

Verizon Northwest Inc.

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November 11, 2009

Washington Utilities and Transportation Commission P.O. Box 47250 1300 S. Evergreen Park Drive SW Olympia, Washington 98504-7250

Subject: CONTRACT NO. 1404ICB (Docket No. UT-090199)

Verizon Northwest Inc. submits for filing Contract No. 1404ICB, First Amendment to a customer specific agreement that provides Enhanced Dedicated SONET Ring (EDSR) service. The customer is currently receiving this service under Contract No. 1380ICB, effective March 21, 2009 in Docket UT-090199 for a term of sixty (60) months. The purpose of this Amendment is to amend the following sections under Exhibit A:

- Section 1 of the Agreement, "Services and Quantity Commitments", Ring #2 Rate Table amended to reflect an upgrade of three OC48 nodes to OC192 nodes, adds one OC192 node at a new location;
- adds additional port speeds to the Port Pricing Table;
- amends Section 4 of the Agreement, "Termination Charges" to specify if one or more nodes from Ring #2 are disconnected (with the exception of two specific locations) the Customer is responsible for an additional termination charge of \$159.00 per Node disconnected times the number of months remaining in the Service Period. No other provisions in the current agreement related to termination liability are changed.
- Section 6 "Locations" amended to add one new location.

EDSR provides a dedicated high capacity customized network in a ring architecture, which provides survivability. The service includes the option to transport Gigabit Ethernet circuits between nodes over SONET rings.

The service is offered under contract because the service is not available under the tariff. The company requests an effective date of December 11, 2009 for this contract.

Verizon submits the documentation required in Section 7 of WAC 480-80-142. Verizon considers the cost computations required under sub-section 7 (b) (iii) to be confidential and protected under the provisions of

WAC 480-07-160 and under the exemption from disclosure requirements per the Public Records Act, Chapter 42.56 RCW. The cost documentation is marked "Confidential per WAC 480-07-160". The company, for commercial reasons, may be harmed if this information is not treated by the Commission as confidential.

With regards to the contract, Verizon will comply with any applicable resale obligations required by RCW 80.36.170 and 80.36.180.

Please call me at 425-261-6380 if there are questions about this filing.

Very truly yours,

Lin Fogg

Manager - External Affairs

(2009-490873)

ESSENTIAL TERMS AND CONDITIONS

Contract No. 1404ICB New ___ Renewal ___ Amendment __X__

Effective Date: December 11, 2009

Expiration Date: March 20, 2014

Renewal Options: If Customer indicates to Verizon in writing that it desires to

negotiate a new contract or tariff service arrangement to continue o replace the Services provided, the 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 tariff service arrangement. Notice must be provided by Customer at lest 30 days prior to the end of the initial Service Period. Notice can be

made by facsimile or electronic mail.

Duration of Contract: Sixty (60 months)

Description of Service: Enhanced Dedicated SONET ring service provides a dedicated

high capacity customized network in a ring architecture, which provides survivability. The service includes the option to transport Gigabit Ethernet circuits between nodes over SONET

rings.

Number of Units: Two rings with nine nodes. Ports are subscribed to on a month

to month basis.

Monthly Recurring Charge: Custom Connect OC3 central office node and DS1 rider are

included in the following pricing.

OC48 Node - \$3,120 each OC192 - \$5, 980 each

Mileage - \$297 per airline mile for existing OC48 nodes

Mileage - \$500 per airline mile for OC192 nodes

BITS clocking - \$608 per location

DS1 Port - \$28
DS3 or STS-1 Port - \$115
OC3 Port - \$343
OC3c Port - \$274
OC12 Port - \$642
OC12c Port - \$514
OC48 Port - \$1,400
OC48c Port - \$1,200.00

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Non-Recurring Charge:	Ports - \$535.00
Termination Liability:	Amendment No. 1 amends Termination Liability under the Agreement by adding the following: "If Customer disconnects one or more nodes from Ring #2 (Excluding OC48 nodes at two specific locations), Customer shall be responsible for an additional termination charge of \$159.00 per Node disconnected times the number of months remaining in the Service period. All other provisions regarding termination liability remain in effect as described in the Agreement."
	For reference the current effective termination liability is applicable to each node and port rate element, except Bits Clocking service, nodes and term ports that are part of Ring #2, ports installed pursuant to the original agreement, and month-to-month ports for which one-month minimum charges apply. Early termination charge is twenty-five percent of the monthly rate for the terminated service multiplied by the number of months remaining in the first thirty-six months of the Service Period.
Location:	Redmond

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7(b) (iii)			

Demonstrate, at a minimum, that the contract charges cover the company's cost of providing the service. Costs will be determined under a long-run incremental cost analysis, including as part of the incremental cost, the price charged by the offering company to other telecommunications companies for any essential function used to provide the service, or any other commission-approved cost method.

This is the First Amendment to an existing agreement that provides Enhanced Dedicated SONET ring service provides a dedicated high capacity customized network in a ring architecture, which provides survivability. The service includes the option to transport Gigabit Ethernet circuits between nodes over SONET rings.

The attached confidential cost documentation demonstrates the contract charges cover the company's cost of providing the service.

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7 (b) (iv)			
Summarize the basis of the proposed charge(s) includir			t and explain the derivation of the

The underlying costs of the individual component elements are identified in the confidential cost documentation filed with this contract.

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7 (v)	Indicate the basis for using a contract rather than a filed tariff for the specific service involved.
	The services are offered on a contract basis because they are not available under tariff.

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(2) Duration of contract. All contracts shall be for a stated time period.

The contract term is sixty (60) months. Amendment No. 1 does not impact the contract term.