

THE VERIZON TELEPHONE COMPANIES

TARIFF F.C.C. No. 1

REVISIONS TO ATM CELL RELAY SERVICE

DESCRIPTION AND JUSTIFICATION

Transmittal No. 383

November 21, 2003

INTRODUCTION

With this filing, The Verizon Telephone Companies (Verizon)¹ submit supporting information for both a price cap filing restructure under section 61.3(II) of the Commission's Rules and introduction of a new service under Section 61.49 of the Commission's Rules.

SERVICE DESCRIPTION

Asynchronous Transfer Mode (ATM) Cell Relay Service (ATM CRS) is a telecommunications transport and switching service that provides for high-speed connectivity between customer designated locations. It is a fast-packet, cell-based technology that can support user applications requiring high bandwidth, high performance transport and switching. This connectivity is provided via circuits that are implemented over access facilities and switches that are dedicated to high-speed telecommunications services. Verizon currently offers ATM CRS in all of its operating territories.

DESCRIPTION OF REVISIONS

Verizon submits tariff pages to make the following revisions to ATM Cell Relay Service F.C.C. Tariff No. 1. These changes will affect ATM Cell Relay Service provided to customers in the State of New Jersey.

¹The Verizon entities which are affected by this filing are Verizon New Jersey Inc.

- The current Month-to-Month billing option is being renamed to a One Year Term Plan.

Service offered on the current Month-to-Month option has a minimum service period of 12 months, and the customer is required to maintain service for 12 months or be subject to a minimum period charge equal to the monthly rate for the balance of the first 12 months of service. The minimum period on the One-Year Term Plan is being reduced to one month. Termination liability will be applied at 25% of the balance of the One-Year Term period.

- The minimum period on a Three Year and Five Year Term Plans is being reduced to one month.
- The regulations pertaining to the application of termination liability for the Verizon ATM product offering in Tariff F.C.C. No. 1 is modified to coincide with the application of termination liability that already exists in the Verizon ATM product offerings under Tariff F.C.C. No. 20. Under the existing offering, termination liability equals the lesser of (1) 100% of the remaining charges for the balance of the commitment period or (2) the difference between the rates already assessed under the current plan and the rates that would have applied if a plan with a lower commitment level could have been satisfied. Verizon is decreasing the percentage of the termination liability that is calculated for the balance of the commitment period from 100% to 25% which is the same percentage that is used in the Tariff F.C.C. No. 20 ATM product offering. For customers of record as of the effective date of this tariff, Verizon will continue to perform two calculations as described above and apply the

lesser termination liability charge of the two calculations. For customers ordering service on or after the effective date of this tariff, Verizon will always apply termination liability that is 25% of the monthly rate for the balance of the commitment period and not perform two calculations as it will for customer of record as of the effective date of this change.

Additionally, an existing regulation that allows a customer to cancel service without termination liability (within certain time constraints) if the Company raises rates will no longer apply to new customers. However customers of record prior to the effective date of this filing will continue to have this option available to them. New customers will be subject to a similar regulation that allows them to cancel service without termination liability, but which excludes increases due to local, state or federal fees, taxes or surcharges.

- Introduction of a Two Year Term Plan for User Network Interface (UNI) Port with Access Line Connections, Interim Inter-Switch Signaling Protocol (IISP) Port with Access Line Connections, UNI Port Only Connections and IISP Port Only Connections in response to customer requests for additional term commitment periods.
- Introduction of DS-1 UNI Port Only Connections provided on a One Year, Two Year, Three Year and Five Year Term Plan.
- Introduction of DS-3 and OC3c Full and Incremental UNI Port Only Connections provided on a One Year, Two Year, Three Year and Five Year Term Plan.
- Introduction of DS-1, DS-3 and OC3c Full IISP Port Only Connections provided on a One Year, Two Year, Three Year and Five Year Term Plan.

- Introduction of OC12c Full and Incremental UNI Port Only Connections provided on a Two Year Term Plan.
- Introduction of OC12c Full IISP Port Only Connections provided on a Two Year Term Plan.
- Collocation Interconnection Service (CIS) Port Connections as set forth in Section 16.6.1(B)(7) are combined with the regulations, rates and charges for port only connections as set forth in 16.6.1(B)(3). There is no change in service to the customer. Existing CIS customers may notice different USOCs on their bill for these elements. Some CIS customers will experience a rate level reduction. In all cases, the rates applied for the port only connections are equal to, or less than, the rates that currently apply for the corresponding CIS port only connection. Additionally, CIS customers will now have more port speed options than were previously available to them.
- Expired regulations in Tariff F.C.C. No. 1 pertaining to a promotion for customers migrating to ATM CRS from Exchange Access Switched Multi-Megabit Data Service Customers is removed from the tariff. The regulations, which appeared in Section 16.6.1(I)(11) expired August 31, 2002.

REASON FOR THIS FILING

These tariff regulations are being made as part of a phased approach to realign Verizon's ATM Cell Relay Service offering across its entire Verizon footprint. Verizon has made every effort to align the regulations applicable to term plans in order to not have an adverse affect on any customers.

COMPLIANCE WITH RULES

In this filing, the Minimum Service Period is being restructured from the current 12 month minimum to a 1 month minimum period, for all ATM services. Currently demand for minimum period terms and conditions are included in the actual rate element demand counts for the ATM services. As part of this restructure, Verizon looked at detailed circuit records and found which circuits were disconnected within the 12-month minimum period window. Each of the circuits that were found did not disconnect prior to the expiration of the 12-month window. Therefore, there is no revenue impact nor impact on the indices. Since there is no change in the indices, no TRP is being filed.

Pursuant to Paragraph 173 of the Commission's decision on pricing flexibility (FCC 99-206 Fifth Report and Order and Further Notice of Proposed Rulemaking, released August 27, 1999), Figure 1 demonstrates the basket and service category into which this service will be properly incorporated in the next Annual Filing in 2004.

WORKPAPER INDEX

Figure 1 New Service Figure for Pricing Flexibility