

VERIZON COMMUNICATIONS INC.

WITH

City of Manchester

SPECIAL CONTRACT

SUPPORTING MATERIAL

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SECTION 1

CONTRACT OVERVIEW

OVERVIEW OF CONTRACT

City of Manchester

The purpose of this filing package is to 1) provide supporting documentation for the Special Contract amendment for Centrex Analog lines and Centrex ISDN Lines (2B+D Alternate CSV/CSD) for the City of Manchester and 2) request full approval of this Agreement from the New Hampshire Public Utilities Commission.

The amendment extends the original contract by 36 months, revises the services and quantities commitment section, revises Termination Charges, changes Additional line features, and revises the additional provisions section.

This customer does not participate in the VIP contracts.

SECTION 2

COST STUDY DETAILS

SECTION 3

CONTRACT

**FIRST AMENDMENT
TO
SERVICE AGREEMENT
FOR CENTREX SERVICES**

THIS AMENDMENT is made this 19th day of December, 2007, by and between the City of Manchester, with a principal place of business at 100 Merrimack Street, Manchester New Hampshire, (herein called "Customer") and Verizon Business Network Services Inc. on behalf of its affiliate Verizon New England Inc. ("Verizon"), a New York corporation having its principal place of business at 125 High Street, Boston, Massachusetts 02110.

WHEREAS Customer and Verizon entered into and executed an Agreement for CENTREX services on February 2, 2003,

WHEREAS, Customer and Verizon desire to amend the Agreement to extend the Service Period as particularly set forth below.

NOW, THEREFORE, the Parties hereby to amend the Agreement as follows:

- 1) All references to the word Intellipath are hereby deleted in their entirety and replace with the word "Centrex".
- 2) Service Period. Verizon will furnish and Customer will subscribe to, use, and pay for the Services under this Amendment for a period of not less than thirty-six (36) months following the execution of this Amendment by the Parties, installation, and if applicable, receipt of regulatory approval..
- 3) Exhibit A is amended as follows:
 - i) Section 1, Service and Quantities Commitment is hereby deleted in its entirety and is replaced with the Service and Quantities Commitment that is attached to this Amendment.
 - ii) Section 3, Termination Charges, Termination Charges and/or Shortfall Liability, is hereby deleted in its entirety and is replaced with the following:

"3. Termination Charges. Customer shall have the obligation to pay at the rates applicable under this Agreement for all lines of Service provided hereunder, including any additional lines, services or features specified in this Exhibit or subsequently ordered hereunder. During the Service Period, Customer may terminate a total of up to 20% of the total number of lines (i.e. initial quantity plus additional lines) of Service provided hereunder without liability for termination charges. If, prior to expiration of the Service Period, Customer cancels or terminates any Services, other than 20% of the total number of lines provided hereunder, Customer will be required to pay termination charges as follows: full monthly recurring charge for each terminated line, multiplied by the number of months remaining in the unexpired portion of the Service Period at the time of such termination or cancellation."
 - iii) Section 4, Addition Lines and Features is hereby amended by deleting all references of 10% and replacing them with 20%.
 - iv) Section 6, Additional Provisions, the following sub-bullets a, and c, are hereby deleted in their entirety and are replaced with the following:





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"a. Conditions. The parties acknowledge that the rates and other terms of this Agreement are based on Customer's unique network design requirements, volume and term commitments, service mix, usage, existing facilities, incremental investment required, average loop length of 10,740 feet for Analog lines and 5,418 for ISDN lines, to the Customer's locations, and other cost and competitive characteristics, including average busy-season busy-hour traffic not exceeding 5 CCS (hundred calling seconds) per Centrex analog line, 36 CCS per Centrex ISDN BRI Line. Local service on the lines of Service provided hereunder will be obtained from Verizon pursuant to applicable tariffs."

"c. Service Continuation. (i) If, at the time of expiration of the Service Period, a new agreement or tariffed service arrangement with Verizon for the Services is not effective as defined above and Customer has not requested, in writing, disconnection of the Services, then the Services will be reverted to applicable tariff or other Commission-authorized rate(s) for the minimum service commitment period available. The applicable tariff or other Commission-authorized arrangement will govern the service arrangement prospectively, including rates, terms and conditions, which may include charges for termination prior to the end of the minimum tariff service commitment period. If there is no applicable tariff or other Commission-authorized service arrangement, then the Service will be subject to disconnection upon the expiration of the Service Period of this Agreement. If, upon expiration of the Service Period, there is a delay in reverting rates to the applicable tariff or other Commission-authorized rate(s), or in disconnecting the Services if no tariff or Commission-authorized service arrangement is available, the Service Period shall be deemed temporarily extended on a month-to-month basis until such reversion of rates or disconnection of Services is completed. In no event, however, will such temporary extension of the Service Period continue more than twelve months after the expiration of the initial Service Period. (ii) If Customer indicates to Verizon in writing that it desires to negotiate a new contract or tariffed service arrangement to continue or replace the Services provided for herein, the Service Period shall automatically be extended for a period not to exceed 60 days from the end of the initial Service Period to allow the parties to finalize a new agreement or to transition to a tariffed service arrangement. Written notice must be provided by Customer at least 30 days prior to the end of the initial Service Period. For purposes of this paragraph only, written notice may be by facsimile or electronic mail."

Except as modified and amended herein all other rates terms and conditions of the Agreement shall remain in full force and effect.

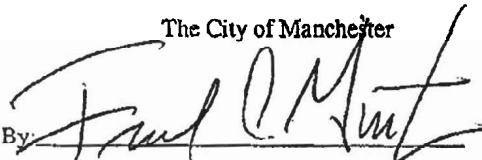
Verizon Business Network Services Inc. on
behalf of VERIZON NEW ENGLAND Inc.

By: 

Title: Suleiman Hessami
VP Pricing/Contract Management

Date: 1/3/08

The City of Manchester

By: 

Title: Mayor

Date: 12-19-07





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Exhibit A

- 1. Initial Quantity and Charges.** Customer agrees to purchase Centrex Service ("Service") from Verizon New England ("Verizon") in the quantities, and at the Customer locations and at the rates and charges set forth below during the Service Period. Except as expressly set forth in this Agreement, the Service will be provided in accordance with the provisions of Verizon's applicable Tariffs, including Tariff N.H.-P.U.C.-No.83. Any other work, services or facilities will be provided subject to prevailing tariff rates and charges, or if no tariff is applicable, at Verizon's then-current retail rate. Customer agrees that all local exchange usage originating over the Service shall be purchased from Verizon at the applicable tariffed rates.

| <u>Service</u> | <u>Quantity</u> | <u>Amount Attributable To Exchange Access Charge (EAC)</u> | <u>*Monthly Line Rate (including, EUCL, LNP, EAC, and, if applicable, LPC)</u> |
|--|-----------------|--|--|
| Centrex Analog lines Standard Feature List: Authorization Codes, Automatic Line, Automatic Route Selection, Call Forward- All Calls, Call Forward- Busy, Call Forward- Don't Answer, Call Hold, Call Pickup, Call Transfer, Call Waiting, Caller ID-Internal, Cancel Call Waiting, Console Display, Consultation Hold, Direct Inward Dialing, Direct Outward Dialing, Directed Call Pickup, Distinctive Ringing, Dual-Tone Multifrequency (DTMF), Fully Restrictive Service, Intercept to Common Announcements, Line Hunting, Night Service, Speed Dialing- Group Long List, Speed Dialing- Individual Long List, Speed Dialing- Individual Short List, Station-to-Station Dialing, Three Way Calling, and Toll Restricted Service, Attendant Call Transfer, Attendant Conference, Attendant Control of facilities, Attendant Package: Attendant Camp-on, Attendant Direct Station Select, Attendant ID on Incoming Calls, Multiposition Hunt, Non-Datalink Attendant Console, Source Billing for Attendant, Uniform Call Distribution ("UCD"). | 741 | \$2.36 | \$15.57 |

| | | | |
|---|----|--------|---------|
| Centrex ISDN line, 2B+D Alternate CSV/CSD, CSD Standard Feature List: National ISDN 2 Base RTU (NIS2RTU), NISDN 5E11 Packager per BRI, Standard BRI Base, Deluxe CSD per Standard BRI, Basic Data for CSD & X.25, Deluxe PSD per Standard BRI, BRI Data Services for D & B Channel Packet, BRCS Supplementary Services, Essential Service Protection per BRI, ISDN Electronic Directory Service, Automatic Customer Station Rearrangement per BRI, ISDN Basic Attendant Service RTU per BRI, ISDN Attnd Group Overload Warning, ISDN Attnd Remote Busy Verification, ISDN Attnd Offered Load Statistics. | 11 | \$2.36 | \$56.00 |
|---|----|--------|---------|

The following feature will be provided at the following additional rate:

CallMax Deluxe - \$3.00 per line equipped

T1 Terminations-\$300.00 per T1 Termination





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CENTREX optional features included in the above Centrex line rate:
Caller ID with Number and Name
Virtual Numbers
CMAC
SMDR

*The current tariff exchange usage rate of \$3.30, is included in the per line rates listed above. This rate is subject to change over the term of the Service Period and is billed in accordance with the applicable tariff.

Nonrecurring tariff charges (excluding Premise Work charges) are included in the monthly line rates for the Initial Line Quantity. Tariff nonrecurring charges apply to the installation of additional lines. Tariff nonrecurring charges also apply to changes made to initial and additional lines, including relocations and feature activations.

Monthly Rates. Customer agrees to pay the Monthly Line Rate stated above for Service throughout the Service Period. The Monthly Line Rate includes the Federal End-User Common Line charge ("EUCL"), Local Number Portability Charge ("LNP"), Exchange Access Charge ("EAC"), and Line Port Charge ("LPC") if and to the extent applicable, and such Monthly Line Rate will not change during the Service Period regardless of any subsequent changes in, or elimination of, the applicable EUCL, LNP, EAC, or LPC charges (any increases or decreases in such EUCL, LNP, EAC, or LPC charges will be offset on Customer's bill so that the combined charges for such line, EUCL, LNP, EAC, and LPC will remain the same). The current analog EUCL is \$6.39, the current ISDN EUCL is \$6.39, and the current ISDN Line Port Charge is \$1.90. The Monthly Line Rate is guaranteed against Verizon-initiated change during the Service Period provided Customer maintains the minimum quantity of Services as set forth hereunder. In addition, Customer will pay all applicable taxes and any applicable service connection charges, nonrecurring charges and tariff surcharges, including Exchange Usage charges, that may be required under applicable laws or tariffs.

