

THE VERIZON TELEPHONE COMPANIES

TARIFF F.C.C. NO. 1

WASHINGTON INTERAGENCY TELECOMMUNICATIONS SYSTEM (WITS)

AMENDMENT

DESCRIPTION AND JUSTIFICATION

Transmittal No. 812

May 31, 2007

INTRODUCTION

This section outlines compliance with Section 61.38 of the Commission's Rules, which provides the guidelines for cost support when filing new services excluded from price cap regulation. Services to the Federal Government are excluded from price caps. *See Policy and Rules Concerning Rates for Dominant Carriers*, 5 FCC Rcd 6786, ¶ 196(1990).

Support for services in Tariff F.C.C. No. 1 is included herein.

COMPLIANCE WITH SECTION 61.38(b)

Explanation and data supporting either changes or new tariff offerings:

Service Description

With this filing, Verizon is revising Tariff F.C.C. No. 1 for a previously filed specialized service arrangement for the Federal Government. The Washington Interagency Telecommunications System (WITS) network arrangement is designed to provide transmission service between and among the General Services Administration (GSA), various federal agencies, interexchange carriers, and other designated users.

The WITS specialized arrangement was originally filed in July 2000 under Bell Atlantic Transmittal No. 1312 as an eight-year arrangement. This tariff filing provides for the addition of Tariffed Service Components Ports to connect to Telephone Company provided dedicated SONET ring service.

Reason for this Filing

Verizon is making this specialized arrangement filing to fulfill a specific and unique Federal Government service request.

Basis of Ratemaking

Verizon performed a cost study to determine the investment and costs for the transmission services. The investment components included interoffice transport equipment and network monitoring equipment. These investments were multiplied by account specific cost factors to calculate the annual recurring capital costs and operating expenses for the investment. In addition to investment related costs, labor related costs for network design, engineering, operations, network monitoring and vendor support for each group of service components are included where appropriate.

Recurring rates are displayed on Workpapers 1 through 3 for Tariff F.C.C. No. 1.

Projection of Revenues and Costs

A projection of the annual revenues and costs appears in Workpaper-Revenue for Tariff F.C.C. No. 1.