



REDACTED  
SERVICE AGREEMENT

Customer Name	Alcoa Intalco Aluminum Corporation ("Customer")	Main Billing Tel. No:	360-384-7061
and address:	4050 Mountain View Road, Ferndale, WA 98248	Agreement No.	2006-394685

**Services.** Customer hereby requests and agrees to purchase from the undersigned Verizon company ("Verizon") the services identified in Exhibit A, attached to this Agreement, and in any Addendum expressly made a part hereof, and as further described in Verizon's applicable tariffs, (the "Services") for the service period stated in the Exhibit or Addendum applicable to such Service (the "Service Period"), subject to Verizon's receipt of any necessary regulatory and other governmental approvals required to provide the Services under the terms hereof. The Services will be provided under the terms of this Agreement to the Customer locations specified in the Exhibit(s) and Addenda attached to or made a part hereof.

**Charges.** Customer will pay the rates and charges set forth in the attached Exhibit(s) and in any Addendum made a part hereof, and shall also pay all applicable taxes, fees, and charges, including Federal End User Common Line Charges, charged pursuant to applicable law, regulations, or tariffs in connection with the Services. If Customer cancels or terminates this Agreement or any Services prior to expiration of the Service Period, Customer will promptly pay to Verizon termination charges as set forth in the applicable Exhibit(s) and Addendum(a). Any tariffed back billing limitations otherwise applicable to the Services shall not apply under this Agreement.

**Notices.** Notices under this Agreement shall be sent by first-class U.S. mail, postage prepaid, to Customer at the address specified above, and to Verizon at Verizon National Contracts Repository, MC:HQW02L25, 700 Hidden Ridge, Irving, TX, 75038. Notices shall be deemed effective five business days after such mailing.

**Miscellaneous.** (a) Neither party will disclose the terms of this Agreement to any other person without the prior written consent of the other party, except as may be necessary to comply with applicable law, regulation, or filing requirements. Either party may issue or permit issuance of a press release or other public statement concerning this Agreement provided its contents have been reviewed and agreed upon by the parties.

(b) In the event of a claim or dispute, the law and regulations of the jurisdiction in which Verizon provides to Customer the particular Service that is the subject of such claim or dispute shall apply. This Agreement and its provisions shall not be construed or interpreted for or against any party hereto because that party drafted or caused that party's legal representative to draft any of its provisions.

(c) No liability shall result from Service failures caused by fires, floods, severe weather, acts of government or third parties, strikes, labor disputes, inability to obtain necessary equipment or services, or other causes beyond such party's reasonable control.

(d) If any provision of this Agreement or the provision of any Service under the terms hereof is illegal, invalid, or otherwise prohibited under applicable law or regulation in any State or jurisdiction, or does not receive any governmental or regulatory approval required by law in any State or jurisdiction, then this Agreement shall be construed as if not containing such provision or requiring the provision of such invalid, illegal, prohibited, or unapproved Service in such State or jurisdiction.

(e) Verizon may assign or transfer part or all of this Agreement to any affiliate or successor to substantially all of its assets in the locations where Service is provided hereunder. Upon reasonable prior written notice to Verizon, Customer may assign or transfer this Agreement to any company that is the successor to substantially all of its assets, provided all charges for Services provided prior to such transfer or assignment are paid in full when due. Except as otherwise required by applicable law or regulation, all other attempted assignments shall be void without the prior written consent of the other party.

(f) Except as otherwise required by applicable law or regulation, the Services provided hereunder may not be resold by Customer.

**Tariffs and Limitation of Liability.** The terms and conditions that shall apply in connection with these Services, and the rights and liabilities of the parties, shall be as set forth herein and in all applicable tariffs now or hereafter filed with the applicable state regulatory commission and/or the Federal Communications Commission. In no event shall Verizon be liable for any special, indirect, incidental, or consequential damages arising in connection with this Agreement or the provision of any Services, whether claim is sought in contract, tort (including negligence), strict liability or otherwise. This Agreement (including the Exhibits attached hereto and any Addenda made a part hereof) and all applicable tariffs constitute the entire agreement between the parties and shall supersede all prior oral or written quotations, communications, negotiations, representations, understandings or agreements made by or to any employee, officer, or agent of any party on the subject matter hereof. This Agreement may not be modified or rescinded except by a writing signed by authorized representatives of each party.

AGREED AND ACCEPTED:

Alcoa Intalco Aluminum Corporation

By Joseph J. Pawlowsky  
Name/title Joseph J. Pawlowsky - Contract Buyer  
Date January 6, 2007

Verizon Business Network Services Inc. on behalf of  
Verizon Northwest Inc.

By Suleiman Hessami  
Name/title Suleiman Hessami  
Date 1-23-07  
VP Pricing/Contract Management

**Verizon company name:** Verizon Northwest Inc. (referred to in this Exhibit as "Verizon")

**State:** Washington

**Customer name:** Alcoa Intalco Aluminum Corporation

**ICB Case No.:** 2006-394685

**Customer must sign and date this Agreement on or before April 25, 2007 or the proposed Service arrangement and pricing will no longer be available.**

**1. Services and Quantity Commitments.** Customer agrees to purchase the following Services from Verizon at the rates set forth below and in quantities set forth below for the Service Period identified below. Any other work, services or facilities required will be provided subject to prevailing tariff rates and charges, or if no tariff is applicable, under separate individual case basis agreement or formal amendment to this Agreement. Customer shall provide to Verizon at each Customer location suitable and secure space, with suitable environmental conditions and uninterruptible power supply, building entrance facilities and conduit, for placement of the facilities and equipment to be used by Verizon to provide such Service.

<u>Quantity</u>	<u>Service Item</u>	<u>Monthly Unit Rate</u>	<u>Non-recurring Charge / Unit</u>
374	Analog CentraNet Line with Feature Package 3000	\$10.50	Per tariff

- (a) The Monthly Unit Rate stated above does not include federally mandated end user common line charges, Network Access Registers (NARs), any applicable local, state, or federal fees, taxes, surcharges or other applicable tariff charges.
- (b) The Service includes the CentraNet Line and Feature Package 3000 in the Monthly Unit Rate stated above. In the event Customer wishes to purchase another feature package, such service will be provided pursuant to Verizon's applicable tariff rates, terms and conditions. There will be no offset or credit in the Monthly Unit Rate shown above if Customer elects to subscribe to a different feature package.
- (c) As set forth in (a) above, Customer will be billed, on a per line basis, the prevailing federally mandated Subscriber Line Charge pursuant to the Verizon Telephone Companies Tariff FCC No. 16. Customer will be provided a Subscriber Line Credit pursuant to Verizon Northwest Inc.'s Tariff WN U-17, Section 11 at the prevailing credit amount associated with the applicable line size category.
- (d) Customer shall pay all other charges (e.g., for changes to the Service, including features, installation, new quantities of service, new features, or any other services not described herein) as set forth in Verizon's applicable tariff.

**2. Minimum Commitment and Shortfall.** Customer must maintain a minimum quantity of two hundred and one (201) Analog CentraNet Lines in service at all time during the Service Period. In the event that Customer does not terminate this Agreement in its entirety but rather reduces the number of CentraNet Lines in service to a quantity below the stated minimum at any point in the Service Period, Verizon shall notify Customer within a reasonable amount of time of first becoming aware of such reduction. Verizon will thereafter negotiate in good faith with Customer to memorialize a new agreement, mutually agreed upon by the parties, to reflect a lower minimum commitment and new rate structure. Customer will continue to remain liable for payment of the minimum number of lines stated herein until such new agreement is fully executed by the parties and becomes effective as defined in Section 3 below.

**3. Effective Date/Regulatory Filing and Review.** This Agreement, and any subsequent amendment(s), shall be filed with the Washington Utilities and Transportation Commission (Commission). This Agreement (and any subsequent amendment(s)) shall become effective on either (a) the thirty-first (31<sup>st</sup>) calendar day after the date of such filing, unless the Agreement (or subsequent amendment) is rejected by the Commission prior to the expiration of thirty (30) calendar days following the date of such filing, or (b) on another date as determined by the Commission. This Agreement shall at all times be subject to such changes or modifications by the Commission as the Commission may from time to time direct in the exercise of its lawful jurisdiction.

**4. Service or Term Period.** Customer shall purchase such Services for a period of thirty-six (36) consecutive months from the in-service date ("Service Period"). The in-service date shall be the date, after the effective date defined above, on which Verizon's provisioning has been completed and the Service is available for Customer's use. By providing Verizon with at least sixty (60) days written notice prior to the expiration of the Service Period, Customer, at its option, may extend the Service Period for up to a maximum

of twenty-four (24) additional months unless such continuation is not permitted under applicable law or regulation. Termination charges will apply to all Service disconnected prior to the end of the Service Period or any extension thereof.

**5. Additional Quantities.** Customer may purchase additional quantities of Service at the rates and charges provided herein using Verizon's established ordering procedures, provided that the locations are within established Verizon in-franchise serving areas in the State of Washington where the Service is technically and commercially available. Additional Quantities purchased shall be subject to the terms and conditions of this Agreement, including applicable minimum commitments and termination/liability charges.

**6. Termination Charges.** If Customer cancels this Agreement in whole or in part or terminates any Services prior to the expiration of the Service Period, Customer shall pay to Verizon a termination charge equal to twenty-five percent (25%) of the applicable monthly rate for the terminated Service multiplied by the number of months remaining in the unexpired portion of the Service Period. Any such termination liability charge shall be due and payable in one lump sum within thirty (30) days of billing. If Customer terminates this Agreement subsequent to the execution of this Agreement by the Parties but prior to the in service date, Customer shall pay to Verizon all costs incurred by Verizon for contract and service preparation. Termination charges will not apply if an exception contained in Verizon's applicable tariff applies.

**7. Additional Provisions.**

a. Conditions. The parties acknowledge that the rates and other terms of this Agreement are premised on Customer's commitments, unique network design requirements, and Customer's service mix, usage patterns and concentration, and other characteristics.

b. Service Continuation. (i) If, at the time of expiration of the Service Period, a new agreement or tariffed service arrangement with Verizon for the Services is not effective as defined above and Customer has not requested, in writing, disconnection of the Services, then the Services will be reverted to applicable tariff or other Commission-authorized rate(s) for the minimum service commitment period available. The applicable tariff or other Commission-authorized arrangement will govern the service arrangement prospectively, including rates, terms and conditions, which may include charges for termination prior to the end of the minimum tariff service commitment period. If there is no applicable tariff or other Commission-authorized service arrangement, then the Service will be subject to disconnection upon the expiration of the Service Period of this Agreement. If, upon expiration of the Service Period, there is a delay in reverting rates to the applicable tariff or other Commission-authorized rate(s), or in disconnecting the Services if no tariff or Commission-authorized service arrangement is available, the Service Period shall be deemed temporarily extended on a month-to-month basis until such reversion of rates or disconnection of Services is completed. In no event, however, will such temporary extension of the Service Period continue more than twelve months after the expiration of the initial Service Period.

(ii) If Customer indicates to Verizon in writing that it desires to negotiate a new contract or tariffed service arrangement to continue or replace the Services provided for herein, this Agreement shall automatically be extended for a period not to exceed 60 days from the end of the initial Service Period to allow the parties to finalize a new agreement or to transition to a tariffed service arrangement. Written notice must be provided by Customer at least 30 days prior to the end of the initial Service Period. For purposes of this paragraph only, written notice may be by facsimile or electronic mail.

c. Detariffing. In the event any of the Services are hereafter detariffed, then the terms of the tariffs in effect immediately prior to such detariffing shall be deemed to be incorporated by reference and shall continue to apply to the provision of the Service to the same extent as such tariffs applied hereunder prior to such detariffing.

d. Facilities. Additional charges may be required if suitable facilities are not available to provide Services at any locations, or if any additional work, services, or quantities of Services are provided. In the event installation of additional network facilities is required to provide Services, Verizon will inform Customer of such applicable charges, and Verizon will install such facilities only upon mutual written agreement of the parties to such additional charges. If Customer does not agree to pay such additional charges, then this Agreement will be subject to termination by Verizon without application of the termination charges described above.

**8. Locations.** The Services shall be provided to Customer under the terms hereof at the following locations, which are in Verizon's tariffed exchange service areas in Washington. Other Customer locations may be added to this Agreement only upon mutual assent of the parties.

4050 Mountain View Road,  
Ferndale, WA 98248