



Verizon Northwest Inc.

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Fax: 425-261-5262

December 29, 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. 1314ICB**

Verizon Northwest Inc. submits for filing Contract No. 1314ICB, Amendment No. 1 to an existing agreement that provides SONET Multi-Protocol Hub Service (MPHS) for a term of thirty-six (36) months. This optical networking service connects multiple customer sites over fiber to a single node. The purpose of Amendment No. 1 is to correct Exhibit A of the Agreement to remove rates specified in the Agreement which were included in error and which represent a Service configuration which was not utilized in provisioning of the Service. The actual configuration utilized is one for which no interoffice transport mileage charges are applicable and such charges have not been assessed to the Customer.

No cost documentation is submitted. The original agreement was filed under Contract No. 1252ICB, effective 6/15/03 in Docket No. UT-030727 with supporting cost documentation which shows the individual rate elements in the contract are above cost. The removal of the rate elements as shown in Amendment No. 1 will not impact the cost to provide the service. Verizon submits as an attachment the documentation required by WAC 480-80-142. Verizon considers the cost documentation and contract to be confidential and protected under the provisions of WAC 480-07-160. The contract is marked "Confidential per WAC 480-07-160". The customer may be harmed if this information is not considered confidential. A redacted copy of the contract is attached.

This service is being offered under a contract because it is not available in Verizon's tariff. The company requests an effective date of January 28, 2006.

Please direct any questions to Lin Fogg at 425-261-6380.

Very truly yours,

A handwritten signature in blue ink, appearing to read "D. Valdez".

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

Attachments  
(2004-301309)

**ESSENTIAL TERMS AND CONDITIONS****Contract No. 1314ICB – Amendment No. 1 to an existing agreement for SONET Multi-Protocol Hub Service**

Effective Date: January 28, 2006

Expiration Date: January 8, 2008 - contingent on in-service date. Amendment No. 1 is coterminous with the Agreement.

Renewal Options: 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.

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. Termination Charges do not apply to termination of Optical/Electrical Ports which are furnished on a month-to-month basis. 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.

Duration of Contract: Thirty-six (36) months

Description of Service: This optical networking service connects multiple customer sites over fiber to a single node. Multi-Protocol Hub Service can be deployed either in a ring architecture that assures survivability or as point to point topology sites over fiber to a single node.

Number of Units: 3 OC 12 Customer Premise Nodes  
1 OC12 Central Office Node  
24 OC12 Transport Ring Miles

Monthly Recurring Charge: \$3,840

Non-Recurring Charges: \$6,000 for each OC12 Customer Premise Node  
\$1,500 for each OC12 Central Office Node

**ESSENTIAL TERMS AND CONDITIONS**

**Contract No. 1314ICB – Amendment No. 1 to an existing agreement for SONET Multi-Protocol Hub Service**

Month to Month Services for Optical/Electrical Ports (two required per circuit)

GigE 3 (100 Mbps)	\$ 18
GigE 24 (1000 Mbps)	\$110
DS1	\$ 18
DS3	\$ 20
OC3	\$ 42
OC3c	\$ 42
OC12	\$ 75
OC12c	\$ 75

Non-Recurring Charge for each Subsequent Optical/Electrical Port Established is \$200.

Location: Tulalip

**Contract No. 1314ICB – Amendment No. 1 to an existing agreement for SONET Multi-Protocol Hub Service**

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 contract provides SONET Multi-Protocol Hub Service. The purpose of Amendment No. 1 is to correct Exhibit A of the Agreement to remove rates specified in the Agreement which were included in error and which represent a Service configuration which was not utilized in provisioning of the Service. The actual configuration utilized is one for which no interoffice transport mileage charges are applicable and such charges have not been assessed to the customer. The original agreement was filed under Contract No. 1252ICB, effective 6/15/03 in Docket No. UT-030727 with supporting cost documentation which shows the individual rate elements in the contract are above cost. The removal of the rate elements as shown in Amendment No. 1 will not impact the cost to provide the service.

**Nonrecurring Charges**

A nonrecurring charge of \$6,000 is applicable to each OC12 Customer Premise Node, a \$1,500 nonrecurring charge is applicable to each OC12 Central Office Node. A nonrecurring charge of \$200.00 is applicable to each subsequent Optical/Electrical Port established.

**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. Termination Charges do not apply to termination of Optical/Electrical Ports which are furnished on a month-to-month basis. 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.

**Monthly Charges**

The average monthly charge is \$3,840.

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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.

Cost computations and explanations required by WAC 480-80-142 were filed under the original agreement, Contract No. 1252ICB, effective 6/15/03 in Docket No. UT-03072. This supporting cost documentation shows that the individual rate elements in the contract are above cost. The removal of the rate elements as shown in Amendment No. 1 will not impact the cost to provide the service.

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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 service is not available under tariff.

**Contract No. 1314ICB – Amendment No. 1 to an existing agreement for SONET Multi-Protocol Hub Service**

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

The service life for this contract is thirty-six (36) months. Amendment No. 1 is coterminous with the original Agreement.