

THE VERIZON TELEPHONE COMPANIES

TARIFF F.C.C. NO. 1

CONTRACT TARIFF OPTION 41

TARIFF F.C.C. NO. 11

CONTRACT TARIFF OPTION 43

TARIFF F.C.C. NO. 14

CONTRACT TARIFF OPTION 20

TARIFF F.C.C. NO.20

CONTRACT TARIFF OPTION 1

DESCRIPTION

TRANSMITTAL NO. 705

May 5, 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, 11, 14 and 20. With this Option, the customer can receive billing credits when the customer maintains a Minimum Annual Revenue Commitment ("MARC") for Qualifying Services and meets other criteria as specified in the attached tariff pages. This new Option is filed pursuant to the Pricing Flexibility relief granted to Verizon in certain qualifying Metropolitan Statistical Areas ("MSAs").¹ & ² The new Option is introduced as Contract Tariff Option 41 in Tariff F.C.C. No. 1, Contract Tariff Option 43 in Tariff F.C.C. No. 11, Contract Tariff Option 20 in Tariff F.C.C. No. 14, and Contract Tariff Option 1 in Tariff F.C.C. No. 20. Because this is the first contract tariff option to be filed in Tariff F.C.C. No. 20 since Verizon received pricing flexibility relief for Fast Packet Services², this filing also establishes a new section in Tariff F.C.C. No. 20 that contains the terms and conditions applicable to contract tariff options.

This Option has a Service Period that begins with the date of subscription and continues for thirty-six consecutive months.

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.

² Memorandum Opinion and Order, In the Matter of Petition for Waiver of Pricing Flexibility Rules for Fast Packet Services (FCC05-71), WC Docket No. 04-246, adopted September 22, 2005 and released October 14, 2005.

With this Option, the customer is eligible for quarterly billing credits in each consecutive three (3) month period where the customer achieves revenues for such 3 month period that is equal to or greater than one quarter of the MARC. The customer can also earn additional billing credits at the end of each year of the plan following an annual true-up calculation. Billing credits are determined and calculated in accordance with the requirements specified in the attached tariff pages.

Billing credits will be applied only to the Qualifying Services which are located in MSAs that have achieved Phase I or Phase II pricing flexibility.

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