

THE VERIZON TELEPHONE COMPANIES

TARIFF F.C.C. NO. 1

CONTRACT TARIFF OPTION 29

TARIFF F.C.C. NO. 11

CONTRACT TARIFF OPTION 31

TARIFF F.C.C. NO. 14

CONTRACT TARIFF OPTION 16

DESCRIPTION

TRANSMITTAL NO. 586

June 2, 2005

DESCRIPTION

The Verizon Telephone Companies ("Verizon") are submitting tariff pages to introduce a new contract tariff for customers who subscribe to new Special Access multiplexed DS3 Services ("SpA Muxed DS3") within the Metropolitan Statistical Areas ("MSAs") of Tariffs F.C.C. Nos. 1, 11 and 14 where Verizon has achieved pricing flexibility. The new contract tariff provides for a discount to certain monthly recurring rates of SpA Muxed DS3 services and certain Synchronous Optical Network ("SONET") services as described below.

In order to qualify for the new contract tariff, a customer must have had at least six thousand (6000) DS3 qualifying channel terminations that were in service anywhere within a Verizon operating territory of Tariff F.C.C. No. 1, 11, 14 and/or 16 as of December 31, 2004. Customers who qualify and subscribe to this new contract tariff receive a discount to certain monthly recurring rates on their SpA Muxed DS3 and SONET services. In order to receive the benefits under this new contract tariff, a customer must install at least two hundred fifty (250) new SpA Muxed DS3s within the first eight months of the tariff effective date of the new contract tariff. Such new SpA Muxed DS3s may be installed within any of the Verizon MSAs of Tariffs F.C.C. Nos. 1, 11 and/or 14 where Verizon has pricing flexibility.

The discounts under this new contract tariff are percentage based and are applied after any other discount associated with a term plan under which the service is ordered has already been applied. For SpA Muxed DS3 services, the discount applies to the monthly recurring rates for certain channel termination rate elements, channel mileage rate elements, and DS3 to DS1 multiplexing rate elements of the SpA Muxed DS3 facility. Additionally, subscribing customers will receive a discount to the monthly recurring rates of certain newly installed SONET services, No discounts will be applied on new SpA Muxed DS3 or new SONET that are installed within

the operating territories of Verizon's Tariff F.C.C. No. 16 where Verizon does not yet have pricing flexibility.

This new contract tariff is filed pursuant to Verizon receiving Pricing Flexibility relief in qualifying MSAs¹. The new contract tariff is introduced as Contract Tariff Option 29 in Tariff F.C.C. No. 1, Contract Tariff Option 31 in Tariff F.C.C. No. 11 and Contract Tariff Option 16 in Tariff F.C.C. No. 14.

The attached tariff pages provide a complete description of the eligibility criteria, the service period and service area, and the terms and conditions under which the discounts apply for the new contract tariff options.

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, 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.