

THE VERIZON TELEPHONE COMPANIES

TARIFF F.C.C. NO. 1

CONTRACT TARIFF OPTION 38

TARIFF F.C.C. NO. 11

CONTRACT TARIFF OPTION 41

DESCRIPTION

TRANSMITTAL NO. 699

April 24, 2006

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. With this Option, the customer can receive transitional billing credit when converting one (1) or two (2) Verizon Dedicated SONET Ring ("DSR") Services to a single IntelliLight[®] Optical Transport Service ("IOTS").

The new Option is filed pursuant to Verizon receiving Pricing Flexibility relief for Special Access Services in qualifying Metropolitan Statistical Areas (MSAs)¹ and is introduced as Contract Tariff Option 38 in Tariff F.C.C. No. 1 and Contract Tariff Option 41 in Tariff F.C.C. No. 11.

A conversion from DSR to IOTS is accomplished by first constructing the replacing IOTS ring (billing for such IOTS ring commences upon notification by the Telephone Company that construction is complete and the ring is available for use). Once the IOTS ring is complete, the customer may order services of various protocols over the wavelength of the IOTS. Finally, the DSR(s) and any lower level circuits provided over such DSRs are disconnected (at which time billing for the DSR ring(s) will cease).

For each such conversion that is ordered during the subscription period of the new Option, and regardless of the time it takes to complete such conversion, the customer will receive:

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.

- * two (2) months of transitional billing credit equal to fifty percent ("50%") of the recurring monthly charges for the node, high speed (pass-through) interfaces, and mileage rate elements that were assessed to the DSR(s) during the conversion; and
- * 2 months of transitional billing credit equal to 50% of the recurring monthly charges for the node, high speed (pass-through) interfaces, amplifiers, and mileage that were assessed to the replacing IOTS during the conversion.

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