



Verizon Northwest Inc.

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Fax: 425-261-5262

November 10, 2005

Ms. Carole J. Washburn, Executive Secretary  
Washington Utilities and  
Transportation Commission  
1300 S. Evergreen Park Drive SW  
P.O. Box 47250  
Olympia, Washington 98504-7250

Dear Ms. Washburn:

Subject: **CONTRACT NO. 1311ICB**

Verizon Northwest Inc. submits for filing Contract No. 1311ICB. This is Amendment No. 5 to an existing customer specific agreement which provides OC48 Enhanced Dedicated SONET Ring (EDSR) Service, filed as Contract No. 1285ICB, effective November 12, 2004 in Docket No. UT-041835 for a term of three years. Amendment No. 1 to the Agreement was filed under Contract No. 1292ICB, effective January 22, 2005 in Docket No. UT-041835. Amendment No. 2 was filed under Contract No. 1297ICB, effective April 15, 2005 in Docket No. UT-041835. Amendment No. 3 was filed under Contract No. 1305ICB, effective May 25, 2005 in Docket No. UT-041835. Amendment No. 4 was filed under Contract No. 1309ICB, effective September 9, 2005 in Docket No. UT-041835.

Verizon has been notified by the Customer and/or Customer's construction contractor that the street designation of one of the Enhanced OC48 Nodes has been changed; this change was not made at the request of Verizon. The purpose of Amendment No. 5 is 1) to amend Section 1, Services and Quantity Commitments to reflect this change in the street designation of one of the Enhanced OC48 Nodes. This amended address does not represent a change in the physical location of the Enhanced OC48 Node but rather a change in the assigned numbering system for the physical location. Additionally, the

Carole J. Washburn, Executive Secretary  
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amendment changes the spelling of this same location. The changes have no effect on Verizon's cost to provision the service or to the pricing structure to the Customer. This change in the street designation has been carried through the agreement in Section 4, Termination Charges and Section 6, Locations.

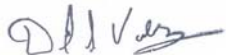
Service furnished under Amendment No. 5 to the Agreement is coterminous with the expiration date of the Agreement, currently January 19, 2008.

No cost documentation is submitted with this filing for the reasons stated above. Verizon considers the contract and one page of the exhibits to be confidential and protected under the provisions of WAC 480-07-160. The contract and exhibit are marked "Confidential per WAC 480-07-160" and redacted copies of both are included in the filing. The customer may be harmed if this information is not considered confidential.

This service is offered on a contractual basis because it is not available under tariff.

The company requests an effective date of December 10, 2005. Please direct any questions to Lin Fogg at 425-261-6380.

Very truly yours,



David S. Valdez  
Vice President – Public Policy, Affairs and Communications

Attachments  
(2004-282599)

**ESSENTIAL TERMS AND CONDITIONS**

**Contract No. 1311ICB – Amendment No. 5 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: December 10, 2005

Expiration Date: January 19, 2008 Contingent on in-service date of the original Agreement filed under Contract No. 1285ICB. Amendment No. 5 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: 5 OC48 Nodes  
1 OC3 Node  
168 DS1 Riders  
1 Transport for additional OC48 Node added to the agreement under Amendment No. 4.

Monthly Recurring Charge: \$28, 500 for Total Nodes and Transport

**ESSENTIAL TERMS AND CONDITIONS**

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Non-Recurring Charge: A one time lump sum payment of \$9,469 for Special Construction of Fiber Optic cable to provide Diverse Route for EDSR was filed as Exhibit B under Amendment No. 4 under Contract No. 1309ICB, effective September 9, 2005 in Docket No. UT-041835. Nonrecurring charges are applicable to EDSR Ports ordered on a month to month basis. Amendment No. 5 does not impact Nonrecurring Charges.

Location: Kirkland, Redmond

**Contract No. 1311ICB – Amendment No. 5 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.**

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.

Verizon has been notified by the Customer and/or Customer's construction contractor that the street designation of one of the enhanced OC48 Nodes has been changed; this change was not made at the request of Verizon. The purpose of Amendment No. 5 is 1) to amend Section 1, Services and Quantity Commitments to reflect this change in the street designation of one of the enhanced OC48 Nodes. This amended address does not represent a change in the physical location of the Enhanced OC48 Node but rather a change in the assigned numbering system for the physical location. Additionally, the amendment changes the spelling of this same location. The changes have no effect on the costs of Verizon's provision the service or to the pricing structure to the Customer. This change in the street designation has been carried through the agreement in Section 4, Termination Charges and Section 6, Locations.

Service furnished in Amendment No. 5 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 was filed under Amendment No. 4 under Contract No. 1309ICB, effective September 9, 2005 in Docket No. UT-041835. Nonrecurring charges are applicable to EDSR Ports ordered on a month to month basis. Amendment No. 5 does not impact nonrecurring charges.

### **Termination Liability**

Termination liability language filed under the original Contract No. 1285ICB is as follows. Amendment Nos. 1, 2 and 3 did not impact termination liability language.

"Termination charges will apply to each rate element for which Service is terminated except for month-to-month ports for which the one-month minimum service charge applies. If the termination occurs within the first two (2) years of a term plan, a termination charge equal to one hundred percent (100%) of the applicable monthly rate for the terminated Service multiplied by the number of months remaining in the first two years plus twenty-five percent (25%) of the monthly charges in the remainder of the plan. If the termination occurs after the first two years of a service term plan, then termination liability is equal to twenty five percent (25%) of the monthly charges for the remaining life of the term. 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. Terminations charges will not apply if Customer, by new agreement or formal amendment to this Agreement, changes the term period to one longer than the three year term period specified in this Agreement.

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### **Termination Liability**

Termination liability will not apply should Customer upgrade to another EDSR service (change to a higher capacity EDSR service) if all of the following conditions are met:

- a) A new term commitment period commences with the upgrade which will be reflected in a formal amendment to this Agreement or a new agreement;
- b) The expiration date of the new service/commitment period from (a) above must extend beyond the three year expiration date of the term period for this Agreement; and
- c) The new DSR service is provided at the same Customer locations(s) and/or Verizon CO locations(s) as the discontinued service; and
- d) Additional nodes and ports added at the time of the upgrade incur all applicable rates.”

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

“In the event that Customer terminates Service at the \_\_\_\_\_ 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.

Exhibit B to the Agreement – 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.”

Amendment No. 5 amends Section 4, Termination Charges, of Exhibit A, of the Agreement as previously amended in Amendment No. 4 is hereby further amended to alter the common designation location of the Enhanced OC48 Node as being at the \_\_\_\_\_ and the numerical and street portion of the address is changed from \_\_\_\_\_.”

**REDACTED**

**Contract No. 1311ICB – Amendment No. 5 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.**

**Monthly Charges**

The average monthly charge for Total Nodes and Transport is \$28, 500.

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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.

**Contract No. 1311ICB – Amendment No. 5 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.**

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. 5 is coterminous with the term of the Agreement which will terminate January 19, 2008.