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Phone 425 261-5691 Fax 425 261-5262

April 30, 2004

Ms. Carole Washburn, Executive Secretary Washington Utilities and Transportation Commission 1300 S. Evergreen Park Drive S.W. Olympia, Washington 98504-7250

Dear Ms. Washburn:

Subject: Verizon Northwest Inc. (Verizon NW) Petition For An Order Approving Commencement of Bifurcated General Rate Case and Waiver of WAC 480-07-510(2); Petition Seeking Interim Rate Increase; and Advice No. 3121

Enclosed please find for filing the following documents:

- 1. Petition for an Order Approving Commencement of Bifurcated General Rate Case and Waiver of WAC 480-07-510(2) The petition is supported by separate testimony filed by Steven M. Banta, Nancy W. Heuring, Deborah Anders, James H. Vander Weide, Dennis B. Trimble, and Michael J. Doane. Twelve copies of the prefiled testimony and exhibits are enclosed. Also enclosed are three copies of the supporting work papers. As explained in this Petition, Verizon is not filing tariff sheets at this time, and seeks a waiver of the requirement to do so in WAC 480-07-510(2).
- Petition Seeking Interim Rate Increase The petition is supported by the interim rate relief testimony of Verizon NW witnesses Steven M. Banta, Nancy W. Heuring and James H. Vander Weide. Twelve copies of the prefiled testimony and exhibits are enclosed. Also enclosed are three copies of the supporting work papers.
- 3. Advice No. 3121 The purpose of Advice No. 3121 is to implement an interim surcharge of \$3.54 to recover \$29.7 million in interim rate relief, subject to refund, pending a decision in Verizon NW's general rate case. The requested interim rate relief would increase overall revenues from the residence class of local services by 24%, and would increase overall revenues from the business class of service by 5%. The requested effective date is July 21, 2004.
- 4. Also enclosed is the Summary Document as required by WAC 480-07-510(4). Pursuant to WAC 480-07-510(5), we are also mailing copies of the Summary Document to the persons listed on the Certificate of Service attached to this letter.

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5. In compliance with WAC 480-07-510(7), we have enclosed three copies of Verizon's 2003 Annual Report to Shareholders and Verizon NW's Forms 10Q for the most recent two years.

We have enclosed a CD ROM and a disk with electronic copies of the above documents where available.

Verizon NW requests that the documents contained in the envelopes or boxes marked **"Confidential Per WAC 480-07-160"**, as well as the file marked "confidential" on the disk containing confidential material be treated as confidential under the provisions of WAC 480-07-160(3). The information is "confidential" because it constitutes valuable commercial information, including trade secrets or other information defined in WAC 480-07-160 (2)(c). Verizon NW will also seek protection under the terms of a protective order to be entered in this adjudicative proceeding and this information would also qualify as confidential under WAC 480-07-160(2)(b) at that time. Verizon NW cannot identify any person, other than Verizon NW, that might be directly affected by disclosure of the confidential information. In accordance with WAC 480-07-160(3)(b), the documents are marked **"Confidential Per WAC 480-07-160"**. In accordance with WAC 480-07-160(3)(c) Verizon NW has enclosed redacted versions of the documents containing confidential information in separate envelopes or boxes marked appropriately. All unredacted documents have been printed on yellow paper.

Pursuant to WAC 480-120-198, we have provided the customer notice verification letter and a copy of the notice that will be issued to approximately 850,000 residential and business local service customers via a bill insert that informs them of Verizon NW's rate case filing and interim relief request. The notices will begin going out around May 7, 2004 and will be completed by approximately June 4, 2004.

All data requests should be addressed to:

By Email (preferred):	wadatarequest@verizon.com
By Fax:	972/718-4353
By Regular Mail:	Gregg E. Diamond Director, Regulatory 600 Hidden Ridge Irving, TX 75038 MC: HQE02E84

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In addition, please send copies of all correspondence and communication to:

Judith A. Endejan Graham & Dunn PC Pier 70 2801 Alaskan Way ~Suite 300 Seattle, WA 98121-1128 Direct: (206) 340-9694 Cell: (206) 799-4843 Fax: (206) 340-9599

Gregg E. Diamond Director, Regulatory 600 Hidden Ridge Irving, TX 75038 MC: HQE02E84 Direct: (972) 718-3418 Fax: (972) 718-4353

Richard E. Potter Director, Regulatory 1800 41st Street Everett, WA 98201 MC: WA0101RA Direct: (425) 261-5006 Fax: (425) 261-5262

Please indicate receipt of the above filing by date-stamping the copy of this letter that we have enclosed and return it to Mr. Diamond in the enclosed self-addressed, stamped envelope. Verizon requests that this filing be assigned one docket number. If you have any questions please call Mr. Diamond at (972) 718-3504.

Very truly yours,

David S. Valdez Vice President Public Policy & External Affairs

DSV:kad Enclosures

CERTIFICATE OF SERVICE

I hereby certify that I have this day served this document upon all of the following parties, as follows:

By overnight mail (with all enclosures):

Carole Washburn, Executive Secretary

Washington Utilities and Transportation Commission 1300 S. Evergreen Park Drive, SW Olympia, Washington 98504-7250

Don Trotter Asst. Attorney General 1400 S. Evergreen Park Dr SW Olympia, WA 98504 Email: <u>dtrotter@wutc.wa.gov</u>

Art Butler, Esq.

WeBTEC Ater Wynne LLP Suite 5450 601 Union Street Seattle, WA 98101 FX: 206.467.8406 Email: <u>aab@aterwynne.com</u>

By overnight mail (with Summary Document Only):

Terry Stapleton WITA 2405 Evergreen Park Dr. SW Suite B-2 Olympia, WA 98502 FX: 360/352-8886 Email: tstapleton@wita-tel.org

Mary Taylor AT&T 2120 Caton Way Suite B Olympia, WA 98502 FX: 360/705-3677 Email: marymtalyor@att.com

DATED this _____ day of April, 2004.

Simon ffitch

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Ron Roseman

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