

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**Utilities General - Tariffs, Price Lists,
and Contracts - Chapter 480-80 WAC
Parts B - Comprehensive Review,
C - Customer Notice, and D - Price Lists**

DOCKET NO. U - 991301

**COMMENTS OF VERIZON NORTHWEST INC.
AND
VERIZON SELECT SERVICES INC.
ON
PROPOSED TARIFF, PRICE LIST, CONTRACT AND
CUSTOMER NOTICE RULES**

August 15, 2001

I. INTRODUCTION

Verizon Northwest Inc. and Verizon Select Services Inc. (collectively "Verizon") submit these comments on the proposed tariff, price list, contract and customer notice rules pursuant to the Commission's Notice of Opportunity to File Written Comments dated July 24, 2001. Verizon continues to have serious concerns with some of the proposed rules.

II. COMMENTS ON SPECIFIC DRAFT RULES

GENERAL RULES

480-80-010 – Application of rules.

Verizon proposes adding the following to subsection (6):

- (6) On or after the effective date of these rules:
 - (a) Any tariff, price list, or contract currently on file and in effect is not required to be refiled to comply with these rules; or
 - (b) Any tariff, price list, or contract filing that is pending is not required to be refiled to comply with these rules.

Subsection (7) states that tariffs, price lists and contracts must comply with these rules.

Subsection (6) should also address all three. A company should not have to refile price lists or contracts that are pending or that are already on file and in effect prior to the effective date of these rules.

480-80-0X3 Transmittal letter.

Verizon suggests deleting the following in subsection (5):

- (5) Describe which services are impacted, ~~and the dollar amount and percentage of increase or decrease if the filing is a rate change. If a combination of changes is filed (i.e. increases and decreases), each change should be described, as well as the net impacts;~~

In some filings, the additional level of detail proposed in the draft rule could be quite lengthy.

TARIFFS

480-80-1X4 Substitute pages.

Occasionally, a company may agree to make revisions that could change the terms and conditions of a service contained in a pending tariff sheet based on negotiations with Staff. The proposed draft rule would not allow for this type of agreement now.

Therefore, Verizon suggests the following revisions to subsection (1)(a):

(a) Do not materially change the terms and conditions of service contained in the pending tariff. This restriction does not apply to changes made to address commission concerns with the filing;

480-80-1X12 Tariff adoption.

As Verizon stated in its June 6, 2001 comments, the draft rule makes several assumptions about the nature of changes in ownership, control and company names that may not be accurate and may not warrant the use of an adoption notice.

Verizon proposes a more flexible approach as follows:

- (1) When there is a change in the legal entity providing tariffed telecommunications services, the new entity must either:
 - (a) Put in place its own tariffs, effective with the change in the legal entity providing the services; or
 - (b) File a tariff adoption notice at least one day before the change in the legal entity providing the services.
- (2) A tariff adoption notice must contain, at a minimum, the following:
(Name of Utility) adopts and makes its own in every respect all tariffs, supplements and amendments filed with the Washington

Utilities and Transportation Commission by (Name of Previous Utility) prior to (Date).

- (3) The utility adopting the tariff must either:
 - (a) File to incorporate the adopted tariff into its own tariff within sixty days of the date of the filing of the adoption notice; or
 - (b) Refile the tariff under its own name within one year.
- (4) When a telecommunication company changes its legal name, it must refile its tariffs under its new name within one year.
- (5) Until the utility refiles tariffs under its own name, all revisions must include:
 - (a) The prior utility name, at the top of the sheet; and
 - (b) The new name at the bottom of the sheet.

PRICE LISTS

480-80-2x1 Use of price lists.

The proposed draft language in subsection (2) is confusing. It could be interpreted to mean that the entire company would be subject to full regulation if it files a tariff for a competitive service. Verizon assumes this is not the Commission's intent. Therefore, Verizon suggests the following revisions to subsection (2):

(2) A utility may file a tariff for a service even if the commission has determined that service to be subject to effective competition. If a utility elects to offer a competitive service by tariff, ~~the utility and the service~~ as to that service the utility will be subject to all rules and laws applicable to fully regulated services, and any waivers of rule or law otherwise applicable to competitive services or competitive utilities will not apply.

480-80-2X2 Interpretation and application of price lists.

Verizon incorporates its previous comments strongly opposing this draft rule. This draft rule attempts to usurp the legislative and judicial roles of determining the legal validity, scope and impact of price lists. Washington law specifies the use of "price lists" rather than "tariffs" for the provision of competitive services. See *RCW 80.36.320 and 330*. The fact that the legislature prescribed their use means that it intended for price lists to

be useful - - not the meaningless pieces of paper that this draft rule envisions. Moreover, as explained in Verizon's previous comments, the draft rule would significantly increase administrative burdens and costs for companies that use price lists. Therefore, this draft rule should be deleted in its entirety. At a minimum, the Commission should open a separate rulemaking to address this sort of far-reaching proposal.

480-80-2X4 Effective date of price list filings.

As Verizon has stated in previous comments, the draft rule should distinguish between rate increases and decreases. Rate decreases should be allowed to become effective upon filing or on a later effective date stated in the price list. Therefore, Verizon suggests the following revisions:

- (1) Any new price list or price list change that includes rate increases or material changes in terms and conditions becomes effective on the later of (a) the effective date stated in the price list, or (b) ten days after it is filed with the commission, ~~or (c) ten days after the utility provides to any existing customers actual notice of the change in accordance with WAC 480-120-XXX.~~
- (2) Any new price list change that decreases a rate is effective upon filing with the commission or on a later effective date stated in the price list.
- (3) ~~(2)~~ This section does not apply to the filing of price lists as a part of a telecommunications utility's application for registration and competitive classification under chapter 480-121 WAC.

WAC 480-80-2X5 Price list availability to customers.

Verizon suggests the following revisions to subsection (3):

- (3) Each utility must provide to any customer making a written or oral request a copy of the price list sheets applicable to that customer's service. The utility must provide the price list and may charge the customer no more than the commission charges for copies ~~at no charge to the customer~~. This subsection does not apply

if the utility makes available for public inspection, at a location within the customer's exchange, a complete copy of the price list.

Price lists can be lengthy and cover numerous services. Companies should only be required to provide copies that are relevant to the customer's service. If a company makes its tariffs or price lists freely downloadable from the Internet, it should be allowed to charge for hard copies of its tariffs and price lists.

CONTRACTS

480-80-3X1 Contract for service.

Verizon suggests the following addition to subsection (3) to clarify that contract forms must be provided to the Commission within five "business" days not "calendar" days:

- (3) Upon request, telecommunications companies must provide the commission with a sample of typical contract for service forms currently used within five business days.

480-80-3X2 Special contracts for telecommunications companies not classified as competitive.

The filing requirements in subsections (5) and (6) should be fifteen "business" days and subsection (7) should be thirty "business" days.

As stated in previous comments, subsection (8) unnecessarily expands the definition of "essential terms and conditions." No change should be made to the current practice.

Therefore, Verizon proposes the following revisions to subsections (8)(a)-(d):

- (a) Description of service; ~~Nature, characteristics, and quantity of the service provided;~~
- (b) Duration of the contract, and ~~including~~ the stated effective date, ~~ending date,~~ ~~and any options to renew;~~

(c) ~~Monthly recurring charge and non recurring charge. Charge(s) for service, including minimum charge provisions; and~~

(d) Geographic location(s), such as exchange or city, where service will be provided.

Customer Notice

480-120-04U Posting of tariffs for public inspection and review.

Only currently effective tariffs should be posted on a company's web site. It would be a waste of storage capacity to post tariff sheets that are not effective. Moreover, it would be a potential source of customer confusion. Therefore, Verizon proposes the following revisions to subsection (1)(a):

(1) **Web, telephone, and mail access.** The company must:

(a) Maintain a complete copy of its tariff or tariffs, ~~all current cancelled sheets, and all proposed tariff changes~~ on an Internet web site accessible to the public using generally available browser software;

Verizon proposes the following revisions to subsection (1)(c):

(c) Provide to any customer making a written or oral request a copy of a tariff sheet applicable to that customer's service. The company must provide the tariff sheet and may charge the customer no more than the commission charges for copies; Upon written or oral request by any customer or applicant, deliver at no charge a copy of any tariff page that relates to the customer's or applicant's service; and

As Verizon stated above, if a company makes its tariffs or price lists freely downloadable from the Internet, it should be allowed to charge for hard copies of its tariffs and price lists.

Verizon suggests the following revisions to subsection (2):

(2) **Physical access.** The company must make available for public inspection and copying a complete copy of its tariff or tariffs at its main business office, ~~all~~

~~current cancelled sheets, and all proposed tariff changes at one or more offices in each county where it offers service. The company must provide at each office either an agent qualified to assist the customer in locating, interpreting, and applying tariff provisions or access to such an agent by a toll-free telephone number.~~

Requiring a company to make its tariffs available at one or more offices in each county where it offers service is overly burdensome and unnecessary.

480-120-04Y Notice verification and assistance.

The requirements in subsection (1) are excessive and burdensome. Therefore, Verizon proposes the following revisions to subsection (1):

- (1) Customer notice verification. Within ten days of making a filing requiring posting, publication, or customer notice under WAC 480-120-04V, WAC 480-120-04W, or 480-120-04X, a company must provide the commission with a copy of the notice. ~~file a declaration with commission's records center that the required notice has been posted, published, and/or mailed. The declaration must include:~~
- ~~(a) The methods used to post, publish, and/or give notice to customers;~~
 - ~~(b) When the notice was first posted, published, and/or issued to customers;~~
 - ~~(c) How many customers are affected; and~~
 - ~~(d) A copy of the notice.~~

480-120-X15 Customer notice requirements - competitively classified telecommunications companies or services.

Companies should not be required to notice its customers for rate decreases. Any notices of rate decreases should be at the company's discretion. Also, notices for a change in terms and conditions should be limited to material changes. Therefore, Verizon suggests the following revisions to subsection (1)(a):

- (1) Prior notice. Customer notice before the effective date of changes to the price list for competitively classified companies or competitively classified services.
- (a) Amount of prior notice. Each affected customer must receive at least

- ten days' notice before the effective date when a company proposes to:
- (i) Increase rates; or
 - ~~(ii) Decrease rates; or~~
 - (ii) (iii) Materially change terms or conditions.

Verizon proposes the following revisions to subsection (4) for the reasons stated above for 480-120-04Y (1):

- (1) Customer notice verification. Within ten days of making a filing requiring posting, publication, or customer notice a company must provide the commission with a copy of the notice. file a declaration with commission's records center that the required notice has been posted, published, and/or mailed. The declaration must include:
- ~~(a) The methods used to post, publish, and/or give notice to customers;~~
 - ~~(b) When the notice was first posted, published, and/or issued to customers;~~
 - ~~(c) How many customers are affected; and~~
 - ~~(d) A copy of the notice.~~

480-121-X04 Customer notice requirements - petition for competitive classification of a service.

Verizon proposes the same revisions to subsection (2) as noted above for 480-120-X15 (2).