Received: 01/22/2004 Status: CANCELLED Effective Date: 02/22/2004

> NY PSC Tariff No. 7 – TELEPHONE PAETEC Communications, Inc.

Revision: 0 Initial Effective Date: 02/22/2004

Section: 4 Leaf: 7

SECTION 4 - DIRECT (DEDICATED) SERVICE (Cont'd)

4.4 **Rate Categories**

There are seven rate categories that may apply to Company's Services.

4.4.1 Channel Terminations (CT) / Local Distribution Channel (LDC)

The Channel Termination Rate Category provides for the communications path between a Customer designated premises, and another Customer designated premises. Included as part of the Channel Termination is a standard channel interface arrangement which defines the technical characteristics associated with the type of facilities to which the Company's service is to be connected, and the type of signaling capability (if any). One channel Termination charge applies per Customer designated premises at which the service is terminated.

4.4.2 Channel Mileage Termination (CMT) - Fixed

This rate element applies per termination whenever there is mileage associated with the channel; a channel has mileage associated with it when the endpoints are located in geographic areas normally served out of separate Telephone Company end offices. Different charges may apply depending on whether the connection is a Type I (on-Net) or Type II (off-net) connection.

Channel Mileage (CM) - Per Mile 4.4.3

This rate element applies whenever there is mileage associated with the channel. The unit rate is multiplied by the number of miles (Interoffice Mileage) between the two Telephone end offices which normally serve the geographic areas in which the endpoints of the channel are located. Interoffice Mileage is determined according to the V&H coordinates method set forth in Section 2.10.2. Fractions of a mile are rounded up to the next whole mile before rates are applied. Different charges may apply depending on whether the connection is a Type I (on-Net) or Type II (off-net) connection.

Issued By: Richard E. Ottalagana, Executive Vice President, Fairport, New York