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**INTERCONNECTION WITH LOCAL EXCHANGE CARRIERS**

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**PART B Interconnection with Local Exchange Carriers (LECs)****ITEM 201. Compensation for Traffic Termination****1. Termination of Intra-Exchange or Intra LIR Traffic**

1. Traffic imbalance may occur for traffic that is interchanged between **People's Tel** and a LEC over designated Bill and Keep trunks. Subject to Item 201.1.2 below that applies to existing exchange based interconnection, where a traffic imbalance exists, the party which originates less traffic than it terminates is entitled to compensation. It is the responsibility of the party entitled to compensation (i.e., in whose favour the imbalance exists) to detect and apply charges for the imbalance.
2. For existing exchange-based interconnection, **People's Tel** will notify the LEC of any imbalance in **People's Tel's** favour that is detected for 3 consecutive months on specific trunk groups (the "initial imbalance").
3. If **People's Tel** detects a traffic imbalance in its favour, subsequent to the initial imbalance that applies for existing exchange-based interconnection and for LIR-based interconnection, it shall notify the LEC as soon as possible. For both the exchange-based and the LIR-based interconnection regimes, the non-recurring monthly rates specified below will be applied on the basis of actual traffic imbalances from the date of notification. | C |
4. The charge for any month is calculated for each trunk required at the busiest period of that month on the basis of actual traffic imbalance in the month. The non-recurring monthly rates specified below apply, for as long as the imbalance exists. When an imbalance recurs in a month subsequent to its declining to zero, **People's Tel** shall notify the LEC of the recurrence of the imbalance. **People's Tel** will then issue an invoice for the imbalance consistent with the manner in which ongoing imbalance situations are billed. | C |
5. Where a traffic imbalance favourable to the People's Tel exists for a partial month after the activation of bill and keep trunks in a new LIR, People's Tel may waive charges for that partial month. If People's Tel chooses to do so, billing will resume as normal in the first complete month.

**INTERCONNECTION WITH LOCAL EXCHANGE CARRIERS**

**PART B Interconnection with Local Exchange Carriers (LECs)**

**ITEM 201. Compensation for Traffic Termination – continued**

Termination of LEC Intra-exchange Traffic					
Territory	Up to 24 trunks, each trunk (\$)	Up to 48 trunks, each trunk (\$)	Up to 72 trunks, each trunk (\$)	Up to 96 trunks, each trunk (\$)	More than 96 trunks, each trunk (\$)
<b>Ontario/Quebec<sup>1</sup></b>					
Greater than 20%	4.08	6.42	7.12	7.49	7.68
Greater than 40%	6.84	10.70	11.85	12.47	12.80
Greater than 60%	9.54	14.98	16.62	17.47	17.91

N

1. Rates applicable in the operating territory of People's Tel.

Termination of LEC Intra LIR Traffic					
Territory	Up to 24 trunks, each trunk (\$)	Up to 48 trunks, each trunk (\$)	Up to 72 trunks, each trunk (\$)	Up to 96 trunks, each trunk (\$)	More than 96 trunks, each trunk (\$)
<b>Ontario/Quebec<sup>1</sup></b>					
Greater than 10%	2.05	3.21	3.57	3.76	3.85
Greater than 20%	3.41	5.36	5.94	6.25	6.42
Greater than 30%	4.79	7.50	8.33	8.76	8.98
Greater than 40%	6.15	9.64	10.70	11.25	11.55
Greater than 50%	7.51	11.78	13.07	13.77	14.11
Greater than 60%	8.89	13.93	15.46	16.26	16.68
Greater than 70%	10.24	16.08	17.84	18.76	19.25
Greater than 80%	11.61	18.23	20.22	21.26	21.82
Greater than 90%	12.98	20.37	22.60	23.76	24.39

N

1. Rates applicable in the operating territory of People's Tel.

GENERAL TARIFF

INTERCONNECTION WITH LOCAL EXCHANGE CARRIERS

**PART B Interconnection with Local Exchange Carriers (LECs)**

**ITEM 201. Compensation for Traffic Termination – continued**

**Percentage of the compensation payments<sup>1</sup>**

The table below indicates the percentages of the monthly compensation payments to a LEC when the total volume of traffic exchanged between **[People's Tel]** and a LEC over all local shared-cost trunks is at least 10 million minutes per month and the volume of traffic in the direction of that LEC network is more than 80 percent of the total traffic exchanged between **[People's Tel]** and that LEC (the Traffic Threshold) for three months or more. The percentages set out in the table below will continue to apply for each month until the traffic falls to, or below, the Traffic Threshold.

Following the initial application of the percentages in the table below, the percentages will apply in any subsequent month when the total volume of traffic exchanged between **[People's Tel]** and that LEC over all their local shared-cost trunks is at least 10 million minutes per month, and the volume of traffic in the direction of that LEC network is more than the Traffic Threshold.

The compensation payments are calculated by applying the percentages to the amounts payable using the rates identified in the tables above.

Percentage of LEC traffic in one direction over total traffic exchanged between LECs	Percentage of the compensation payments to a LEC with highest % traffic in one direction
≤ 80	100
>80	95
>82	90
>□□	85
□86	80
>□8	75
>90	65
>92	55
>□4	45
>96	35
>98	25

1 Applicable in the operating territory of People's Tel operating as an ILEC

**INTERCONNECTION WITH LOCAL EXCHANGE CARRIERS**

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**PART B Interconnection with Local Exchange Carriers (LECs)**

**ITEM 201. Compensation for Traffic Termination - continued**

**2. Termination of Traffic from Exchanges within ILEC Local Calling Area**

1. For existing exchange-based interconnection, LEC traffic originated in an exchange may be delivered to **People's Tel** for termination to end-customers in another exchange that has EAS with the originating exchange (i.e., traffic from exchanges within an ILEC's local calling area). For LIR-based interconnection, LEC traffic originated at an exchange external to an LIR having EAS with an exchange or exchanges within that LIR may be delivered to **People's Tel** for termination to end-customers that are located within the EAS area that is inside of the LIR.
2. Unless otherwise mutually agreed, such traffic shall be delivered to **People's Tel** over one-way trunks interconnected at the **People's Tel** POI in the terminating exchange (for existing-exchange based interconnection) or at **People's Tel** POI in the LIR that includes the terminating exchange (for LIR-based interconnection). For LIR-based interconnection, the LEC can deliver terminating toll traffic to **People's Tel** on the trunks that deliver EAS traffic.
3. The monthly rates and service charges specified below apply where such traffic is delivered to **People's Tel** POI on one-way terminating trunks. In addition, the LEC is responsible for all costs associated with transporting the traffic to the terminating exchange (for existing exchange based interconnection) or to the POI of the terminating LIR (for LIR based interconnection) including the provisioning of trunks between the LEC and **People's Tel** POI in the terminating exchange or LIR.
4. As an alternative, **People's Tel** and the LEC may agree to deliver such traffic over bill and keep trunks in the terminating exchange (for existing exchange based interconnection) or in the terminating LIR (for LIR based interconnection). Where such traffic is delivered to **People's Tel** on bill and keep trunks, the rates specified in Item 201.1 apply to any resulting traffic imbalance.

**INTERCONNECTION WITH LOCAL EXCHANGE CARRIERS**

**PART B Interconnection with Local Exchange Carriers (LECs)**

**ITEM 201. Compensation for Traffic Termination - continued**

Compensation for Traffic Termination							
Territory	Recurring Charge (each Trunk)					Service Charge	
	Up to 24 Trunks (\$)	Up to 48 Trunks (\$)	Up to 72 Trunks (\$)	Up to 96 Trunks (\$)	More than 96 Trunks (\$)	Order Processing (\$)	Interconnection trunk activation or change, each trunk (\$)
Ontario/Quebec <sup>1</sup>	12.47	19.59	21.72	22.83	23.41	169.54	20.44

1. Rates applicable in the operating territory of People's Tel operating as the ILEC.