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August 3, 2012

Via Electronic Mail

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street - Filing Room
Room 2 North
Harrisburg, PA 17120

Re: Petition For Approval Of Agreement for Local Wireline Network Interconnection and Traffic Exchange Between The North-Eastern Pennsylvania Telephone Company and Service Electric Telephone, LLC; Docket No. _____

Dear Secretary Chiavetta:

Enclosed for filing is the Petition of The North-Eastern Pennsylvania Telephone Company and Service Electric Telephone, LLC for Approval of Agreement for Local Wireline Network Interconnection and Traffic Exchange. Copies have been served in accordance with the attached Certificate of Service.

If you have any questions or comments, please contact the undersigned.

Sincerely,

THOMAS, LONG, NIESEN & KENNARD

By:


Norman J. Kennard

NJK:tl
Enclosure
cc: Per Certificate of Service

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of The North-Eastern Pennsylvania Telephone Company and Service Electric Telephone, LLC for Approval of Agreement for Local Wireline Network Interconnection and Traffic Exchange :
Under Sections 251 and 252 of the Telecommunications Act of 1996 :
Docket No. _____

**PETITION OF THE NORTH-EASTERN PENNSYLVANIA TELEPHONE
COMPANY AND SERVICE ELECTRIC TELEPHONE, LLC
FOR APPROVAL OF AN AGREEMENT FOR LOCAL WIRELINE NETWORK
INTERCONNECTION AND TRAFFIC EXCHANGE**

The North-Eastern Pennsylvania Telephone Company (“NEPTC”) hereby requests that the Commission review and approve the attached Agreement for Local Wireline Network Interconnection and Traffic Exchange (“Agreement”) between NEPTC and Service Electric Telephone, LLC (“SET”) pursuant to Sections 251 and 252 of the Telecommunications Act of 1996 47 U.S.C. §§ 251 and 252 (the “Act”). In support of this request, NEPTC states as follows:

1. The Agreement was arrived at through good faith negotiations between the Parties as contemplated by Section 252 of the Act and provides for interconnection as addressed in Section 251 of the Act.

2. Pursuant to Section 252(e)(2), the Commission may only reject a negotiated Agreement if it finds that (1) the Agreement discriminates against another carrier or (2) implementation of the Agreement would not be consistent with the public interest, convenience and necessity.

3. NEPTC will make the Agreement available to any other similarly situated telecommunications carrier operating within its incumbent service territory. Other carriers are

also free to negotiate their own terms and conditions pursuant to the applicable provisions of the Act. For this reason, the Agreement is not discriminatory.

4. In addition, implementation of the Agreement is consistent with the public interest because it will permit interconnection between NEPTC and SET, promote competition and enhance SET's ability to provide competitive local exchange services in NEPTC's incumbent service territory.

5. In accordance with Section 252(e)(4) of the Act, the Agreement will be deemed approved if the Commission does not act to approve or reject the Agreement within 90 days from the date of this submission.

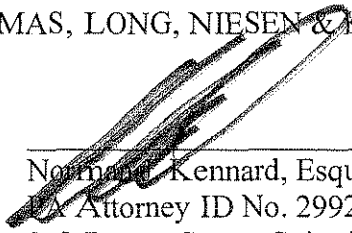
6. Copies of the Agreement are available for public inspection in NEPTC's and SET's public offices.

WHEREFORE, The North-Eastern Pennsylvania Telephone Company respectfully requests that the Commission approve the attached Agreement under Section 252(e) of the Act.

Respectfully submitted,

THOMAS, LONG, NIESEN & KENNARD

By:



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Dated: August 3, 2012

**AGREEMENT FOR
LOCAL WIRELINE NETWORK INTERCONNECTION
AND TRAFFIC EXCHANGE**

Between

The North-Eastern Pennsylvania Telephone Company

and

Service Electric Telephone, LLC

Dated: July 23, 2012

Agreement For Local Wireline Network Interconnection And Traffic Exchange

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**AGREEMENT FOR
LOCAL WIRELINE NETWORK INTERCONNECTION
AND TRAFFIC EXCHANGE**

This Agreement For Local Wireline Network Interconnection and Traffic Exchange (Agreement) made this 18th day of July, 2012, is by and between The North-Eastern Pennsylvania Telephone Company, a Pennsylvania corporation, having its principal place of business at P.O. Box D, 720 Main Street, Forest City, PA 18421 (“NEP”) and Service Electric Telephone, LLC, a Pennsylvania corporation, having its principal place of business at 4242 Mauch Chunk Road, Coplay, PA 18037 (“SERVICE ELECTRIC”). NEP and SERVICE ELECTRIC may also be referred to herein singularly as a “Party” or collectively as “the Parties”.

SECTION 1. RECITALS AND PRINCIPLES

WHEREAS, NEP is a local exchange carrier (“LEC”) authorized to provide telecommunications services in the Commonwealth of Pennsylvania; and

WHEREAS, SERVICE ELECTRIC is a competitive local exchange carrier (“CLEC”) authorized to provide telecommunications services in the Commonwealth of Pennsylvania; and

WHEREAS, the nature of the interconnection arrangement between the Parties established pursuant to this Agreement is of mutual benefit to both Parties and is intended to fulfill their needs to exchange local traffic; and

WHEREAS, the Parties have in good faith negotiated, and agreed on terms and conditions for the exchange of traffic and local interconnection as set forth below; and

WHEREAS, notwithstanding the mutual commitments contained in this Agreement, the Parties nevertheless enter into this Agreement without prejudice to any positions they have taken previously, or may take in the future in any legislative, regulatory, judicial or other public forum addressing any matters, including matters related specifically to this Agreement, or other types of arrangements prescribed in this Agreement; provided, however, that this Agreement shall remain binding on the parties.

IN CONSIDERATION OF the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, NEP and SERVICE ELECTRIC hereby covenant and agree as follows:

SECTION 2. GENERAL DEFINITIONS

Except as otherwise specified herein, the following definitions will apply to all sections contained in this Agreement. Additional definitions that are specific to the matters covered in a particular section may appear in that section.

2.1. "Access Service Request" ("ASR") means the industry standard forms and supporting documentation used for ordering access services. The ASR will be used to identify the specific trunking and facilities request for interconnection between the Parties.

2.2 "Affiliate" means a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, a Party to this Agreement.

2.3. "Agreement" refers to this Agreement for Local Wireline Network Interconnection and Traffic Exchange, including all Exhibits, Attachments or subsequently executed amendments.

2.4. "Automatic Number Identification" ("ANI") refers to the number transmitted through the network identifying the calling party.

2.5. "Carrier" means a telecommunication company authorized by the Commission to provide local exchange telecommunications services in the Commonwealth of Pennsylvania.

2.6. "CLLI Codes" means Common Language Location Identifier Codes.

2.7. "Commission" means the Pennsylvania Public Utility Commission.

2.8. "DS1" is a digital signal rate of 1.544 Megabits per second ("Mbps").

2.9. "DS3" is a digital signal rate of 44.736 Mbps.

2.10. "End User" means, whether or not capitalized, any business, residential or governmental customer of services and includes the term "customer."

2.11. "Exchange Access" means the offering of access for the purpose of the origination or termination of Interexchange Traffic.

2.12. "Interconnection," as used in this Agreement, refers only to the physical linking of two networks for the mutual exchange of traffic and only for purposes of transmitting and routing telephone exchange traffic or access traffic or both. Interconnection does not include the transport and termination of traffic.

2.13. "Internet Service Provider Bound Traffic" or "ISP Bound Traffic" means traffic delivered to a provider of Internet Services and which, is subject to the FCC's Order on Remand and Report and Order, FCC 01 131, CC Dockets No. 96-98 and 99-68 as modified or amended.

2.14. "Local Exchange Routing Guide" ("LERG") is a Telecordia reference document used by carriers to identify NPA-NXX routing and homing information as well as network element and equipment designations.

2.15. "Local Internet Traffic" means ISP traffic that is originated and dialed by an End User of one Party, delivered to the other Party, and terminated by the other Party to an ISP within

NEP's local calling area as defined in NEP's effective local service tariffs filed with the Commission and includes mandatory EAS traffic areas. As such, the originating End User and the ISP are both physically located within NEP's local calling area.

2.16. "Local Traffic" means traffic that is originated by an end user of one Party and terminates to an end user of the other Party within NEP'S local serving area as defined by the effective local exchange tariff(s) of NEP, including mandatory local calling scope arrangements established and defined by the Commission. A mandatory local calling scope arrangement is an arrangement that provides end users a local calling scope; i.e. Extended Area Service ("EAS"), beyond the end user's basic exchange serving area. Local Traffic, for purposes of this Agreement, includes both intra-exchange calls and EAS calls.

2.17. "NPA-NXX" means the first six digits of a ten-digit telephone number, which denote a consecutive 10,000 number block within the North American Numbering Plan. As used in the Agreement, the term refers exclusively to geographic NPAs and excludes Service Access Codes, unless otherwise specifically noted.

2.18. "Point of Interconnection" ("POI") means the physical location(s) at which the Parties' networks meet for the purpose of establishing interconnection and the exchange of Local Traffic.

2.19. "Rate Center" means the specific geographic area with which one or more NPA-NXXs assigned for the provision of Telephone Exchange Services is exclusively associated. The Rate Center of a particular Telephone Exchange Service is the Rate Center associated with the NPA-NXX designation of that Service.

2.20. "SS7" means Signaling System 7, the common channel out-of-band signaling protocol developed by the Consultative Committee for International Telephone and Telegraph ("CCITT") and the American National Standards Institute ("ANSI").

2.21. "Service Provider Number Portability" ("SPNP") means the ability of users of telecommunications services to retain, at the same location, existing telecommunications numbers without impairment of quality, reliability, or convenience when switching from one telecommunications carrier to another.

2.22 "Switched Access Service" means the offering of transmission and switching services for the purpose of the origination or termination of Toll Traffic. Switched Access Services include but are not necessarily limited to: Feature Group A, Feature Group B, Feature Group D, 700 access, 8YY access and 900 access.

2.23. "Toll Traffic" and "Interexchange Traffic" means traffic that originates or terminates outside of the local calling area and is not Local Traffic as measured by the NPA-NXX of the called and calling end users.

2.24. "Transport and Termination" means the transmission and switching facilities used in the termination of Local Traffic between interconnected carrier networks.

2.25. Virtual NXX (“VNXX”) is the assignment of one or more local telephone numbers to customers for use outside the specific Local Traffic geographic area, as defined in section 2.16, in which the customer is physically located.

2.26. “Voice over Internet Protocol Traffic” or “VoIP Traffic” means voice communications traffic that utilizes Internet Protocol format or the Internet for some or all of the transmission of the call, including but not limited to, the use of Internet protocol transmission for the connection to the End User’s premises.

2.27. “Wire Center” means a building or space within a building which serves as an aggregation point on a given carrier’s network, where transmission facilities and circuits are connected or switched. Wire Center can also denote a building in which one or more central offices, used for the provision of basic exchange services and access services, are located.

SECTION 3. NETWORK INTERCONNECTION

The Parties agree to interconnect their facilities and networks for the Transport and Termination of Local Traffic as follows:

3.1. Interconnection Trunking Arrangements

3.1.1. The Parties will interconnect their networks as specified in the terms and conditions contained in Attachment A attached hereto and incorporated by reference. The POI set forth in this Agreement, may be modified from time to time by either Party with the written consent of the other Party, which consent will not be unreasonably withheld.

3.1.2. The Parties may use traffic exchange trunk groups to route Local Traffic to one another pursuant to the terms of this Agreement. Each Party shall make available to the other Party trunks from the POI over which the originating Party can deliver Local Traffic for termination to end users of the other Party. Compensation for traffic terminated over Traffic Exchange Trunk Groups shall be as specified in Section 3.4 of this Agreement.

3.1.3. Each Party will be responsible for the engineering, construction and maintenance of its own network facilities on its side of the POI; provided, however, that where one Party requests that the POI be moved, the Party requesting such move may be required to pay the costs of the other Party associated with the move.

3.1.4. The Parties mutually agree that all interconnection facilities will be sized according to mutual forecasts and sound engineering practice, as mutually agreed to by the Parties during planning-forecasting meetings.

3.1.5. The Parties agree to establish trunk groups of sufficient capacity for local interconnection purposes. The Parties will mutually agree where one-way or two-way trunking will be available, technical and operational interfaces, procedures, and performance standards for

interconnection between the Parties and will conform with all generally accepted industry standards with regard to facilities, equipment, and services. The Grade of Service for all Facilities between NEP and SERVICE ELECTRIC will be engineered and provisioned to achieve P.01 Grade of Service. Each Party shall make available to the other Party trunks over which the originating Party can terminate Local Traffic of the end users of the originating Party to the end users of the terminating Party.

3.1.6. This Agreement is applicable only to the incumbent service territory of NEP within the Commonwealth of Pennsylvania and to the exchange of Local Traffic; provided, however, that NEP Cellcorp, Inc. may also use the trunking arrangements established hereunder to deliver intraMTA wireless traffic to SERVICE ELECTRIC. Ironton Telephone Company and NEP may also exchange intraLATA traffic using these trunking arrangements. Both Parties agree to deliver only traffic within the scope of this Agreement over the connecting facilities as specified in Attachment A. Neither Party shall provide an intermediary or transit traffic function for the other Party's connection of its end users to the end users of a third party telecommunications carrier without the consent of all parties and without the establishment of mutually agreeable terms and conditions governing the provision of the intermediary functions. This Agreement does not obligate either Party to utilize any intermediary or transit traffic function of the other Party.

3.1.7 This Agreement only applies to traffic originating or terminating in the local serving area defined by NEP'S effective local exchange tariff(s). From time to time, the Parties may negotiate the exchange of EAS Traffic between additional pairs of Local Service Exchange Areas, but this Agreement does not require the Parties to negotiate any changes. It is a default of this Agreement for a Party to deliver, over the connecting network facilities, any traffic other than the traffic that is within the scope of this Agreement as specifically identified in this Section 3.0.

3.1.8. Both Parties presently intend to open and assign telephone numbers to customers that are physically located within the same Rate Center and Local Traffic area to which the number has been assigned and have no intention to and shall not employ VNXX number assignment practices except according to the provisions of this paragraph. To the extent that VNXX assigned number are ported by a Party, including from the 570-267 (NPA-NXX) number block or a Party employs VNXX number assignment practices in the future, the Parties agree that the determination as to whether a call is Local Traffic or Toll Traffic for intercarrier compensation purposes shall be determined by the physical location of the customer to whom the number has been assigned. A Party shall provide written notice to the other Party if and when it desires to begin employing VNXX number assignment practices and if necessary, the Parties may mutually agree to revise this Agreement, but, if they cannot so agree, may use the procedures of 47 USC § 252, including arbitration to seek amendment. If a different rate of intercarrier compensation is ultimately negotiated or arbitrated, such rate will be applied retroactively to the date that the Party notified the other Party that it began using VNXX routing.

3.1.9. Each Party agrees that it will not provision any of its services in any manner that would result in, or permit, the arbitrage and/or circumvention of the application of interstate or intrastate access charges by the other Party including as examples, but not limited to,

the resale or bridging of EAS service beyond the two specified Local Service Exchange Areas between which EAS is provided or the assignment of NPA-NXX numbers associated with one Rate Center for End Users that obtain local exchange service in a different Rate Center. Nothing herein shall preclude SERVICE ELECTRIC from offering a larger local calling area to its customers on a retail basis without affecting intercarrier compensation.

3.1.10. Switched Access Services shall not be provisioned through the trunking established pursuant to this Agreement. The Parties shall make separate Feature Group D arrangements through their respective tariffs for the exchange of Toll Traffic. Neither Party shall use Feature Group C connections to exchange Toll Traffic, including Feature Group C provisioned by a third party.

3.1.11. This Agreement does not obligate either Party to provide any arrangements or services not specifically provided for herein. This Agreement has no effect on the definition of end user services that either Party offers to its end user customers, the services either Party chooses to offer to its respective end user customers, the rate levels or rate structures that either Party charges its end users for services, or the manner in which either Party provisions or routes the services either Party provides to its respective end user customers.

3.1.12. Each Party is solely responsible for the receipt and transmission of 911/E911 traffic originated by users of its Telephone Exchange Services. The Parties acknowledge and affirm that calls to 911/E911 services shall NOT be routed over the Traffic Exchange Trunk Groups. To the extent that a Party incorrectly routes such traffic over such arrangements, that Party shall fully indemnify and hold harmless the other Party for any claims, including claims of third parties, related to such calls.

3.1.13. Notification of Network Changes. Each Party shall notify the other Party in writing at least sixty (60) days in advance of a network change that will affect the routing of any traffic subject to the Agreement.

3.2. Testing and Trouble Responsibilities

3.2.1. NEP and SERVICE ELECTRIC agree that each will share responsibility for all maintenance and repair of trunks/trunk groups. The Parties agree to:

(a) Cooperatively plan and implement coordinated repair procedures for the meet point and local interconnection trunks and facilities to ensure trouble reports are resolved in a timely and appropriate manner;

(b) Provide trained personnel with adequate and compatible test equipment to work with each other's technicians;

(c) Promptly notify each other when there is any change affecting the service requested, including the date service is to be started;

(d) Coordinate and schedule testing activities of their own personnel, and others as applicable, to ensure its interconnection trunks/trunk groups are installed per the interconnection order, meet agreed upon acceptance test requirements, and are placed in service by the due date;

(e) Perform sectionalization to determine if a trouble condition is located in its facility or its portion of the interconnection trunks prior to referring any trouble to each other;

(f) Provide each other with a trouble reporting number to a work center that is staffed or on call 24 hours a day/7 days a week;

(g) Immediately report to each other any equipment failure which may affect the interconnection trunks; and

(h) Provide, based on the trunking architecture, for mutual tests for system assurance for the proper recording of AMA records in each company's switch. These tests are repeatable on demand by either Party upon reasonable notice.

3.3. Treatment of Local Internet Traffic

3.3.1. The Parties agree to transport, switch, and terminate Local Internet Traffic in the manner described below.

3.3.2. The Parties acknowledge that under current network and service arrangements, Local Internet Traffic may be switched and transported as if it is Local Traffic. The Parties will treat Local Internet Traffic under the conditions set forth in this Section 3.3.

3.3.3. The Parties agree neither Party will owe a net due amount to the other Party for the origination or the termination of Local Internet Traffic including, but not limited to, compensation for switching, transport or termination of Local Internet Traffic, subject to the terms of Attachment B.

3.3.4. Any call placed to an ISP that is not Local Internet Traffic including, but not limited to, a call placed on a non-local basis (e.g., a toll call or 8yy call) or using VNXX numbering assignment, to an ISP shall not be treated as Local Internet Traffic for compensation purposes. The Parties agree that, to the extent such "non-Local" ISP calls are placed, that the rates, terms and conditions for Exchange Access calling shall apply, including but not limited to rating and routing according to the Party's applicable tariffs and the application of intrastate or interstate Switched Exchange Access Service tariffs.

3.4. Compensation For the Transport and Termination of Local Traffic.

3.4.1. The Parties agree that the mutual provisions and relative obligations of the Parties pursuant to this Agreement represent good and valuable consideration, the sufficiency of which between the Parties is acknowledged, and that the relative obligations and consideration are sufficiently in balance between the Parties such that neither Party has any obligation to provide any monetary compensation to the other Party for the other Party's origination or

termination of traffic within the scope of this Agreement. The specific compensation terms and conditions set forth in this Agreement for the exchange of Local Traffic are set forth in Attachment B and are related to, dependent on, and limited to all other terms and conditions set forth in this Agreement.

3.4.2. Neither Party will deliver Switched Access Traffic to the other Party over the trunk group(s) established pursuant to this Agreement. Notwithstanding this requirement, if a Party delivers Toll Traffic to the other Party over the trunk groups specified in Section 3.1, such traffic shall be subject to full Switched Access charges pursuant to the terminating Party's effective intrastate and interstate access tariffs.

3.4.3. The Parties agree that all traffic, other than Local Traffic and Local Internet Traffic, that is originated or terminated on the public switched network, regardless of: (1) technology used to originate, terminate or transport such traffic; (2) whether the traffic may have been converted to Internet Protocol or any other transmission protocol during the routing and transmission of the call; and (3) whether the traffic is considered VoIP, will be subject to either intrastate or interstate access charges (based on the end points of the call) at rates provided in the Party's access tariff, including the "VoIP-PSTN" rate schedule.

3.4.4. The terms of compensation for Local Traffic and Local Internet Traffic do not apply to the following; (1) interstate or intrastate Exchange Access or exchange services for Exchange Access; (2) intraLATA Toll Traffic or interLATA Toll Traffic, including, but not limited to, calls originated on a 1+ presubscription basis, or on a casual dialed (10XXX/101XXXX) basis (3) Optional Extended Local Calling Area Traffic; (4) Tandem Transit Traffic; and (5) any wireless traffic. The terms of compensation for Local Traffic and Local Internet Traffic do not apply to traffic either originated from or terminated to a Party's End User, where the End User location is physically located outside of the geographic area that has been identified as the Rate Center Area associated with a particular NPA-NXX.

3.4.5. Each Party shall pass CPN information on at least ninety percent (90%) of calls carried over the Traffic Exchange Trunks. If the Originating Party passes CPN on ninety percent (90%) or more of its calls, the Receiving Party shall determine traffic type by comparing the CPN to the called number.

3.4.6. A maintenance service charge applies whenever either Party requests the dispatch of the other Party's personnel for the purpose of performing maintenance activity on the interconnection trunks, and any of the following conditions exist: (a) No trouble is found in the interconnection trunks; (b) The trouble condition results from equipment, facilities or systems not provided by the Party whose personnel were dispatched; or (c) Trouble clearance did not otherwise require a dispatch, and upon dispatch requested for repair verification, the interconnection trunk does not exceed maintenance limits.

3.4.7. If a maintenance service charge has been applied and trouble is subsequently found in the facilities of the Party whose personnel were dispatched, the charge will be canceled.

3.4.8. Billing for maintenance service by either party is based on each half-hour or fraction thereof expended to perform the work requested. The time worked is categorized and billed at one of the following three rates: (1) basic time; (2) overtime; or (3) premium time as defined in NEP's intrastate access tariff.

3.4.9. Payment. Each Party agrees to pay to the other Party all undisputed billed amounts within thirty (30) days of receipt of the invoice. All undisputed billed amounts not paid thirty (30) days of receipt of the invoice shall be past due and accrue late charges. Any undisputed past due amount will accrue late charges at the lesser of: (a) 1.5% per month, or (b) the maximum rate allowed under applicable law. A Party has sixty (60) days after receipt of an invoice to submit a dispute, in writing, detailing the objection(s) to any charges. A dispute shall be filed only in good faith. The Parties shall cooperate in a good faith effort to resolve any disputed amounts. If unable to achieve a mutually acceptable resolution, the Parties shall resort to dispute resolution under Section 5.0 of the Agreement. Failure to pay, within thirty (30) days, any undisputed billed amount or a billed amount that is not disputed in good faith shall constitute a material breach of this Agreement.

3.4.10. Business Records and Bill Verification. Each Party is responsible for the accuracy of its data as submitted to the other Party. Upon reasonable written notice, each Party or its authorized representative shall have the right to conduct a review of the relevant data possessed by the other Party to assure compliance with the provisions of this Agreement. Either Party may request, in writing, that the other Party verify the accuracy of amounts shown on invoices provided pursuant to this Agreement and the Party receiving the request shall provide information with sufficient detail to verify its invoices within sixty (60) days of the receipt of the written request. Upon reasonable written notice, each Party or its authorized representative shall have the right to conduct reviews of the relevant information possessed by the other Party to give assurance of compliance with the provisions of this Agreement. Each Party's right to access information for verification review purposes is limited to data current within twelve (12) months. The Party requesting a verification review shall fully bear its own costs associated with conducting a review. The Party being reviewed will provide access to necessary and applicable information and systems at no charge to the reviewing Party during normal business hours at the reviewed Party's principal offices. No original books or records of the Party being reviewed may leave the premises of the Party being reviewed. Prior to commencing the review, the Party being reviewed may request the execution of a confidentiality agreement to protect confidential information disclosed through the course of the review at its sole discretion. Reviews may be conducted at the request of either Party no more frequently than once per Calendar Year.

3.5 Technology, SS-7, Routing and Rating

3.5.1. Neither Party shall employ Telephone Exchange Services provided by any party, or allow a third party to employ Telephone Exchange Services provided by that Party, in any manner to deprive the other Party of Exchange Access charges to which it is otherwise entitled.

3.5.2. Determination of traffic type for compensation purposes pursuant to this Agreement shall be made without regard to the type of technology or network used by either Party to switch or transport the call.

3.5.3. Each Party shall rate calls placed by its subscribers to subscribers of the other Party, according to the Rate Centers of the calling and called telephone numbers, in the same manner as it rates calls within its own network or between its own network and networks of other entities. Notwithstanding the above, nothing in the Agreement shall be construed to restrict either Party's abilities and discretion to establish, modify, market, sell or advertise its various calling plans or products.

3.5.4. Unless otherwise mutually agreed by the Parties, the Parties will exchange traffic using SS7 signaling. SS7 connectivity will be provided in accordance with prevailing industry standards. The Parties agree to cooperate on the exchange of all appropriate SS7 messages for call set-up, including Integrated Services Digital Network User Part ("ISUP") and Transaction Capability User Part ("TCAP") messages, to facilitate full interoperability of all CLASS features and functions between their respective networks. The parties shall include the Jurisdiction Information Parameter ("JIP") in the Initial Address Message ("IAM"), containing a Local Exchange Routing Guide-assigned NPA-NXX (6 digits) identifying the originating switch on calls that they originate. The Parties do not guarantee that a third party, if involved in the routing of a call, will deliver the JIP.

3.5.5. Neither Party shall intentionally substitute or generate incorrect ANI, CPN or other SS7 parameters on traffic exchanged pursuant to this Agreement. Upon determination that a Party has intentionally substituted or generated such incorrect parameters on traffic exchanged pursuant to this Agreement, the offending Party shall pay the other Party the difference between compensation paid (if any) and applicable access charges, plus interest due under the terms of the applicable access tariff from the date the traffic would have been billed if such parameters had been passed unaltered. In addition, the Parties acknowledge that a violation of this paragraph would cause the other Party to incur expenses to identify and correct the affected call records, and that such incidental expenses would be difficult to quantify; therefore, in lieu of recovery of such expenses, the offending Party shall pay the other Party liquidated damages of \$1.00 per affected call record.

3.6 Activity associated with End User Changes in Service Provider

3.6.1. Coordination of Transfer of Service. To serve the public interest of end users, the Parties agree that when an end user transfers service from one Party to the other Party it will be necessary for the parties to coordinate the timing for disconnection from one Party and connection with the other Party so that transferring end users are not without service for any extended period of time. Other coordinated activities associated with transfer of service will also need to be coordinated between the Parties to ensure quality services to the public.

3.6.2. The Parties agree to establish mutually acceptable, reasonable, and efficient transfer of service procedures that utilize the industry standard LSR format for the exchange of necessary information for coordination of service transfers between the Parties.

3.6.3. No Charges for Transfer of Service Activities. Except for the charges set forth in Subsection 3.6.10, there will be no charges between the Parties or compensation provided by one Party to the other Party for the transfer of service activities described in this Section 3.6.

3.6.4. Letter or Authorization. For purposes of either Party requesting disconnect, intercept service announcements, and number portability activity with the other Party on behalf of end users, each Party is responsible for obtaining a Letter of Authorization (“LOA”) from each end user that is seeking to change its service provider. The Parties will accept requests for disconnect, intercept service announcement initiation, and number portability activity from the other Party based on the other Party's representation of having obtained a LOA for such purposes. The Parties agree to abide by applicable state and federal laws and regulations with respect to obtaining any necessary authorization, if any, from an end user with respect to any request for service provider change activities described in this Section 3.6.

3.6.5. Transfer of Service Announcement. In the case where an end user changes service from one Party to the other Party and the end user does not retain its original telephone number, the Party formerly providing service to the end user will provide a transfer of service announcement on the vacated telephone number. This announcement will provide details regarding the new number that must be dialed to reach this end user. The service announcement will be provided by the Party formerly providing service for a minimum of four months.

3.6.6. Disconnect and Transfer of Service Announcement Coordination for Service Transfers. For local number porting orders, the Parties shall adhere to Alliance for Telecommunications Industry Solutions (“ATIS”) standard Local Service Request (LSR) format (most current version or any version mutually agreed to by the Parties). The Parties shall port numbers three (3) to five (5) business days from receipt of the porting order. The Parties agree to modify this porting interval if the FCC orders different standard intervals for wireline to wireline porting. Should any Party request a coordinated port, the due date interval will be negotiated between the Parties. To lessen the burden upon the customer the acquiring provider needs only to supply the following information to the losing provider: Date; Agency Authorization Status (AGAUTH); Customer Zip Code; and Customer Telephone Number(s). To further lessen the burden to the customer, the losing provider agrees to only remove the ported number(s) from switch tables and triggers after midnight, following the port, or the next business day.

3.6.7. Combined Transfer of Service Requests. Each Party will accept transfer of service requests from the other Party for one end user that includes combined requests for transfers where the end user will retain one or more telephone numbers and where the end user will not change one or more telephone numbers.

3.6.8. Access to the Network Interface Device (“NID”). Each Party will allow the other Party access to the customer side of the NID consistent with Federal Communication Commission rules. The Party to which the end user is transferring service may move all inside wire from the other Party's existing NID to one provided by the Party to which the end user is

transferring service. Where a NID is of the type which provides for customer access to one side of the NID, the Party to which the end user is transferring service may elect to remove the inside wire at the connection(s) within the customer side of the NID. Where a NID is of an older type not allowing access to the customer side of the NID, the Party to which the end user is transferring service must make a clean cut of the inside wire at the closest point to the NID.

3.6.9. Special Coordination Service Provider Change Activities. Special coordinated transfer of service activities ("Coordinated Cuts") will be provided between the Parties according to the terms of this subsection. Coordinated Cuts involve the performance of customer change activities during a specific, prearranged time. At the request of either Party, the other Party will perform Coordinated Cuts described in Subsections 3.6.6 and 3.6.7 during a one-half (1/2) hour window on a prearranged service transfer request date and time not more than five (5) business days from the date that the local service request is made or any other mutually agreeable business day. The service request time must be on a business day, Monday through Friday or other times as may be otherwise mutually agreed to by the Parties. The one-half (1/2) hour designated prearranged time period begins at the time designated on the Firm Order Confirmation. The requested service transfer request date is included on the request by the Party to which the end user is transferring service. The Parties agree that there will be a charge between the Parties for the performance of these special coordinated activities. The charge will be on the basis of the number of customer locations involved in the coordinated activities. For each request, the charge will be Forty Dollars (\$40.00) for the first customer location and the charge for each additional customer location under the same request will be Twenty Dollars (\$20.00). The payment for coordinated change activities is made by the Party to which the end user is transferring service to the Party from which the end user is transferring service.

3.6.10. Local Number Portability Shall Be Provisioned As Follows:

3.6.10.1. SPNP shall be provided by the Parties using the industry Location Routing Number database method or other technical solution that comports with regulations issued by the FCC to provide local number portability. The Parties will conform to industry guidelines referenced herein in preparing their networks for SPNP and in porting numbers from one network to another.

3.6.10.2. SPNP shall only be provided within the geographic Rate Center associated with the ported number and shall not be provided across Rate Center boundaries.

3.6.10.3. SPNP shall not be provided for the purpose of avoiding toll or long distance charges. SPNP under this agreement shall not apply to telephone numbers associated with non-geographic services, SAC codes, Feature Group A services or coin telephone services.

3.6.10.4. Each Party will coordinate SPNP activities with the Number Portability Administration Center ("NPAC") as required including, but not limited to, importation of data identified in industry forums as is required for SPNP.

3.6.10.5. Both Parties will conform to NANC guidelines and any applicable LERG administration rules in requesting the opening of an NPA-NXX for portability in a SPNP capable switch.

3.6.10.6. Both Parties will conform to industry standard Local Service Request format and guidelines in administering individual service/number ports under SPNP.

3.6.10.7. When a ported telephone number becomes vacant, e.g., the telephone number is no longer in service by the original end user, the ported telephone number will be released back to the Local Service Provider owning the switch with which the NXX block associated with the ported number was assigned originally by the North American Numbering Plan Administrator.

3.6.10.8. The provisions of this Subsection 3.6.11 are subject to change in accordance with any changes in regulatory requirements associated with SPNP including, but not limited to, number pooling or other portability measures.

3.7. Treatment Of Voice Over Internet Protocol Traffic. VoIP Traffic calls will be originated and terminated in the same manner as each Party does for traditional, TDM-originated circuit-switched Traffic. VoIP Traffic that both originates and terminates within a local calling area as defined for Local Traffic pursuant to this Agreement will also be treated as Local Traffic pursuant to this Agreement. All other VoIP Traffic will be treated as either intrastate or interstate interexchange traffic subject to the same terms and conditions of other switched interexchange traffic, including the application of originating and terminating Switched Exchange Access Service tariff charges, except as may be provided under the "VoIP-PSTN" rate schedule.

SECTION 4. AUDIT

4.1. Either Party may, upon written notice to the other Party, conduct an audit, during normal business hours, only on the source data/documents as may contain information bearing upon the services being provided under the terms and conditions of this Agreement. An audit may be conducted no more frequently than once per 12 month period, and only to verify the other Party's compliance with provisions of this Agreement. The notice requesting an audit must identify the date upon which it is requested to commence, the estimated duration, the materials to be reviewed, and the number of individuals who will be performing the audit. Each audit will be conducted expeditiously. Any audit is to be performed as follows: (i) following at least 45 days' prior written notice to the audited Party; (ii) subject to the reasonable scheduling requirements and limitations of the audited Party; (iii) at the auditing Party's sole cost and expense; (iv) of a reasonable scope and duration; (v) in a manner so as not to interfere with the audited Party's business operations.

SECTION 5. DISPUTE RESOLUTION

5.1. The Parties agree that in the event of a default or violation hereunder, or for any dispute arising under this Agreement or related agreements, the Parties will first confer to discuss the dispute and seek resolution prior to taking any action before any court or regulator, or before authorizing any public statement about or authorizing disclosure of the nature of the dispute to any third party. Such conference will occur at least at the Vice President level for each Party. In the case of SERVICE ELECTRIC, its Vice President of Interconnection, or equivalent officer, or management person one level below that level, will participate in the meeting, and for NEP, its Manager, Network Operations, or management person one level below that level, will participate. In the event the Parties are unable to resolve the dispute through conference, either Party may initiate an appropriate action in any regulatory or judicial forum of competent jurisdiction.

SECTION 6. FORCE MAJEURE

6.1. If the performance of the Agreement, or any obligation hereunder is prevented, restricted or interfered with by reason of any of the following: (a) Fire, explosion, flood, earthquake, hurricane, cyclone, tornado, storm, epidemic, breakdown of plant or power failure; (b) War, revolution, civil commotion, acts of public enemies, blockade or embargo; (c) Any law, order, proclamation, regulation, ordinance, demand or requirement of any government or any subdivision, authority, or representative of any such government; (d) Labor difficulties, such as strikes, picketing or boycotts; (e) Delays caused by other service or equipment vendors; (f) Any other circumstance beyond the reasonable control of the Party affected; then the Party affected, upon giving prompt notice to the other Party, will be excused from such performance on a day-for-day basis to the extent of such prevention, restriction, or interference (and the other Party will likewise be excused from performance of its obligations on a performance so prevented, restricted or interfered with); provided that the Party so affected will use its best efforts to avoid or remove such causes of nonperformance and both Parties will proceed to perform with dispatch whenever such causes are removed or cease.

SECTION 7. COMMISSION DECISION

7.1. If a lawful review by the Commission or FCC renders this Agreement inoperable or creates any ambiguity or requirement for further amendment to the Agreement, the Parties agree to negotiate in good faith to agree upon any necessary amendments to the Agreement.

SECTION 8. REGULATORY MATTERS

8.1. The Parties mutually acknowledge that the terms and conditions, including rates, for transport and termination of traffic specified in this Agreement are voluntarily negotiated, pursuant to Section 252(a)(1) of the Act, and may differ from the terms and conditions that might be imposed by a regulatory agency under Section 252(d)(2) of the Act. Accordingly, a regulatory determination that either Party's costs of transport and termination are either higher or

lower than the agreed to rates, shall not constitute an event requiring negotiation of this Agreement. Likewise, a Law requiring the use of a particular term or condition including type of compensation arrangement or particular rates to be compensated for the transport and termination of traffic, within the scope of this Agreement shall not constitute an event requiring negotiation, unless the Law expressly requires changes to agreements entered into before the effective date of the Law. Provided, however, that to the extent a Law expressly requires a change to a term or condition, including rates, then the term or condition will be renegotiated. Nothing in this Agreement shall be construed to deny NEP a rural exemption under Section 251(f)(1) of the Act. Nothing in this Agreement shall be construed to affect either Party's rights or obligations under Section 251(f)(1) of the Act. The Parties further agree that the terms and conditions set forth herein shall not be subject to a request for suspension or modification pursuant to Section 251(f)(2) of the Act.

SECTION 9. REGULATORY APPROVAL

9.1. Each Party is responsible for obtaining and maintaining in effect all state regulatory commission approvals and certifications that are required for that Party's provision of local exchange and/or local exchange access services in the service areas covered by this Agreement. The Parties agree to jointly file this Agreement with the Commission and to fully cooperate with each other in obtaining Commission approval.

SECTION 10. DIRECTORY LISTINGS

10.1. Neither party shall have any responsibility to the other or to any end user served by the other Party to provide operator services, directory assistance or directory listings, including white or yellow pages; provided however that if either Party elects to publish its own directory during the term of the Agreement, it shall extend to the other Party the opportunity to include the other Party's customer listings in the directory on reasonable terms and conditions.

SECTION 11. RESERVED FOR FUTURE USE

SECTION 12. TERM OF AGREEMENT

12.1. Term. Subject to the termination provisions contained in this Agreement, the initial term of this Agreement shall be three (3) years from the effective date referenced in Section 13 of this Agreement. This Agreement shall continue in force and effect for consecutive one (1) year terms thereafter, unless on a date no less than three (3) months prior to the expiration of the initial term or any subsequent term, either Party requests the termination of this Agreement. Nothing in this Agreement affects either Party's rights under Section 252(i) of the Act.

12.2. Post-Termination Arrangements. For service arrangements made available under this Agreement and existing at the time of termination, those arrangements will continue without interruption until a replacement agreement has been executed by the Parties either (a) under a new agreement voluntarily executed by the Parties; (b) under a new agreement negotiated pursuant to the provisions of Section 252 of the Act; or c) under any agreement available according to the provisions of Section 252(i) of the Act. The Parties shall act promptly and in good faith to effectuate such replacement agreement. In the event that a replacement agreement is not reached within twelve (12) months of the termination of this Agreement, the obligation to continue without interruption shall cease.

12.3. Termination. Either Party may terminate this Agreement for cause upon sixty (60) days' prior written notice if (a) the other Party materially breaches this Agreement and fails to cure such breach during such sixty (60) day period, (b) the other Party's authority to provide the services provided herein is revoked or terminated, or (c) the other Party is insolvent, or files for bankruptcy (or other protection from creditors generally) and such bankruptcy petition is not dismissed within sixty (60) days. Termination of this Agreement for any cause shall not release either Party from any liability which at the time of the termination had already accrued to the other Party or which thereafter accrues in any respect for any act or omission occurring prior to the termination relating to an obligation that is expressly stated in this Agreement. The Parties will cooperate to comply with any Commission rules involving termination or abandonment.

12.4. Survival of Obligations. The terms and conditions contained herein that by their context are intended to survive (or to be performed after) the termination of this Agreement, shall survive the termination hereof. Unless otherwise mutually agreed to between the Parties, if this Agreement is terminated for any reason and the Parties continue to terminate traffic for the other Party, then the terms and conditions contained herein shall continue to apply to such termination of traffic until a new arrangement is in place between the Parties; however, the Parties hereby agree that they shall not perform services as defined herein for a period of longer than twelve (12) months without negotiation and execution of a new agreement.

SECTION 13. EFFECTIVE DATE

13.1. This Agreement will become effective upon approval of this Agreement by the Commission.

SECTION 14. AMENDMENT OF AGREEMENT

14.1. The Parties may mutually agree to amend this Agreement in writing. Because it is possible that amendments to this Agreement may be needed to fully satisfy the purposes and objectives, the Parties agree to work cooperatively, promptly, and in good faith to negotiate and implement any such additions, changes, and/or corrections to this Agreement. Any amendment must be made in writing.

SECTION 15. LIMITATION OF LIABILITY

15.1. EXCEPT AS OTHERWISE PROVIDED HEREIN, NEITHER PARTY WILL BE LIABLE TO THE OTHER IN CONNECTION WITH THE PROVISION OR USE OF SERVICES PROVIDED UNDER THIS AGREEMENT. NEITHER PARTY WILL BE LIABLE TO THE OTHER FOR ANY LOSS, COST, CLAIM, INJURY, LIABILITY OR EXPENSE, INCLUDING REASONABLE ATTORNEY'S FEES, RELATING TO OR ARISING OUT OF ANY ORDINARY NEGLIGENT ACT OR OMISSION BY A PARTY. IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, INCOME OR REVENUE, EVEN IF ADVISED OF THE POSSIBILITY THEREOF, WHETHER SUCH DAMAGES ARISE OUT OF BREACH OF CONTRACT, BREACH OF WARRANTY, NEGLIGENCE, STRICT LIABILITY, OR ANY OTHER THEORY OF LIABILITY AND WHETHER SUCH DAMAGES WERE FORESEEABLE OR NOT AT THE TIME THIS AGREEMENT WAS EXECUTED.

SECTION 16. INDEMNITY

16.1. Each Party will indemnify and hold the other harmless from any liabilities, claims or demands (including the costs, expenses and reasonable attorney's fees on account thereof) that may be made by third parties for (a) personal injuries, including death, or (b) damage to tangible property resulting from the sole negligence and/or sole willful misconduct of that Party, its employees or agents in the performance of this Agreement. Each Party will defend the other at the other's request against any such liability, claim, or demand. Each Party will notify the other promptly of written claims or demands against such Party of which the other Party is solely responsible hereunder.

SECTION 17. ASSIGNMENT

17.1. Either Party may assign this Agreement to another party with the written consent of the other Party, which consent will not be unreasonably withheld.

SECTION 18. CONTROLLING LAW

18.1. This Agreement was negotiated by the Parties in accordance with the terms of the Telecommunications Act of 1996 and the laws of the State of Pennsylvania. It will be interpreted solely in accordance with the terms of the Telecommunications Act and applicable state law.

SECTION 19. DEFAULT

19.1. If either Party believes the other is in breach of this Agreement or otherwise in violation of law, it will first give sixty (60) days' notice of such breach or violation and an opportunity for the allegedly defaulting Party to cure. Thereafter, the Parties will employ the dispute resolution procedures set forth in this Agreement.

SECTION 20. NONDISCLOSURE

20.1. "Confidential Information" as used herein means any information in written, oral, or other tangible or intangible forms which may include, but is not limited to, ideas, concepts, know-how, models, diagrams, flow charts, data, computer programs, marketing plans, business plans, customer names, and other technical, financial, or business information, which is designated as "confidential" or "proprietary" by either Party in the belief that it contains a trade secret or other confidential research, development, or commercial or financial information.

20.2. All written Confidential Information to be covered by this Agreement will be identified by a restrictive legend which clearly specifies the proprietary nature of the information.

20.3. If the Confidential Information is provided orally, it will be deemed to be confidential or proprietary if specifically identified as such by either Party or if the information is clearly recognizable to be of a confidential and proprietary nature.

20.4. Any Confidential Information produced, revealed, or disclosed by either Party to the other will be used exclusively for purposes of business discussions, negotiations, fulfilling the terms of this Agreement, and/or other purposes upon such terms and conditions as may be agreed upon between the Parties in writing, and will be kept separately from other documents and materials.

20.5. All persons receiving access to Confidential Information will not disclose it nor afford access to it to any other person not specifically authorized by this Agreement to obtain the Confidential Information, nor will such Confidential Information be used in any other manner or for any other purpose than as provided in this Agreement. No copies or reproductions will be made of any Confidential Information or any part thereof, whether by mechanical, handwritten, or any other means, without the prior written consent of the Party providing it. This Agreement authorizes distribution, disclosure or dissemination only to employees and duly authorized agents of the parties with a need to know such Confidential Information and which employees and agents agree to be bound by the terms of this Section.

20.6. Upon request by the disclosing Party, the receiving Party will return all tangible copies of Confidential/Proprietary Information, whether written, graphic or otherwise, except that the receiving Party may retain one copy for archival purposes.

20.7. Notwithstanding any other provision of this Agreement, this section will apply to all information furnished by either Party to the other in furtherance of the purpose of this Agreement, even if furnished before the date of this Agreement.

20.8. These obligations shall not apply to any Confidential Information that: (1) was legally in the recipient's possession prior to receipt from the source; (2) was received in good faith from a third party not subject to a confidential obligation to the source; (3) now is or later becomes publicly known through no breach of confidential obligation by the recipient; (4) was developed by the recipient without the developing persons having access to any of the Confidential Information received in confidence from the source; or (5) that is required to be disclosed pursuant to subpoena or other process issued by a court or administrative agency having appropriate jurisdiction, provided, however with respect only to this last exception that the recipient shall give prior notice to the source and shall reasonably cooperate if the source deems it necessary to seek protective arrangements.

20.9. The obligation of confidentiality and use with respect to Confidential Information disclosed by one Party to the other shall survive any termination of this Agreement for a period of three (3) years from the date of the initial disclosure of the Confidential Information.

SECTION 21. DISCLAIMER OF AGENCY; NO THIRD PARTY BENEFICIARIES; INDEPENDENT CONTRACTOR

21.1. Neither this Agreement, nor any actions taken by either Party, in compliance with this Agreement, shall be deemed to create an agency or joint venture relationship between the Parties or any relationship. Neither this Agreement, nor any actions taken by either Party in compliance with this Agreement, shall create an agency, or any other type of relationship or third party liability between the Parties or between either Party and the customers of the other Party. This Agreement is for the sole benefit of the Parties and their permitted assigns, and nothing herein express or implied shall create or be construed to create any third-Party beneficiary rights hereunder. Nothing in this Agreement shall constitute a Party as a legal representative or agent of the other Party, nor shall a Party have the right or authority to assume, create or incur any liability or any obligation of any kind, express or implied, against or in the name or on behalf of the other Party unless otherwise expressly permitted by such other Party. Except as otherwise expressly provided in this Agreement, no Party undertakes to perform any obligation of the other Party, whether regulatory or contractual, or to assume any responsibility for the management of the other Party's business.

SECTION 22. DISCLAIMER OF REPRESENTATIONS AND WARRANTIES

22.1. EXCEPT AS EXPRESSLY PROVIDED UNDER THE AGREEMENT, NEITHER PARTY MAKES ANY WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE SERVICES, FUNCTIONS AND PRODUCTS IT PROVIDES UNDER OR CONTEMPLATED BY THIS AGREEMENT AND THE PARTIES DISCLAIM THE

IMPLIED WARRANTIES OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE.

SECTION 23. NO LICENSE

23.1. Nothing in this Agreement shall be construed as the grant of a license, whether express or implied, with respect to any patent, copyright, trademark, trade name, trade secret or any other proprietary or intellectual property now or hereafter owned, controlled or licensable by either Party. Neither Party may use any patent, copyrightable materials, trademark, trade name, trade secret or other intellectual property right of the other Party except in accordance with the terms of a separate license agreement between the parties granting such rights.

23.2. Neither Party shall have any obligation to defend, indemnify or hold harmless, or acquire any license or right for the benefit of, or owe any other obligation or have any liability to, the other Party or its customers based on or arising from any claim, demand, or proceeding by any third party alleging or asserting that the use of any circuit, apparatus, or system, or the use of any software of the performance of any service or method, or the provision of any facilities by either Party under this Agreement, alone or in combination with that of the other Party, constitutes direct, vicarious or contributory infringement or inducement to infringe, misuse or misappropriation of any patent, copyright, trademark, trade secret, or any other proprietary or intellectual property right of any Party or third party. Each Party, however, shall offer to the other reasonable cooperation and assistance in the defense of any such claim.

23.3. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, THE PARTIES AGREE THAT NEITHER PARTY HAS MADE, AND THAT THERE DOES NOT EXIST, ANY WARRANTY, EXPRESS OR IMPLIED, THAT THE USE BY THE PARTIES OF THE OTHER'S FACILITIES, ARRANGEMENTS, OR SERVICES PROVIDED UNDER THIS AGREEMENT SHALL NOT GIVE RISE TO A CLAIM BY ANY THIRD PARTY OF INFRINGEMENT, MISUSE, OR MISAPPROPRIATION OF ANY INTELLECTUAL PROPERTY RIGHT OF SUCH THIRD PARTY.

SECTION 24. JOINT WORK PRODUCT

24.1. This Agreement is the joint work product of the Parties and has been negotiated by the Parties and shall be fairly interpreted in accordance with its terms and, in the event of any ambiguities, no inferences shall be drawn against either Party.

SECTION 25. NON-WAIVER

25.1. Failure of either Party to insist on performance of any term or condition of this Agreement or to exercise any right or privilege hereunder shall not be construed as a continuing or future waiver of such term, condition, right or privilege.

SECTION 26. ENTIRE AGREEMENT

26.1. This Agreement and any Attachments, Exhibits, Schedules, or tariffs which are incorporated herein by this reference, sets forth the entire understanding and supersedes prior agreements between the Parties relating to the subject matter contained herein and merges all prior discussions between them, and neither Party shall be bound by any definition, condition, provision, representation, warranty, covenant or promise other than as expressly stated in this Agreement or as is contemporaneously or subsequently set forth in writing and executed by a duly authorized officer or representative of the Party to be bound thereby.

SECTION 27. TAXES

27.1. It is the mutual understanding of the Parties to this Agreement that there are no taxes specifically applicable to the subject matter of this Agreement or to either Party as a result of entering into this Agreement that would not otherwise be applicable to each respective Party. In the event that any government authority, however, determines to the contrary that a tax or taxes are applicable to the subject matter of this Agreement, then the following provision will apply. Any state or local excise, sales, or use taxes, if any (excluding any taxes levied on income), resulting from the performance of this Agreement shall be borne by the Party upon which the obligation for payment is imposed under applicable law, even if the obligation to collect and remit such taxes is placed upon the other Party.

SECTION 28. FEES/REGULATORY CHARGES

28.1. It is the mutual understanding of the Parties to this Agreement that there are no regulatory fees or regulatory surcharges specifically applicable to the subject matter of this Agreement or to either Party as a result of entering into this Agreement that would not otherwise be applicable to each respective Party. In the event that any government authority, however, determines to the contrary that regulatory fees or regulatory surcharges are applicable to the subject matter of this Agreement, then the following provision will apply. If any regulatory fee or regulatory surcharge imposed by a regulatory authority arises from the performance of this Agreement, the Party required by the regulatory agency to collect the fees/surcharge and to remit the fees/surcharge to the regulatory agency will be responsible for the fee/surcharge. Fees/Regulatory Surcharges shall include but not be limited to E911/911, E311/321, franchise fees, Lifeline, hearing impaired, and Commission surcharges.

SECTION 29. EXECUTION IN DUPLICATE

29.1. This Agreement may be executed in duplicate copies, and, upon said execution, will be treated as an executed document.

SECTION 30. HEADINGS

30.1. The headings in this Agreement are inserted for convenience and identification only and will not be considered in the interpretation of this Agreement.

SECTION 31. NOTICES

31.1. Except as otherwise provided under this Agreement, any notices, demands, or requests made by either Party to the other Party hereunder will be in writing and will be deemed to have been duly given on the date received. If hand delivered, any such notice, demand, request, election or other communication will be deemed to have been received on the day received; if sent by first class mail, the day received; if sent by overnight courier, the day after delivery to the courier; and if sent by electronic means, including facsimile or email, and followed by an original sent via overnight or first class mail, the date of confirmation of the facsimile. All notices, demands, requests, elections, or other communications hereunder will be:

addressed as follows For NEP:

and to SERVICE ELECTRIC, addressed as follows:

Mr. Steven D. Tourje, President
The North-Eastern Pennsylvania Telephone
Company
P.O. Box D
720 Main Street
Forest City, PA 18421
Business Phone: (570) 785-3131

Timothy A. Hausman
Service Electric Telephone, LLC

4242 Mauch Chunk Road
Coplay, PA 18037
Business Phone: 610-799-0230

Copy To:

Norman J. Kennard, Esquire
Thomas, Long, Niesen & Kennard
212 Locust Street, Suite 500
Post Office Box 9500
Harrisburg, PA 17108-9500

James H. Lister, Esquire
Birch Horton Bittner and Cherot
Suite 1200
115 Connecticut Avenue, NW
Washington, DC 20036

Each Party will inform the other in writing of any changes in the above addresses.

The Parties have caused this Local Wireline Network Interconnection and Traffic Exchange Agreement to be executed on their behalf on the dates set forth below.

The North-Eastern Pennsylvania
Telephone Company

Service Electric Telephone, LLC

By: Steven D. Touje

By: William D. George II

Printed: STEVEN D. TOUJE

Printed: WILLIAM D. GEORGE II

Title: PRESIDENT

Title: PRESIDENT

Date: 7-23-12

Date: 7-27-12

Attachment A

- 1. Interconnection Trunking Facilities: Feature Group D; 48 Trunks**
- 2. Point of Interconnection: NEP Jackson Exchange (Pole No. E32-1)**

Attachment B

Schedule of Charges For the Exchange Of Local Traffic

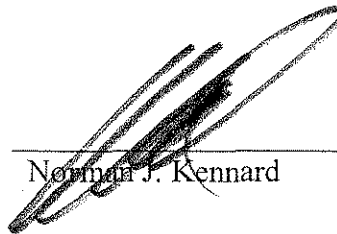
The total compensation each Party shall pay to the other Party for the transport, switching and termination of Local Traffic, including Local Internet Traffic, shall be Bill and Keep and shall continue as Bill and Keep so long as such Local Traffic between the Parties is approximately balanced, which for purposes of this Agreement shall mean that the split of such Local Traffic is within the range of 60/40 in either direction. If the split of such Local Traffic between the Parties is outside the range of 60/40 for three consecutive months, the Parties agree to negotiate a rate for the reciprocal compensation of such Local Traffic which shall be effective retroactively to the first such month that the split of such Local Traffic was outside the range of 60/40, and the terminating Party shall thereafter record and issue bills for such Local Traffic using call detail information which the originating Party shall provide pursuant. If the Parties are unable to negotiate a rate within sixty (60) days, then the rate for reciprocal compensation shall be equal to each Party's respective intrastate switching rate as specified in their intrastate access tariffs. If subsequently the split of such Local Traffic between the Parties is again within the range of 60/40 for three consecutive months, the Parties shall return to Bill and Keep retroactive to the first such month that the split of such Local Traffic was within the range of 60/40.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the participant, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by participant) via First Class and electronic mail as follows:

Edward E. Tourje, President
The North-Eastern Pennsylvania Telephone Company
720 Main Street
Forest City, PA 18421-0150
etourje@nep.net

Timothy Hausman, Network Administration Supervisor
Service Electric Telephone, LLC
4242 Mauch Chunk Road
Coplay, PA 18037
thausman@irontron.com



Norman J. Kennard

Date: August 3, 2012