

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

*In the Matter of the Joint Application of Verizon Communications Inc. and Frontier  
Communications Corporation For An Order Declining to Assert Jurisdiction Over, or, in the  
Alternative, Approving the Indirect Transfer of Control of Verizon Northwest Inc.*

**Docket No. UT-090842**

**PUBLIC COUNSEL'S RESPONSE TO JOINT APPLICANTS  
DATA REQUEST NO. 106**

Request No: 106  
Directed to: Public Counsel  
Date received: November 4, 2009  
Prepared by: Trevor R. Roycroft  
Date prepared: November 12, 2009

**Joint Applicants Data Request No. 106**

On page 54 of the Testimony Dr. Roycroft states that "Frontier's marketing approach, as evidenced by its website, shows a variety of package offerings, that could easily lead to customer confusion regarding what best suits their needs."

- a. Please identify each specific element of Frontier's marketing approach that Dr. Roycroft believes could lead to customer confusion.
- b. For each element in (a) explain how it could lead to customer confusion.
- c. Please identify marketing approaches from Frontier's competitors that, in Dr. Roycroft's opinion, are not likely to lead to customer confusion regarding what best suits their needs and explain how each differs from Frontier's approach.

**RESPONSE:**

- a. Public Counsel objects to this request as overly broad and burdensome in that it calls for Dr. Roycroft to identify each specific element of Frontier's marketing approach available on Frontier's website. Without waiving this objection, Public Counsel provides the following:

Dr. Roycroft's review reveals:

- i. Frontier's web site does not find listing of à la carte offerings, including basic service offerings. This lack of information could lead a customer to be misinformed as to the alternatives that are available from Frontier.

**[Public Counsel's Response to Joint Applicants Data Request No. 106 (continued)]**

- ii. The web site identifies a service called "digital phone basic" which is not basic service, and includes an allotment of toll calling, and a vertical feature. This could misinform a customer that sought basic phone service.
- iii. The web site does not provide price lists. This limits a customer's ability to identify relevant prices.
- iv. Distinct prices are not identified, rather, the web site identifies prices as "starting at" prices. "Starting at" prices rather than distinct price quotes can lead to difficulties in understanding just what the prices associated with a service are.
- v. The terms and conditions associated with services are not prominently featured. Difficulty in locating the terms and conditions can prevent consumers from gaining critical information.
- vi. None of service descriptions or prices associated with Internet access services identify the \$4.50 per month "modem rental" fee. This could distort a price-point comparison, if the consumer had an alternative source.
- vii. The names of the services identified in the terms and conditions section do not always match the names of the services in the in the main marketing section of the web page. This can cause difficulty in understanding just what terms and conditions match which services.
- viii. The terms and conditions are not reasonably associated with the service offers, and must be accessed through a separate link. That link is located at the very bottom of the web page, in a section that is set below a flashing banner ad and a "Yahoo Search Bar."
- ix. Terms and conditions indicate that "price protection" plans "auto renew," but the terms and conditions do not explain what "auto renew" means. Some descriptions in the terms and conditions, while mentioning price protection plans, do not identify "auto renew." Whether this is an oversight on Frontier's web site, or whether Frontier maintains different policies relating to "auto renew," depending on which package the price protection plan is applied is not clear, however, in either case, the presentation is unclear and confusing.

Consider, for example, the offering "High-Speed Internet and Digital Phone Unlimited." The main marketing page of this offering provides an extensive description of "bells and whistles" associated with the service, and also offers one level of "fine print." This fine print could easily lead the customer to think that they have some level of understanding of the terms and conditions of service.

**[Public Counsel's Response to Joint Applicants Data Request No. 106 (continued)]**

However, the actual terms and conditions, are not directly linked to the service offering. If the consumer discovers the terms and conditions link at the very bottom right-hand corner of the page, below the flashing banner ad and Yahoo Search Bar, they will uncover a single-spaced page of hyperlinks listing various service and service package names. The consumer would not find on that list a service called "High-Speed Internet and Digital Phone Unlimited." The terms and conditions do list a service called "High-Speed Internet Offer Bundled with Unlimited Nationwide Voice-Calling Plan," which may be the appropriate terms and conditions for the "High-Speed Internet and Digital Phone Unlimited" service. When comparing the main service description to the terms and conditions for this service, it is notable that in all of the 428 words that appear on the main page's service description, including the 47 words that appear in the fine print, there is no mention of the fact that this offering *requires* a "one or two year agreement," and that a \$200 early termination fee applies, and that even if the consumer moves out of Frontier's service area, an alternative \$50 early termination fee applies. This example clearly shows the customer confusion that could arise from Frontier's presentation on its web site.

- b. Please see the objection and response to subpart (a), above.
- c. Dr. Roycroft finds varying degrees of the potential for customer confusion to be caused by the presentation of information on telephone company web sites. Dr. Roycroft finds Frontier's web site to be one of the worst that he has reviewed. While Verizon's web site is not without flaw, it does list the availability of stand-alone basic service in Washington, and the specific à la carte price of that service, within two mouse-clicks of Verizon's main page.