

**GENERAL PROVISIONS (Cont.)**

**SECTION 22 - RECLASSIFICATION OF LOCAL SERVICE AREAS**

22.1 A Local Service Area shall be automatically reclassified to its appropriate rate group when the number of main stations in the area surpasses the maximum or falls below the minimum of the existing rate group, and provided it has qualified for the new classification for two consecutive months. For the purposes of establishing the proper classification of a Local Service Area, all terminals in service shall be considered as main stations. All customers affected will be notified beforehand of such change.

22.2 Effective June 4, 2007, Local Service Area will be reclassified to its appropriate rate group based on the number of main stations per applicable calling zone prescribed under Basic Services Tariff Schedule, Section 8 – Local Service Tariff.

A. All customers currently in Basic Services Tariff Schedule, Individual Line Service, Sections 2, 3, and 4, except customers in Zone 9 Naranjito, will be reclassified to Section 1 of Basic Services Tariff Schedule.

1. Customers in Zone 9 Naranjito will be reclassified to Basic Services Tariff Schedule, Individual Line Service, Section 2.

B. Implementation

1. For business lines new rates will be implemented as of the effective date of this tariff.

2. During a transition period, residential customers will receive a credit sufficient to ensure that the net increase due to the reclassification will be limited to increments of \$3.00 for each six-month period.

3. Residential customers will have the option to perform up to to two (2) Changes of Types of Service between Unlimited, Measured I, and Measured II free of charge prescribed in Basic Services Tariff Schedule, Nonrecurring Charges for Basic Services, Section 10.2 for a three-month period commencing on the effective date of this tariff.

(N)

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