

THE VERIZON TELEPHONE COMPANIES

TARIFF F.C.C. NOs. 1 and 11

New Contract Tariff Options

DESCRIPTION

Transmittal No. 455

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INTRODUCTION

The Verizon Telephone Companies are submitting tariff pages to introduce several contract tariff options into its Tariff FCC Nos. 1 and 11. These options are filed pursuant to Verizon receiving Pricing Flexibility relief for Special Access Services in qualifying Metropolitan Statistical Areas (MSAs)¹.

CONTRACT TARIFF OPTIONS – IOTS New Installations

Contract Tariff Option 11 (FCC 1) and Contract Tariff Option 14 (FCC 11) are for customers ordering new installations of Special Access IntelliLight Optical Transport Service “(IOTS)” ordered during a specific period of time beginning with the effective date and ending December 31, 2004 (i.e., the subscription period) in applicable MSAs.

Description

These contract tariff options offer an automatic additional discount on all eligible IOTS services that meet certain eligibility conditions. Such discount will apply to new installations of IOTS rate elements including the nodes, network optimization (amplifiers) and mileage. In addition, the discount will apply to new installations of IOTS optical transport channels that are ordered during the subscription period on any new or existing IOTS service. The additional discount will be applied to the monthly recurring rate elements included in the plan.

The proposed revisions are further described in the attached tariff pages.

¹ Memorandum Opinion and Order, In the Matter of Verizon Petitions for Pricing Flexibility for Special Access and Dedicated Transport Services, CCB/CPD Nos.00-24, 00-28(DA 01-663), released March 14, 2001.

CONTRACT TARIFF OPTIONS – IDSR New Installations

Contract Tariff Option 12 (FCC 1) and Contract Tariff Option 15 (FCC 11) are for customers ordering new installations of Special Access IntelliLight Dedicated SONET Ring “(IDSR)” ordered during a specific period of time beginning with the effective date and ending December 31, 2004 (i.e., the subscription period) in applicable MSAs.

Description

These options offer an automatic additional discount on all eligible IDSR services that meet certain eligibility conditions. The discount under the options introduced in this filing will apply to new installations of IDSR rate elements including the nodes, ports and mileage. In addition, the discount will apply to ports ordered during the subscription period on any new or existing IDSR. The additional discount will be applied to the monthly recurring rate elements included in the plan.

The proposed revisions are further described in the attached tariff pages.

CONTRACT TARIFF OPTIONS – High Cap New Corridor Installations

Contract Tariff Options 14 and 16 are specifically designed for new installations of Verizon’s Special Access DS1 (1.544 Mbps High Capacity Service) and DS3 (44.736 Mbps High Capacity Service) services which are ordered between June 12, 2004 and September 10, 2004 (i.e., the subscription period) and between locations that are within the New York and New Jersey Corridor. At the customer's option, these services may be provided on a month-to-month basis or for a term of three or five years during which the rates for these contract tariff options will apply and for which the provisions for termination liability as set forth in the attached tariff pages will apply.

The proposed revisions are further described in the attached tariff pages.

CONTRACT TARIFF OPTION 15

Contract Tariff Option 15 (Tariff FCC 1) provides a discount on qualifying Special Access IntelliLight[®] Dedicated SONET Ring Services provided in certain MSAs.

Description

This Contract Tariff Option is specifically designed for dual installations of new Special Access IntelliLight[®] Dedicated SONET Rings with enhanced nodes ("E-IDSR") which are ordered between the effective date of this tariff and July 12, 2004 (i.e., the subscription period). In the Pittsburgh PA MSA, this contract tariff option provides for a forty-four percent (44%) discount for the first six months of the term and a twenty percent (20%) discount for the remainder of the service period to be applied to eligible monthly rates in accordance with the terms and conditions for Option 15 specified in the attached tariff pages. In the Washington DC-MSA-VA MSA, a twenty percent (20%) discount will be applied to the monthly rates for eligible rate elements in accordance with the terms and conditions for Option 15 specified in the attached tariff pages.

As described in the terms and conditions for Option 15 in the attached tariff pages, the additional discount applied under Option 15 will not be used when calculating any termination liability and/or minimum period charges that may apply under other sections of the tariff.

In order to be eligible for Contract Tariff Option 15, all of the following criteria must be met:

- ❖ The customer must order one Special Access "E-IDS" in the Pittsburgh PA MSA and one Special Access E-IDS in the Washington DC-MD-VA MSA. These E- IDSs must be replacements for two of the customer's existing Special Access IDSs that are not equipped with enhanced nodes. These services will have a service period of sixty-six months
- ❖ The IDSs being replaced must be been in service for at least 5 years and the replacing E-IDSs must be under a 66 month service period the Pittsburgh PA MSA and a 60 month service period in the Washington DC-MSA-VA MSA.
- ❖ The customer must meet a projected revenue requirement of at least \$4,000,000.00 during the service period.
- ❖ The customer must subscribe to the new E-IDSs between the effective date of this filing and July 12, 2004.
- ❖ The customer must meet the minimum component requirements for enhanced nodes, ring mileage and ports as stated in the attached tariff pages.

In the event that the customer terminates the service, or portions of the service, prior to the end of the service period, termination liability applies equal to 100% of the monthly charges for the remaining portion of the first 2 years of service and 25% of the monthly charges for the remainder of the service period. Subscribers to Option 15 are eligible for reduced termination liability when portions of the service are terminated due to a downturn in business and the customer qualifies for a downturn in business reduction under Section 21.5(D) of the attached tariff pages.

The attached tariff pages provide a complete description of the terms and conditions and rates and charges applicable to Contract Tariff Option 15.