

ESSENTIAL TERMS AND CONDITIONS

Contract No. 1299ICB – A renewal of an agreement to provide DS1 Special Access Line Service for a term of thirty-six (36) months.

Effective Date: April 30, 2005

Expiration Date: April 29, 2008

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. Written notice may be by facsimile.

Duration of Contract: Thirty-six (36) months

Description of Service: A Special Access Line provides the transmission facilities to a customer designated location or the facilities between a customer designated location and the serving wire center. Two DS1 Special Access Lines are required for each Point to Point circuit.

Number of Units: 16

Monthly Recurring Charge: \$1,962.88

Non-Recurring Charge: Not applicable

Location: Everett, Lake Stevens

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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.

This is a renewal of a customer specific agreement to provide DS1 Special Access Line Service for a term of thirty-six (36) months. A Special Access Line provides the transmission facilities to a customer designated location(s) or the facilities between a customer designated location(s) and the serving wire center. Additional transport, transport termination and, if required by the Customer, Clear Channel Capability and additional quantities of DS1 Special Access Lines will be furnished at rates, terms and conditions set by Verizon's applicable tariff. Two DS1 Special Access Lines are required for each Point to Point circuit. Additional locations may be added by formal amendment only. The customer is currently receiving this service under Contract No. 1154, effective March 2, 2000 in Docket No. UT-000131 that will expire on April 30, 2005.

Nonrecurring Charges

Not Applicable.

Termination Liability

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.

Monthly Charges

The average monthly charge is \$1,962.88.

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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 the terms are not available in the company's tariff.

Contract No. 1298ICB – A new agreement to provide Transparent LAN Service (TLS) for a term of thirty-six (36) months.

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

The service life for this contract is thirty-six (36) months.



SERVICE AGREEMENT
(Intrastate ICB)

Customer Name and address:	("Customer")	Main Billing Tel. No:	
		ICB Case No.	2004-307734

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 and Addenda attached to or made a part hereof.

Charges. Customer will pay the rates and charges set forth in the attached Exhibit 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 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, with a copy to Verizon Northwest Inc., Attn: Jennifer A. Mullen, 7979 N. Beltline Rd., Irving, TX 75063. 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:

By _____
Name/title _____
Date 2/15/05

("Customer")

VERIZON NORTHWEST INC.

By Jaimey Barneau
Name/title ESCO Manager
Date 3-17-05



REDACTED

Verizon company name: Verizon Northwest Inc. (referred to in this Exhibit as "Verizon")
 State: Washington
 Customer name:
 ICB Case No.: 2004-307734

Customer is currently receiving Service under an agreement filed with the Washington Utilities and Transportation Commission (Commission) under Contract No. 1154 on February 1, 2000 and effective March 2, 2000 in Docket No. UT-000131 that will expire on April 30, 2005. In order for the Service to continue without interruption and to allow time for the Commission to complete its review and approval prior to the expiration date, this Agreement must be fully executed and filed with the Commission no later than March 30, 2005; in order to do so Customer must sign and date this Agreement and return it to Verizon on or before March 15, 2005. If this Agreement is not approved and effective by the expiration date specified herein, the Service must be reverted to tariff rates until such time that this Agreement is approved and effective. The proposed Service arrangement and pricing are available only until June 05, 2005. This Agreement shall not be considered fully executed until signed by both parties.

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>
16	DS1 Special Access Line (SAL)	\$ 122.68	N/A

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.

Notes:

- a) Non-recurring charges are not applicable to existing services transferred to this Agreement. Applicable transport, transport termination and, if required by the Customer, Clear Channel Capability and additional quantities of DS1 SALs will be furnished at rates, terms and conditions set by Verizon's applicable tariff.
- b) Two DS1 Special Access Lines are required for each Point to Point circuit.

2. **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 (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.

3. **Service or Term Period.** Customer shall purchase such Services for a period of thirty-six (36) consecutive months from the in-service date. 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.

4. **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.

5. 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.

REDACTED



b. Service Continuation. (i) If, at the time of expiration of the Service Period, a new agreement with Verizon for the Services is not effective as defined above and Customer has not requested, in writing, discontinuance 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 disconnected upon the expiration of the Service period for this Agreement if a new agreement is not effective as defined above.

(ii) If Customer indicates to Verizon in writing that it desires to negotiate a new contract to continue 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 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. For purposes of this paragraph only, written notice may be by facsimile.

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.

6. **Locations.** The Services (16 SALs) shall be provided to Customer under the terms hereof at the following locations, which are in Verizon's tariffed exchange service areas in Washington. Additional DS1 service will be subject to rates, terms and conditions of Verizon's applicable tariff(s) and may be ordered using Verizon established ordering procedures. Additional locations may be added by formal amendment only.

From the Customer's Designated Location (CDL) at

Lake Stevens, WA to each of the following CDLs:

Location

Address

Existing Circuit BTN



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