

ESSENTIAL TERMS AND CONDITIONS

Contract No. 1309ICB – Amendment No. 4 to an existing agreement for OC-48 EDSR SONET Service, original agreement filed as Contract No. 1285ICB, effective November 12, 2004 in Docket No. UT-041835 for a term of three years.

Effective Date: September 9, 2005

Expiration Date: January 19, 2008 Contingent on in-service date of the original Agreement filed under Contract No. 1285ICB. Amendment No. 4 is coterminous with Contract No. 1285ICB.

Renewal Options: Customer can renew this service. If Customer indicates to Verizon in writing that it desires to negotiate a new contract to continue the Services provided for herein, this Agreement and all underlying Amendments shall automatically be extended for a period not to exceed 60 days from the end of the term to allow the parties to finalize a new agreement. Written notice must be provided by Customer at least 30 days prior to the end of the original termination date.

Duration of Contract: Three years

Description of Service: EDSR (SONET) Service provides a dedicated high capacity customized network which is a ring architecture that assures survivability.

Number of Units: Amendment No. 4 adds one OC48 Node and associated transport to the agreement.

Monthly Recurring Charge: \$7,050 for OC48 Node and Transport

Non-Recurring Charge: \$9,469 One time lump sum payment for Special Construction of Fiber Optic cable to provide Diverse Route for EDSR. Nonrecurring charges are not applicable to the addition of the OC48 Node noted above.

Location: Redmond

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5(a) A statement summarizing the basis of the rate or charge proposed in the contact and an explanation of the derivation of the proposed rate or charge.

The purpose of Amendment No. 4 is 1) to amend Section 1, Services and Quantity Commitments to reflect the addition of one Enhanced OC48 Node to EDSR Ring #1 and add associated Transport for this node in the Rate Table of the Service Description, Exhibit A of the Agreement, 2) amend Section 3, Service or Term Period, of Exhibit A to establish the in-service date of the Service subject to this Amendment as the date, after the effective date of this Amendment, on which Verizon's provisioning been completed and the added Service is available for Customer's use, 3) amend Section 4, Termination Charges of Exhibit A of the Agreement to add additional terms and conditions relative to the transport Service added under Amendment No. 4., and 4) amend Section 6, Locations to revise the listed locations for Ring Design #1.

Exhibit B attached is added to the Agreement for the purpose of providing Special Construction of facilities to make possible the new Service to the additional node location in Kirkland, WA.

Service furnished in this Amendment No. 4 to the Agreement is coterminous with the expiration date of the Agreement, currently January 19, 2008.

Nonrecurring Charges

A one time lump sum payment of \$9,469 for Special Construction of Fiber Optic cable to provide Diverse Route for EDSR. Nonrecurring charges are not applicable to the addition of the OC48 Node noted above.

Termination Liability

Amendment No. 4 added the following terms and conditions relative to the additional transport Service.

"In the event that Customer terminates Service at the Kirkland, WA node after the in-service date for the amended Service but prior to the expiration of the service term, termination charges in the amount of one hundred percent (100%) of the applicable monthly rate for the transport times the number of months remaining in the first 24 months of its separate in-service period and fifty-five percent (55%) of the applicable monthly rate for the transport times the number of months in the remainder of any term prior to the expiration of the Agreement. Termination Charges associated with the OC48 Node added by this Amendment No. 4 will be per the Agreement."

REDACTED

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Termination Liability Continued

Exhibit B – Special Construction Termination Liability:

“If Customer cancels this Exhibit B in whole or in part subsequent to the In-Service date of the Special Construction but prior to the payment of the lump sum amount, Customer shall pay to Verizon a termination charge equal to one hundred percent (100%) of any unpaid portion of the lump-sum payment. Any such termination liability charge shall be due and payable in one lump sum within thirty (30) days of billing. If Customer terminates this Exhibit B subsequent to the execution of this Amendment by the Parties but prior to the in-service date of the Special Construction, Customer shall pay to Verizon all costs incurred by Verizon for contract and service preparation.”

Monthly Charges

The average monthly charge for the additional OC48 Node plus transport is \$7,050.

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- 5(b) An explanation of all cost computations involved in arriving at the derivation of the level of the rate or charge in the contract.

Verizon Northwest includes as an attachment to this contract filing the documentation and explanations required by WAC 480-80-142. The contract has been stamped confidential and is protected pursuant to the provisions of WAC 480-07-160.

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- 5 (c) A statement indicating the basis for the use of a contract rather than a filed tariff for the specific service involved.

Verizon is offering this service on a contract basis because EDSR SONET Service is not available under tariff.

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6. Duration of contract. All contracts shall be for a stated time period.

The service life for the original Agreement is three years. Amendment No. 4 is coterminous with the term of the Agreement which will terminate January 19, 2008.

Amendment No. 4
To
Service Agreement 2004-282599
Between
Verizon Northwest Inc. and

This is Amendment No. 4 to the Agreement between Verizon Services Corp. on behalf of Verizon Northwest Inc., with its principal office at 1800 41st Street, Everett, WA 98201 and (Customer) located at Redmond, WA 98052, and amends the Agreement for the provision of OC48 Enhanced Dedicated SONET Ring (EDSR) (the Service) which was filed with the Washington Utilities and Transportation Commission (Commission) on October 13, 2004 as Contract No.1285ICB, and made effective by Docket No. UT-041835 on November 12, 2004 (the "Agreement"). Amendment No. 1 to the Agreement was filed with the Commission on December 22, 2004 under Contract No. 1292ICB and made effective by Docket No. UT-041835 on January 22, 2005. Amendment No. 2 to the Agreement was filed with the Commission on March 16, 2005 under Contract No. 1297ICB and made effective by Docket No. UT- 041835 on April 15, 2005. Amendment No. 3 to the Agreement was filed with the Commission on May 16, 2005 under Contract No. 1305ICB and made effective by Docket No.UT-041835 on May 25, 2005. Pursuant to terms and conditions of the Agreement, Customer and Verizon hereby agree to further amend the Agreement as follows:

1. Section 1, Services and Quantity Commitments, of Exhibit A of the Agreement is amended to revise the first shown Rate Table of the Service Description to add one additional Enhanced OC48 Node to EDSR Ring #1 and revise the Transport to show the following:

Enhanced Dedicated SONET Ring		Initial	Monthly	Total
		Quantity	Unit Rate	MRC
EDSR Ring #1:				Q * Unit Rate
Nodes and Transport – 3 Year Term:				
Enhanced OC48 Node @ Redmond CO		1	\$4,800.00	\$4,800.00
Enhanced OC48 Node		1	\$4,800.00	\$4,800.00
Enhanced OC48 Node		1	\$4,800.00	\$4,800.00
Enhanced OC48 Node		1	\$4,800.00	\$4,800.00
Enhanced OC48 Node		1	\$4,800.00	\$4,800.00
Transport for original ring		1	\$2,250.00	\$2,250.00
Custom Connect OC3 Node at Redmond CO		2	Included	Included
DS1 Rider**		168	Included	Included
Transport for additional Kirkland OC48 Node *		1	\$2,250.00	\$2,250.00
Total Nodes and Transport				\$28,500.00

* Subject to specific Termination Charges separate from original ring; see below.

**In addition to the included DS1 Riders shown above, Customer may purchase for use with the Service, including the added Kirkland OC48 Node, the type and quantity of ports/riders as set out in the Agreement at the applicable rates, term and conditions.

2. Section 3, Service or Term Period, of Exhibit A of the Agreement is amended to establish the in-service date of the Service subject to this Amendment as the date, after the effective date of this Amendment, on which Verizon's provisioning has been completed and the added Service is available for Customer's use. Service furnished pursuant to this

Amendment to the Agreement shall be coterminous with the expiration date of the Agreement, currently on January 19, 2008

2. Section 4, Termination Charges, of Exhibit A of the Agreement is amended to add the following additional terms and conditions relative to the additional transport Service.

In the event that Customer terminates Service at the Kirkland WA node after the in service date for the amended Service but prior to the expiration of the service term, termination charges in the amount of one hundred percent (100%) of the applicable monthly rate for the transport times the number of months remaining in the first 24 months of its separate in-service period and fifty-five percent (55%) of the applicable monthly rate for the transport times the number of months in the remainder of any term prior to the expiration of the Agreement. Termination Charges associated with the OC48 Node added by this Amendment No. 4 will be per the Agreement.

3. Section 6, Locations, of Exhibit A of the Agreement is amended to revise the listed locations for Ring Design #1 to read:

Ring Design #1:

(Verizon CO)

4. A new Exhibit B as attached hereto to this amendment shall be added to the Agreement for the purpose of providing for Special Construction of facilities to make possible the new Service to the additional node location in Kirkland, WA.
5. This Amendment shall be filed with the Washington Utilities and Transportation Commission (Commission). This Amendment shall become effective on either (a) the thirty-first (31st) 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.
6. In order for this Amendment No. 4 to be valid, it must be signed, dated and returned to Verizon no later than September 20, 2005 and this adjunct Service may not be provided until approved by the Commission.

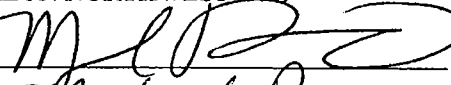
EXCEPT AS EXPRESSLY MODIFIED HEREIN, ALL ORIGINAL RATES, TERMS AND CONDITIONS OF THE AGREEMENT SHALL REMAIN IN FULL FORCE AND EFFECT.

REDACTED



IN WITNESS HEREOF, the parties have caused this Amendment to be executed by their duly authorized representative below.

BY: _____
Name _____
Title _____
Date 7/20/05

VERIZON NORTHWEST INC.
BY: 
Name Michael Pavicic
Title RVP
Date 7.20.05

REDACTED



Verizon company name: Verizon Northwest Inc. (referred to in this Exhibit as "Verizon")
In its capacity as an Incumbent Local Exchange Carrier

State: Washington

Customer name:

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 from their property line to the demarcation point, for placement of the facilities and equipment to be used by Verizon to provide such Service. The Service may require isolated outlets and grounding to be provided solely at Customer expense.

<u>Service Item</u>	<u>Lump-Sum Payment</u>
Special Construction of Fiber Optic Cable to provide Diverse Route for Enhanced Dedicated Sonet Ring (EDSR or Service) Location as shown in Paragraph 6 below	\$9,468.00

The above charges do not include Federal mandated end user common line charges, any applicable local, state, or federal fees, taxes, surcharges or other applicable tariffed charges.

Special Construction charge is in addition to any rates for services utilizing the facility. Such services would be provided pursuant to the Agreement, including other Exhibits, or pursuant to applicable Verizon tariff rates, terms and conditions.

- 2. Service or Term Period.** The Customer will purchase the Service (specially constructed fiber facilities) for a single lump sum payment. The service term for this Exhibit B shall commence on the Effective Date defined in this Amendment No. 4 and shall end when provisioning of the facilities has been completed and full payment has been received by Verizon. Such Lump-Sum payment shall be due within thirty days of invoice by Verizon after completion of the Special Construction Service.
- 3. Termination Charges.** If Customer cancels this Exhibit B in whole or in part subsequent to the In-Service date of the Special Construction but prior to the payment of the lump sum amount, Customer shall pay to Verizon a termination charge equal to one hundred percent (100%) of any unpaid portion of the lump-sum payment. Any such termination liability charge shall be due and payable in one lump sum within thirty (30) days of billing. If Customer terminates this Exhibit B subsequent to the execution of this Amendment by the Parties but prior to the in-service date of the Special Construction, Customer shall pay to Verizon all costs incurred by Verizon for contract and service preparation.
- 4. Additional Provisions.**
 - a. Conditions. The parties acknowledge that the rates and other terms of this Exhibit B are premised on Customer's commitments, unique network design requirements, and Customer's service mix, usage patterns and concentration, and other characteristics.
 - b. Customer may use these specially constructed facilities in conjunction with Verizon services, which would be provided pursuant to rates, terms and conditions(including early termination charges) of this Agreement(including other Exhibits) or pursuant to Verizon's applicable tariff.



The specially constructed facilities will be provided pursuant to this Exhibit B of the Agreement and Verizon's applicable tariff.

- c. If the Customer desires that the circuit terminate at a location other than the main terminal room, they will provide a pathway from the terminal room to that location at Customer's expense.
- d. The optical facilities will at all times be owned and controlled and maintained by Verizon and will remain the regulated network property of Verizon.
- e. Facilities. Additional charges may be required if suitable facilities are not available to provide Service 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 Exhibit B will be subject to termination by Verizon without application of the termination charges described above.

6. Locations. The Services shall be provided to Customer under the terms hereof at the following locations:

New Fiber Optic cable between Customer's Designated Location (CDL) at
WA and Verizon's Kirkland Central Office.

Kirkland

REDACTED

