



Upcoming Price Increase for Time-Division Multiplexing (“TDM”) Access Contract Line Item Numbers (“CLINs”) under the Networx Universal and Networx Enterprise Contracts (collectively, “Networx”)

General Services Administration (“GSA”) and Verizon recently executed a contract modification that will increase prices for all TDM access CLINs, effective December 1, 2023.

TDM is an increasingly obsolete technology that local carriers are aggressively trying to retire. Legacy TDM services significantly lack original equipment manufacturer (OEM) and aftermarket support, and this lack of support has increased exponentially for several years. There has also been a decrease in personnel with expertise in legacy TDM services. The lack of equipment and experienced personnel has increased both the challenges in maintaining TDM services and the cost of owning TDM services for carriers.

Consequently, local carriers have dramatically increased—and continue to increase monthly—TDM prices to shed existing customers. These price increases have, in turn, substantially increased Verizon’s costs of providing TDM services under Networx. This led Verizon and GSA to negotiate a price increase for TDM access under Verizon’s Networx contracts. GSA reviewed extensive data on Verizon’s TDM access costs before concluding that a price increase of 2.72x is fair and reasonable. This price increase means, for example, that a TDM access CLIN that previously had a monthly recurring charge (MRC) of \$100 before the increase will now have an MRC of \$272. The full list of impacted CLINs appears at the end of this notice.

Local carriers are rapidly phasing out TDM services, and this increase in Networx TDM rates does not assure continued service over the long term. Although we will strive to give you ample advance notice before a service is discontinued, if a local carrier ceases to offer the underlying TDM access, Verizon will not be able to continue providing the service. For most of our TDM services, we are targeting discontinuance within the next 12 months. Hence, it is advisable for agencies to proactively discontinue any TDM access in favor of more modern alternatives or to swiftly transition to your EIS provider.

Verizon values our partnership with—and looks forward to continuing to support—your agency. Please do not hesitate to contact your GSA Solutions Broker or Verizon Program Manager if you have any questions.



List of Impacted CLINs

CLIN	Name	Frequency
760301	Analog (4 kHz)	MRC
760302	Subrate DS0 @ 4.8 kb/s	MRC
760303	Subrate DS0 @ 9.6 kb/s	MRC
760304	DS0 (56/64 kbs)	MRC
760306	FT1 - DS0 x 2	MRC
760307	FT1 - DS0 x 4	MRC
760308	FT1 - DS0 x 6	MRC
760309	FT1 - DS0 x 8	MRC
760310	FT1 - DS0 x 12	MRC
760311	T1 (1.536 Mb/s)	MRC
760312	PRI	MRC
760313	FT3 - DS1 x 3	MRC
760314	FT3 - DS1 x 4	MRC
760315	FT3 - DS1 x 5	MRC
760316	FT3 - DS1 x 7	MRC
760317	T3 (43.008 Mb/s)	MRC
760318	OC-3 (3x49.536 Mb/s)	MRC
760319	OC-3c (148.608 Mb/s)	MRC



760320	OC-12	MRC
760321	OC-12c	MRC
760323	OC-48c	MRC
760325	OC-192c	MRC
760326	DAL	MRC
760327	E1	MRC
760328	E3	MRC
760362	FT3 - DS1 x 6	MRC
760363	FT3 - DS1 x 8	MRC
760366	FT1 - DS0 x 3	MRC
760367	FT1 - DS0 x 5	MRC
760368	FT1 - DS0 x 7	MRC
760370	OWS OC-48 access	MRC
760371	OWS OC-192 access	MRC
760375	FT3 - DS1 x 2	MRC
760406	FT1 - DS0 x 2	MRC
760411	T1 (1.536 Mb/s)	MRC
760412	PRI	MRC
760417	T3 (43.008 Mb/s)	MRC
760419	OC-3c (148.608 Mb/s)	MRC
760421	OC-12c	MRC



760423	OC-48c	MRC
760732	Fractional E3 - E1 x 4	MRC
760830	Fractional E3 - E1 x 2	MRC
760831	Fractional E3 - E1 x 3	MRC
769002	Access Route or Path Diversity	MRC
769004	Access Route or Path Avoidance	MRC