Amendments 1,2+3

LIT-031494-AF

OM 11-26-08

Verizon

No action

Verizon Northwest Inc.

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

October 21, 2008

Washington Utilities and Transportation Commission P.O. Box 47250 1300 S. Evergreen Park Drive SW Olympia, Washington 98504-7250

Subject:

AFFILIATED INTEREST AGREEMENT - ADVICE NO. 371

Ref. Docket UT-031494

To whom it may concern:

In reviewing our files, it appears that three amendments to the agreement previously filed in the referenced docket may not have been provided to the Commission. Enclosed for the Commission's file are verified copies of the first, second and third amendments to a services agreement between Verizon Global networks Inc. and Verizon Northwest Inc. The footers notwithstanding, the companies are not requesting confidential treatment of these documents.

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

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Business and Experience of the control of the contr

Very truly yours,

Richard E. Potter

Director

Public Affairs, Policy & Communications

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Enclosure

VERIFICATION OF AFFILIATED INTEREST AGREEMENT

I verify that the enclosed are true copies of the first, second and third amendments to a services agreement between Verizon Global networks Inc. and Verizon Northwest Inc.

Richard E. Potter

Director

Verizon Northwest Inc.

ichaid E. Potte Date: 10/21/08

FIRST AMENDMENT TO NEAR OUT OF FRANCHISE SERVICE AGREEMENT BETWEEN VERIZON NORTHWEST INC. And VERIZON GLOBAL NETWORKS, INC.

THIS FIRST AMENDMENT to the Near Out Of Franchise Service Agreement (the "<u>Agreement</u>") is executed by and between the Verizon Northwest Inc. ("VERIZON") and Verizon Global Networks Inc. ("VGNI"). (VERIZON and VGNI being referred to collectively as the "Parties".)

RECITALS

WHEREAS, the purpose of this Amendment is to modify the Agreement executed between the Parties on September 11, 2003 to update pricing; and

WHEREAS, the Parties now wish to adopt the terms set forth below as an amendment to the Agreement.

NOW, THEREFORE, in consideration of the mutual promises, provisions and covenants herein contained, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

- 1. Schedule One of the Agreement, which contains the pricing schedule, is hereby replaced in its entirety by this Schedule One attached hereto.
- 2. Except as specifically modified by this First Amendment, the Agreement shall remain in full force and effect.
- 3. If any provision in the Agreement conflicts with this First Amendment, this First Amendment shall control.

THE REMAINDER OF THIS PAGE WAS NOT USED.
AGREEMENT CONTINUES ON THE SIGNATURE PAGE.

IN WITNESS WHEREOF, the Parties have executed this First Amendment to be effective on the last date shown below.

| Verizon C | Global Networks Inc. | Verizon Northwest Inc. |
|-----------|--|--------------------------------------|
| By: _ | Michael J. Grapp | By: John Ridgenos |
| Name: _ | Michael J. Crapp | Name: John Ridgeway |
| Title: | Director - Alliance Contract Management | Title: Director – Marketing Services |
| Date: | January 9, 2004 | Date: 1-12-04 |

Schedule One

Available Service Locations

1. Service Locations. Services are available between service locations listed below or between these locations and any Verizon Northwest's locations in tariffed exchanges within the same LATA.

Tier 1 Buildings:

2001 6th Avenue

STTLWAWBW63

140 4th Avenue North

STTOWAJMW03

Tier 2 Buildings:

120 Lenora Street

STTLWAELW07

Tier3 Buildings:

1200 3rd Avenue

STTLWA01W04

1708 E. Pike Street

STTLWA03W03

- For channelized optical services where multiplexing is required, the multiplexing node, add/drop ports, intrabuilding cross connects (on a per port basis), and transport rate elements will apply.
- 3. For concatenated and non-channelized optical services where no multiplexing is required, the transport and cross connect (2 per point-to-point circuit) rate elements will apply.
- 4. Service locations in Schedule One are grouped into rate tiers 1 and 2. The multiplexing node, add/drop port, and cross connect rate elements of the respective tiers will apply to service locations identified in Schedule One. For transport between two service locations grouped in the same tier, the transport rate of that tier will apply. For transport that crosses between 2 tiers, the higher tier transport rates will apply. For transport between Verizon Northwest's location in tariffed exchanges and a Verizon's service location in Schedule One, the transport rate of the tier to which the service location is assigned will apply to the portion of the circuit located outside of Verizon's tariffed exchanges.

5. MRCs Available for Service Locations Above:

Schedule One Rates and Charges

| | | | Ter 1 | | - | | | Tler 2 | | | | | Tier 3 | | |
|-------------------------------------|--------|-----------|---------|---------|----------|--------|----------|---------|----------|----------|--------|----------|----------|---------|---------|
| Washington | 3 | 1. Yes | 3.Year | 5-Year | 7-Year | 3 | ±× 24 | 3-Year | 5-Year | .¥ | ₹_ | ÷ _ | 3-Year | 5-Year | 7.7 |
| Channelized Services | | | | | | | | | | | | | | | |
| Mux Node | | | | | | | | | | | | | | | |
| Mux Node - OC48 | Ϋ́ | \$3,400 | \$3,000 | \$2,200 | \$ 2,000 | N/A | \$ 3,400 | \$3,000 | \$ 2,200 | \$ 2,000 | N/A | \$ 3,400 | \$3,000 | \$2,200 | \$2,000 |
| Max Node - OC12 | ΚN | \$1,500 | \$1,300 | \$1,100 | \$ 1,000 | N/A | \$ 1,500 | \$1,300 | \$ 1,100 | \$ 1,000 | N/A | \$ 1,500 | \$ 1,300 | \$1,100 | \$1,000 |
| Max Node - OC3 | N/A | \$ 775 | \$ 695 | \$ 625 | \$ 600 | N/A | \$ 775 | \$ 695 | \$ 625 | \$ 600 | V/N | \$ 775 | \$ 685 | \$ 625 | \$ 600 |
| Mux Node - DS3 | N/A | \$ 248 | \$ 245 | SE. | \$ 238 | N/A | \$ 248 | \$ 245 | \$ 240 | \$ 238 | N/A | \$ 248 | \$ 245 | \$ 240 | \$ 238 |
| | | | | | | | | | | | | | | | |
| Add/Drop Parts | | | | | | | | | | | | | | | |
| Protected Port - OC12/OC12c | \$ 450 | N/A | N/A | N/A | N/A | \$ 450 | N/A | N/A | N/A | N/A | \$ 450 | N/A | N/A | ¥,N | K/N |
| Protected Port - OCS/OCSc | \$ 240 | ¥ | N/A | N/A | N/A | \$ 240 | N/A | N/A | N/A | N/A | \$ 240 | N/A | ΑN | ¥ | ¥× |
| Unaratected Part - OC120C12c | ł | N/A | N/A | N/A | N/A | \$ 225 | N/A | N/A | K/N | N/A | \$ 225 | N/A | N/A | V/N | ΚX |
| П | ł | ş | N/A | Š | N/A | \$ 120 | N/A | N/A | N/A | N/A | \$ 120 | N/A | N/A | ΑN | ΝΆ |
| Г | 1 | ΑX | ΑŅ | N/A | N/A | \$ 100 | N/A | N/A | N/A | N/A | \$ 100 | N/A | N/A | N/A | N/A |
| | | | | | | | | | | | | | | | |
| Cross Connects | | | | | | | | | | | | | | | |
| Cross Connect - OC12/OC12c | 83 | Ϋ́ | N/A | N/A | N/A | \$ 25 | N/A | N/A | N/A | N/A | \$ 25 | N/A | N/A | N/A | ΥN |
| Cross Connect - OC3/OC3c | l | ¥ | N/A | N/A | N/A | \$ 25 | N/A | N/A | N/A | N/A | \$ 25 | N/A | N/A | N/A | K/N |
| Cross Connect - DS3 | l | Υ× | ¥ | N/A | N/A | 95 \$ | N/A | N/A | N/A | N/A | S 20 | W/W | N/A | ΚŅ | K K |
| Cross Connect - DS1 | | ¥ Z | A/N | N/A | N/A | \$ 25 | N/A | V/N | N/A | N/A | \$2 | A/A | N/A | ¥ | N/A |
| | | | | | | | | | | | | | | | |
| Transport (B/w In-Franchise & NOOF) | | | | | | | | | | | | | | | |
| Channelized Transport - OC48 | N/A | 002'2\$ | \$6,900 | \$5,400 | \$ 4,800 | N/A | \$ 3,300 | \$3,000 | \$ 2,500 | \$ 2,300 | ¥N | \$ 3,300 | \$ 3,000 | \$2,500 | \$2,300 |
| Channelized Transport - OC12 | ΑN | \$3,000 | \$2,800 | \$2,300 | \$ 2,000 | N/A | \$ 2,045 | \$1,750 | \$ 1,270 | \$ 1,080 | N/A | \$ 2,045 | \$ 1,750 | \$1,270 | \$1,080 |
| Channelized Transport - OC3 | ΥN | \$1,700 | \$1,500 | \$1,200 | \$ 1,000 | N/A | \$ 1,300 | \$1,200 | \$ 1,050 | \$ 970 | K/N | \$ 1,300 | \$ 1,200 | \$1,050 | \$ 970 |
| Channelized Transport - DS3 | Y/X | \$1,100 | \$1,000 | \$ 850 | \$ 800 | N/A | \$ 400 | \$ 350 | \$ 300 | \$ 280 | N/A | \$ 400 | 350 | 300 | \$ 280 |
| Chamietzed Transport - DST | NVA | \$ 160 | \$ 130 | \$ 110 | \$ 100 | N/A | \$ 75 | \$ 35 | St \$ | 2 | N/A | \$ 73 | ₩ | \$ 48 | \$ 45 |
| | | | | | | | | | - | | | | | | |

December 12, 2003

VERIZON PROPRIETARY
Near Out of Franchise Service Agreement - VerizorV/GNI
- 4 -

First Amendment - Update Pricing

Schedule One Rates and Charges

| | | | Ē | | | | | Tier 2 | | | | | Tler 3 | | |
|---|-----|------------|-----------|---------|----------|-------|----------|--------------|----------|----------|----------|--------------|------------|---------|--------------|
| Weshington | 3 | +. Year | 3.7 | 5.Year | 7-Year | 3 | 1-Year | 3.Year | 5-Year | 7-Year | ### | .¥ -≺ | 3-Year | | .¥ee. 7:√ |
| ansport (BAw 2 NOOF Locations) | | | | | | | | | | | | | | 1 | |
| Channelized Transport - OC48 | ΥX | \$3,300 | 3,000 | \$2,500 | \$ 2,300 | K)N | \$ 2,000 | \$1,400 | \$ 900 | \$ 800 | K/N | \$ 2,000 | \$ 1,400 | 906 | \$ 800 |
| Samefred Transport - OC12 | N/A | 1 | \$1,100 | 958 | \$ 775 | N/A | \$ 1,300 | \$1,100 | \$ 850 | \$ 775 | N/N | \$ 1,300 | \$ 1,100 | \$ 850 | \$ 775 |
| Channelized Transport - OC3 | N/A | \$ 800 | 99 \$ | \$ 550 | \$ 500 | N/A | \$ 800 | \$ 600 | \$ 550 | \$ 500 | N/A | \$ 800 | \$ 600 | \$ 550 | \$ 500 |
| Thannelized Transport - DS3 | N/A | \$1.550 | \$1,350 | \$1,175 | \$ 1,000 | N/A | \$ 750 | 059 \$ | \$ 550 | \$ 500 | N/A | \$ 800 | \$ 775 | \$ 750 | \$ 725 |
| Parmetzed Transport - DS1 | Ν | 1 | 88 | \$ 75 | \$ 65 | N/A | \$ 40 | 92.\$ | \$ 18 | \$ 16 | N/A | 06 \$ | 8 | 88 | 8 50 |
| on Channellond/Concatenated pitcal Services | | | | | | | ٠., | | | | | | | | |
| Between In-Franchise & NOOF | | | | | | | | | | | | | | İ | - |
| Transport Service - OC48/OC48c | A/N | \$9,320 | \$8,650 | \$7,440 | \$ 7,070 | N/A | 8 9,320 | \$8,650 | \$ 7,440 | \$ 7,070 | N/A | \$ 9,320 | \$ 8,650 | \$7,440 | \$7,070 |
| Transport Service - OC12/OC12c | ¥N | \$4,280 | \$3,990 | \$3,530 | \$ 3,350 | N/A | \$ 4,280 | \$3,990 | \$ 3,530 | \$ 3,180 | N/A | \$ 4,280 | \$ 3,990 | \$3,530 | \$3,350 |
| Transport Service - OCHOCH | Š | \$2,230 | \$2,070 | \$1,840 | \$ 1,750 | N/A | \$ 2,230 | \$2,070 | \$ 1,840 | \$ 1,750 | N/A | \$ 2,230 | \$ 2,070 | \$1,840 | \$1,750 |
| Transport Service - DS3 | N/A | \$1,100 | \$1,000 | \$ 850 | \$ 800 | N/A | \$ 400 | \$ 350 | \$ 300 | \$ 280 | N/A | \$ 400 | \$ 350 | \$ 300 | \$ 280 |
| Fransport Service - DS1 | N/A | \$ 160 | \$ 130 | \$ 110 | \$ 100 | N/A | \$ 75 | SS \$ | \$ 48 | \$ 45 | N/A | \$ 75 | ₹ 8 | \$ 48 | \$ 45 |
| Between 2 NOOF Locations | | | | | | | | | | | | | | | |
| Transport Service - OCABOCABc | N/A | \$5,480 | \$5,090 | \$4,270 | \$ 4,060 | N/A | \$ 5,480 | \$5,090 | \$ 4,270 | \$ 4,060 | N/A | \$12,530 | \$11,630 | 29,840 | \$9,350 |
| Transport Service - OC12/OC12c | N/A | \$2,500 | \$2,330 | \$2,050 | \$ 1,950 | N/A | \$ 4,280 | \$3,990 | \$ 3,530 | \$ 3,180 | N/A | \$ 5,510 | \$5,140 | 25.55 | \$4,310 |
| Transport Service - OC3/OC3c | N/A | \$1,720 | \$1,600 | \$1,410 | \$ 1,340 | N/A | \$ 1,720 | \$1,600 | \$ 1,410 | \$ 1,340 | N/A | \$ 2,230 | \$ 2,070 | \$1,840 | \$1,750 |
| Transport Service - DS3 | N/A | \$1,550 | \$1,350 | \$1,175 | \$ 1,000 | N/A | \$ 750 | \$ 650 | \$ 550 | \$ 500 | N/A | \$ 800 | \$ 775 | \$ 750 | \$ 725 |
| Transport Service - DS1 | ¥,¥ | \$ 125 | S6 \$* | \$ 75 | \$ 65 | N/A | \$ 40 | \$ 25 | \$ 18 | \$ 16 | N/A | 8 | ور چ | \$ 55 | \$ 50 |
| Cross Connect - OC48/OC48c | 83 | N/A | W/A | N/A | N/A | \$2 | N/A | N/A | N/A | N/A | \$ 25 | N/A | N/A | Ϋ́ | ¥. |
| Cross Connect - OC12/OC12c | 83 | N/A | N/A | N/A | N/A | \$ 25 | N/A | N/A | N/A | N/A | \$ 25 | N/A | N/A | N/A | ¥ |
| Cross Connect - OC3/OC3c | ļ | A/N | ≨ | N/A | N/A | \$ 25 | N/A | N/A | N/A | N/A | \$ 25 | N/A | N/A | V/A | ¥ Z |
| Cross Connect - DS3 | 1 | N/A | Š | N/A | N/A | \$ 50 | N/A | N/A | N/A | N/A | 95 \$ | N/A | N/A | N/A | ¥X |
| Cross Connect - DS1 | 1 | × | Ş | ş | Y/N | \$25 | N/A | V/N | N/A | N/A | \$ 25 | N/A | N/A | N/A | ΝΑ |
| | ı | - | | | | | | | | | | | | | |

In addition to the charges set forth above, rates from Verizon Telephone Companies Tariff FCC No. 14 and FCC No. 16, as applicable, will apply to the tariffed exchange portion of the Service offering.

VERIZON PROPRIETARY
Near Out of Franchise Service Agreement - Verizon/VGNI
- 5 -

December 12, 2003

First Amendment - Update Pricing

SECOND AMENDMENT TO NEAR OUT OF FRANCHISE SERVICE AGREEMENT BETWEEN VERIZON NORTHWEST INC. And VERIZON GLOBAL NETWORKS INC.

THIS SECOND AMENDMENT by and between Verizon Northwest Inc. (hereinafter "Verizon") and Verizon Global Networks Inc. (hereinafter "VGNI," and together with Verizon, the "Parties"), amends that certain Near Out Of Franchise Agreement (this "Agreement") dated as of September 11, 2003, entered into between the Parties. All capitalized terms not otherwise defined shall have the meanings set forth in the Agreement.

RECITALS

WHEREAS, the Parties entered into the Agreement for Verizon to provide certain telecommunications services to VGNI outside of VGNI's outside of Verizon's in-franchise locations;

WHEREAS, the Parties now wish to add additional capacity;

NOW, THEREFORE, in consideration of the mutual promises, provisions and covenants herein contained, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

- 1. Service Attachment Page 2, "Service Locations/Rates and Charges", which is attached hereto, is hereby added to this amendment and made part of the Agreement.
- Except as specifically modified by this Second Amendment, the Agreement shall remain in full force and effect.
- 3. If any provision in the Agreement conflicts with this Second Amendment, this Second Amendment shall control.

THE REMAINDER OF THIS PAGE WAS NOT USED. AGREEMENT CONTINUES ON THE SIGNATURE PAGE.

Verizon Global Networks Inc.

By:

By:

Name: Scott C. Pierce

Executive Director

By: Stock Advisor

Name: John Ridgeway

Figure Director

Name: Director Marketing Services

IN WITNESS WHEREOF, the Parties have executed this Second Amendment to be effective on the last

Executive Director

Alliance Management

12/16/04

Date: /2/20/04

Title:

Date:

Service Attachment

Service Locations/Rates and Charges

1. Service Description(s):

Route 2

One (1) 3-node OC192 ring located at 1404th Avenue North, Seattle, Washington (STTOWAJM). Verizon will provide 2 nodes on the ring and VGNI will provide the 3rd node. All 3 nodes are located in the same building.

2. Service Commitment Term and Pricing:

| Unit | Service | <u>From</u> | <u>To</u> | Service Commitment Term | MRC |
|--|--|-------------|-----------|--|--|
| 2 | OC192 Mux Node (each node) | @ STTOWA. | JM . | 7 Years | \$5,000 |
| Per Port Per Port Per Port Per Port Per Port Per Port Per Port | DS3 / Unprotected Port OC3c / Unprotected Port OC3c / Protected Port OC12c / Unprotected Port OC12c / Protected Port OC48c / Unprotected Port OC48c / Protected Port | | | Month-to-Month Month-to-Month Month-to-Month Month-to-Month Month-to-Month Month-to-Month Month-to-Month | \$ 100 \$ 120 \$ 240 \$ 225 \$ 450 \$ 900 |
| ICB# WAG | 0401882 | | | | |

- 3. Transport services from 140 4th Avenue North, Seattle, Washington to other Verizon locations outside of the Verizon Telephone Companies' tariffed exchanges will be subject to additional charges per Schedule One attached to the Agreement or per individual case basis (ICB), if applicable.
- 4. Separate from and in addition to the charges reflected above, applicable Verizon Telephone Companies Tariff FCC No. 14 and FCC No. 16 rates will apply for the in-franchise portion of the service offering.

THIRD AMENDMENT TO NEAR OUT OF FRANCHISE SERVICE AGREEMENT BETWEEN VERIZON NORTHWEST INC. And VERIZON GLOBAL NETWORKS INC

This THRD AMENDMENT (this "Third Amendment") effective as of the last date of signature by a Party below by and between the Verizon Northwest Inc. (hereinafter "Verizon") and Verizon Global Networks Inc. (hereinafter "YGNI." and together with Verizon, the "Parties"), amends that certain Near out of Franchise Service Agreement (the "Agreement"), dated as of September 11, 2003, entered into between the Parties. All capitalized terms not otherwise defined shall have the meanings set forth in the Agreement.

RECITALS

WHEREAS, the Parties entered into the Agreement for Verizon to provide certain telecommunications service to VGNI outside of Verizon's tariffed exchanges;

WHEREAS, the Parties now wish to add additional capacity:

NOW, THEREFORE, in consideration of the mutual promises; provisions and covenants herein contained, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

- Service Attachment Page 3, "Service Locations/Rates and Charges," which is attached hereto, is hereby added to this amendment and made part of the Agreement.
- 2. Except as specifically medified by this Third Amendment, the Agreement shall remain in full force and effect.
- If any provision in the Agreement conflicts with this Third Amendment, this Third Amendment shall control.

THE REMAINDER OF THIS PAGE WAS NOT USED.
AGREEMENT CONTINUES ON THE SIGNATURE PAGE.

IN WITNESS WHEREOF, each of the Parties has executed this Third Amendment to be effective on the last date shown below.

| Verizor | Global Networks Inc. | Verizon Northwest Inc. |
|---------|------------------------------------|--------------------------------------|
| By: | | By: John Kulgery |
| Name: | Scott C. Pierce Executive Director | Name: John Ridgeway. |
| Title: | Alliance Management | Title: Director - Marketing Services |
| Date: | 11/27/06 | Date: 11-28-06 |

Page 3

Service Attachment

Service Locations/Rates and Charges

1. Service Description(s):

Route 3

One (1) 3-node DWDM 4-channel ring with the capacity to support four protected channels or eight unprotected channels. One (1) node each is located at the Redmond, WA central office (RDMDWAXA), the Everett Primary Center contral office (EVRTWAXA) and at 140 4th Ave., N. Seattle, WA (STTOWAJM). Seattle is the only location outside of the Verizon tariffed exchanges.

2. Service Commitment Term and Pricing:

| | | | MRCITA | |
|-------------|---|-------------|---------|---------|
| <u>Unit</u> | Service Rate Elements | 3 Year | 5 YESK | Z.Your |
| 1 | 4-channel DWDM Node @ STTOWAJM | | | \$5,550 |
| | DWDM Ring Transport | | | \$3,825 |
| | Unprolected OC192/192c Optical Transport channel interface, per Interface, Per node | \$3,665 | \$2,750 | \$2,650 |
| .• | Protected OC192/192c Optical Transport channel interface, per interface, Per node | \$7,265 | \$5,450 | \$1,350 |
| | Notes: | | | |
| | (1) Charge determined in CBSCNE Case # 2008-3 | 85234 | | |

In addition to the charges set forth above, rates from Verizon Telephone Companies Tariff FCC No. 14 and FCC No. 18, as applicable, will apply to the in-franchised tariffed exchange portion of the Service offering.