

**VERIZON NORTHWEST INC.
STATE OF WASHINGTON**

SUMMARY OF RATE INCREASES

**Annual
Revenue
Increase**

RESIDENTIAL AND BUSINESS SERVICES

Increase Residential Rates by \$9.80 and Local Packages by \$5.00¹
Increase Business Rates by \$9.80
Subtotal

\$84,750,667

OTHER SERVICES

Increase 2 & 4 Wire Special Access Rates by \$9.80 and DDS and DS1 by 25%
Establish Consumer Late Payment Charge of \$5 or 1.5%, whichever is greater
Establish Business Late Payment Charge of \$5 or 1.5%, whichever is greater
Reduce DA Free Call Allowance to 0
Increase Remote Call Forwarding Rates by \$7.00
Increase Custom Calling Service Rates by Various Rates
Increase Directory Listing Rates by \$1.95
Subtotal

\$25,054,360

GRAND TOTAL

\$109,805,027

¹ Residential Revenue includes \$*** M in Lifeline revenue that will be obtained from the fund.

**VERIZON NORTHWEST INC.
STATE OF WASHINGTON**

RESIDENTIAL NETWORK ACCESS SERVICE

	(a)	(b) 12 MTD 09/03 <u>Avg Units</u>	(c) <u>Current Rate</u>	(d) <u>Proposed Rate</u>	(e) <u>Change in Rate</u> (d) - (c)	(f) <u>Current Annual Revenues</u> (b) * (c) *12	(g) <u>Proposed Annual Revenues</u> (b) * (d) *12	(h) <u>Change in Annual Revenues</u> (g) - (f)
1								
2	Basic One Party Measured	***	\$7.25	\$17.05	\$9.80	***	***	***
3		***				***	***	***
4	Premium One Party Flat¹	***	\$13.00	\$22.80	\$9.80	***	***	***
5	Premium Foreign Company	***	\$13.00	\$22.80	\$9.80	***	***	***
6	Premium Foreign Exchange	***	\$13.00	\$22.80	\$9.80	***	***	***
7								
8	Premium Plus Flat²	***	\$13.00	\$22.80	\$9.80	***	***	***
9	Premium Plus Measured²	***	\$13.00	\$22.80	\$9.80	***	***	***
10		***				***	***	***
11	Local Package Extra	***	\$28.95	\$33.95	\$5.00	***	***	***
12	Local Package	***	\$25.95	\$30.95	\$5.00	***	***	***
13								
14	TOTAL	***				***	***	***

17 ¹ Includes Lifeline units.

18 ² Current and proposed rates do not include the flat rate service adder.

19

VERIZON NORTHWEST INC.
STATE OF WASHINGTON

BUSINESS NETWORK ACCESS SERVICE

	(a)	(b) 12 MTD 09/03 <u>Avg Units</u>	(c) <u>Current Rate</u>	(d) <u>Proposed Rate</u>	(e) <u>Change in Rate</u> (d) - (c)	(f) <u>Current Annual Revenues</u> (b) * (c) *12	(g) <u>Proposed Annual Revenues</u> (b) * (d) *12	(h) <u>Change in Annual Revenues</u> (g) - (f)
1								
2	<u>Business One Party</u>							
3								
4	Basic One Party Measured	***	\$17.70	\$27.50	\$9.80	***	***	***
5								
6	Premium One Party Flat	***	\$29.70	\$39.50	\$9.80	***	***	***
7	Premium Foreign Company	***	\$29.70	\$39.50	\$9.80	***	***	***
8	Premium Foreign Exchange	***	\$29.70	\$39.50	\$9.80	***	***	***
9								
10	Premium Plus Flat ¹	***	\$29.70	\$39.50	\$9.80	***	***	***
11	Premium Plus Measured ¹	***	\$29.70	\$39.50	\$9.80	***	***	***
12								
13	Subtotal	***				***	***	***
14								
15	<u>Business Trunk</u>							
16								
17	Basic Trunk - PBX - Two-Way	***	\$24.70	\$34.50	\$9.80	***	***	***
18	Basic Trunk - Key	***	\$24.70	\$34.50	\$9.80	***	***	***
19								
20	Premium Trunk - PBX	***	\$34.70	\$44.50	\$9.80	***	***	***
21	Premium Trunk - PBX Foreign Company	***	\$34.70	\$44.50	\$9.80	***	***	***
22	Premium Trunk - PBX Foreign Exchange	***	\$34.70	\$44.50	\$9.80	***	***	***
23	Premium Trunk - Key System	***	\$34.70	\$44.50	\$9.80	***	***	***
24	Premium Trunk - Key System - FX	***	\$34.70	\$44.50	\$9.80	***	***	***
25	Premium Trunk - PBX - DID	***	\$34.70	\$44.50	\$9.80	***	***	***
26	Premium Trunk - PBX - DOD	***	\$34.70	\$44.50	\$9.80	***	***	***
27	Premium Trunk - Key System - FCO	***	\$34.70	\$44.50	\$9.80	***	***	***
28	Premium Plus Trunk - Flat ¹	***	\$34.70	\$44.50	\$9.80	***	***	***
29	Premium Plus Trunk - Measured ¹	***	\$34.70	\$44.50	\$9.80	***	***	***
30								
31	Subtotal	***				***	***	***
32								
33	TOTAL	***				***	***	***
34								
35	¹ Current and proposed rates do not include the flat rate service adder.							

**VERIZON NORTHWEST INC.
STATE OF WASHINGTON**

SPECIAL ACCESS

	(a)	(b) 12 MTD 09/03 <u>Avg Units</u>	(c) Current <u>Rate</u>	(d) Proposed <u>Rate</u>	(e) Change in Rate (d) - (c)	(f) Current Annual <u>Revenues</u> (b) * (c) *12	(g) Proposed Annual <u>Revenues</u> (b) * (d) *12	(h) Change in Annual <u>Revenues</u> (g) - (f)
1								
2	<u>Voiceband Facilities</u>							
3	Special Transport (Per Mile)	***	\$4.45	\$5.56	\$1.11	***	***	***
4	Special Access Line Two-Wire	***	\$17.50	\$27.30	\$9.80	***	***	***
5	Special Access Line Four-Wire	***	\$26.50	\$36.30	\$9.80	***	***	***
6	Subtotal	***				***	***	***
7								
8	<u>Digital Data Services (DDS)</u>							
9	Special Transport - All Speeds	***	\$4.45	\$5.56	\$1.11	***	***	***
10	Special Access Lines - All Speeds	***	\$91.54	\$114.43	\$22.89	***	***	***
11	Subtotal	***				***	***	***
12								
13	<u>High Capacity DS1</u>							
14	DS1 Special Access Line - 1st System	***	\$150.00	\$187.50	\$37.50	***	***	***
15	DS1 Special Access Line - Addl System	***	\$142.50	\$178.13	\$35.63	***	***	***
16	Subtotal	***				***	***	***
17								
18	TOTAL	***				***	***	***

**VERIZON NORTHWEST INC.
STATE OF WASHINGTON**

LATE PAYMENT CHARGE

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
		Per Acct - Amt Overdue	No. of Accts	Current	30 Day	60 Day	90 Day	\$5.00 or 1.5% Whichever Greater
1								
2	Residential	< \$20.00	***	***	***	***	***	***
3		\$20 to \$29.	***	***	***	***	***	***
4		\$30 to \$39.	***	***	***	***	***	***
5		\$40 to \$199	***	***	***	***	***	***
6		\$200 to \$332	***	***	***	***	***	***
7		\$333 +	***	***	***	***	***	***
8	TOTAL RES AVG (10/02-9/03)		***	***	***	***	***	***
9								
10	ANNUALIZED (x12)			***	***	***	***	***
11								
12								
13								
14	Business	< \$20.00	***	***	***	***	***	***
15		\$20 to \$29.	***	***	***	***	***	***
16		\$30 to \$39.	***	***	***	***	***	***
17		\$40 to \$199	***	***	***	***	***	***
18		\$200 to \$332	***	***	***	***	***	***
19		\$333 +	***	***	***	***	***	***
20	SUBTOTAL		***	***	***	***	***	***
21								
22	Government	< \$20.00	***	***	***	***	***	***
23		\$20 to \$29.	***	***	***	***	***	***
24		\$30 to \$39.	***	***	***	***	***	***
25		\$40 to \$199	***	***	***	***	***	***
26		\$200 to \$332	***	***	***	***	***	***
27		\$333 +	***	***	***	***	***	***
28	SUBTOTAL		***	***	***	***	***	***
29								
30	TOTAL BUS AVG (10/02-9/03)			***	***	***	***	***
31								
32	ANNUALIZED (x12)			***	***	***	***	***

**VERIZON NORTHWEST INC.
STATE OF WASHINGTON**

DIRECTORY ASSISTANCE

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1									
2		Present	Proposed						
3		Call	Call						
4		<u>Allow</u>	<u>Allow</u>						
5	Business		1	0					
6	Consumer		2	0					
7									
8			12 MTD				Current	Proposed	Change in
9			09/03	Present	Proposed	Change	Annual	Annual	Annual
10			<u>Total Units</u>	<u>Rate</u>	<u>Rate</u>	<u>in Rate</u>	<u>Revenue</u>	<u>Revenue</u>	<u>Revenues</u>
11						(e) - (d)	(c) * (d)	(c) * (e)	(h) - (g)
12									
13	Business	Allowance	***	\$0.00	\$0.95	\$0.95	***	***	***
14	Consumer	Allowance	***	\$0.00	\$0.95	\$0.95	***	***	***
15									
16			***				***	***	***

**VERIZON NORTHWEST INC.
STATE OF WASHINGTON**

REMOTE CALL FORWARDING

	(a)	(b) 12 MTD 09/03 <u>Avg Units</u>	(c) Current <u>Rate</u>	(d) Proposed <u>Rate</u>	(e) Change <u>in Rate</u> (d) - (c)	(f) Current Annual <u>Revenues</u> (b) * (c) *12	(g) Proposed Annual <u>Revenues</u> (b) * (d) *12	(h) Change in Annual <u>Revenues</u> (g) - (f)
1								
2								
3	BUSINESS	***	\$16.00	\$23.00	\$7.00	***	***	***
4								
5	RESIDENCE	***	\$16.00	\$23.00	\$7.00	***	***	***
6								
7								
8	TOTAL	***				***	***	***

VERIZON NORTHWEST INC.
STATE OF WASHINGTON

CUSTOM CALLING FEATURES

(a)		(b) 12 MTD 09/03 <u>Avg Units</u>	(c) <u>Current Rate</u>	(d) <u>Proposed Rate</u>	(e) <u>Change in Rate</u>	(f) <u>Current Annual Revenues</u>	(g) <u>Proposed Annual Revenues</u>	(h) <u>Change in Annual Revenues</u>
					(d) - (c)	(b) * (c) *12	(b) * (d) *12	(g) - (f)
1								
2	RESIDENTIAL							
3	Individual Features							
4	Call Waiting/Cancel Call Waiting	Full rate	***	\$3.25	\$5.00	\$1.75	***	***
5		Flexible Pkg ¹	***	\$1.95	\$3.50	\$1.55	***	***
6	Call Forwarding	Full rate	***	\$2.80	\$4.00	\$1.20	***	***
7		Flexible Pkg ¹	***	\$1.68	\$2.80	\$1.12	***	***
8	3-Way Calling	Full rate	***	\$3.75	\$4.00	\$0.25	***	***
9		Flexible Pkg ¹	***	\$2.25	\$2.80	\$0.55	***	***
10	Speed Dialing 8	Full rate	***	\$2.80	\$3.50	\$0.70	***	***
11		Flexible Pkg ¹	***	\$1.68	\$2.45	\$0.77	***	***
12	Speed Dialing 30	Full rate	***	\$4.50	\$5.00	\$0.50	***	***
13		Flexible Pkg ¹	***	\$2.70	\$3.50	\$0.80	***	***
14	Call Block	Full rate	***	\$3.00	\$4.00	\$1.00	***	***
15		Flexible Pkg ¹	***	\$1.80	\$2.80	\$1.00	***	***
16	Priority Call - VIP Alert	Full rate	***	\$3.00	\$4.00	\$1.00	***	***
17		Flexible Pkg ¹	***	\$1.80	\$2.80	\$1.00	***	***
18	Call Trace PPU ²			\$1.50	\$3.00	\$1.50	***	***
19	Subtotal					***	***	***
20								
21	Packages							
22	Big Deal Option A		***	\$16.00	\$19.00	\$3.00	***	***
23	Big Deal Option B		***	\$9.00	\$12.00	\$3.00	***	***
24	GTE Basic Pack		***	\$10.95	\$13.95	\$3.00	***	***
25	GTE Complete Pack		***	\$16.95	\$19.95	\$3.00	***	***
26	Subtotal					***	***	***
27								
28	Total Residential					***	***	***
29								
30	BUSINESS							
31	Call Waiting/Cancel Call Waiting	Full rate		\$4.00	\$6.00	\$2.00	***	***
32		Choice PAC ¹		\$2.80	\$4.20	\$1.40	***	***
33	Call Forwarding	Full rate		\$3.30	\$5.00	\$1.70	***	***
34		Choice PAC ¹		\$2.31	\$3.50	\$1.19	***	***
35	3-Way Calling	Full rate		\$4.25	\$5.00	\$0.75	***	***
36		Choice PAC ¹		\$2.98	\$3.50	\$0.52	***	***
37	Call Trace PPU ²			\$1.50	\$3.00	\$1.50	***	***
38	Total Business					***	***	***
39								
40	GRAND TOTAL					***	***	***
41								
42	¹ Package Discounts		<u>Current</u>	<u>Proposed</u>				
43	Flexible Package		40%	30%				
44	Choice PAC		30%	30%				
45	² Call Trace units are the total for the 12 months from 10/02 - 9/03. Annual revenues = total units * rate.							

REDACTED VERSION

Confidential per Protective Order in WUTC Docket No. UT-040788

**VERIZON NORTHWEST INC.
STATE OF WASHINGTON**

DIRECTORY LISTINGS

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
		12 MTD	Current	Proposed	Change	Current	Proposed	Change in
		09/03	Rate	Rate	in Rate	Annual	Annual	Annual
		<u>Avg Units</u>	<u>Rate</u>	<u>Rate</u>	<u>in Rate</u>	<u>Revenues</u>	<u>Revenues</u>	<u>Revenues</u>
					(d) - (c)	(b) * (c) *12	(b) * (d) *12	(g) - (f)
1								
2								
3	Nonpublished	***	\$0.55	\$2.50	\$1.95	***	***	***
4								
5	Additional Listing	***	\$0.55	\$2.50	\$1.95	***	***	***
6								
7	Non Listing	***	\$0.55	\$2.50	\$1.95	***	***	***
8								
9	TOTAL	***				***	***	***