Sec. 304. (1) A call made to a local calling area adjacent to the caller's local calling area is considered a local call and shall be billed as a local call. Effective December 31, 2007, a call made to a called party who is not located within the geographic area of the caller's local calling area or an adjacent local calling area as defined by the commission's order in case numbers U-12515 and U-12528, dated February 5, 2001, is not a local call if the tariff, service guide, or similar document containing the terms and conditions of the provider originating the call does not classify the call as a local call.

(2) A provider of basic local exchange service with less than 10,000 end-users in this state may determine that their total service long run incremental cost is the same as that of a provider with more than 250,000 end-users.