



November 3, 2008

Mr. David Danner  
Executive Secretary  
Washington Utilities and Transportation Commission  
1300 S. Evergreen Park Drive, S.W.  
P.O. Box 47250  
Olympia, WA 98504-7250

Re: Long Distance Consolidate Billing Co.; Petition for Exemption of WAC 480-120-147(1)(c)

Dear Mr. Danner:

Long Distance Consolidated Billing Co. ("LDCB") hereby petitions the Washington Utilities and Transportation Commission ("the Commission") for an exemption from the "drop-off" requirement set forth in WAC 480-120-147(1)(c). Please find enclosed for filing the original and twelve copies of LDCB's Petition for Exemption.

Please acknowledge receipt of this filing by file-stamping and returning the extra copy of the Petition in the self-addressed, stamped envelope provided for this purpose. Should you require additional information, please contact the undersigned.

Sincerely,

Jan Lowe,  
President  
Long Distance Consolidated Billing Co.

Enclosures

cc: Simon ffitth, Public Counsel Section, Washington State Office of the Attorney General

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of

LONG DISTANCE CONSOLIDATED BILLING CO.

Petition For Exemption from the "drop-off"  
requirement of WAC 480-120-147(1)(c)

Docket No. \_\_\_\_\_

PETITION FOR EXEMPTION OF  
LONG DISTANCE CONSOLIDATED BILLING CO.

Long Distance Consolidated Billing Co. ("LDCB" or "Company") hereby petitions the Washington Utilities and Transportation Commission ("Commission") for an exemption from the "drop-off" requirement of WAC 480-120-147(1)(c). In support of its Petition, LDCB states as follows:

I. PETITIONING PARTY

LDCB, a reseller of long distance telecommunications service in the state of Washington, was registered as a Telecommunications Company in Docket UT-960472, on August 1, 1996. The Company was subsequently declared a Competitive Telecommunications Company in Docket UT-991059, on September 22, 1999. LDCB's company headquarters are located at 20 West Washington Street, Suite 6A, Clarkston, Michigan 48346.

II. STATUTES AND RULES AT ISSUE

LDCB requests an exemption from the Commission's rule which provides that a telecommunications company's sales representative "initiating a three-way conference call or a call through an automated verification system must drop off the call once the three-way connection with the third-party verifier has been established." WAC 480-120-

147(1)(c). The purpose of the drop-off component of this rule is to protect consumers from undue pressure when considering a change in their local or long distance service providers. Under the provisions of WAC 480-120-015, the Commission has the authority to grant exemptions from the sections of WAC 480-120-147 when it is in the public interest to do so.

### III. BACKGROUND

LDCB is unable to comply with the “drop-off” requirement as set forth in WAC 480-120-147(1)(c). Specifically, the technology used by LDCB’s telemarketing providers does not allow the person initiating a three-way call to drop off the line without also disconnecting the three-way call. Upgrading to a system that would allow LDCB’s telemarketers to drop off once a three-way call is initiated would be prohibitively costly for LDCB given its small size. Thus, LDCB is unable to comply with the “drop-off” requirement.

### IV. THE REQUESTED EXEMPTION IS IN THE PUBLIC INTEREST

LDCB’s exemption request is in the public interest for several reasons. When examining an issue under the public interest standard, one of the factors that the Commission may consider is whether the effect of applying the rule would be contrary to the underlying purposes of that rule. WAC 480-07-110(2)(c). LDCB’s request will not be contrary to the underlying purposes of the “drop-off” requirement which is to protect consumers from undue pressure when considering a change in their local and long distance service providers. LDCB’s policies require its sales representatives to remain silent once a three-way connection with a third-party verifier has been established. This

will minimize the effect of any undue pressure on the prospective customer from the Company's sales representative.

Additionally, strict adherence to these requirements in the case of LDCB will harm the public interest by reducing competition for the provision of telecommunications services within the state of Washington. When examining an issue under the public interest standard, one of the factors that the Commission may consider is whether application of the rule would impose undue hardship on the requesting person, of a degree or a kind different from hardships imposed on other similarly situated persons. WAC 480-07-110(2)(c). As stated previously, upgrading to a system that would allow LDCB's telemarketers to comply with the "drop-off" requirement would be prohibitively costly for LDCB given its small size. Strictly applying the "drop-off" requirement in the case of LDCB will impose undue hardship of a greater degree than that imposed on larger telecommunications companies which are better able to afford the technology needed to comply with the "drop-off" requirement. The prohibitive costs involved in complying with the "drop-off" requirement could force LDCB to discontinue service within the state of Washington which would reduce competition for the provision of telecommunications service and ultimately harm consumers.

Finally, LDCB has been exempt from the Federal Communication Commission's ("FCC") "drop-off" requirement since 2005. Under its rules, the FCC will exempt a telecommunications company from its "drop-off" requirement, if the company simply files a certification as to its inability to comply with the FCC's "drop-off" rule.<sup>1</sup> If the

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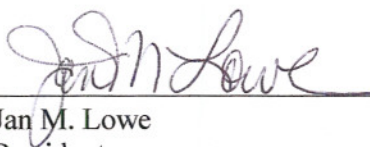
<sup>1</sup> See *Implementation of the Subscriber Carrier Selection Changes Provisions of the Telecommunications Act of 1996; Policies and Rules Concerning Unauthorized Changes of Consumers' Long Distance Carriers*, Third Order on Reconsideration and Second Notice of Proposed Rulemaking, 18 FCC Rcd 5099 (rel. March 17, 2003).

state of Washington does not grant an exemption from its “drop-off” requirement, while the FCC has granted such an exemption, it would undermine regulatory consistency between the federal and state levels, and such regulatory inconsistency is not in the public interest. Whereas, a uniform regulatory system benefits the public interest, because it is more cost efficient for individual companies and fosters competition within an industry as a whole.

#### V. RELIEF REQUESTED AND CONCLUSION

For the foregoing reasons, LDCB requests that the Commission grant an exemption from WAC 480-120-147(1)(c) with the respect to the requirement that the Company’s sales representative initiating a three-way call with a prospective customer and a third-party verifier drop off the line once the three-way connection with the third party verifier has been established.

Respectfully submitted,



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Jan M. Lowe  
President  
Long Distance Consolidated Billing Co.  
20 West Washington Street, Suite 6A  
Clarkston, Michigan 48346  
Phone Number: (248) 625-3245  
Email: [jlowe@ldcb.com](mailto:jlowe@ldcb.com)

## CERTIFICATE OF SERVICE

I hereby certify that I have this day mailed, via United States mail, first class postage prepaid, a true and correct copy of the PETITION FOR EXEMPTION OF LONG DISTANCE CONSOLIDATED BILLING CO. to:

Simon ffitch  
Section Chief  
Public Counsel Section  
Washington State Office of the Attorney General  
800 5th Avenue, Suite 2000  
Seattle, Washington 98104-3188

Dated this 3 day of November, 2008.



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