

Verizon Northwest Inc.

1800 – 41st Street, WA0105RA P. O. Box 1003 Everett, WA 98206-1003 Fax: 425-261-5262

June 27, 2008

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. 1363ICB (Docket No. UT-050624)

Verizon Northwest Inc. submits for filing Contract No. 1363ICB, an Amendment No. 2 to an existing contract that provides Direct Inward Dialing (DID Numbers). The purpose of Amendment No. 2 is to extend the term of the agreement for one year. The customer is currently receiving this service under Contract No. 1303ICB, effective July 30, 2005 and Amendment No. 1 to the Agreement effective July 30, 2007. Amendment No. 1 extended the term but did not impact rates under the agreement.

The service is offered under contract because the quantity of DID Numbers requested is not available under the tariff.

The company requests an effective date of July 27, 2008 for this contract filing.

Verizon submits the documentation required in Section 7 of WAC 480-80-142. Verizon considers the cost computations required under Section 7 (b) (iii) of WAC 480-80-142 to be confidential and protected under the provisions of WAC 480-07-160. Verizon considers this cost documentation to also be protected under the exemption from disclosure requirements per the Public Records Act, Chapter 42.56 RCW. The cost documentation is marked "Confidential per WAC 480-07-160". The company, for commercial reasons, may be harmed if this information is not treated by the Commission as confidential.

Carole J. Washburn, Executive Secretary Page 2

With regards to the contract, Verizon will comply with any applicable resale obligations required by RCW 80.36.170 and 80.36.180.

Please contact Lin Fogg at (425) 261-6380 if there are questions on this filing.

Very truly yours,

All Vers

David S. Valdez

Sr. Vice President – West

Public Affairs, Policy and Communications

Attachments (2008-449812)

ESSENTIAL TERMS AND CONDITIONS

Contract No. 1363ICB	New _	Renewal	Amendment	_X	
Effective Date:		July 27, 2008			
Term Period:		July 31, 2008 through July 30, 2009			
Renewal Options:		If Customer indicates to Verizon in writing that it desires to negotiate a new contract or tariffed service arrangement to continue or replace the Services provided, the Agreement shall automatically be extended for a period not to exceed 60 days from the end of the initial Service Period to allow the parties to finalize a new agreement or to transition to a tariffed service arrangement. Notice must be provided by Customer at least 30 days prior to the end of the initial Service Period. Notice can be made by facsimile or electronic mail.			
Duration of Contract:		Twelve (12) months			
Description of Service:		Direct Inward Dialing service includes the central office equipment necessary for in-dialing from the exchange and toll network directly to the stations associated with a Private Branch Exchange, Automatic Call Distribution System or Telephone Answering Service. Direct Inward Dialing (DID) Numbers are provided in a block of ten thousand numbers at the request of the customer. These numbers are to be used for inward calling only.			
Number of Units:		One block of 10,000	DID Numbers		
Minimum quantity:		Customer must maintain a minimum quantity of nine thousand (9,000) DID Numbers in-service at all times during the term of this Agreement. In the event customer reduces the number of DID numbers in-service to a quantity below the stated minimum at any time during the term, Customer will pay a shortfall liability charge equal to the following: the difference between the minimum quantity (9,000) and the actual number of DID Numbers in-service, multiplied by \$0.12 per DID number. Shortfall liability will be determined at the end of each contract year.			
Monthly Recurring Charge:		\$1,200.00			
Non-Recurring Charge:		Service Ordering chapply (WN U-17, Sec		on's applicable tariff will	

ESSENTIAL TERMS AND CONDITIONS

Contract No. 1363ICB	New Renewal Amendment _X
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.
	In the event customer does not purchase Verizon's tariffed ISDN PRI service or terminates tariffed ISDN PRI service prior to the end of the two year term, the agreement for DID Numbers will terminate and Customer will pay Termination Charges as set forth above. Any continuation of DID Service will be provided solely pursuant to Verizon's applicable tariff, including tariff rates, terms and conditions.
Locations:	Lynnwood

Contract No. 1363ICB	New	Renewai	AmendmentX
480-80-142			
7(b) (iii)			

Demonstrate, at a minimum, that the contract charges cover the company's cost of providing the service. Costs will be determined under a long-run incremental cost analysis, including as part of the incremental cost, the price charged by the offering company to other telecommunications companies for any essential function used to provide the service, or any other commission-approved cost method.

This is Amendment No. 2 to an existing agreement that provides Direct Inward Dialing (DID) Numbers in a block of 10,000 numbers. The attached confidential cost documentation demonstrates the contract charges cover the company's cost of providing the service.

Contract No. 1363ICB	New	Renewal	AmendmentX
480-80-142			
7 (b) (iv)			

Summarize the basis of the charge(s) proposed in the contract and explain the derivation of the proposed charge(s) including all cost computations involved.

The underlying costs of the individual component elements are identified in the confidential cost documentation filed with this contract. See the original agreement filed under Contract No. 1303ICB, Exhibit A for the detailed list of services and rates subscribed to under the agreement. Amendment No. 1 extended the term of the agreement but did not impact rates.

Cont	ract No. 1363ICB	New	Renewal	AmendmentX	
480-8	0-142				
7 (v)	Indicate the basis for using a contract rather than a filed tariff for the specific service involved.				
	The services are offe	ered on a contra	ct basis because t	he quantity of DID Numbers req	uested

by the customer is not available under tariff.

Contract No. 1363ICB	new	Renewai	Amenament _X		
480-80-142					
(2) Duration of contract. All contracts shall be for a stated time period.					
The contract term is twelve (12) months.					