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STATE OF WASH.  
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COMMISSION



**Verizon Northwest Inc.**

P.O. Box 1003  
Everett, WA 98206-1003  
Fax: 425-261-5262

January 18, 2007

Ms. Carole J. Washburn,  
Executive Secretary  
Washington Utilities and  
Transportation Commission  
Chandler Plaza Building  
1300 S. Evergreen Park Drive SW  
Olympia, Washington 98504

Subject: **AFFILIATED INTEREST AGREEMENT – ADVICE NO. 304**  
**Ref. UT-061091**

Dear Ms. Washburn:

Enclosed for the Commission's file is a verified copy of Amendment No. 1 to the Master Services Agreement between Verizon telephone operating companies, including Verizon Northwest Inc., and Verizon Global Networks.

Please call me at 425-261-5006 if you have any questions.

Very truly yours,

A handwritten signature in black ink that reads "Richard E. Potter". The signature is written in a cursive, flowing style.

Richard E. Potter  
Director  
Public Affairs, Policy & Communications

Enclosure

VERIFICATION OF AFFILIATED INTEREST AGREEMENT

I verify that the enclosed is a true copy of Amendment No. 1 to the Master Services Agreement between Verizon telephone operating companies, including Verizon Northwest Inc., and Verizon Global Networks.

 Date: 1.18.07

Richard E. Potter  
Director  
Verizon Northwest Inc.

**FIRST AMENDMENT TO THE  
MASTER SERVICES AGREEMENT BETWEEN  
VERIZON SERVICES CORP. AND VERIZON GLOBAL NETWORKS INC.**

**THIS FIRST AMENDMENT** to the MSA (as defined below) by and among Verizon Services Corp. on behalf of the Verizon operating telephone companies identified in Exhibit A of the MSA (collectively, "Verizon") and Verizon Global Networks Inc. ("VGNI"). Verizon and VGNI are sometimes referred to collectively as the "Parties". Each of the Verizon operating telephone companies identified in Exhibit A or VGNI individually is referred to as a "Party".

**WHEREAS**, the Parties entered into the Master Services Agreement effective June 19, 2006, by and between Verizon and VGNI as amended from time to time ("MSA");

**WHEREAS**, the products and services that Verizon currently provides to VGNI are memorialized in the Product Schedules;

**WHEREAS**, Verizon and VGNI wish to modify where the products and services are offered by Verizon as set forth herein;

**NOW, THEREFORE**, in consideration of the mutual promises that follow, the Parties, intending to be legally bound hereby, agree as follows:

1. The Parties hereby agree to replace Attachment 2 to the MSA, including Appendix A thereto, in its entirety with Attachment 2 attached to this First Amendment.
2. Except as amended hereby, all other rates, terms and conditions of the MSA shall remain in full force and effect.
3. This First Amendment may be executed in counterparts, each of which shall be an original, but all of which shall together constitute one and the same document.

**IN WITNESS WHEREOF**, the Parties have executed this First Amendment to be signed by their authorized representatives.

**Verizon Global Networks Inc.**

By: \_\_\_\_\_

Name: James E. Woodcock

Title: Director, Alliance Management - Carrier Services

Date: 12/18/06

**Verizon Services Corp., on behalf of the  
Verizon Operating Telephone Companies  
Identified in Attachment 1.**

By: \_\_\_\_\_

Name: John Ridgeway

Title: Director -Marketing Services

Date: 12/29/06

## **Attachment 2 - Description and Pricing of Services**

### **Special IP Port**

#### **Service Description**

The Special IP Port is a traffic aggregation point on Verizon's IP network. Customer may use the Special IP Port to aggregate traffic from other service(s) offered by Verizon subject to the limitations of the capacity (bandwidth) ordered. To satisfy configuration requirements defined by Verizon such as load balancing and diversity, Customer must purchase Special IP Ports in pairs with a minimum of one pair per LATA. Verizon will divide the traffic between the pair of Special IP Ports.

Verizon-provided OC12c, OC48c or OC192c SONET facilities, or such other equivalent Verizon-provided facilities as Verizon may allow in its sole discretion, are required for access to the Special IP Port from an Inter-exchange Carrier's (IXC's) or other service provider's POP, unless fiber cross-connects are used to access the Special IP Port from a collocation arrangement located in the same central office as the Special IP Port. The associated regulations, rates and charges for such Verizon-provided access facilities will apply, as set forth in The Verizon Telephone Companies Tariff F.C.C. No. 1 or The Verizon Telephone Companies Tariff F.C.C. No. 11, or by contract between Verizon and Customer. Fiber cross-connects are available to the extent described in The Verizon Telephone Companies Tariff F.C.C. No. 1, Section 19, and The Verizon Telephone Companies Tariff F.C.C. No. 11, Section 28.

A planning session is required prior to the submission of an order for a Special IP Port. The Special IP Port will be provisioned based on a negotiated interval between Customer and Verizon.

#### **Embedded Base**

It is understood and agreed between the Parties that as of the date set forth below, Customer will no longer be able to purchase IP Port under Tariff (Tariffed IP Port). Tariffed IP Port, purchased prior to the effective date this Attachment 2 is made a part of the Agreement, shall continue under the Agreement with the same Commitment Period (as defined in Term and Termination below) and circuit in-service dates as currently exist for such circuits as ordered under the applicable Tariff, on the terms and conditions, including the rates and charges, set forth in this Attachment 2. Minimum period and termination liabilities, as applicable, and as set forth in the applicable Tariff shall apply in connection with the termination of such Tariffed IP Port services. Notwithstanding the foregoing, in the case of Tariffed IP Port identified above in this Attachment 2, the terms and conditions set forth in such Section shall apply to IP Port purchased under the Agreement and this Attachment 2.

#### **Availability**

Special IP Port is offered where available throughout the Verizon footprint. Please verify with your Account Management Team for the most updated list of locations.

## **Pricing**

A monthly recurring charge (MRC) and a one-time installation charge (NRC) apply to each Special IP Port on a per-IP Port basis. The MRC and NRC are each differentiated based on bandwidth. As stated above, the minimum order is two Special IP Ports (i.e. one pair of Special IP Ports) per LATA, and all Special IP Ports must be ordered in pairs. Pricing is available for one-year minimum service periods and for three-year minimum service periods, as follows:

<b><i>One-Year Pricing</i></b>		
<b>Bandwidth</b>	<b>MRC</b>	<b>NRC</b>
OC12c	\$5,000	\$500
OC48c	\$10,000	\$1,000
OC192c	\$20,000	\$1,250

<b><i>Three-Year Pricing</i></b>		
<b>Bandwidth</b>	<b>MRC</b>	<b>NRC</b>
OC12c	\$4,000	\$500
OC48c	\$8,000	\$1,000
OC192c	\$16,000	\$1,250

## **Term and Termination**

Each Special IP Port is subject to a minimum service period of either one year or three years, according to the pricing plan chosen by Customer at the time of Customer's order. If Customer cancels, or causes Verizon to cease providing, any Special IP Port service provided hereunder prior to expiration of the minimum service period applicable to such Special IP Port, Customer must pay a termination charge equal to the full monthly charges that would be due for the for the unexpired portion of the minimum service period.