

2.14 SCHOOLS AND LIBRARIES DISCOUNT PROGRAM (Cont'd)

2.14.2 Regulations (Cont'd)

A. Obligations of the Company

- 1) Company will offer discounts to eligible schools and libraries on commercially available telecommunications services contained in this tariff. Those services contained in this tariff which are excluded from the discount program, in accordance with the Rules are included as an attachment to this tariff.
- 2) Company will offer services to eligible schools, libraries and consortia at prices no higher than the lowest price it charges to similarly situated non-residential customers for similar services (lowest corresponding price).
- 3) In competitive bidding situations, Company may offer flexible pricing or rates other than in this tariff, where specific flexible pricing arrangements are allowed, subject to New York Public Service Commission approval.

2.14.3 Discounted Rates for Schools and Libraries

- A. Discounts for eligible schools and libraries and consortia shall be set as a percentage from the pre-discount price, which is the price of services to schools and libraries prior to application of a discount.
- B. The discount rate will be applied to eligible intrastate services purchased by eligible schools, libraries or consortia.
- C. The discount rate is based on each school or library's level of economic disadvantage as determined in accordance with the FCC Order or other federally approved alternative measures (as permitted by the Rules) and by its location in either an urban or rural area.
- D. The discount matrix for eligible schools, libraries and consortia is included as an attachment to this tariff.

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