

Joan Gage
State Manager
Regulatory Affairs



February 20, 2004

WA0101RA
1800 41st Street
P.O. Box 1003
Everett, WA 98201

Phone 425 261-5238
Fax 425 261-5262

VIA EMAIL

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. COMMENTS – UT-040015**

Per the Notice issued on January 28, 2004, Verizon Northwest Inc. (Verizon) submits the following preliminary comments on some of the rules in Chapter 480-120 that the Commission Staff has identified for possible amendment.

WAC 480-120-021, WAC 480-120-302 Definition of Class A and Class B Companies

In deciding whether to amend these rules, the Commission and parties must think through all the ramifications on companies of placing them in one classification or another. It could be that the “Class A” and “Class B” designations have outlived their usefulness, and reporting and regulatory requirements should be imposed or not based on more substantive considerations.

First, when the RCW 80.04.530 “two percent exemption” to which Staff refers was enacted, the intent was to relieve small ILECs of some of the regulatory reporting requirements imposed on large ILECs. While local exchange companies that can demonstrate that they serve less than two percent of the state’s lines are absolutely entitled to the specific exemptions listed in the statute, the Commission may also exempt CLECs that serve more than the two percent level. In fact, the Commission has done this in WAC 480-121-063, pursuant to RCW 80.36.320(2). Thus, it would be helpful for the Commission to clarify its rules on reporting requirements applicable to CLECs.

Second, the Commission should, in any event, not use the provisions of RCW 80.04.530(c) to unnecessarily trap CLECs that are affiliated with ILECs. As the Staff points out, that statute says that “for purposes of this subsection, the number of access lines served by a local exchange

February 20, 2004

Page 2

company includes the number of access lines served in this state by any affiliate of that local exchange company.” At the time it was enacted, this proviso served the reasonable purpose of preventing ILECs from avoiding reporting requirements by dividing into a number of smaller companies that fell below the two percent threshold. If applied narrowly today, however, it could have the absurd result of placing the full reporting burden on a CLEC serving just 100 lines in Washington, if that CLEC happened to be affiliated with an ILEC that serves more than two percent of the state’s lines. This unwarranted result can be avoided by discarding the old Class A/Class B approach, and instead, clearly providing appropriate and competitively neutral treatment of all competitively classified companies.

WAC 480-120-147 Changes in Local Exchange and Intrastate Toll Services

The document attached to Staff’s January 16, 2003 memo states that the current rule does not require companies to record the date of the third party verification. Any dating requirement the Commission might adopt should permit techniques that companies currently use. Verizon requires its third party verifiers to electronically date stamp verification dates.

With regard to updating the rule to be consistent with federal anti slamming rules, as the Staff suggests, the requirement to submit a change order within 60 days should not apply to customers with whom the Company has term agreements. The full term of such contracts should be honored.

WAC 480-120-164 Pro Rata Credits

Verizon agrees with the Staff that it would be helpful to the industry if the scope of the rule were made clearer. In addition, it should be made clear that companies may calculate the 24 hours of out-of-service conditions using either a “billing cycle” or 30-day month basis.

WAC 480-120-166 Response to Informal Complaints

Verizon agrees with the Staff that this rule needs to be simplified and clarified.

Subsection (11) indicates responses for [additional] information must be provided within 2 days for service-affecting complaints (per subsection 6), or within 5 days for non service-affecting complaints (per subsection 7). This conflicts with subsection (8), which states responses for additional information must be provided within 3 days, unless commission staff requests a later date. However, adding a reference to subsection (8) in subsection (11) would only confuse matters more. Verizon recommends that subsection (11) be eliminated entirely.

In the alternative, Verizon recommends the verbiage be changed to read as follows: "The Company must provide information requested by staff regarding any informal complaint until such time as staff informs the company that the complaint is closed". This verbiage could also be added to the end of subsection (8).

WAC 480-120-201 through 216 Telephone Customer Privacy Rules

As the Staff points out, “The WUTC was permanently enjoined from enforcing its telephone customer privacy rules on August 27, 2003.” Therefore, the existing rules should be repealed.

WAC 480-120-253 Automatic Dialing-Announcing Device (ADAD)

Verizon agrees that this rule should be amended to allow for ADAD communication between companies and their existing customers with unlisted telephone numbers that is not solicitation or marketing in nature. The types of notifications listed in the order granting Qwest’s waiver in UT-030273 are precisely those that should be referenced so that waivers are not necessary.

In addition, some punctuation in subsection (5) may need to be corrected. Subsection (5) states that ADAD calls may be made “only if” and then it sets forth conditions in three subsections. Subsection (a) ends with “; and” so it appears that an ADAD call may be made if the conditions in both (a) and (b) are met. However, subsection (b) ends with a period rather than “and” or “or.” Thus, the relationship between the (a) & (b) conditions and the (c) condition is unclear.

WAC 480-120-999 Adoption by Reference

The Commission rule in this section should allow the use of the most recent versions of the indicated standards. Revisions to industry standards take place on a routine basis. For example, Institute of Electrical and Electronic Engineers (IEEE) standard IEEE-820 is currently undergoing a revision. A new version is expected to be released sometime in late 2004 or early 2005. Likewise, T1.510-1999 is scheduled for revision or reaffirmation in 2004. Communications companies try to stay current with the most recent versions of industry standards. The current version of the National Electrical Safety Code is 2002 not 1991. Obviously, when Commission rules cite a specific version of a standard, particularly an outdated version, problems can arise for national companies. Subsection (4) of this rule, which cites the 1998 version of 47 C.F.R, is a good case in point. If this subsection is not updated to allow use of the most current version of FCC accounting rules, companies will have to petition the Commission each time the FCC makes changes to the USOA.

Please call me if you have any questions.

Very truly yours,

/s/

Joan Gage
State Manager – Regulatory Affairs