

Issued: December 21, 2006

FACILITIES FOR INTERSTATE ACCESS

CHECK SHEET

Title Pages 1 to 3 and Pages 1 to 21-119 inclusive, of this tariff are effective as of the date shown. Original and revised pages as named below and Supplement No. 1, 2, 3, 4, 5, 6 and 7 contain all changes from the original tariff that are in effect on the date shown.

<u>Page</u>	<u>Revision</u>	<u>Page</u>	<u>Revision</u>	<u>Page</u>	<u>Revision</u>	<u>Page</u>	<u>Revision</u>
Title Page 1	1st	29	1st	2-14	1st	2-47	Original
Title Page 2	4th	30	1st	2-14.1	2nd	2-47.1	Original
Title Page 3	3rd	31	1st	2-14.2	2nd	2-47.2	Original
1	252nd*	32	Original	2-14.3	Original	2-48	Original
1.1	1st	33	Original	2-15	1st	2-49	2nd
2	46th	34	3rd	2-16	2nd	2-50	Original
2.1	4th	35	Original	2-16.1	2nd	2-51	1st
3	42nd	36	2nd	2-16.2	4th	2-52	Original
3.1	17th	37	3rd	2-17	Original	2-53	Original
4	58th	38	1st	2-18	4th	2-54	Original
4.1	67th	39	1st	2-19	Original	2-55	Original
5	52nd	40	3rd	2-20	Original	2-56	Original
6	9th	41	10th	2-21	1st	2-57	Original
7	36th	41.1	Original	2-22	Original	2-58	Original
7.1	21st	41.2	1st	2-23	Original	2-59	Original
8	21st	42	7th	2-24	Original	2-60	Original
9	9th	43	4th	2-25	1st	2-61	Original
9.1	5th	44	4th	2-26	1st	2-62	Original
10	47th	44.1	8th	2-27	Original	2-63	Original
10.1	18th	45	1st	2-28	Original	2-64	Original
10.2	10th*	46	4th	2-29	1st	2-65	Original
10.3	Original	47	4th	2-30	1st	2-66	Original
11	2nd	1-1	Original	2-31	1st	2-67	Original
12	1st	2-1	1st	2-32	Original	2-68	Original
13	2nd	2-2	1st	2-33	1st	2-69	Original
13.1	Original	2-3	Original	2-34	1st	2-70	Original
14	Original	2-4	Original	2-34.1	1st	2-71	Original
15	1st	2-5	Original	2-35	Original	2-72	Original
16	Original	2-6	3rd	2-36	Original	2-73	Original
17	1st	2-6.1	1st	2-37	1st	2-74	Original
18	3rd	2-7	4th	2-38	Original	2-75	Original
19	1st	2-8	2nd	2-39	1st		
20	Original	2-9	2nd	2-40	Original		
21	Original	2-10	Original	2-41	2nd		
22	Original	2-11	5th	2-41.1	1st		
23	Original	2-11.1	2nd	2-42	Original		
24	3rd	2-11.2	2nd	2-43	Original		
24.1	Original	2-12	3rd	2-44	Original		
25	2nd	2-13	3rd	2-45	Original		
26	1st	2-13.1	Original	2-46	Original		
27	2nd	2-13.2	Original				
28	5th						

* New or Revised Page

(This page filed under Transmittal No. 762.)

Vice President, Federal Regulatory
 1300 I Street NW, Washington, DC 20005

Issued: December 21, 2006

FACILITIES FOR INTERSTATE ACCESS

CHECK SHEET

<u>Page</u>	<u>Revision</u>	<u>Page</u>	<u>Revision</u>	<u>Page</u>	<u>Revision</u>	<u>Page</u>	<u>Revision</u>
21-1	22nd	21-43	2nd	21-86	Original	21-129	2nd
21-2	7th	21-44	1st	21-87	Original	21-130	2nd
21-2.1	Original	21-45	Original	21-88	Original	21-131	2nd
21-3	2nd	21-46	Original	21-89	Original	21-132	2nd
21-4	2nd	21-47	Original	21-90	Original	21-133	2nd
21-5	2nd	21-48	Original	21-91	Original	21-134	2nd
21-6	2nd	21-49	Original	21-92	Original	21-135	Original
21-7	2nd	21-50	Original	21-93	Original	21-136	Original
21-8	2nd	21-51	Original	21-94	Original	21-137	Original
21-9	2nd	21-52	Original	21-95	Original	21-138	Original
21-10	2nd	21-53	Original	21-96	Original	21-139	Original
21-11	2nd	21-54	Original	21-97	Original	21-140	Original
21-12	2nd	21-55	Original	21-98	Original	21-141	Original
21-13	2nd	21-56	Original	21-99	Original	21-142	Original
21-14	2nd	21-57	Original	21-100	Original	21-143	Original
21-15	1st	21-58	Original	21-101	Original	21-144	Original
21-16	1st	21-59	Original	21-102	Original	21-145	Original
21-17	4th	21-60	Original	21-103	Original	21-146	Original
21-18	1st	21-61	Original	21-104	Original	21-147	Original
21-19	1st	21-62	Original	21-105	Original	21-148	Original
21-20	4th	21-63	Original	21-106	Original	21-149	Original
21-21	Original	21-64	Original	21-107	Original	21-150	Original
21-22	Original	21-65	Original	21-108	Original	21-151	1st*
21-23	1st	21-66	Original	21-109	Original	21-152	1st*
21-24	Original	21-67	Original	21-110	Original	21-153	1st*
21-25	Original	21-68	Original	21-111	Original	21-154	Original
21-26	Original	21-69	Original	21-112	Original	21-155	Original
21-27	Original	21-70	Original	21-113	1st	21-156	Original
21-28	Original	21-71	Original	21-114	Original	21-157	1st*
21-29	Original	21-72	Original	21-115	Original	21-158	Original
21-30	1st	21-73	Original	21-116	Original	21-159	Original
21-31	1st	21-74	Original	21-117	Original	21-160	Original
21-32	1st	21-75	Original	21-118	Original	21-161	Original
21-33	1st	21-76	Original	21-119	Original	21-162	Original
21-34	Original	21-77	Original	21-120	Original	21-163	Original
21-35	Original	21-78	Original	21-121	Original	21-164	Original
21-36	Original	21-79	Original	21-122	Original	21-165	Original
21-37	Original	21-80	Original	21-123	Original	21-166	Original
21-38	Original	21-81	Original	21-124	Original	21-167	Original
21-39	1st	21-82	Original	21-125	Original	21-168	Original
21-40	2nd	21-83	Original	21-126	2nd	21-169	Original
21-41	1st	21-84	Original	21-127	2nd	21-170	1st*
21-42	1st	21-85	Original	21-128	2nd		

* New or Revised page

(This page filed under Transmittal No. 762.)

Vice President, Federal Regulatory
 1300 I Street NW, Washington, DC 20005

Issued: December 21, 2006

FACILITIES FOR INTERSTATE ACCESS

21. Contract Tariffs (Cont'd)

21.21 Contract Tariff Option 20 (Cont'd)

(F) Minimum Annual Revenue Commitment (MARC) (Cont'd)

(1) General (Cont'd)

(d) Unless otherwise mutually agreed to by the customer and the Telephone Company, in the event the customer merges with another company, acquires a company or a portion of the business of another company, or is acquired in whole or in part by another company, the following terms and conditions will apply.

- (1) The customer may not combine or include any revenues from the merged, acquiring, or acquired company, or assets of such merged, acquiring, or acquired company in the calculation of the MARC for Qualifying Services.
- (2) The customer may continue subscribing to this Option 20 for the duration of the Service Period based on its business with the Telephone Company as of the date of subscription to this Option 20, without adding the revenues attributable to expansion of the customer's purchase of Services from the Telephone Company through merger, transfer, assignment, or acquisition.
- (3) The Telephone Company reserves right to terminate the customer's subscription to this Option 20 if the customer does not adhere to the provisions of this Section (F)(1)(d).

(e) If an Issuing Carrier of this tariff is acquired by an unaffiliated third party (**Acquired VZ Telco**), or all or part of the assets of such Issuing Carrier are acquired by an unaffiliated third party (**Acquired VZ Telco**), then the MARC for Qualifying Services shall be proportionately reduced by the applicable Acquisition Reduction Amount (defined in (F)(1)(e)(1) following).

(1) An Acquisition Reduction Amount shall be calculated for the Qualifying Services as follows:

- (a) calculate the amount of Qualifying Services purchased by the customer from the Acquired VZ Telco during the twelve (12) months prior to the time that the Acquired VZ Telco ceases to provide the Qualifying Services; then (T)
- (b) calculate the average monthly amount purchased by the customer from the Acquired VZ Telco for Qualifying Services by dividing the number calculated in (a) preceding by 12; and (T)
- (c) multiply the average monthly amount for Qualifying Services calculated in (b) preceding by the number of months remaining in the year in which the acquisition occurs. (C)

(This page filed under Transmittal No. 762.)

Vice President, Federal Regulatory
 1300 I Street, NW, Washington, D.C. 20005

Issued: December 21, 2006

FACILITIES FOR INTERSTATE ACCESS

21. Contract Tariffs (Cont'd)

21.21 Contract Tariff Option 20 (Cont'd)

(F) Minimum Annual Revenue Commitment (MARC) (Cont'd)

(1) General (Cont'd)

(e) (Cont'd)

(2) As an illustrative example:

- (a) Assume that Verizon New York Inc. was acquired by an unaffiliated third party and ceased to operate in month 15 of the Service Period.
- (b) Assume that the customer purchased \$12M of Qualifying Services from Verizon New York Inc. during the 12 months prior to the time that Verizon New York Inc. ceased to provide the Qualifying Services under this Option 20.
- (c) Assume that at the end of the first year of the Service Period, the customer's MARC for Qualifying Services is \$140M.
- (d) Then the Acquisition Reduction Amount would be \$9M (\$12M divided by 12 months, then multiplied by 9, the remaining months of the second year of the Service Period).
- (e) The new MARC for year two of the Service Period would be \$131M (\$140M minus Acquisition Reduction Amount of \$9M). (C)

(This page filed under Transmittal No. 762.)

Vice President, Federal Regulatory
1300 I Street, NW, Washington, D.C. 20005

Issued: December 21, 2006

FACILITIES FOR INTERSTATE ACCESS

21. Contract Tariffs (Cont'd)

21.21 Contract Tariff Option 20 (Cont'd)

(F) Minimum Annual Revenue Commitment (MARC) (Cont'd)

(1) General (Cont'd)

(g) When the Telephone Company (i) ceases to offer one or more of the Qualifying Services specified in (E)(1) preceding under this tariff, or (ii) the customer replaces a Qualifying Service specified in (E)(1) preceding with a non-tariffed service offered by the Telephone Company (**Replacement Service**), (collectively, **Affected Qualifying Services**), then the MARC for Qualifying Services shall be proportionately reduced by the Tariff Reduction Amount (defined in (F)(1)(g)(1) following). (T) (N) (N) (N)

(1) The **Tariff Reduction Amount** shall be calculated as follows:

- (a) calculate the amount of the Affected Qualifying Services purchased by the customer from the Telephone Company during the twelve (12) months prior to (i) the date that the Affected Qualifying Services are no longer offered under this tariff, or (ii) the date the Telephone Company has provided the Replacement Service to the customer, whichever occurs first; (T) (T) (N) (N)
- (b) calculate the average monthly amount of the Affected Qualifying Services purchased by the customer by dividing the number calculated in (a) preceding by 12; and (T)
- (c) multiply the average monthly amount of the Affected Qualifying Services calculated in (b) preceding by the number of months remaining in the plan year for the Qualifying Services that (i) are no longer offered under this tariff, or (ii) are replaced with Replacement Services, as applicable. (T) (T) (N)

(2) As an illustrative example:

- (a) Assume that the Telephone Company ceases to offer certain Qualifying Services on November 20, 2006.
- (b) Assume also that the customer purchased twelve million (\$12M) of such Qualifying Services during the twelve (12) months prior to the date that the Telephone Company ceased offering such Qualifying Services.
- (c) Assume also that the customer's MARC is one hundred thirty-six million (\$136M) during the first year of the Service Period.
- (d) Then the Tariff Reduction Amount would be six million (\$6M) (\$12M divided by 12 months, then multiplied by 6, the remaining months of the first year of the Service Period).
- (e) The new MARC for the first year of the Service Period would be one hundred thirty million (\$130M) (\$136M minus the Tariff Reduction Amount of \$6M). (C)

(This page filed under Transmittal No. 762.)

Vice President, Federal Regulatory
 1300 I Street, NW, Washington, D.C. 20005

Issued: December 21, 2006

FACILITIES FOR INTERSTATE ACCESS

21. Contract Tariffs (Cont'd)

21.21 Contract Tariff Option 20 (Cont'd)

(F) Minimum Annual Revenue Commitment (MARC) (Cont'd)

(2) Calculation of the MARC (Cont'd)

(b) (Cont'd)

(1) (Cont'd)

Step 5 (Cont'd)

- Determine the adjusted FMS Mileage in Top 10 LATAs percentage discount by multiplying the current discount percentage for the FMS Mileage in Top 10 LATAs percentage discount by the weighted impact of the reduction in FMS Service mileage. The adjusted FMS Mileage in Top 10 LATAs MARC discount percentage would be 12.51% (14.55% x 86%)
- Determine the adjusted FMS Mileage in Wild Card LATAs percentage discount by multiplying the current discount percentage for the FMS Mileage in Wild Card LATAs percentage discount by the weighted impact of the reduction in FMS Service mileage. The adjusted FMS Mileage in Wild Card LATAs discount percentage would be 10.43% (12.13% x 86%)

- (2) During the Service Period, if the Telephone Company reduces its MRCs for Qualifying Services by a cumulative 10% but less than 25% from May 20, 2006, then the MARC will be reduced by the same percentage.

As an illustrative example, assume that the customer's MARC is \$136M and the cumulative reduction in MRCs since the start of the Service Period is eleven percent (11%). The MARC would be reduced to \$121.04M (\$136M x .89).

- (3) If an Issuing Carrier of this tariff that participates in this Option 20, or the assets of such Issuing Carrier, is acquired by an unaffiliated third party as described in (F)(1)(e) preceding.

- (4) If the Telephone Company ceases to offer any Qualifying Service(s) or the Telephone Company provides a Replacement Service as described in (F)(1)(g) preceding to the customer. (N)
 (N)

- (c) If the Telephone Company reduces its rates for Qualifying Services by a cumulative twenty-five percent (25%) or more from May 20, 2006, the customer has the option to request that the Telephone Company reduce the MARC by the same percentage using the same method of reduction specified in (F)(2)(b)(2) preceding, or may terminate its subscription to this Option 20 upon sixty (60) days written notice. In such event, no Termination Charges under (I) following will apply.

(This page filed under Transmittal No. 762.)

Vice President, Federal Regulatory
 1300 I Street, NW, Washington, D.C. 20005

Issued: December 21, 2006

FACILITIES FOR INTERSTATE ACCESS

21. Contract Tariffs (Cont'd)

21.21 Contract Tariff Option 20 (Cont'd)

(K) Subscription to New Contract Tariff Option

(1) The customer may terminate its subscription to this Option 20 in order to subscribe to a new contract tariff option in this Section 21 provided all of the following conditions are met.

- (a) The new contract tariff option must have the same MARC level or a greater MARC level than the MARC for this Option 20; and
- (b) The customer must satisfy the eligibility criteria for subscription to the new contract tariff option; and
- (c) The customer must provide the Telephone Company with written notice of its election to terminate subscription to this Option 20 and of its desire to subscribe (or that it has already subscribed) to the new contract tariff option; and
- (d) Unless otherwise provided in the new contract tariff option, the customer will be eligible for Billing Credits earned, if any, following a final true up under this Option 20.

(2) When the conditions set forth in (K)(1)(a) through (K)(1)(c) preceding are met, no termination charges under (I) preceding will apply. (T)

(L) Discount Table

The percentage discounts specified below are applied to the total MRC for Qualifying Services for each corresponding category shown.

<u>Category</u>	<u>Term Period</u>		
	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Basic MARC*	2.00%	2.00%	2.00%
FMS in Top 10 LATAs	14.55%	17.55%	20.55%
FMS in Wild Card LATAs	12.13%	15.13%	18.13%
Banded Optical Transport	14.00%	16.00%	18.00%

* Includes all Qualifying Services specified in (E)(1)(a) preceding.

(This page filed under Transmittal No. 762.)

Vice President, Federal Regulatory
 1300 I Street, NW, Washington, D.C. 20005