

## ESSENTIAL TERMS AND CONDITIONS

**Contract No. 1297ICB – Amendment No. 2 to an existing agreement for OC-48 EDSR SONET Service, filed as Contract No. 1285ICB, effective November 12, 2004 in Docket No. UT-041835 for a term of three years.**

Effective Date: April 15, 2005

Expiration Date: November 11, 2007 Contingent on in-service date of the original Agreement filed under 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: BITS Clock Service will be added to the EDSR (SONET) Service to allow the Customer to extract a precise timing reference at Customer's Designated Locations(s). One BITS clock output is required at each Customer location requiring BITS Clocking Service.

Number of Units: To be determined by the customer

Monthly Recurring Charge: \$608 per BITS Clock Service per location

Non-Recurring Charge: Not applicable to Amendment No. 2

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. 2 is to add BITS Clock Service to the EDSR Service to allow the customer to extract a precise timing reference at the customer's designated location(s). Amendment No. 2 is coterminous with the original agreement.

**Nonrecurring Charges**

Not Applicable to Amendment No. 2.

**Termination Liability**

Not applicable to Amendment No. 2.

**Monthly Charges**

The average monthly charge is \$608 per BITS Clock Service per location. Quantity is dependent on customer's order for the service.

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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 BITS Clock 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. 2 is coterminous with the term of the Agreement.

**Amendment No. 2  
To  
Service Agreement 2004-282599  
Between  
Verizon Northwest Inc. and**

This is Amendment No. 2 to the Agreement between Verizon Services Corp. on behalf of Verizon Northwest Inc., with its principal office at 1800 11<sup>th</sup> Street Everett WA 98201 and (Customer) located at \_\_\_\_\_ 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. 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 add the following Note (g) including an explanation and Rate Table, to the Service description immediately following the paragraph denoted with \*\* at the end of Section 1(f):

(g) BITS Clocking service will be added to the EDSR Service to allow the Customer to extract a precise timing reference at Customer's Designated Location(s) described as \_\_\_\_\_ and/or \_\_\_\_\_. Customer may purchase the BITS Clocking Service at \_\_\_\_\_ or both. One BITS Clock output is required at each Customer location requiring BITS Clocking Service. This adjunct Service to the EDSR Service shall be coterminous with the EDSR Agreement but the BITS Clocking Service shall be exempt from provision of Section 4 of Exhibit A to the Agreement, Termination Charges.

Initial Quantity	BITS Clock Service (Unit Rates)	MRC/Unit
1	BITS Clock Service (per location)	\$ 608.00

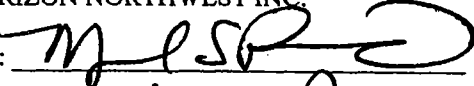
2. This Amendment shall be filed with the Washington Utilities and Transportation Commission (Commission). This Amendment shall become effective on either (a) the thirty-first (31<sup>st</sup>) calendar day after the date of such filing, unless the Agreement (or subsequent amendment) is rejected by the 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. In order for this Amendment No. 2 to be valid, it must be signed, dated and returned to Verizon no later than April 22, 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**

**Amendment No. 2  
To  
Service Agreement 2004-282599  
Between  
Verizon Northwest Inc. and**

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

	VERIZON NORTHWEST INC.
BY: _____	BY: <u></u>
Name: _____	Name <u>Michael Pavick</u>
Title: _____	Title <u>RVP Strategic Accts</u>
Date <u>2/29/05</u>	Date <u>3.3.05</u>

**REDACTED**