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PUBLIC UTILITIES COMMISSION



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November 16, 2009

Ms. Luly E. Massaro, Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, Rhode Island 02888

Dear Ms. Massaro:

We are filing, herewith, for effect December 16, 2009, tariff material consisting of:

RI PUC No. 15

Part/Section	Revision of Page(s)	Original of Page(s)
A/15	19, 20, 21, 22, 23, and 24	N/A

With this filing, Verizon proposes to grandfather the Verizon Client Advantage Program for Regulated Services (VCAP-R). The VCAP-R Plan is a rebate plan available to business customers that meet certain eligibility requirements and achieve a multi-state commitment level based on Contributing Total Billings (CTB) for business telecommunications services provided by Verizon.

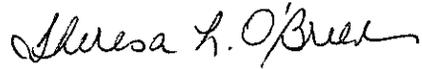
Effective December 16, 2009, Verizon plans to limit the VCAP-R Plan to existing subscribers. As of that date, Verizon will no longer accept new customers into the plan. Existing subscribers will be allowed to continue in the VCAP-R plan according to the provisions of the tariff.

In addition, this filing adds a re-subscription provision that allows existing customers to continue their subscription to the Plan beyond the two-year plan period and one-year renewal period.

If you have any questions regarding this filing, please contact Frances O'Neill-Cunha of my staff at 401 525-3560.

Enclosed are an original and nine copies of the tariff material. Please return a copy of this letter with your stamp of receipt.

Respectfully submitted,

A handwritten signature in cursive script that reads "Theresa L. O'Brien".

Theresa L. O'Brien

Attachments

Verizon New England Inc.

15. Service Packages

15.12 Verizon Client Advantage Program for Regulated Services (VCAP-R) Plan

Effective December 16, 2009, VCAP-R is no longer available to new customers. Existing customers may retain this plan in accordance with the terms and conditions described herein.

(N)
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15.12.1 General	
A.	The Verizon Client Advantage Program for Regulated Services (VCAP-R) Plan is a rebate plan available to retail business customers that meet certain eligibility requirements as set forth in Section 15.12.3 of this tariff, and achieve a multi-state commitment level based on Contributing Total Billings (CTB) for business telecommunications services provided by the Telephone Company as defined in Part A, Section 15.12.2.A below. If the eligibility requirements are met, the VCAP-R Plan provides each eligible business Customer with rebates as set forth in Part A., Section 15.12.5 and Part M, Sections 1.15.12 and 1.15.13 of this tariff.
B.	VCAP-R rebates are available only in jurisdictions where applicable VCAP-R tariffs have been approved.

15.12.2 Definitions	
A.	Telephone Company – For purposes of this Section, this includes Verizon New England Inc., as well as the following Verizon entities collectively: Verizon California Inc., Verizon Florida Inc., Verizon Mid-States (Contel of the South Inc.), Verizon North Inc., Verizon Northwest Inc., Verizon South Inc., Verizon Southwest (GTE Southwest Inc.), Verizon West Coast Inc., Verizon Delaware Inc., Verizon Maryland Inc., Verizon New Jersey Inc., Verizon New York Inc., Verizon Pennsylvania Inc., Verizon Virginia Inc., Verizon West Virginia Inc., Verizon Washington, DC Inc., and Verizon Network Integration Corp.
B.	Customer – A retail business entity that subscribes to the VCAP-R Plan. A customer and some or all eligible customer affiliates may elect to be treated as a single individual Customer. Where such an election is made, the CTB of the customer and its eligible customer affiliates shall be combined for all purposes. An eligible customer affiliate may elect to be treated as a separate customer if the requirements of Part A, Section 15.12.3.B.3 of this tariff are met.
C.	Customer Affiliate – Any entity that directly or indirectly controls, is controlled by, or is under common control with the Customer.
D.	Base Year – The most recent twelve-month period preceding the Customer's signing of a VCAP-R agreement for which data are available.
E.	Contributing Total Billings (CTB) – All multi-state billings for regulated and nonregulated business products and services during a period specified by the Telephone Company under the VCAP-R Plan, excluding charges for wireless services, international services, printed and electronic directory services, long distance services, and services provided by MCImetro Access Transmission Service, LLC, MCImetro Access Transmission Services of Virginia, Inc., and MCImetro Access Transmission Services of Massachusetts, Inc.
1.	Eligible CTB – CTB, except for federal and state taxes that applicable laws, tariffs, regulations or regulatory orders require customers to pay.

Verizon New England Inc.

15. Service Packages

15.12 Verizon Client Advantage Program

Effective December 16, 2009, VCAP-R is no longer available to new customers. Existing customers may retain this plan in accordance with the terms and conditions described herein.

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15.12.2 Definitions	
E.	(Continued)
2.	Commitment CTB – Eligible CTB, except for the following exclusions:
a.	Federal or state surcharges, fees or taxes that applicable laws, tariffs, regulations or regulatory orders require customers to pay;
b.	Nonregulated products and services with the exception of voice messaging services and inside wire maintenance services;
c.	Digital Subscriber Line (DSL) Services;
d.	The following services provided by all former GTE Telephone Operating Companies in all states (“Selected Former GTE Services”): Fast Packet Services including Internet Protocol-Virtual Private Network, Fiber Broadband Access Services, Transparent LAN Service, Transport LAN Connect, CyberWAN, and Video Services; and,
e.	Bill Payment Charges, including Late Payment Charges and Returned Check or Draft Charges.
f.	Adjustments to billed charges will be excluded from Commitment CTB; however, the following items will be included in Commitment CTB: Other Charges and Credits, except for (1) credits for services eligible for funding under the Federal Universal Service Fund E-Rate (Education Rate) program that are paid by the E-Rate program and not paid by the Customer, and (2) credits for rebates under the VCAP-R Plan.
3.	Commitment CTB is equivalent to CTB for intrastate telecommunications services and applicable intrastate and interstate access services except for Selected Former GTE Services.
F.	Customer Commitment – A percentage of commitment CTB that the customer commits to achieving during each year of the VCAP-R plan. The initial Customer Commitment, for the first year of the plan, is ninety percent (90%) of Commitment CTB. The Customer Commitment for subsequent years of the plan will be established as set forth in Section 15.12.5 and Part M, Section 1.
G.	Rebate Trigger – Ninety percent (90%) of Customer Commitment.
H.	Monthly Rebate Trigger – Ninety percent (90%) of Customer Commitment divided by twelve.
I.	Rebate CTB – Commitment CTB for intrastate telecommunications services, voice messaging services and inside wire maintenance services in Rhode Island.
J.	Actual CTB – The amount of Commitment CTB billed to a Customer based on the Customer’s actual purchases of services during a period specified by the Telephone Company.
1.	Monthly Actual CTB – Actual CTB during a given month.
2.	State-Specific Monthly Actual CTB – Monthly Actual CTB in Rhode Island.
3.	Actual Rebate CTB – The amount of Rebate CTB billed to a Customer based on the Customer’s actual purchases of Services during a period specified by the Telephone Company.
4.	State-Specific Monthly Actual Rebate CTB – Monthly Actual Rebate CTB in Rhode Island.

Verizon New England Inc.

15. Service Packages

15.12 Verizon Client Advantage Program

Effective December 16, 2009, VCAP-R is no longer available to new customers. Existing customers may retain this plan in accordance with the terms and conditions described herein.

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15.12.2 Definitions	
J.	(Continued)
5.	Measured Period Actual CTB – Actual CTB during a Measurement Period.
6.	Measured Period Actual Rebate CTB – Actual Rebate CTB during a Measurement Period.
K.	Effective Date – One business day after delivery to a Verizon Business Contracts Processing location.
L.	Measurement Period – The 12-month period beginning on the first day of the term of the VCAP-R Plan and each succeeding 12-month period during the term.
M.	Month – Any monthly billing cycle during a Measurement Period.
N.	Services – All telecommunications services, as defined in the Federal Communications Act of 1934 and as amended, that the Telephone Company as defined herein is legally permitted to offer and that are obtained from the Telephone Company directly (i.e., not through a carrier not affiliated with the Telephone Company or its affiliates which are reselling such services).

15.12.3 Regulations	
A.	In addition to the regulations set forth below, the regulations as set forth in the general or standard terms and conditions section of applicable state or federal tariffs related to the services included in the VCAP-R.
B.	Initial Eligibility Requirements
1.	In order to be eligible for the VCAP-R Plan, the Customer must meet the requirements, as set forth below, during the Base Year.
a.	Between \$1.5 million and \$80 million of annual multi-state total (aggregate) Eligible CTB, and,
b.	A minimum of \$100,000 in annual multi-state, intrastate, intraLATA local and toll usage Eligible CTB.
2.	If the Customer meets the initial eligibility requirements as set forth in Section 15.12.3.B.1, the Customer may subscribe to the VCAP-R Plan by signing a VCAP-R agreement with the Telephone Company. Any additions, removals or changes to the Customer's billing telephone numbers subject to the VCAP-R Plan must be submitted by the Customer to the Telephone Company in writing.
3.	A Customer Affiliate that desires to subscribe to the VCAP-R Plan independent of its parent company may sign an affiliate VCAP-R individual agreement provided 1) the parent company meets the eligibility requirements set forth in Section 15.12.3.B.1 and also participates in the VCAP-R Plan, and 2) the Customer Affiliate meets the following eligibility requirements:
a.	A minimum of \$100,000 in annual multi-state, intrastate, intraLATA local and toll usage Eligible CTB.

Verizon New England Inc.

15. Service Packages

15.12 Verizon Client Advantage Program (VCAP-R)

Effective December 16, 2009, VCAP-R is no longer available to new customers. Existing customers may retain this plan in accordance with the terms and conditions described herein.

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15.12.3 Regulations	
B.	(Continued)
4.	<p>Customers receiving discounts, rebates, credits, or other favorable rate treatment from the Telephone Company under any state tariff or individual case basis or other customer specific pricing arrangement that provides discounts on a CTB or total billed revenue (TBR) basis (collectively, TBR Plans) are not eligible to receive rebates in the VCAP-R Plan in any jurisdiction where the Customer subscribes to such TBR Plans. However, Customers subscribing to the Verizon Business Client Advantage Program (VBCAP) are eligible to participate in the VCAP-R Plan.</p> <p>Customers receiving discounts, rebates, credits, or other favorable rate treatment in exchange for revenue commitments for specific services or groups of services, but not on a CTB or TBR basis, are eligible to receive rebates in the VCAP-R Plan.</p>
C.	<p>Reports – The Telephone Company shall provide monthly reports to the Customer providing information about the Customer’s participation in the VCAP-R Plan. At the Telephone Company’s discretion, such reports may be provided through various media including, but not limited to, paper or electronic media. The Telephone Company will provide the Customer with instructions on how to access the various media.</p>
D.	<p>CTB and Commitment CTB – The CTB and Commitment CTB will be determined by the Telephone Company subject to Customer’s inclusion of BTN’s under the Plan.</p>

15.12.4 Terms & Conditions	
A.	Renewal Period
1.	<p>The VCAP-R Plan is offered as a two-year term Plan, with a one-year renewal. At the end of the initial two-year term, the VCAP-R Plan will be renewed automatically for the third year unless the Customer provides written notification of its intent to terminate the VCAP-R Plan no later than 90 days after the start of the third year.</p>
B.	Re-subscription
1.	<p>Within 60 days of the end of the one-year renewal period of the VCAP-R Plan, the Customer may re-subscribe to the Plan by providing written notice to the Company. The Customer may continue to re-subscribe to the Plan following each two-year term and one-year renewal period provided the Customer continues to meet all requirements of the Plan.</p>
C.	Termination By The Customer
1.	<p>A Customer may terminate its VCAP-R agreement and cease to be a Customer under the VCAP-R Plan at any time during the term of the VCAP-R Plan for any reason, by providing written notice of termination to the Telephone Company at least 30 days before the effective date of the termination. A Customer who terminates its agreement pursuant to this paragraph shall cease to receive VCAP-R rebates as of the effective date of the termination. Subject to Section 15.12.4.C.3 following a Customer that terminates its participation in the VCAP-R Plan may subscribe to the VCAP-R Plan again within 60 days by satisfying the eligibility requirements as set forth in Section 15.12.3.B.</p>

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Verizon New England Inc.

15. Service Packages

15.12 Verizon Client Advantage Program

Effective December 16, 2009, VCAP-R is no longer available to new customers. Existing customers may retain this plan in accordance with the terms and conditions described herein.

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15.12.4 Terms & Conditions		
C.	(Continued)	
2.	Termination liability charges do not apply to the Customer's termination of the CAP-R Plan.	
3.	A Customer that terminates participation in the VCAP-R Plan may not subscribe to the VCAP-R Plan again after the Customer's third such termination.	(T)(X)
D.	Termination By The Telephone Company	(X)
1.	If Verizon Rhode Island terminates the Plan, customer notification will be provided at least 90 days in advance of the Plan termination date.	(T)
2.	Customers who continue to meet the requirements of the Plan will receive Rebates for ninety days following the Telephone Company's notice of termination of the Plan.	
E.	Increases in CTB Categories	(T)
1.	If a Customer combines, by merger, acquisition of assets or equity, or otherwise, with a new entity that otherwise qualifies under the VCAP-R Plan, the Customer and the new entity may elect in writing to be treated as a single Customer for purposes of consolidating their Eligible CTB. In this event the Telephone Company shall combine 100% of the Customer's Base Year Eligible CTB and 100% of the Base Year Eligible CTB of the new entity to obtain a single new combined Eligible CTB. If the new entity does not have Base Year Eligible CTB, then 100% of the most recent available annual Eligible CTB of the new entity will be used to obtain a single new combined Eligible CTB. This will produce a single new combined Customer Commitment that will apply prospectively to the single new combined Customer. Any such increase shall be made effective at the start of the next Measurement Period.	
2.	If a Customer combines, by merger, acquisition or assets or equity, or otherwise, with a new entity, but the Customer and the new entity do not elect to be treated as a single new Customer for purposes of consolidating Eligible and Customer Commitment, and the new entity wishes to participate in the VCAP-R Plan, the new entity must meet the eligibility requirements set forth in Section 15.12.3.B. and must sign a VCAP-R agreement.	

15.12.5 Application of Rates and Charges	
A.	Rebates
1.	If the Customer's Monthly Actual CTB meets or exceeds the Monthly Rebate Trigger on a cumulative basis during the Measurement Period, the Customer will receive a rebate by multiplying the Customer's State Specific Monthly Actual CTB by the applicable rebate percentage set forth in Part M, Sections 1.15.12 and 1.15.13, and applying the resulting rebate amount to the Customer's State Specific Monthly Actual Rebate CTB.
2.	If the Customer does not meet the Monthly Rebate Trigger on a cumulative basis during the Measurement Period, the Customer will not receive a VCAP-R rebate for that month. However, if the Customer generates sufficient Actual CTB during the Measurement Period so that the average Monthly Actual CTB meets the Monthly Rebate Trigger on a cumulative basis during the Measurement Period, then the Customer will receive a VCAP-R rebate for any month(s) in which the Customer did not originally qualify for a VCAP-R rebate under Section 15.12.5.A.1.

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15.12 Verizon Client Advantage Program

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15.12.5 Application of Rates and Charges	
A.	(Continued)
3.	The Telephone Company will perform annual reviews to make any adjustments as necessary to conform to the rates, terms and conditions of the VCAP-R Plan. All adjustments equal to or greater than \$1.00 will be applied to each applicable Customer BTN. The Telephone Company is not required to apply any adjustment which is less than \$1.00. No interest will be paid in connection with the application of rebates.
4.	Customers that qualify for the VCAP-R Plan will be designated in Group A or Group B based on the Customer's Eligible CTB: Group A: Between \$1.5 million and \$29.99 million of multi-state total (aggregate) Eligible CTB Group B: Between \$30 million and \$80 million of multi-state total (aggregate) Eligible CTB
5.	Upon the commencement of the VCAP-R Plan, and for the first 12-month Measurement Period of the Plan (Year 1), the monthly rebate percentage as shown in Part M, Section 1.15.12 will apply to the Rebate CTB.
6.	At the end of the first Measurement Period (Year 1), the Telephone Company will review the Customer's Actual CTB to determine the percentage of Customer Commitment attained based on Year 1 Customer Commitment. Based on the percentage of Customer Commitment attained and the Customer's election of a new Customer Commitment for the next Measurement Period (Year 2), the Customer will receive a monthly rebate percentage during the next Measurement Period in accordance with the rebate schedules in Part M, Section 1.15.13.
7.	At the end of the second Measurement Period (Year 2), the Telephone Company will review the Customer's Actual CTB to determine the percentage of Customer Commitment attained based on Year 1 Customer Commitment. Based on the percentage of Customer Commitment attained and the Customer's election of a new Customer Commitment for the next Measurement Period (Year 3), the Customer will receive a monthly rebate percentage during the next Measurement Period in accordance with the rebate schedules in Part M, Section 1.15.13.
8.	The customer must notify the Telephone Company in writing of a new Customer Commitment for the next Measurement Period prior to the start of that Measurement Period.

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