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December 1, 2010

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

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PUBLIC UTILITIES COMMISSION

Dear Ms. Massaro:

We are filing, herewith, for effect December 31, 2010, tariff material consisting of:

RI PUC No. 15

Part/Section	Revision of Page(s)	Original of Page(s)
A/15	22, 23 and 24	24.1
M/1	61 and 62	N/A

In this filing, Verizon Rhode Island (“Verizon RI”) proposes to modify the Verizon Client Advantage Program for Regulated Services (VCAP-R). The VCAP-R is a rebate plan available to retail business customers that meet certain eligibility requirements and monthly commitment billing levels for business products and services. The proposed changes are as follows:

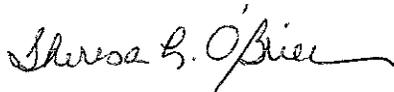
- The monthly VCAP-R data reports will now be distributed to subscribers on a quarterly basis.
- The number of times a customer may terminate participation in the plan during a term and re-subscribe to the plan is reduced from 3 times during each enrollment period to one time over the life of the customer’s subscription to the service. This change will become effective with the customer’s next re-enrollment period following the effective date of the tariff.

- The VCAP-R customer will no longer be required to elect a new Customer Commitment at the end of each Measurement Period. Each succeeding Measurement Period will automatically renew at the previous commitment levels. This change will become effective with the customer's next re-enrollment period following the effective date of the tariff.

If you have any questions regarding this filing, please contact Frances O'Neill-Cunha or 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

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.

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 quarterly data 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 BTNs under the Plan.</p>

(C)

15.12.4 Terms & Conditions	
A.	Renewal Period
1.	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.
B.	Re-subscription
1.	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.
C.	Termination By The Customer
1.	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.

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15. Service Packages

15.12 Verizon Client Advantage Program

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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 VCAP-R Plan. (T)
3.	Customers in their initial two-year term and one-year renewal period of the VCAP-R Plan may terminate participation in the Plan twice and re-enroll in the Plan. Re-enrollment in the VCAP-R Plan is not allowed with the third termination. (T)
4.	Customers who have re-subscribed to the VCAP-R Plan prior to December 31, 2010, may terminate participation in the Plan, in accordance with 15.12.4.C.1, two times and re-enroll in the Plan. Re-enrollment in the VCAP-R Plan is not allowed with the third termination. Upon the customer's next re-subscription period, these customers may not re-enroll in the plan following termination. (C)
5.	Customers who re-subscribe to the VCAP-R Plan on or after December 31, 2010, may terminate participation in the Plan, in accordance with 15.12.4.C.1, and re-enroll in the plan only once and only during the first re-subscription period. During subsequent re-subscription periods, customers may not re-enroll in the Plan after termination. (N)
D.	Termination By The Telephone Company
1.	If Verizon Rhode Island terminates the Plan, customer notification will be provided at least 90 days in advance of the Plan termination date.
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
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. (N)

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.

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15.12.5 Application of Rates and Charges	
A.	(Continued)
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.
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.	For customers in their initial two-year term and one-year renewal period and customers who have re-subscribed to the VCAP-R Plan prior to December 31, 2010, 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.	For customers in their initial two-year term and one-year renewal period and customers who have re-subscribed to the VCAP-R Plan prior to December 31, 2010, 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.	For 15.12.5.A.6. and 15.12.5.A.7 preceding, 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.

(X)
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 (X)

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15.12.5 Application of Rates and Charges	
A.	(Continued)
9.	For Customers who re-subscribe to the VCAP-R Plan on or after December 31, 2010, at the end of each Measurement Period (Year 1 and Year 2) the Telephone Company will review the Customer's Actual CTB to determine the percentage of Customer Commitment attained. Based on the percentage of Customer Commitment attained, the Customer will be eligible for a monthly rebate during the next Measurement Period (Year 2 or Year 3) in accordance with the rebate schedule in Part M, Section 1.15.13A.

(N)
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 (N)

Verizon New England Inc.

1. Exchange and Network Services
1.15 Service Packages

1.15.12 Verizon Client Advantage Program for Regulated Services Plan – First Year Rebate		
ID	Service Category	Monthly Rebate Percentage for First Year
	Rebate Schedule – First Year - Group A	5%
	Rebate Schedule – First Year - Group B	5.5%

1.15.13 Verizon Client Advantage Program for Regulated Services Plan – Subsequent Years Rebate					
ID	Service Category	Percent of Customer Commitment Achieved in Measurement Period	Customer Election of Customer Commitment for New Measurement Period	Monthly Rebate Percentage for New Measurement Period	
	Rebate Schedule – Subsequent Years – Group A	110%	110%	6%	
		110%	105% - 109.99%	5.5%	
		110%	90% - 104.99%	5%	
		110%	85% - 89.99%	2%	
		110%	Less Than 85%	0%	
		105% - 109.99%	105% - 109.99%	5.5%	
		105% - 109.99%	90% - 104.99%	5%	
		105% - 109.99%	85% - 89.99%	2%	
		105% - 109.99%	Less Than 85%	0%	
		90% - 104.99%	90% - 104.99%	5%	
		90% - 104.99%	85% - 89.9%	2%	
		90% - 104.99%	Less Than 85%	0%	
		85% - 89.99%	85% - 89.99%	2%	
		Less Than 85%	Not Applicable	0%	
		Rebate Schedule – Subsequent Years – Group B	110%	110%	6.5%
	110%		105% - 109.99%	6%	
	110%		90% - 104.99%	5.5%	
	110%		85% - 89.99%	2%	
	110%		Less Than 85%	0%	
	105% - 109.99%		105% - 109.99%	6%	
	105% - 109.99%		90% - 104.99%	5.5%	

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1. Exchange and Network Services
1.15 Service Packages

1.15.13 Verizon Client Advantage Program for Regulated Services Plan – Subsequent Years Rebate				
ID	Service Category	Percent of Customer Commitment Achieved in Measurement Period	Customer Election of Customer Commitment for New Measurement Period	Monthly Rebate Percentage for New Measurement Period
	Rebate Schedule – Subsequent Years – Group B	105% - 109.99%	85% - 89.99%	2%
		105% - 109.99%	Less Than 85%	0%
		90% - 104.99%	90% - 104.99%	5.5%
		90% - 104.99%	85% - 89.9%	2%
		90% - 104.99%	Less Than 85%	0%
		85% - 89.99%	85% - 89.99%	2%
		Less Than 85%	Not Applicable	0%

1.15.13A Verizon Client Advantage Program for Regulated Services – Subsequent Years Rebate – Re-Subscribing Customers				
ID	Service Category	Percent of Customer Commitment Achieved in Prior Plan Year	Monthly Rebate Percentage for New Measurement Period	
			Group A	Group B
	Rebate Percentages for Plan Years 2 and 3	90% or Greater	5%	5.5%
		85% - 89.99%	2%	2%
		Less than 85%	0%	0%

(N)
 (N)

1.15.14 Regional Essentials				
ID	Service Category	Rate Element	Rate	USOC
	Regional Essentials	Monthly – Per line equipped	32.04	
		Monthly – Bundle Discount – Subscriber prior to November 15, 2008 – Verizon On-line Broadband (Up to 3.0 Mbps package)	1.00	
		Monthly – Bundle Discount – Subscriber on or after November 15, 2008 – Verizon On-line Broadband (Up to 1.0 Mbps, or Up to 3.0 Mbps, or Up to 7.1 Mbps, or Up to 15.1 Mbps packages)	5.00	
		Monthly – Bundle Discount – Verizon On-line Broadband (Up to 3.0 Mbps or Up to 7.1 Mbps packages) – Renewal	1.00	