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BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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In the Matter of the Petition of)	Docket No. UT-
VERIZON NORTHWEST INC.)	
For Waiver of WAC 480-120-071)	PETITION OF WAIVER OF
)	VERIZON NORTHWEST INC.

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1. This petition is brought by Verizon Northwest Inc. ("Verizon"), 1800 41st Street, Everett, Washington 98201. Verizon is represented on this matter by:

Thomas F. Dixon
Assistant General Counsel - Northwest Region
Verizon
707 – 17th Street, #4200
Denver, Colorado 80202
Phone: (303)390-6206
Fax: (303)390-6333

2. As described more fully in paragraph 3, Verizon seeks a waiver from the requirements of WAC 480-120-071(2)(b) pursuant to WAC 480-120-071(7)(a). In the alternative, Verizon seeks a waiver of WAC 480-120-071(3)(a) pursuant to WAC 480-120-071(7)(b) and WAC 480-120-015. This petition relates to a request for service from Verizon made by Rachel O'Keefe.

I. RELIEF REQUESTED

3. Pursuant to WAC 480-120-071(7)(a), Verizon petitions the Commission for a waiver of, or an exemption from, the requirements of WAC 480-120-071(2)(b) with regard to extending service to Rachel O'Keefe (hereafter "O'Keefe" or "Applicant") in Verizon's Molson Exchange. In the alternative, if the Commission ultimately decides that service must be extended to the O'Keefe location, Verizon petitions the Commission pursuant to WAC 480-120-071(7)(b) and WAC 480-120-015 for a waiver of WAC 480-120-071(3)(a) in order to charge the applicant the direct cost to extend service. The cost to extend service to the O'Keefe location is estimated

1 at \$32,866.¹ It is unreasonable for Verizon and its customers to pay nearly \$33,000 to extend
2 service to one customer. In addition to the prohibitive expense of initial construction,
3 maintaining service to the O'Keefe location would impose substantial ongoing operational
4 difficulties and financial burdens on Verizon and its other customers.

5 **II. STATEMENT OF FACTS**

6 4. O'Keefe placed a service order with Verizon for residential telephone service at
7 86 Janet Marie Road, Oroville, Washington. The requested service location is approximately
8 nineteen miles from Oroville in Verizon's Molson Exchange. The property is over one mile
9 (5,625 feet) from the last existing Verizon facilities. At this time, because of winter conditions
10 and amount of snow in the O'Keefe location, a Verizon engineer has been unable to examine
11 location and determine to what extent rock sawing, stream crossings, or other road obstacles may
12 impact construction of the requested line extension to the O'Keefe property. Based upon a
13 photograph supplied by O'Keefe, Janet Marie Road appears to a dirt road. Accordingly, it is
14 likely that no governmental agency plows snow from any part of Janet Marie Road from the end
15 of the county section of Havillah Road into the applicant's property or any of the other property
16 along the road leading to the applicant's property. In addition, applicant's address is listed by the
17 United States Postal Service "as a non-deliverable address. Mail sent to this address will be
18 returned."

19 5. As demonstrated from the map and aerial photograph provided in Attachment A,
20 the O'Keefe location is in a remote, sparsely populated area. It is not part of a town, village or
21 other community. There do not appear to be other residential structures along the route or in the
22 vicinity of the O'Keefe location.

¹ Verizon's engineer has been unable to inspect the O'Keefe location and surrounding property due to winter and snow conditions. The estimated cost is based upon Verizon's records of the closest facility that could be used to serve O'Keefe. However, the estimate could change once Verizon's engineer is able to inspect the property and surrounding location to determine what, if any, technical difficulties may exist.

1 knowledge of whether, and at what cost, utility services or substitutes are available. Such
2 persons find ways to meet their utility needs that do not necessarily involve subsidization. For
3 instance, private power generators are common in remote areas, as are private water wells and
4 on-site sewage handling facilities.

5 10. An analysis of the factors set forth in WAC 480-120-071(b)(ii) also demonstrate
6 that service should not be extended to the O'Keefe location:

7 a. Total direct cost of the extension (WAC 480-120-071(b)(ii)(A)). It would
8 cost \$32,866 to extend facilities to this location. This would be an extraordinary cost to
9 impose to serve one customer.

10 b. The number of customers to be served (WAC 480-120-071(b)(ii)(B)).
11 Only one potential customer is involved.

12 c. The comparative price and capabilities of radio communication service or
13 other alternatives available to customers (WAC 480-120-071(b)(ii)(C)). Based on
14 Verizon personnel's knowledge of this area, cellular service is not available at the
15 O'Keefe location. Verizon also does not know that satellite telephone service is available
16 for the O'Keefe location. However, satellite telephone service is generally available in
17 the area. A variety of satellite telephone service plans are available, with monthly fees as
18 low as \$39.95 and effective per minute charges as low as \$0.14 for calls anywhere in the
19 U.S. and Canada.² Finally, Verizon spoke with a Qwest representative and determined
20 that it does not want to extend service to applicant. Verizon is unaware of any other
21 telecommunications provider in the vicinity who is willing to provide service to
22 applicant.

23 d. Technological difficulties and physical barriers presented by the requested
24 extensions (WAC 480-120-071(b)(ii)(D)). The technological and physical barriers to

²http://www.globalsatellite.us/prod_detail.aspx?Product_ID=667&Nav_ID=453 ,
http://www.daysatphones.com/voice_pricing.htm

1 extending and maintaining service to the O’Keefe location are described in Paragraphs 4-
2 7.

3 e. The effect on the individual and communities involved (WAC 480-120-
4 071(b)(ii)(E)). The effect on the individual requesting service would not be
5 commensurate with the expense to be incurred by the ratepayers to subsidize her service.
6 Applicant’s future residence is not part of any community and there would be minimal, if
7 any, beneficial effect to the nearest communities by extending service to this location.

8 f. The effect on the public switched network (WAC 480-120-071(b)(ii)(F)).
9 Verizon would have to reallocate significant funds that otherwise would have been used
10 to provide maintenance, upgrades and other extensions to the public switched network for
11 more of its customers. Diverting technicians to the remote O’Keefe location – especially
12 in harsh weather conditions that would increase travel and work times – would prevent
13 those technicians from meeting other customers’ needs.

14 g. The effect on the company (WAC 480-120-071(b)(ii)(G)). Misallocating
15 Verizon’s limited capital and expense dollars would harm Verizon’s overall ability to
16 serve its customers in the affected exchanges in order to add only one customer, and the
17 extra maintenance burdens would impact Verizon’s ability to provide service to its other
18 customers.

19
20 B. *In the alternative, if the Commission determines service must be extended to the O’Keefe*
21 *location, it should allow Verizon to recover its direct costs of extending its service under*
22 *WAC 480-120-071(7)(b).*

23 11. For all the reasons stated in Section III.A., including the analysis of the WAC
24 480-120-071(b) factors set forth in paragraph 10a – g. above,³ Verizon and its ratepayers should
25 not be forced to pay for the extension of service to this applicant. However, if the Commission

³ Although these factors apply to waiver requests seeking to recover direct costs under WAC 480-120-071(b), Verizon’s request that this Petition also be considered under WAC 480-120-015 enables the Commission to provide for recovery of direct costs without specific findings under those factors.

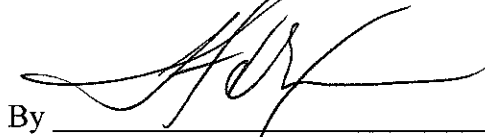
1 requires Verizon to build the line extension necessary to serve the O'Keefe location, recovery of
2 Verizon's direct costs associated with this extension would be appropriate under WAC 480-120-
3 071(b).

4 **IV. SUMMARY**

5 It would be unreasonable for Verizon to undertake such disproportionately expensive
6 construction in light of the nominal, at best, benefit of adding only one customer to its network.
7 Thus, Verizon presents this case for waiver of the line extension rule in order to protect its
8 existing and future customers and employees. The facts and circumstances of the O'Keefe
9 request warrant granting Verizon an exemption from, or waiver of, the WAC 480-120-071
10 obligation to extend service to this location. If the Commission decides to require extension of
11 service to the O'Keefe location, then it should permit Verizon to recover the direct costs of this
12 extension in advance directly from the applicant who is causing the costs to be incurred, rather
13 than from its other ratepayers.

14 Respectfully submitted this 27th day of December, 2006.

16 VERIZON NORTHWEST INC.

17 

18 By _____
19 Thomas F. Dixon, Assistant General Counsel
20 Northwest Region
21 Verizon
22 707 - 17th Street, #4200
23 Denver, Colorado 80202
24 (303) 390-6206
25 888-475 7218, ext. 3 (toll free)
26 thomas.f.dixon@verizon.com
27

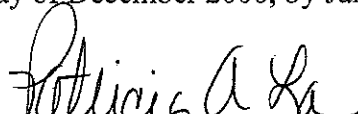
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VERIFICATION

I, Jan Davies, Engineer for Verizon Northwest, Inc., am generally familiar with the area but have not been able due to winter conditions to personally inspect the property located at 86 Janet Marie Road. I do attest to the accuracy of the factual statements contain in the foregoing petition to the best of my knowledge and belief.


Jan Davies

Subscribed and sworn to before me this 27th day of December 2006, by Jan Davies.


Notary Public



CERTIFICATE OF SERVICE

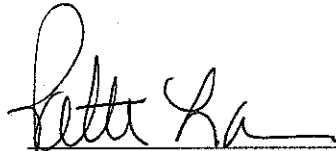
I HEREBY CERTIFY THAT I did on the 27th day of December, 2006, send a true and exact copy of the within petition and attachments by U S Mail, first class postage, prepaid, addressed to:

Rachel O'Keefe
1817D Havillah Road
Tonasket, WA 98855

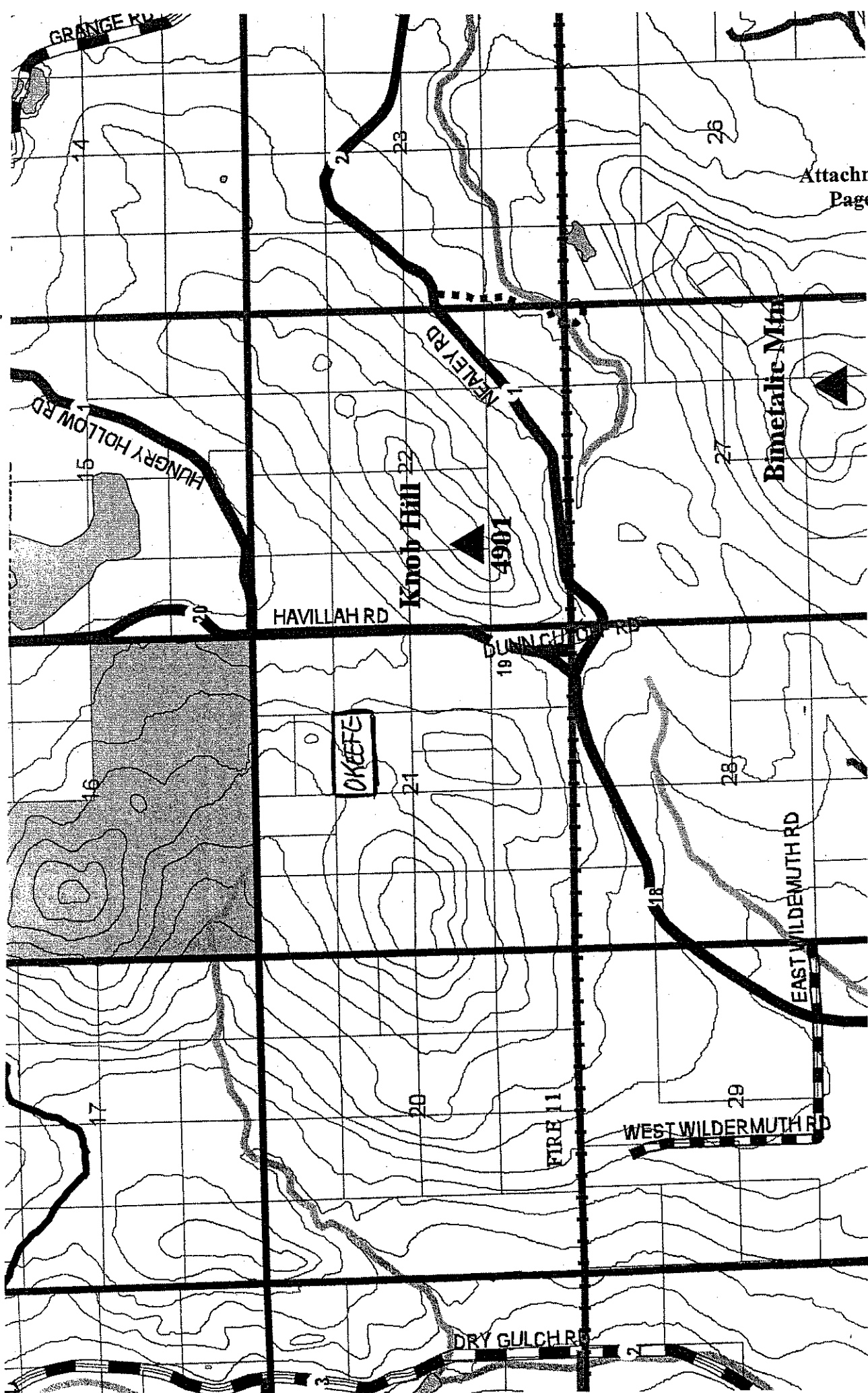
The following address is listed by the United States Postal Service "as a non-deliverable address. Mail sent to this address will be returned."

Rachel O'Keefe
86 Janet Marie Road
Oroville, Washington 98844-9240

Dated: December 27, 2006



Patti Lane



Estimator Report

Budget View: Estimate Jur: WN WC: 6706 WO: 9P001XX CTL:
Title: LINE EXT 86 JANET MARIE RD SVC FOR OKEEFE

Estimator Summary

Total

Material 2
 6
 X
 Total

Engineering Labor 2
 6
 X
 Total

Placing Labor 2
 VZ 6
 X
 Total

Splicing Labor 2
 VZ 6
 X
 Total

Direct Inp Dollars 2
 6
 X
 Total

Total Est 2 Account: 32866.30
Total Est 6 Account: 0.00
Total Est X Account: 0.00
Total Est IDC Charges: 0.00
Total Estimate: 32866.30

REDACTED VERSION -

Confidential per WAC 480-07-160