

March 7, 2006

Ms. Carole Washburn
Executive Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive SW
P.O. Box 47250
Olympia, WA 98504-7250

Re: Comments of John O'Rourke:
In the Matter of the Joint Application of Verizon Communications Inc., and MCI, Inc.,
For Approval of Agreement and Plan of Merger
Docket No: UT-050814

Dear Ms. Washburn:

Please accept these comments pertaining to the above referenced docket.

As former State Coordinator of the Low-Income Telecom Project (LITE) and a former employee of Spokane Neighborhood Action Programs (SNAP), I am submitting these comments to correct and clarify the record as it stands as a result of Verizon's "Statement Regarding Implementation of the Fund," submitted under this docket to the Commission on March 1, 2006.

Verizon's submission argues that SNAP and the LITE project exceeded the scope of its funding parameters. Verizon is mistaken. The approved grant proposal that SNAP submitted to the Seattle Foundation for funding from the Telecommunications Consumer Education Fund had three objectives:

- 1) Increase enrollment in the Washington Telephone Assistance (WTAP) and tribal lifeline programs;
- 2) Provide consumer education to low-income households on important telecom issues; and
- 3) Increase Washington resident participation in important telecom issues.

The program complied with the grant's limitations and with SNAP's legal responsibilities as a tax-exempt 501(c)(3) organization.

At the time the program began, enrollment in WTAP stood at approximately 25 percent of those eligible. LITE discovered at the commencement of the program, based on its experience of working with low-income households, that some of the most substantial barriers to enrollment in basic phone service, WTAP, and tribal lifeline were prior obligations (old unpaid phone bills), telephone company personnel unfamiliar with the programs, and telephone company cramming.

We discovered that many people couldn't enroll in basic phone service because they couldn't afford to pay large unpaid bills, in order to restore their service. We also consulted with many low-income people who relayed disturbing experiences of being told by phone company personnel that they weren't eligible for WTAP or lifeline, when they were, or were being given

wrong information on enrollment procedures. We also assisted people who enrolled in low-income programs, but received large bills for features and services they didn't order (during the course of the LITE project Qwest agreed to a substantial monetary settlement with the Washington Attorney General over just such alleged fraudulent practices) or did not contain the proper program discounts and credits.

To achieve the objectives outlined in our grant proposal we found it necessary to advocate for change. The decisions was consistent with SNAP's mission statement, which was provided to the Seattle Foundation with our original grant request, and which reads:

SNAP works for low-income and vulnerable by providing human services, housing and economic opportunities in a manner, which enhances dignity and advocating for programs, policies and resources that maximize individual capacities and promote strong communities. (Emphasis added).

What we had to advocate for were new rules to give low-income households affordable payment options on prior obligations. We advocated for stronger consumer protections to protect customers from companies that had a history of deceptive and fraudulent practices. We also believed it was our responsibility to argue for the lowest rates possible so that low-income, vulnerable, disabled, and senior households could have that basic tool, called a phone, to reach out to the community services they needed to improve their lives. Advocacy was necessary to achieve our objectives of increasing participation in low-income programs and making phone service more available to all Washington residents.

However, these efforts were only a small part of our activities under the LITE project. During the course of the project LITE personally assisted over 2800 low-income households with telecom problems, made consumer informational presentations to over 1700 low-income service organizations and 14,000 people, and distributed over 70,000 educational publications and brochures. During the course of the project, enrollment in WTAP increased by over 30 percent.

LITE also became Washington's expert on low-income telecom issues and was called on frequently by commission staff, Public Counsel, and others to participate in telecom workshops and policy discussions. LITE provided a perspective that had not been heard before from a large, important, and disadvantaged segment of Washington society. Because of LITE's efforts Washington phone subscription is among the highest in the country and public participation in WUTC proceedings has increased substantially.

Respectfully submitted,

John O'Rourke, Director
Citizens Utility Alliance
PO Box 30401
Spokane, WA 99223
1-800-679-6087