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Beverly Y. Menard Regulatory & Governmental Affairs Assistant Vice President (FL/GA)

RECORDS AND REPORTING



Verizon Communications
One Tampa City Center
Post Office Box 110, FLTC0616
Tampa, Florida 33601-0110
813-483-2526
813-223-4888 (Facsimile)

August 11, 2000

Blanca S. Bayo Director - Division of Records and Reporting Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399

000000-PU

Dear Ms. Bayo:

Subject: Merger-related Discounts for UNEs and Resold Services

In accordance with the FCC order approving the merger of Bell Atlantic and GTE (now Verizon Communications), Verizon Florida Inc. implemented on July 30, 2000 three limited-duration promotional discounts on the prices for resold residential exchange access lines, residential UNE loops, and UNE advanced services loops. The purpose of this letter is to inform the Commission of the completion of this requirement and the manner of implementation.

To maximize the pro-competitive benefits of the discounts and minimize the potential administrative burden for competing carriers and state commissions, Verizon will apply the promotional discounts to qualifying orders for services as described in the terms and conditions posted on Verizon's web site, at http://www.bell-atl.com/wholesale/html//
resources.htm {or for GTE territories use http://128.11.40.241/wise}. Verizon sent a letter to all affected carriers on July 25, 2000, informing them of the discounts and referring them to the web site for specific requirements. Attached, for the Commission's convenience, are copies of the carrier notification letter and the web site information.

As noted in the letter to carriers, their payment of the first invoice reflecting any of the discounts will be deemed to be acceptance of the terms and conditions governing the promotional offering and treated as an amendment to the underlying terms governing their receipt of services from Verizon Florida Inc.. If, however, a carrier decides to opt-out of any or all of the offerings, there is a provision for them to do so, and we will inform the Commission of any carrier in Florida that so elects.

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FPSC-RECORDS/REPORTING

Blanca S. Bayo August 11, 2000 Page 2

Subject:: Merger-related Discounts for UNEs and Resold Services

Should you wish to discuss the contents of this letter in greater detail, please do not hesitate to call me.

Very truly yours,

Beverly 4. Menard Beverly Y. Menard

Regulatory & Industry Affairs
Assistant Vice President (Florida/Georgia)

BYM:wjh **Attachments**



600 Hidden Ridge HQE03D52 Irving, TX 75038-3897

July 25, 2000

Dear Wholesale Customer,

In accordance with the FCC order approving the merger of Bell Atlantic and GTE (now Verizon), the Verizon Operating Telephone Companies are pleased to offer their local exchange carrier customers three limited-duration promotional discounts on resold residential exchange access lines, residential UNE loops, and UNE Advanced Services loops. The terms and conditions on which these promotional discounts are being made available can be found on Verizon's web site, at

http://www.gte.com/wise or http://www.bell-atl.com/wholesale/html/resources.htm.

In anticipation that most carriers will wish to take advantage of these limited-duration promotional offerings, Verizon will automatically apply the promotional discounts to qualifying orders placed on July 30, 2000, and thereafter for the duration of each promotional offer, as described in the posted terms and conditions. (Specific ordering requirements exist for the residential UNE loop discount. Please see the web sites for specific requirements by jurisdiction.)

Your payment of the first invoice reflecting any of these discounts will be deemed to be your acceptance of the terms and conditions governing that promotional offering, and the resulting agreement will be treated as an amendment of the underlying terms on which you are receiving services or network elements from the relevant Verizon Operating Telephone Company.

YOU SHOULD READ THE POSTED TERMS AND CONDITIONS CAREFULLY, BECAUSE THEY IMPOSE CERTAIN OBLIGATIONS ON ANY CARRIER RECEIVING THE PROMOTIONAL OFFERING(S). YOU MAY OPT-OUT OF ANY OR ALL OF THE PROMOTIONAL OFFERINGS AT ANY TIME BY SENDING WRITTEN OR ELECTRONIC NOTICE TO:

STEVEN J. PITTERLE
DIRECTOR-NEGOTIATIONS
WHOLESALE MARKETS
600 HIDDEN RIDGE, HQE03B67
IRVING, TX 75038

FAX: 972 718-1279

ELECTRONIC: steve.pitterle@verizon.com

¹ Not offered in New York. See Terms and Conditions.

July 25, 2000 Page 2

The appropriate state regulatory commissions will be informed of the terms and conditions applicable to all three discounts, and will also be notified of any carriers who elect to reject the promotional offerings.

Verizon is in the process of programming billing systems to mechanically provide the applicable discounts. Until that programming is completed, Verizon will provide these discount through billing credits. The specific procedure may vary by jurisdiction. In all cases, billing credits for the applicable discounts will be applied within 60 days of the initial billing for the qualifying service or network element.

More detailed information is available on the web site (http://www.bell-atl.com/wholesale/html/resources.htm or http://www.gte.com/wise). If you have any questions, please contact your Account Manager.

Sincerely,

Carl R. Huster
Director-Resale Market Management

PROMOTIONAL RESALE DISCOUNT

Each of the Verizon Incumbent Local Exchange Carriers (individually and collectively, "Verizon" or a "Verizon ILEC") hereby offer to make the following limited-duration promotional resale discount available to any Competing Local Exchange Carrier ("CLEC") that obtains qualifying resold service from the Verizon ILEC pursuant to Sections 251(c)(4) and 252 of the Communications Act of 1934, as amended (the "Act"), under the terms of an effective interconnection or resale agreement or 252(i) adoption, or under an applicable state tariff or SGAT (the "Underlying Arrangement") of that Verizon ILEC. The CLEC will be deemed to have accepted the terms and conditions set forth in this offer with respect to any individual Verizon ILEC upon payment of the first invoice issued by that Verizon ILEC that reflects the promotional resale discount described below. Upon acceptance, the resulting agreement shall be deemed to have amended the Underlying Arrangement as set forth herein. The terms and conditions set forth herein, together with all applicable terms and conditions of the Underlying Arrangement, are integrally and legitimately related, and shall govern the provision of the designated services and/or facilities by Verizon ILEC to CLEC. The CLEC may reject this offer at any time prior to such acceptance by sending electronic or written notice to the following person:

Mr. Steven J. Pitterle Director – Negotiation Wholesale Markets 600 Hidden Ridge Rd., HQE03B67 Irving, Texas 75038

Fax: 972-718-1279

Email: steve.pitterle@verizon.com

- 1. Qualifying Services and Lines. The promotional resale discount shall apply only to telecommunications services that qualify for a wholesale discount under the terms of the Underlying Arrangement and Section 251(c)(4) of the Act (collectively, the "Qualifying Services"). The subject resold line must be ordered by CLEC during the Offering Window (as hereinafter defined), and resold to a residential end user customer of CLEC with a requested installation date no later than thirty (30) days after the close of the Offering Window ("Qualifying Lines"). Resold lines that were ordered or in service prior to the Offering Window, or placed in service more than thirty (30) days after the end of the Offering Window, shall not be Qualifying Lines, and telecommunications services resold over such lines shall not be eligible for a promotional resale discount. Qualifying Services that are added to Qualifying Lines after the Offering Window shall still remain eligible for the promotional resale discount for the duration of the Promotional Period (as hereinafter defined) associated with the Qualifying Line.
- 2. <u>Promotional Discount Level</u>. The promotional resale discount described herein initially shall be thirty-two percent (32%) off Verizon's retail rate for the Qualifying Services in question (the "Initial Discount"). The Initial Discount shall be in effect until the earliest to occur of the following: (a) twenty-four (24) months after the

commencement of the Offering Window period; (b) for former Bell Atlantic service territories, the first date on which Verizon is authorized to provide in-region, interLATA services in said territory of the State; (c) for former GTE service territories, the date on which competing carriers, in aggregate, offer service over their own facilities to at least 15 percent of Verizon customer locations in the former GTE service territory of the State; or (d) the date on which Verizon has completed 50% of the out-of-region commitment described in Section XVI of Appendix D to the FCC Memorandum Opinion and Order in CC Docket No. 98-184. Upon expiration of the Initial Discount, for the remaining duration of any Promotional Period (as hereinafter defined), the promotional resale discount for Qualifying Services shall be 1.1 times the avoided cost discount rate set forth in the Underlying Arrangement. The promotional resale discount shall apply to all Qualifying Services provided over a Qualifying Line. CLEC may not pick and choose between the promotional resale discount and the standard resale discounts that apply, and the promotional resale discount may not be combined with any other promotional, market opening, or resale discount.

- resale discount shall be offered shall open on July 30, 2000 and shall close at the earlier of the following: (a) thirty-six (36) months after the commencement of the Offering Window period, or (b) the first day of the month following the date on which the number of resold lines in service in the State being billed at the promotional resale discount rate reaches the maximum allowable quantity for the relevant serving territory in that State, as shown in Exhibit A. In order to provide CLEC with advance planning information, Verizon shall provide written or electronic notice to all competitive local exchange carriers operating in the State when 50% and 80% of these termination numbers are reached in the State. If the maximum allowable quantity of the State has been exceeded, Verizon will notify CLEC of that fact and file notice with the FCC and relevant state regulatory commission within 3 business days after terminating the Offering Window for the availability of the promotional resale discount.
- 4. <u>Promotional Period</u>. The promotional resale discount, once in effect for any qualifying resold telecommunications service pursuant to the foregoing terms, shall remain in effect for a Promotional Period that shall terminate at the earlier of: (a) the date that is thirty-six (36) months from the date on which a qualifying resold telecommunications service is installed and operational, or (b) the date on which the resold service is transferred to a different location or to a different carrier. Verizon shall be under no obligation to provide a service for resale at the promotional resale discount outside the Promotional Period.
- 5. <u>Application of Promotional Resale Discount</u>. The promotional resale discount may be applied through billing credits, true-ups or other billing mechanisms, provided that such credits, true-ups, or other billing mechanisms are applied within sixty (60) days of the initial billing for service.

The term "customer locations" shall be interpreted in accordance with the FCC's Fifth Report and Order in CC Docket No. 96-262.

EXHIBIT A

Maximum Number of Residential Lines to Which Carrier- to-Carrier Resale Promotion Applies			
GTE States			
Alabama	8,500		
California	116,000		
Florida	63,000		
Hawaii	18,000		
Idaho	3,500		
Illinois	23,000		
Indiana	26,500		
Kentucky	15,000		
Michigan	22,500		
Missouri	9,000		
Nevada	1,000		
North Carolina	9,000		
Ohio	25,500		
Oregon	13,000		
Pennsylvania	18,500		
South Carolina	5,500		
Texas	43,000		
Virginia	17,000		
Washington	24,000		
Wisconsin	11,000		

PROMOTIONAL LOOP DISCOUNT

Each of the Verizon Incumbent Local Exchange Carriers (individually and collectively, "Verizon" or a "Verizon ILEC") hereby offer to make the following limited-duration promotional loop discount available to any Competing Local Exchange Carrier ("CLEC") that obtains qualifying loops from the Verizon ILEC pursuant to Sections 251 and 252 of the Communications Act of 1934, as amended (the "Act"), under the terms of an effective interconnection agreement or 252(i) adoption, or under an applicable state tariff or SGAT (the "Underlying Arrangement") of that Verizon ILEC. The CLEC will be deemed to have accepted the terms and conditions set forth in this offer with respect to any individual Verizon ILEC upon payment of the first invoice issued by that Verizon ILEC that reflects the promotional loop discount described below. Upon acceptance, the resulting agreement shall be deemed to have amended the Underlying Arrangement as set forth herein. The terms and conditions set forth herein, together with all applicable terms and conditions of the Underlying Arrangement, are integrally and legitimately related, and shall govern the provision of the designated services and/or facilities by Verizon ILEC to CLEC. The CLEC may reject this offer at any time prior to such acceptance by sending electronic or written notice to the following person:

Mr. Steven J. Pitterle Director – Negotiations Wholesale Markets 600 Hidden Ridge Rd., HQE03B67 Irving, Texas 75038

Fax: 972-718-1279

Email: steve.pitterle@verizon.com

- 1. Qualifying Loops. The promotional loop discount shall apply to the monthly recurring charges (as set forth in the Underlying Arrangement) for unbundled local loops used in the provision of local exchange service to residential end user customers of the CLEC that are ordered during the Offering Window (as hereinafter defined), with a requested installation date no later than thirty (30) days after the close of the Offering Window ("Qualifying Loops"). Unbundled local loops that were ordered or in service prior to the Offering Window, or ordered after the end of the Offering Window, shall not be eligible for a promotional loop discount.
- 2. <u>Promotional Discount Level</u>. The promotional loop discount for Qualifying Loops in the State shall be at the level set forth on <u>Exhibit A</u>. The promotional loop discount shall supplement, but not be cumulative of, any market-opening discounts approved by the State commission. For example, if the effective promotional loop discount is 25%, and there is a state-specific market opening discount of 16.5%, then the total effective discount would be 25%, not 41.5%. CLEC may not pick and choose between the promotional UNE Loop discount and any other UNE Loop discounts, and the promotional UNE Loop discount may not be combined with any other promotional, market opening or UNE Loop discount.

- Offering Window. The Offering Window during which the unbundled loop 3. discount shall be made available shall open on July 30, 2000, and shall close at the earlier of the following: (a) twenty-four (24) months after commencement of the Offering Window; (b) for former Bell Atlantic service territories, the first date on which Verizon is authorized to provide in-region, interLATA services in said territory of the State; (c) for former GTE service territories, the date on which competing carriers, in aggregate, offer service over their own facilities to at least 15% of Verizon customer locations in the former GTE service territory of the State; (d) the date on which Verizon has completed 50% of the out-of-region commitment described in Section XVI of Appendix D to the FCC's Memorandum Opinion and Order in CC Docket No. 98-184 (the "Merger Order"); or (e) the date on which the number of unbundled local loops being billed at the promotional loop discount in the State reaches the maximum level described for the relevant serving territory in that State, as shown in Exhibit B. In order to provide CLEC with advance planning information, Verizon will provide written or electronic notice to all competitive local exchange carriers operating in the State when 50% and 80% of these termination numbers are reached in the State. Verizon shall file notice with the Secretary of the FCC, the State commission and competitive local exchange carriers operating in the State within 3 business days after terminating the Offering Window because these termination numbers are reached. Unbundled local loops installed and made operational at the promotional loop discount on or after June 30, 2000 shall be counted toward the termination numbers, whether or not they remain in service.
- 4. <u>Promotional Period</u>. Once in effect for any qualifying unbundled loop, the promotional loop discount shall remain in effect for a Promotional Period that shall terminate at the earlier of: (a) the date that is thirty-six (36) months from the date on which a qualifying unbundled loop is installed and operational; or (b) the date on which the unbundled loop is no longer in service at the same location and for the same carrier. Verizon shall be under no obligation to provide an unbundled loop at the promotional loop discount outside the Promotional Period.
- 5. <u>Application of Promotional Loop Discount</u>. The promotional loop discount may be applied through billing credits, true-ups or other billing mechanisms, provided that such credits, true-ups, or other billing mechanisms are applied within sixty (60) days of the initial billing for service.
- 6. <u>Certification</u>. CLEC shall abide by the following conditions with respect to unbundled local loops for which it requests the promotional loop discount: (a) the loop shall be used to provide residential telephone exchange service and any associated exchange access service and shall not be used to provide any Advanced Services (as defined in Section I.2 of Appendix D to the Merger Order); (b) the loop shall not be purchased or used as part of a UNE Platform or in any other combination with Verizon's local switching or the functions and features associated with that switching; and (c) the

The term "customer locations" shall be interpreted in accordance with the FCC's Fifth Report and Order in CC Docket No. 96-262.

loop shall be used in accordance with any other binding conditions imposed under applicable agreements, judicial or administrative decisions, or governing law. On a quarterly basis, CLEC shall certify in writing to Verizon and the State commission that it is using all unbundled local loops provided at a promotional discounted price in accordance with these conditions. Such certification shall be in a form acceptable to Verizon in its reasonable discretion.

7. <u>Audit.</u> Verizon shall have the right to hire, at its own expense, an independent third-party auditor to perform all necessary audits and inspections needed to assure that unbundled local loops provided at a promotional loop discounted are used in accordance with conditions (a) and (b) described in paragraph 6. CLEC shall cooperate in the performance of such audits and inspections. Audit information will be restricted to Verizon regulatory, legal, and/or wholesale personnel, and Verizon will prohibit those personnel from disclosing audit-related, customer-specific or company-specific proprietary information to Verizon retail personnel. Any telecommunications carrier or other person found by the State commission to have violated the use conditions of paragraph 6 or that fails to cooperate in an audit may be denied the promotional loop discount on any unbundled local loop for which the use conditions or the audit provisions are violated. In addition, any such telecommunications carrier or other person that intentionally and repeatedly violates the use conditions of paragraph 6 may be denied the promotional loop discount on unbundled local loops ordered or installed after the date of such a finding by the State commission.

EXHIBIT A

PROMOTIONAL DISCOUNTS FOR RESIDENTIAL UNBUNDLED LOCAL LOOPS

(Note: lists only Relevant Formally GTE States)

Although the rates are illustrative only, the percentages shown are the actual discount percentages that should be applied to the existing rates.

ANALOG 2-WIRE LOOPS

Zone	Promotional L Current Price		Discount (%)
		ama	
Zone 1	\$19.44	\$15.94	18.00
Zone 2	\$39.50	\$28.44	28.00
Zone 3	\$63.44	\$41.87	34.00
			Average: 25.03
		ornia	
Zone 1 Statewide)	\$16.81	\$12.60	25.04
			Average: 25.0
Zone 1	\$16.41	\$12.31	25.0
Zone 2	\$23.33	\$17.50	25.0
Zone 3	\$40.41	\$30.31	25.00 Average: 25.00
	Ha	waii	
Zone1	\$14.65	\$12.45	15.0
Zone 2	\$25.38	\$19.04	25.0
Zone 3	\$28.88	\$20.22	30.0
Zone 4	\$40.88	\$24.53	40.0
Zone 5	\$43.84	\$26.30	40.0
Zone 6	\$138.29	\$69.15	50.0
			Average: 25.06
	d.	aho	
Zone 1 (Statewide)	\$45.00	\$33.75	25.0
			Average: 25.0
Zone 1	1111 \$24.04	18.03 \$18.03	25.0

* GTE has no ordered rate or contract rate		Av	erage: 25.00
Zone 1 (Statewide)	N/A	N/A	25.00
	Neva		
			erage: 25.04
Zone 4	\$19.14	\$16.46 Av	14.00
Zone 3	\$29.05	\$23.82	18.00
Zone 2	\$48.39	\$36.29	25.00
Zone 1	\$53.84	\$37.68	30.00
	Miss	ouri	
Michigan fall into zone 3			
*All GTE lines in		THE PARTY OF THE P	erage: 25.00
Zone 3	\$10.37	\$7.78	25.00
Zone 2	\$8.93	N/A	N/A
Zone 1	\$7.53	N/A	N/A
	Mich		
		Av	erage; 25,02
Zone 3	\$25.84	\$18.09	30.00
Zone 2	\$22.23	\$17.56	21.00
Zone 1	\$17.44	\$14.82	15.00
	Kenti	ieky	
<u>Barangan ang panggang Mal</u>		<u> </u>	
(Statewide)		Av	erage: 25 02
Statemedal I	1	\$10.97	25.02

.

713	Pennsylva \$7.80	nia N/A	N/A
Zone 1	\$8.60	N/A	N/A
Zone 2	\$11.76	\$9.99	15.00
Zone 3	\$15.10	\$10.71	29.00
Zone 4			Average:
			25.03
	South Car	dina	
Zone 1 (Statewide)	\$18.00	\$13.50	25.00
		Aver	age: 25.00
	\$13.63	\$11.58	15.00
Zone 1	\$13.03	\$26.58	25.00
Zone 2	\$78.77	\$52.77	33.00
Zone 3	3/8.//		age: 25.01
	Yirgin i	a	
Zone 1	\$14.99	\$12.74	15.00
Zone 2	\$17.99	\$13.45	25.0
Zone 3	\$24.44	\$17.10	30.0
		AVEI	age: 25.0
		ton	
Zone 1	\$14.96	\$12.56	16.0
Zone 2	\$16.74	\$13.39	20.0
Zone 3	\$20.11	\$15.08	25.0
Zone 4	\$23.36	\$17.52	25.0
Zone 5	\$49.85	\$34.89	30.0
		A	age: 25.0
			1977 - 4DY 2
***************************************	Wiscon: \$32.00	\$ in \$24.00	25.0

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EXHIBIT B

Maximum Number of Residential Loops to Which Carrier- to-Carrier UNE Loop Discount Promotion Applies			
GTE States			
Alabama	10,000		
California	142,000		
Florida	77,000		
Hawaii	22,000		
Idaho	4,000		
Illinois	28,000		
Indiana	32,000		
Kentucky	19,000		
Michigan	28,000		
Missouri	11,000		
Nevada	1,000		
North Carolina	11,000		
Ohio	31,000		
Oregon	16,000		
Pennsylvania	23,000		
South Carolina	7,000		
Texas	52,000		
Virginia	21,000		
Washington	29,000		
Wisconsin	13,000		

PROMOTIONAL LOOP DISCOUNT - Ordering

UNE Loops that are available for the Promotional Loop Discount within the former GTE operating territories are:

Loop Description *	NC	NCI
2 Wire Analog	LX	02QB2.0
Loop Start Capable	LX	02QC2.00C
Ground Start Capable	LX	02QC2.00B
2-Wire Digital	LX-N	02QB2.0
4 Wire Analog	LX	04Qb2.0

^{*} This chart is subject to change.

When ordering these loops you must identify that the loop ordered is residential on the LSR using the type of service (TOS) field. The CLEC shall populate a 2 (for residential) in position one of the TOS field. The combination of TOS field and the NC/NCI codes listed above shall be the specific identification items use to provide the discount.

Certification:

As specified in the terms and conditions for the Promotional Loop Discount, the CLEC must certify that the Loops to which the discount is being applied are being used as specified in the terms and conditions.

Click here for the Certification Form.

CERTIFICATION FOR PROMOTIONAL LOOP DISCOUNTS

PLEASE CHECK THE APPROPRIATE BOX(ES) BELOW AND SUBMIT THE COMPLETED FORM WITHIN FIVE (5) BUSINESS DAYS AFTER THE CLOSE OF EACH CALENDAR QUARTER — BEGINNING WITH THE QUARTER ENDING DECEMBER 31, 2000 — FOR EACH STATE IN WHICH A VERIZON OPERATING TELEPHONE COMPANY HAS PROVIDED YOU WITH A UNE LOOP AT A PROMOTIONAL LOOP DISCOUNT. SEND A COPY OF THE COMPLETED FORM TO THE STATE REGULATORY COMMISSION IN THE STATE TO WHICH THE COMPLETED FORM APPLIES, AND SEND THE ORIGINAL TO: JOHN PETERSON, VERIZON WHOLESALE MARKETS, 600 HIDDEN RIDGE, HQE03D52, IRVING, TX 75038.

	lephone Company or Companies in the	s procurement of UNE Loops from the Verizon One state identified below during the calendar quarter reby certifies as follows:	
1.	Advanced Services Loop discount in	nich CLEC has received or expects to receive the Propaccordance with the terms and conditions applicable site under the heading "Promotional Advanced Services	to such
2.	Loop Discount for residential subscrib	nich CLEC has received or expects to receive the Propers in accordance with the terms and conditions applied web site under the heading "Promotional Loop Discordance with the heading promotional Loop Discordance with the heading promotion of the heading prom	icable to
3.		commission responsible for regulation of telecommur notified of this certification by forwarding a copy	
CL	EC Name	State	
Pri	nted Name and Title	Contact phone number	
Sig	gnature	Date	

PROMOTIONAL ADVANCED SERVICES LOOP DISCOUNT

Each of the Verizon Incumbent Local Exchange Carriers (individually and collectively, "Verizon" or a "Verizon ILEC") hereby offer to make the following limited-duration promotional loop discount available to any Competing Local Exchange Carrier ("CLEC") that obtains qualifying loops from the Verizon ILEC pursuant to Sections 251 and 252 of the Communications Act of 1934, as amended (the "Act"), under the terms of an effective interconnection agreement or 252(i) adoption, or under an applicable state tariff or SGAT (the "Underlying Arrangement") of that Verizon ILEC. The CLEC will be deemed to have accepted the terms and conditions set forth in this offer with respect to any individual Verizon ILEC upon payment of the first invoice issued by that Verizon ILEC that reflects the promotional loop discount described below. Upon acceptance, the resulting agreement shall be deemed to have amended the Underlying Arrangement as set forth herein. The terms and conditions set forth herein, together with all applicable terms and conditions of the Underlying Arrangement, are integrally and legitimately related, and shall govern the provision of the designated services and/or facilities by Verizon ILEC to CLEC. The CLEC may reject this offer at any time prior to such acceptance by sending electronic or written notice to the following person:

Mr. Steven J. Pitterle Director – Negotiations Wholesale Markets 600 Hidden Ridge Rd., HQE03B67 Irving, Texas 75038

Fax: 972-718-1279

Email: steve.pitterle@verizon.com

- 1. <u>Qualifying Loops</u>. The promotional loop discount shall apply to the monthly recurring and nonrecurring charges (as set forth in the Underlying Arrangement) for unbundled local loops used in the provision of Advanced Services (as defined in Section I.2 of Appendix D to the FCC Memorandum Opinion and Order in CC Docket No. 98-184) to end user customers of the CLEC during the Promotional Period (as hereinafter defined).
- 2. <u>Promotional Discount Level</u>. The promotional loop discount for Qualifying Loops in the State shall be 25%. The promotional loop discount shall supplement, but not be cumulative of, any market-opening discounts approved by the State commission. For example, if the effective promotional loop discount is 25%, and there is a state-specific market opening discount of 16.5%, then the total effective discount would be 25%, not 41.5%. CLEC may not pick and choose between the promotional Advanced Services Loop discount and any other loop discounts, and the promotional Advanced Services Loop discount may not be combined with any other promotional, market opening or loop discount.
- 3. <u>Promotional Period</u>. The Promotional Period during which the unbundled loop discount shall apply shall open on July 30, 2000, and shall close with respect to a

relevant geographic area when Verizon has developed and deployed OSS interfaces for pre-ordering and ordering unbundled network elements used to provide xDSL and other Advanced Services which are used by Verizon's separate Advanced Services affiliate for pre-ordering and ordering a substantial majority (i.e., at least 75 percent of pre-order inquiries and at least 75 percent of orders) of the Advanced Services components, including line-sharing, the separate Advanced Services affiliate uses in said geographic area. Such promotional loop discount shall not apply to charges incurred prior to, or after, the Promotional Period, but will apply to charges incurred during the Promotional Period for both (i) recurring charges for Qualifying Loops in-service, and (ii) recurring and non-recurring charges for new installations of Qualifying Loops.

- 4. <u>Application of Promotional Loop Discount</u>. The promotional loop discount may be applied through billing credits, true-ups or other billing mechanisms, provided that such credits, true-ups, or other billing mechanisms are applied within sixty (60) days of the initial billing for service.
- 5. <u>Certification</u>. CLEC must provide written notification to Verizon identifying the unbundled loops that it is using to provide an Advanced Service. On a quarterly basis, CLEC shall certify in writing to Verizon and the State commission that it is using all unbundled local loops provided at a promotional discounted price to provision an Advanced Service in compliance with the provisions of this attachment. Such certification shall be in a form acceptable to Verizon in its reasonable discretion.
- 6. <u>Audit</u>. Verizon shall have the right to hire, at its own expense, an independent third-party auditor to perform all necessary audits and inspections needed to assure that unbundled local loops provided at a promotional loop discounted are used in accordance with conditions described in paragraph 5. CLEC shall cooperate in the performance of such audits and inspections. Audit information will be restricted to Verizon regulatory, legal, and/or wholesale personnel, and Verizon will prohibit those personnel from disclosing audit-related, customer-specific or company-specific proprietary information to Verizon retail personnel.

Verizon must continue to provide the discount until it has filed an <u>ex parte</u> letter to the Chief of the FCC Common Carrier Bureau certifying that it has reached the 75% threshold and specifying the evidence upon which it has relied.

Promotional Advanced Services Loop Discount - Ordering

The Advanced Services loops that will be eligible for the Promotional Advanced Services Loop Discount within the former GTE territories are listed in the table below. These NC/NCI codes must be included on the LSR. You must have accepted all applicable terms and conditions associated with the Promotional Advanced Services Loop Discount before it is applied (see website).

Promotional Advanced Services Loop Discount

Loop Description*	NC	NCI
2-wire Digital Loop	LX-N	02QB9.00A
4-Wire Digital Loop	LX-N	04QB2.0

Line Sharing (LS) Type*	NC Code	NCI Code
LS No Conditioning		<u> </u>
		00000000
CLEC Provided Splitter	UA	02QB9.005
GTE Provided Splitter	UA-S	02QB9.005
LS W/ Conditioning > 12 Kft		
CLEC Splitter - No Load Coils	UAR-	02QB9.005
CLEC Splitter - No Load Coils & No Bridged Taps	UARN	02QB9.005
CLEC Splitter – No Bridged Taps	UA-N	02QB9.005
GTE Splitter – No Load Coils	UARS	02QB9.005
GTE Splitter - No Load Coils &	UART	02QB9.005
No Bridged Taps		
GTE Splitter – No Bridged Taps	UARR	02QB9.005
LS W/ Conditioning =< 12 Kft		
CLEC Splitter - No Load Coils	UAC-	02QB9.005
CLEC Splitter - No Load Coils	UACN	02QB9.005
& No Bridged Taps		
CLEC Splitter - No Bridged	UA-T	02QB9.005
Taps	774.00	00000000
GTE Splitter - No Load Coils	UACS	02QB9.005
GTE Splitter – No Load Coils &	UACT	02QB9.005
No Bridged Taps GTE Splitter - No Bridged Taps	UACR	02QB9.005

^{*} These charts are subject to change.

Certification:

As specified in the terms and conditions for the Promotional Advanced Services Loop Discount, the CLEC must certify that the Loops to which the discount is being applied are being used as specified in the terms and conditions.

Click here for the Certification Form.