

PSC NO: 1 LOCAL EXCHANGE SERVICE
SBC Long Distance, LLC d/b/a SBC Long
Distance, d/b/a AT&T Long Distance
Initial Effective Date: February 9, 2006

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3. APPLICATION OF RATES

3.1 Introduction

The regulations set forth in this section govern the application of rates for Services contained in other sections of this Tariff. The Company will notify the Commission of the rates and charges and the terms and conditions of any promotion. Rates are presented in an initial, minimum and maximum format. The initial rate is the effective rate that is charged to the Customer. Minimum rates are the rate floors. Maximum rates are the rate ceilings. Rates can be adjusted up to the rate ceiling after notification to the Commission.

3.2 Flexible Pricing

3.2.1 General

Flexible pricing sets minimum and maximum rates that can be charged for telephone Service. The Company may change a specific rate within the range of the established minimum and maximum rates on one day's notice to Customers and the Commission.

3.2.2 Conditions

(A) The Company reserves the right to change prices at any time subject to regulatory requirements by filing with the Commission a revised rate schedule attached to this Tariff.

(B) Individual written notice to Customers of rate changes shall be made in accordance with Commission regulations. Where there are no regulations, notification will be made in a manner appropriate to the circumstances involved. Upon receipt of a rate increase notice, Customers may discontinue service without incurring any penalty.

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