



Verizon Northwest Inc.

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June 11, 2009

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

Subject: CONTRACT NO. 1396ICB (Docket No. UT-050624)

Verizon Northwest Inc. submits for filing Contract No. 1396ICB, an Amendment No. 3 to an existing contract that provides Direct Inward Dialing (DID Numbers). The purpose of Amendment No. 3 is to extend the term of the agreement for one year with no change to current rates or other terms and conditions. The customer is currently receiving this service under original Contract No. 1303ICB, effective July 30, 2005 and Amendment No. 1, filed under Contract No. 1341ICB, effective July 31, 2007 and Amendment No. 2, filed under Contract No. 1363ICB, effective July 31, 2008. The purpose of the two previous amendments was to extend the term of the agreement with no change to rates or other terms and conditions.

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 30, 2009 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.

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

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

Very truly yours,

A handwritten signature in black ink that reads "Sumeer Singla".

Sumeer Singla
Director
Public Affairs, Policy & Communications

Enclosures

ESSENTIAL TERMS AND CONDITIONS

Contract No. 1396ICB New Renewal Amendment

Effective Date: July 30, 2009

Expiration Date: July 30, 2010

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 charges from Verizon's applicable tariff will apply (WN U-17, Section 5) to additional quantities of DID Numbers subscribed to or changes in customer's service.

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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.

Location:

Lynnwood

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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. 3 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.

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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. 3 extends the term of the agreement but does not impact rates or other terms and conditions. Amendment No. 1 filed under Contract No. 1341ICB, effective July 31, 2007 and Amendment No. 2 filed under Contract No. 1363ICB effective July 31, 2008 extended the term of the agreement but did not impact rates or other terms and conditions.

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7 (v) Indicate the basis for using a contract rather than a filed tariff for the specific service involved.

The services are offered on a contract basis because the quantity of DID Numbers requested by the customer is not available under tariff.

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(2) Duration of contract. All contracts shall be for a stated time period.

The contract term is twelve (12) months