

**THE VERIZON TELEPHONE COMPANIES**

**TARIFF F.C.C. NO. 1**

**CONTRACT TARIFF OPTION 25**

**TARIFF F.C.C. NO. 11**

**CONTRACT TARIFF OPTION 27**

**DESCRIPTION**

**TRANSMITTAL NO. 561**

**April 15, 2005**

## DESCRIPTION

The Verizon Telephone Companies ("Verizon") are submitting tariff pages to introduce a new Contract Tariff Option ("Option") in its Tariff F.C.C. Nos. 1 And 11. This new Option is filed pursuant to the Pricing Flexibility relief granted to Verizon in certain qualifying Metropolitan Statistical Areas ("MSAs").<sup>1</sup> This new Option is introduced as Contract Tariff Option 25 in Tariff F.C.C. No. 1 and Contract Tariff Option 27 in Tariff F.C.C. No. 11.

This Option has a Service Period of two (2) years and provides a customer with billing credits when the customer meets certain total billed revenue ("TBR") thresholds for qualifying services. TBR is the revenue associated with qualifying Verizon services that the customer subscribes to from Verizon's interstate Access Service tariffs F.C.C. Nos. 1 and 11. However, a customer will receive the billing credits only in those MSAs where Verizon has received Pricing Flexibility relief (i.e., price flex eligible MSAs in Tariffs F.C.C. Nos. 1 & 11). A complete list of the qualifying services is specified in the attached tariff pages.

In order to receive the billing credit under this Option, among other things, a customer must achieve each year of the Service Period a minimum TBR in Qualifying Service of at least \$197,500,000. Billing credits will vary depending on the TBR for qualifying services achieved by the customer during each year of the Service Period. The actual amount of billing credit is determined using a TBR threshold matrix that is contained in the attached tariff pages.

A complete description of the terms and conditions of this new Option is included in the attached tariff pages.

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<sup>1</sup> 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, CCB/CPD File No. 01-27 (DS 02-706) released March 22, 2002, and WCB/Pricing No. 02-33 (DA 03-1024) released March 31, 2003.