

**Rule No. 12**  
**RATES AND OPTIONAL RATES**

APPROVED

A. Effective Rates

The rates to be charged by and paid to the Company for telephone service will be the rates legally in effect and on file with the Public Utilities Commission of the State of California. Schedules of rates for exchange service in effect in a particular territory will be kept at all times at a location where they will be available for public inspection. Notices indicating the place where such schedules are available will be posted in conspicuous places in the Company's business offices.

Bills must be based on the rates in effect at the time the service was used. Any delays or lags in billing must not result in a higher total charge (other than for taxes, and surcharges and fees that are based on a percentage of the bill) than if the usage had been posted to the account in the same billing cycle in which the service was used.

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(N)

B. Optional Rates

Where two or more rate schedules are applicable to any class of service, each will be called to an applicant's attention and he will designate the schedule under which he then desires service.

C. New Rates

When new schedules of rates are established, the Company will use such means as may be practicable to bring them to the attention of those of its subscribers who may be affected thereby.

D. Change of Schedule by Subscriber

When a subscriber applies for service under a schedule different from that applicable to his present service, the rates for the new service will be applied on the effective date of the change.