

ITEM
504**Customer Volume Pricing Plan (CVPP)**ITEM
504.1**Service Description**

The Customer Volume Pricing Plan (CVPP) allows a Customer to contract for a Minimum Monthly Billing Commitment (MMBC) for their services in return for a discount based on the term and the amount of the commitment.

CVPP is not applicable to services provided over cross-sections which are forborne from regulation, pursuant to Telecom Decision CRTC 97-20 and subsequent related Telecom Orders, as identified in Tariff CRTC 21461, Item 508.

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For existing customer contracts that include cross-sections which are forborne from regulation, and that were originally signed prior to 2001 02 26 (for TCBC Contracts) or 2001 01 18 (for former TCI Contracts), the Company shall continue to provide service pursuant to the terms of the Original Contract until the expiry date of the Original Contract.

For existing outstanding customer agreements and schedules that were originally signed under National Service Tariff CRTC 7400-E, Item 306, (the Original Agreement) which include CVPP for eligible services provisioned by the Company, the Company shall continue to provide service pursuant to the terms of the Original Agreement until the expiry date of the Original Agreement, and in accordance with the provisions specified in this Item.

Definitions

For the purposes of this Tariff item:

"*Cumulative Usage Billing*" is the then current total billing for usage of the service with a start date coincident with the cancellation of a Managed Digital Private Line Service "MDPL" (Tariff 18001 Item 707 or Tariff 1005 Item 437) or Digital Network Access (Tariff 21461 Item 500) contract and the signing of a contract for the reduction of termination charges.

ITEM
504.2**Conditions of Service**

1. Services may be added to, or subtracted from, the Customer's network at any time within the contract term without penalty, provided that the MMBC is maintained.
2. The actual billing in each month will be the sum of all the eligible charges less the appropriate discount. If the sum of all the eligible charges falls below the MMBC, the actual billing will be the MMBC less the appropriate discount. If the Customer is migrating from MDPL to another Company provided service and the migration will result in the Customer's eligible charges for any remaining Digital Private Line Service falling below the contracted MMBC, the Customer may decrease the MMBC to a lower MMBC level without penalty for the same contract term.

ITEM
504

Customer Volume Pricing Plan (CVPP) - Continued

ITEM
504.2

Conditions of Service - Continued

3. The Customer may commit to a higher MMBC during the contract term and obtain the increased CVPP discount for the remainder of the contract.
4. Should the Company alter the rates or policies for the eligible services such that the sum of all the Customer's eligible charges fall below the contracted MMBC, the Customer may decrease the MMBC to the next lower MMBC level without liability, with the same contract term.
5. Termination of the CVPP contract for circumstances other than those in 6. below, prior to the expiry of the contract term, will result in termination charges equal to one half of the discounted MMBC for the unexpired portion of the contract payable in a single payment at the termination of the contract.
6. For the purposes of termination charges for contracted MDPL or Digital Network Access, committed revenues are the Minimum Monthly Billing Commitment less the applicable discount for the remaining portion of the contract period.

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Termination charges equal to one half of the remaining committed revenues, will be reduced or waived as 6. a., b., c. or d. below if the Customer:

- Revises the current contract for MDPL (Tariff 18001 Item 707 or Tariff 1005 Item 437) or Digital Network Access (Tariff 21461 Item 500).
- Replaces a contracted MDPL (Tariff 18001 Item 707 or Tariff 1005 Item 437) or Digital Network Access (Tariff 21461 Item 500). in whole or in part with a contract for another inter-exchange service, if appropriate, and/or TELUS Business Long Distance Service, or TELUS Frame Relay Service, under condition c. below.
 - a. If the committed revenues under the contract(s) are equal to or greater than those remaining under the original contract, the termination charges for the original contract will be waived.
 - b. If the committed revenues under the new contract(s) are less than those remaining under the original contract, the termination charges for the original contract will be reduced by half the committed revenues under the new contract.

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ITEM
504

Customer Volume Pricing Plan (CVPP) - Continued

ITEM
504.2

Conditions of Service - Continued

- c. If the Customer subscribes to TELUS Frame Relay Service and/or TELUS Business Long Distance Service the cumulative usage billing of the service will be used to reduce all or part of the termination charges for the original contract.

The tracking of the cumulative usage billing begins with the cancellation of the original MDPL (Tariff 18001 Item 707 or Tariff 1005 Item 437) or Digital Network Access (Tariff 21461 Item 500) contract and the signing of a contract for reduction of termination charges associated with cumulative usage billing for TELUS Business Long Distance Service and/or TELUS Frame Relay Service.

The tracking of the cumulative usage billing ends:

- when the Customer no longer subscribes to the new service (TELUS Business Long Distance Service or TELUS Frame Relay Service);
- when the remaining committed revenues under the original contract are met;
- with a time period equal to the larger of three years or the original contract period for MDPL (Tariff 18001 Item 707 or Tariff 1005 Item 437) or Digital Network Access (Tariff 21461 Item 500).

At the end of the tracking period, termination charges for the original contract, payable to the Company in a single lump payment, will be reduced by half the cumulative usage billing of the new service(s).

The requirements of c. above continue to apply if the Customer no longer subscribes to MDPL (Tariff 18001 Item 707 or Tariff 1005 Item 437) or Digital Network Access (Tariff 21461 Item 500)

- d. If the Customer migrates from MDPL Service to another Company-provided service, the termination charges for the original contract will be waived.

ITEM
504

Customer Volume Pricing Plan (CVPP) - Continued

ITEM
504.2

Conditions of Service - Continued

7. If the service provided, on any specific rate centre to rate centre cross-section, fails to perform in accordance with SCNM's (Stentor Canadian Network Management) Performance Objectives for Percentage Error-Free Seconds (PEFS) published either in its Technical Practices or the Customer Technical manuals, as applicable for Inter-Exchange (IX) Digital Channels (Tariff 21461 Item 503 or MDPL (Tariff 18001 Item 707 or Tariff 1005 Item 437) service, as revised from time to time, and provided the Customer provides prompt written notice of such performance failure, SCNM will have 30 days from the date of receipt of notification to rectify the problem. If by the end of the 30 day period, the service fails to perform in accordance with the PEFS Performance Objectives, the Customer may, within a further 10 day period, elect in writing to terminate the service solely for that specific cross-section, including applicable local access components, without payment of the termination charges associated with the cross-section including the local access. PEFS Performance Objectives shall not be construed as guarantees or warranties and the only remedy for failure to meet performance objectives shall be provided for in this Tariff Item.

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This provision is in addition to any rights a Customer may have pursuant to other provisions in the tariff. The application of this provision does not constitute an admission of liability for purposes of applying the other provisions in the tariff. PEFS Performance Objectives indicated above apply only to the Canadian portion of service interconnected with services provided by U.S. based carriers.

ITEM
504.3

Rates

The Company's services eligible for discounts under a CVPP contract are the monthly recurring charges associated with:

1. Reserved for Future Use.
2. Managed Digital Private Line Service, TCI CRTC 18001, Item 707, with the exception of Access, Items 707.4(b), and 707.4(d)1 and TCBC CRTC 1005, Item 437, with the exception of Access, Items 437 D.2. and 437 D.3.(a).
3. Digital Private Line Service Extension Features, Tariff CRTC 21461, Item 506.

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Dedicated Network Services

ITEM
 504 **Customer Volume Pricing Plan (CVPP) - Continued**

ITEM
 504.3 **Rates - Continued**

4. Inter-office Digital Channels, Item 503, with the exception of Item 503.3 (1.).

DISCOUNT SCHEDULE						
MMBC \$	DISCOUNTS					
	1 Year	2 Years	3 Years	4 Years	5 Years	10 Years (Note)
500.00	5%	7%	9%	11%	13%	14%
3,000.00	7%	9%	11%	13%	15%	16%
6,000.00	9%	11%	13%	15%	17%	18%
10,000.00	11%	13%	15%	17%	19%	20%
16,000.00	13%	15%	17%	19%	21%	22%
33,000.00	15%	17%	19%	21%	23%	24%
50,000.00	16%	18%	20%	22%	24%	25%
70,000.00	17%	19%	21%	23%	25%	26%
100,000.00	18%	20%	22%	24%	26%	27%
135,000.00	19%	21%	23%	25%	27%	28%
200,000.00	20%	22%	24%	26%	28%	29%
350,000.00	21%	23%	25%	27%	29%	30%
650,000.00	22%	24%	26%	28%	30%	32%

Note: The 10 year discounts are not available for new contracts.