Attn: Mike Dolezal                  P.O. Box 98                  Albion, ID 83311</p>
<p>With a copy to:                   Verizon Wireless                  1300 I Street, NW Suite 400W                  Washington, DC 20005                   Attn: Regulatory Counsel, Interconnection</p>	<p>With a copy to:                  Michael C. Creamer                  Givens Pursley LLP                  601 W. Bannock Street                  P.O. Box 2720                  Boise, ID 83701-2720</p>

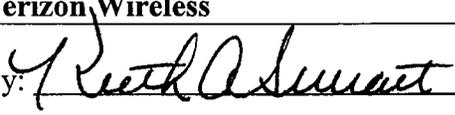
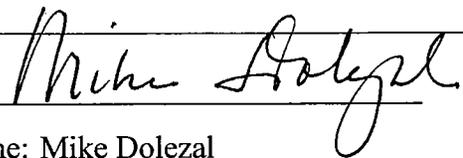
Or to such other address as either Party shall designate by proper notice. Notices will be deemed given as of the earlier of: (i) the date of actual receipt; (ii) the next business day when notice is sent *via* overnight express mail or personal delivery; or (iii) three (3) days after mailing in the case of certified U.S. mail.

- 18.11 Publicity and Use of Trademarks or Service Marks. Neither Party nor its subcontractors or agents shall use the other Party's trademarks, service marks, logos or other proprietary trade dress in any advertising, press releases, publicity matters or other promotional materials without such Party's prior written consent.
- 18.12 Joint Work Product. This Agreement is the joint work product of the Parties and has been negotiated by the Parties and their respective counsel and shall be fairly interpreted in accordance with its terms. In the event of any ambiguities, no inferences shall be drawn against either Party.
- 18.13 No Third Party Beneficiaries; Disclaimer of Agency. This Agreement is for the sole benefit of the Parties and their permitted assigns, and nothing herein expressed or implied shall create or be construed to create any third-party beneficiary rights hereunder. Except for provisions herein expressly authorizing a Party to act for another, nothing in this Agreement shall constitute a Party as a legal representative or agent of the other Party; nor shall a Party have the right or authority to assume, create or incur any liability or any obligation of any kind, express or implied, against, in the name of, or on behalf of the other Party, unless otherwise expressly permitted by such other Party. Except as otherwise expressly provided in this Agreement, no Party undertakes 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.
- 18.14 No License. No license under patents, copyrights, or any other intellectual property right (other than the limited license to use consistent with the terms, conditions and restrictions of this Agreement) is granted by either

Party, or shall be implied or arise by estoppel with respect to any transactions contemplated under this Agreement.

- 18.15 Technology Upgrades. Nothing in this Agreement shall limit either Parties' ability to upgrade its network through the incorporation of new equipment, new software or otherwise, provided it is to industry standards, and that the Party initiating the upgrade shall provide the other Party written notice at least ninety (90) days prior to the incorporation of any such upgrade in its network which will materially impact the other Party's service. Each Party shall be solely responsible for the cost and effort of accommodating such changes in its own network.
- 18.16 Entire Agreement. The terms contained in this Agreement and any Schedules, Exhibits, tariffs and other documents or instruments referred to herein are hereby incorporated into this Agreement by reference as if set forth fully herein, and constitute the entire agreement between the Parties with respect to the subject matter hereof, superseding all prior understandings, proposals and other communications, oral or written. Neither Party shall be bound by any preprinted terms additional to or different from those in this Agreement that may appear subsequently in the other Party's form documents, purchase orders, quotations, acknowledgments, invoices or other communications. This Agreement may only be modified by a writing signed by an officer of each Party.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the dates listed below.

<b>Idaho 6-Clark Limited Partnership d/b/a Verizon Wireless By: CommNet Cellular Inc., Its Managing Agent</b>	<b>Albion Telephone Company, Inc.</b>
<b>Verizon Wireless (VAW) LLC d/b/a Verizon Wireless</b>	
By: <u></u>	By: <u></u>
Name: <u>Keith A. Surratt</u>	Name: <u>Mike Dolezal</u>
Title: <u>West Area Vice President - Network</u>	Title: <u>General Manager</u>
Date: <u>10/04/07</u>	Date: <u>10/15/07</u>

**ATTACHMENT A**

**Licensee**

Idaho 6-Clark Limited Partnership  
Verizon Wireless (VAW) LLC

**Market Name**

Idaho 6-Clark RSA  
Idaho Falls, ID BTA

**ATTACHMENT B**

Reserved for Future Use