

3. LOCAL SERVICES

3.1 Local Exchange Telephone Service - Basic Service Rates

These monthly rates apply to all subscribers of the Company. This rate covers the provision of network access to a local customer location, and entitles the customer to local calls (without toll charge) to all local stations connected to a central office of the exchange, or to all local extended local service area where comprised of more than one exchange.

The following rates apply to all customers for basic local exchange service.

	<u>Monthly Rate</u>
Business Access Line	\$20.75
Residence Access Line	\$17.75
Rotary Trunk	\$23.75

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3.11 Kansas Universal Service Fund

The Company assesses a fee for funding of the Kansas Universal Service Fund (KUSF), including Kansas Lifeline Service Program (KLSP), and the Kansas Telecommunications Access Program (TAP). These funds were enacted by the Kansas Legislature in 1996, and authorized by the Kansas Corporation Commission on December 27, 1996 in Docket No. 190,492-U. The amount of the fee may vary as determined by the Commission.

3.12 Lifeline Service Program

The Lifeline Service Program (Lifeline) is a program designated to maintain universal service by providing a reduction in the price of certain qualifying services, as determined by the Federal Communications Commission (FCC), to qualifying customers.

A. General

1. Federal Credit – the amount of federal credit provided to qualifying customers will be the maximum amount authorized by the FCC and will be applied to qualifying service as determined by the FCC.
2. State Credit - the amount of state credit provided to qualifying customers will be the maximum amount authorized by the Kansas Corporation Commission (KCC) and will be applied to qualifying service as determined by the KCC.
3. In no event shall any service rate be reduced below zero as a result of applying any Lifeline credit.