

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Competitive)	DOCKET NO. UT-040172
Classification of the Out-of-Area)	
Services of)	ORDER NO. 01
)	
)	ORDER INITIATING
Verizon Northwest Inc.)	COMPETITIVE CLASSIFICATION
)	OF VERIZON NORTHWEST INC.'S
)	OUT-OF-AREA SERVICES
.....)	

BACKGROUND

- 1 On November 21, 2003, Verizon Northwest, Inc. (Verizon) filed Tariff WN-U-24, in Docket No. UT-031924, pursuant to which Verizon would serve customers in locations within LATA 674 (Seattle LATA). The services are outside of Verizon’s exchanges (out-of-area). The relevant services are those offered via Special Access (DS1 and DS3), Synchronous Optical Network Service, Asynchronous Transfer Mode Service, Frame Relay Service, and Transparent LAN Service.
- 2 At the February 11, 2004, Open Public Meeting of the Washington Utilities and Transportation Commission (Commission), the Commission Staff recommended that the Commission initiate a proceeding to competitively classify the services. The Commission Staff stated that the services are subject to effective competition and that they should be classified as competitive pursuant to RCW 80.36.330 and WAC 480-121-061. For purposes of this proceeding, the geographic market is the Seattle LATA, excluding those areas within exchanges served by Verizon as the incumbent local exchange company.

FINDINGS AND CONCLUSIONS

- 3 (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate

rates, rules, regulations, practices, accounts, securities, and transfers of public service companies, including telecommunications companies. *RCW 80.01.040; Chapter 80.04 RCW; and Chapter 80.36 RCW.*

- 4 (2) Verizon Northwest Inc. is a telecommunications company providing service within the state of Washington as a public service company.
- 5 (3) The Washington Utilities and Transportation Commission may initiate competitive classification on its own motion. *RCW 80.36.330.*
- 6 (4) This matter was brought before the Commission at its regularly scheduled meeting on February 11, 2004.
- 7 (5) Pursuant to the representations of Commission Staff, the out-of-area services appear to be subject to effective competition. Unless the Commission's investigation demonstrates that this matter should be set for hearing, the services will be classified as competitive effective March 13, 2004.

ORDER

THE COMMISSION ORDERS:

- 8 (1) Verizon Northwest Inc.'s out-of-area services offered via Special Access (DS1 and DS3), Synchronous Optical Network Service, Asynchronous Transfer Mode Service, Frame Relay Service, and Transparent LAN Service shall be classified as competitive, effective March 13, 2004.

The Commissioners, having determined this Order to be consistent with the public interest enter this Order.

DATED at Olympia, Washington, and effective this 11th day of February, 2004.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARILYN SHOWALTER, Chairwoman

RICHARD HEMSTAD, Commissioner

PATRICK J. OSHIE, Commissioner