

APPENDIX 1

VERIZON MASSACHUSETTS AND ARC

A. INTERCONNECTION¹

I. Call Transport & Termination

	Verizon Service	Non-recurring	Recurring
1.	Rate for Reciprocal Compensation Traffic delivered to a Verizon-IP or to a ARC IP ²	Rates for Reciprocal Compensation are as set forth in Verizon's DTE MA No. 17 Tariff, as amended from time to time	
2.	Access charges for termination of intrastate and interstate Toll Traffic	Per Verizon FCC No. 11 interstate and DTE No. 15 intrastate access tariffs (charged in conjunction with Reciprocal Compensation Traffic, using Traffic Factor 1 and Traffic Factor 2, as appropriate) as amended from time to time	
3.	Entrance facilities, and transport, as appropriate, for Interconnection at Verizon End Office, Tandem Office, Serving Wire Center, or other Point of Interconnection	Per Verizon FCC No. 11 interstate and DTE No. 15 intrastate access tariffs for Feature Group D service as amended from time to time.	

¹ All rates and charges specified herein are pertaining to the Interconnection provisions of the Terms.

² See the last page regarding measurement and calculation of Reciprocal Compensation Traffic termination charges.

II. Transit Service

a. **Tandem Transit Service** (Switching) rates are found in DTE MA No. 17, as amended from time to time.

b. **Dedicated Transit Service** rates are found in DTE MA No. 17, as amended from time to time.

B. UNBUNDLED NETWORK ELEMENTS³

I. **Ordering of Service rates** are found in DTE MA No. 17.

II. **Issuance, payment and Crediting of Customer Bills rates** are found in DTE MA No. 17.

III. Unbundled Database Access⁴

a. **800/888 Database** - rates are found in DTE MA No. 17, as amended from time to time.

b. **LIDB**

?? LIDB Service rates are found in DTE MA No. 17.

?? LIDB Record management rates are found in DTE MA No. 17, as amended from time to time.

c. **Common Channel Signaling Network Interconnection (CCS/SS7)** rates are found in DTE MA No. 17, as amended from time to time.

³ All rates and charges specified herein are pertaining to the Unbundled Network Element provisions of the Terms.

⁴ Verizon's proposed UNEs, UNE combinations, and UNE pricing methodology reflect the FCC's current rules. Verizon does not agree that UNE prices must be based solely on forward-looking costs, and Verizon reserves the right to seek to change its UNE offerings and UNE prices if the FCC's rules are vacated or modified by the FCC or by a final, non-appealable judicial decision.

IV. Unbundled Local Loops

(a) Monthly and Non-Recurring rates for Two Wire, Four Wire, (including analog, digital (xDSL), premium and High Capacity Links) are found in DTE MA No. 17, as amended from time to time.

V. Intrastate Collocation

All rates for intrastate collocation shall be charged at rates found in Verizon's DTE MA No. 17 Tariff, as amended from time to time.

VI. Line Sharing

All rates for Line Sharing shall be charged at rates found in Verizon's DTE MA No. 17 Tariff, as amended from time to time.

VII. Line Splitting

Rates for Line Splitting are as set forth in Verizon's DTE MA No. 17 Tariff, as amended from time to time.

VIII. Unbundled IOF

Rates for Unbundled IOF are as set forth in Verizon's DTE MA No. 17 Tariff, as amended from time to time.

IX. Unbundled Multiplexer

Rates for Unbundled Multiplexer are as set forth in Verizon's DTE MA No. 17 Tariff, as amended from time to time.

X. Access to Signaling Systems and Call-Related Database Access

Rates for Access to Signaling Systems and Call-Related Database Access are as set forth in Verizon's DTE MA No. 17, as amended from time to time.

XI. Unbundled Local Switching

Rates for Unbundled Local Switching are as set forth in Verizon's DTE MA No. 17 Tariff, as amended from time to time.

XII. Unbundled Tandem Switching

Rates for Unbundled Tandem Switching are as set forth in Verizon's DTE MA No. 17 Tariff, as amended from time to time.

XIII. Network Interface Device (NID) & House and Riser Cable

Rates for Network Interface Device (NID) & House and Riser Cable are as set forth in Verizon's DTE MA No. 17 Tariff, as amended from time to time.

XIV. Expanded Extended Loop (EEL)

Rates for Expanded Extended Loop are as set forth in Verizon's DTE MA No. 17 Tariff, as amended from time to time.

XV. Combinations of UNE - Switch Sub Platform

Rates for Combinations of UNE - Switch Sub Platform are as set forth in Verizon's DTE MA No. 17 Tariff, as amended from time to time.

XVI. UNE-P Combinations

UNE-P is a combination of existing network elements. Accordingly, UNE-P rates shall be determined by summing the rates for individual network elements found in the MA DTE No. 17 as amended from time to time.

XVII. Unbundled Dark Fiber

Rates for Unbundled Dark Fiber are as set forth in Verizon's DTE MA No. 17 Tariff, as amended from time to time.

XVIII. Unbundled Sub-Loop Arrangements

Per Verizon's DTE MA No. 17 Tariff, as amended from time to time.

C. RESALE⁵

I. Wholesale Discounts

Wholesale discounts are as set forth in the Mass. DTE No.14 Tariff, as amended from time to time.

Month- to- month discounts (per qualifying retail rate):

- a. Where ARC purchases Verizon-provided Operator Services
 - (1) Business 24.99%
 - (2) Residence 24.99%
- b. Where ARC does not purchase Verizon Operator Services
 - (1) Business 29.47%
 - (2) Residence 29.47%

⁵ All rates and charges specified herein are pertaining to the Resale provisions of the Terms.

In compliance with the FCC Order approving the Merger of GTE Corporation and Bell Atlantic (CC Docket No. 98-1840), Verizon will offer limited duration promotional discounts on resold residential exchange access lines. The terms and conditions on which these promotional discounts are being made available can be found on Verizon's web site, at <http://www.verizon.com/wise> for former GTE service areas and former Bell Atlantic service areas.

D. CUSTOMER USAGE DETAIL CHARGES

Record Charges		
?	Per record processed (EMR format)	\$0.004085
??	Per record processed (Tandem Subtending Arrangement/EMR)	\$0.004085
?	Per record transmitted	\$0.000118
?	Per tape/cartridge	\$20.12

E. 911/E911 INTERCONNECTION

Monthly Rate:

- I. \$252.00 per month for an unequipped DS1 Port and \$100 per month per voice grade trunk activated and equipped on the DS1 port.
- II. \$0.05 per line per month for unbundled local Switching Element.
- III. Per Verizon's DTE MA No. 17 Tariff.

F. OPERATIONS SUPPORT SYSTEMS

a. 1. Rates for access to, development, maintenance and use of Operations Support Systems, as related to the provision of unbundled Network Elements during recovery period:

OSS for UNE Providers		
(1) Access to Electronic Interface	(per month)	\$4,907.00
(2) Transaction Cost	(per transaction)	\$1.19
(3) Customer Record Retrieval	(per view)	\$0.12
(4) Record Change Charge	(per change)	\$10.74
(5) Design Change Charge	(per change)	\$10.74
(6) Customer Loop Information	(per loop)	\$8.71
(7) Data entry search (15 minute period)	(per period)	\$10.74
(8) Out of scope request	(per request)	ICB

a.2. Rates for access to, development, maintenance and use of Operations Support Systems, as related to the provision of unbundled Network Elements after recovery period:

OSS for UNE Providers		
(1) Electronic Interface Maintenance Charge	(per transaction)	\$0.38
(2) Customer Record Retrieval	(per view)	\$0.12
(3) Record Change Charge	(per change)	\$10.74
(4) Design Change Charge	(per change)	\$10.74
(5) Customer Loop Information	(per loop)	\$8.71
(6) Data entry search (15 minute period)	(per period)	\$10.74
(7) Out of scope request	(per request)	ICB

b.1. Rates for all access to, development, maintenance and use of Operations Support Systems, as related to the provision of Resale during the recovery period:

OSS for Resellers		
(1) Recurring Establishment Charge	(per month)	\$2,557.00
(2) Non-recurring establishment Charge	(per transaction)	\$1.19
(3) Complex Order Charge	(per line)	\$16.27
(4) Service Center Maintenance Charge	(resold line/month)	\$0.21
(5) Customer Record Retrieval	(per view)	\$0.12

b.2. Rates for all access to, development, maintenance and use of Operations Support Systems, as related to the provision of Resale after the recovery period:

OSS for Resellers		
(1) Electronic Interface Maintenance Charge	(per transaction)	\$0.38
(2) Complex Order Charge	(per line)	\$16.27
(3) Service Center Maintenance Charge	(resold line/month)	\$0.21
(4) Customer Record Retrieval	(per view)	\$0.12

G. TIME AND MATERIALS CHARGES

Rates for Time and Materials are as set forth in Verizon's DTE MA No. 17 Tariff, as amended from time to time.

RECIPROCAL COMPENSATION TRAFFIC TERMINATION RATES

A. Charges by Verizon

(a) Traffic delivered to Verizon Tandem:
Tandem Rate.

(b) Traffic delivered directly to terminating Verizon End Office: End Office Rate.

B. Charges by ARC

1. Single-tiered interconnection structure:

ARC's rates for the termination of Verizon's Reciprocal Compensation Traffic under the single-tiered interconnection structure shall be recalculated once each year on each anniversary of the Effective Date (the "Rate Determination Date"). The methodology for recalculating the rates is as follows:

Tandem Minutes = Total minutes of use of Reciprocal Compensation Traffic delivered by ARC to the Verizon Tandem for most recent billed quarter.

End Office Minutes = Total minutes of use Reciprocal Compensation Traffic delivered by ARC directly to the terminating Verizon End Office for most recent billed quarter.

Total Minutes = Total minutes of use of Reciprocal Compensation Traffic delivered by ARC to Verizon for most recent billed quarter.

ARC Charge at the ARC-IP =

$$\frac{(\textit{Tandem Minutes} \times \text{Tandem Rate}) + (\textit{End Office Minutes} \times \text{End Office Rate})}{\textit{Total Minutes}}$$

For the first year after the Effective Date, the ARC charge shall be calculated based on the traffic data of the quarter immediately preceding such Effective Date, or if no such traffic exists, on the proportion of Reciprocal Compensation Traffic termination trunks to Verizon End Offices and to Verizon Tandems.

2. Multiple-tiered interconnection structure (if offered by ARC to any carrier)

(a) Reciprocal Compensation Traffic delivered to ARC Tandem: Tandem Rate

(b) Reciprocal Compensation Traffic delivered to terminating ARC End Office/node: End Office Rate

C. Miscellaneous Notes

1. The ARC termination rate under the single-tiered interconnection structure set forth above is intended to be a Reciprocal Compensation Traffic termination rate for Interconnection to the ARC-IP within each LATA that is reciprocal and equal to the actual rates that will be charged by Verizon to ARC under the two-tiered Reciprocal Compensation Traffic termination rate structure described above that will apply after the first anniversary of the Effective Date. The single ARC termination rate is also intended to provide financial incentives to ARC to deliver traffic directly to Verizon's terminating End Offices once ARC's traffic volumes reach an appropriate threshold.