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February 15, 2007

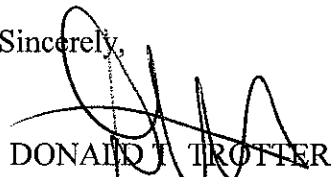
Carole J. Washburn, Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Dr. SW
P. O. Box 47250
Olympia, Washington 98504-7250

Re: *WUTC v. Verizon Northwest Inc.*
Docket Nos. UT-040788

Dear Ms. Washburn:

Enclosed for filing are the original and 15 copies of the Commission Staff Late Payment Charge Complaints Report, February 15, 2007, and Certificate of Service.

Sincerely,



DONALD T. TROTTER
Senior Counsel

DTT:klg
Enclosures
cc: Parties



BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

Complainant,

v.

VERIZON NORTHWEST INC.,

Respondent.

DOCKET NO. UT-040788

COMMISSION STAFF'S
REPORT ON LATE PAYMENT
CHARGE COMPLAINTS

(FEBRUARY 15, 2007)

1 This is the second report Commission Staff has filed pursuant to paragraph 29 of the
Commission's Order 15 in this docket. That paragraph states:

We also direct Commission Staff to monitor the number of inquiries and the
number of informal complaints about the late payment charge, and their
circumstances, beginning with May 1, 2005, the effective date of the tariff, to
determine the level of consumer concern and whether the charge is being
applied properly and equally.

2 The Commission also ordered that late payment charge complaint information be
presented by month, and then averaged for the year. That information is contained in
Attachment 1. For comparison purposes, we include Staff's first report as Attachment 2.

3 The data show that during the period January 1 to December 31, 2006 (2006
reporting period) the Commission received seven informal complaints and one inquiry from
residential customers regarding Verizon NW's late payment fee. The complaints and inquiry
involved various issues which led to a late payment charge on the customers' telephone

bills. Several of these customers stated that Verizon NW assessed late fees while the customer was disputing charges on its monthly bill.

4 The Commission's Consumer Affairs Staff upheld Verizon NW in three of the seven informal complaints. On the four complaints in which the customers were upheld, the Company issued credits to the customers.

5 The number of late payment charge-related complaints in 2006 is less than the 14 informal complaints Staff detailed in its first report, which covered the period May to December, 2005 (first reporting period). During the first reporting period, Verizon NW also had more informal complaints and inquiries than other companies regarding late payment fees. However, during the 2006 reporting period, late payment charge-related complaints against other local telephone service providers were about the same as the number of complaints against Verizon NW.

6 Staff observes that in both reporting periods, there were a small number of complaints and inquiries regarding late payment charges. This suggests Verizon NW's customers are familiar with the fact that they pay more when they pay late. Staff concludes that the data do not reflect a high level of consumer concern about Verizon NW's late payment charge, and it is likely that Verizon NW is applying the charge properly.

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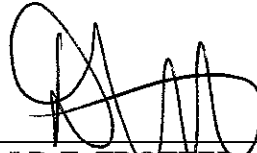
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7 Commission Staff will continue to collect and monitor Verizon NW late payment fee informal complaints and inquiries, and recommend changes to the Commission if necessary.

DATED this 15th day of February, 2007.

Respectfully submitted,

ROBERT M. MCKENNA
Attorney General

A handwritten signature in black ink, appearing to read 'D. Trotter', is written over a horizontal line.

DONALD T. TROTTER
Senior Counsel
Counsel for Washington Utilities and
Transportation Commission
(360) 664-1189

Attachment No. 1

**Commission Staff Late Payment Charge Complaints Report
Verizon Northwest Inc., Docket UT-040788**

February 15, 2007

**Verizon Northwest Inc. Late Payment Charge
Informal Customer Complaints to UTC**

Type	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total 2006	Monthly Average
Consumer Complaints Residential		1			1			1	1		1	1	7	.58
Consumer Complaints Business														
Customer Inquiries					1								1	.083

Attachment No. 2

**Commission Staff Late Payment Charge Complaints Report
Verizon Northwest Inc., Docket UT-040788**

February 15, 2006

**Verizon Northwest Inc. Late Payment Charge
Informal Customer Complaints to UTC**

	May 2005	June 2005	July 2005	Aug 2005	Sept 2005	Oct 2005	Nov 2005	Dec 2005	Total 2005	Monthly Avg
Consumer Complaints Residential	0	3	2	2	1	3	1	1	13	1.63
Consumer Complaints Business	0	0	1	0	0	0	0	0	1	.13
Customer Inquiries	0	0	1	0	0	1	1	2	5	.63

Docket No. UT-040788
CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing Commission Staff Late Payment Charge Report upon the persons and entities listed on the Service List below via e-mail, and by depositing a copy in the United States mail, addressed as shown on said Service List, with first class postage prepaid.

DATED at Olympia, Washington this 15th day of February, 2007.



KRISTA L. GROSS

All Parties have signed Confidentiality Agreements

Receive Confidential:

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