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BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION

	)
WASHINGTON UTILITIES AND	)Docket UT-040788
TRANSPORTATION COMMISSION,	)Volume VII
Complainant,	)Pages 635-705
v.	)
VERIZON NORTHWEST, INC.,	)
Respondent.	)

A public hearing in the above-entitled matter was held at 6:10 p.m. on Tuesday, August 17, 2004, at 2320 California Street, Everett, Washington, before Administrative Law Judge C. ROBERT WALLIS and Commissioner RICHARD HEMSTAD.

The parties present were as follows:

COMMISSION STAFF, by Donald T. Trotter, Assistant Attorney General, 1400 S. Evergreen Park Drive, S.W., P.O. Box 40128, Olympia, Washington, 98504-1028.

VERIZON NORTHWEST, INC., by Judith Endejan, Attorney at Law, Graham & Dunn, Pier 70, 2801 Alaskan Way, Suite 300, Seattle, Washington 98121, and David Valdez, Vice President, 1800 41st Street, P.O. Box 1003, Everett, Washington 98206.

PUBLIC COUNSEL, by Simon ffitch, Assistant Attorney General, 900 Fourth Avenue, Suite 2000, Seattle, Washington 98164.

Barbara L. Nelson, CCR  
Court Reporter

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1           COMMISSIONER HEMSTAD: Good evening, ladies  
2 and gentleman. I'll call this meeting to order. My  
3 name is Dick Hemstad, I'm one of the three  
4 Commissioners of the Washington State Utilities and  
5 Transportation Commission, and we are holding this  
6 public hearing tonight in Docket UT-040788. It is  
7 the application of Verizon Northwest, which has filed  
8 a request for a general rate case, increasing its  
9 rates, and we are holding this public hearing this  
10 evening to deal with their initial request for an  
11 interim, that is to say, a short-term rate increase  
12 pending the resolution of the larger issues in the  
13 entire case.

14           MR. KAMINSKI: Can't hear. You'll have to  
15 speak up. There's a lot of people that can't hear  
16 you.

17           MS. KAMINSKI: We can't even tell if you're  
18 talking to us or to yourself.

19           COMMISSIONER HEMSTAD: All right. I'm  
20 trying to understand how well this microphone -- I'm  
21 getting a lot of echo. Is that better?

22           MR. HANSON: We can hear you just fine.

23           COMMISSIONER HEMSTAD: With me tonight is  
24 Bob Wallis, an Administrative Law Judge, who will  
25 provide some additional information about the case

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1 and how we will proceed to take your testimony this  
2 evening.

3 I will add that this is part of the formal  
4 proceeding and your testimony will be recorded as  
5 part of the formal record for the entire case, and so  
6 you should treat it as you're providing testimony in  
7 this proceeding and rather than simply quite informal  
8 comments, but we wish to keep this as informal as  
9 possible in the context of this as part of the rate  
10 case in chief.

11 With that, I'll turn it over to  
12 Administrative Law Judge Mr. Wallis.

13 JUDGE WALLIS: Thank you, Commissioner. I'd  
14 like to begin by explaining who the people are that  
15 are in the front of the room. You can see to my left  
16 is Ms. Nelson, who's a court reporter, who is taking  
17 down the testimony that every person is going to  
18 give, the questions and the answers, so that the  
19 Commission has a full record of this proceeding when  
20 it deliberates on a decision regarding the interim  
21 rate increase.

22 To my right is counsel table. And seated  
23 there, in the order preceding from closest to me to  
24 farther away is, first, Mr. Trotter, Donald Trotter,  
25 who is counsel for the Commission Staff.

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1           Seated next to him, in the temporary absence  
2 of Verizon's counsel, is David Valdez, who is a vice  
3 president of Verizon Northwest, and he expects to be  
4 joined soon by their attorney, Ms. Judy Endejan.

5           Seated next to him, at the far end of  
6 counsel table, is Simon ffitch, who is Public  
7 Counsel, assigned by the Attorney General for this  
8 proceeding, and he is charged with representing the  
9 interests of the public in this docket.

10           In addition, I know that present in the  
11 building are two persons who represent other groups  
12 that have formally intervened that are taking part in  
13 this proceeding. One is the American Association of  
14 Retired Persons, AARP, and they are represented by  
15 Ron Roseman, who is present in the building. He's  
16 seated up toward the back. Mr. Roseman, raise your  
17 hand again, please.

18           And in addition, the Citizens Utility  
19 Alliance has formally intervened and is a party, and  
20 their Chief Executive Officer, Mr. John O'Rourke, I  
21 believe is outside the -- no, he's right here. Raise  
22 your hand, please.

23           And in addition to that, we have members of  
24 the Commission Staff who are present, both of our  
25 advocacy staff and our administrative staff. Could

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1 the Commission Staff representatives raise your  
2 hands? Okay. Thank you very much.

3 The purpose of tonight's session is for the  
4 Commission to hear your comments about the company's  
5 proposal. Unlike some public meeting sessions that  
6 you've attended, it's not an opportunity to exchange  
7 views with the Commissioner or with other parties,  
8 but it's to hear your story.

9 And I wanted to make sure that we introduce  
10 all of the participants so that if you do have  
11 questions, there are a number of people that you can  
12 ask. Mr. Valdez indicates that, in addition, if you  
13 have problems with the company, with your service,  
14 with any question other than the interim, that there  
15 are company representatives outside that will hear  
16 your concerns and deal with them.

17 So if you do have questions, please feel  
18 free to ask any of the individuals that I've  
19 identified, either at a break in the proceeding or at  
20 its conclusion, and if they don't know the answer,  
21 I'm sure that they'll either refer you to someone who  
22 does know the answer or they'll see that the question  
23 is passed along to someone who can address it for  
24 you.

25 The purpose of tonight's hearing is to hear

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1 your comments only on the interim proceeding. As  
2 Commissioner Hemstad indicated, the company has filed  
3 a general rate case. It recently filed tariffs in  
4 that case that indicate it's seeking an increase of  
5 about \$10 a line per month on a permanent basis, but  
6 that isn't the issue that we have tonight.

7           Tonight's issue is only interim, in which  
8 they are asking for a temporary increase of about  
9 \$3.50 a month per line for most of the company's  
10 lines, and that will end when the Commission enters  
11 its order in the general rate proceeding. Hearings  
12 on that general increase are going to be held in  
13 March. There will be public hearings, both in  
14 Everett and in Eastern Washington, where you can  
15 express your concerns about the general increase at  
16 that time. And when the Commission enters its order  
17 on the general, then the interim will cease to exist.

18           If the Commission finds that the company's  
19 entitled to a larger increase than \$3.50, then rates  
20 would go up. If the Commission finds that the  
21 permanent increase is less than the amount of the  
22 interim, then the rate that you pay would fall.

23           I'd like to talk for just a moment about the  
24 issues that the Commission is facing in this docket,  
25 and then I'd like to give people at counsel table the

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1 opportunity to comment on that description and add  
2 what they feel is important for you to know as you  
3 prepare and make your comments.

4           Last year, the Commission required the  
5 company, in another proceeding, to lower the charges  
6 that it made to long distance companies to connect to  
7 its lines by about \$30 million. The Commission  
8 refused the company's request at that time just to  
9 automatically increase others of its rates, but  
10 invited the company to come back in with more  
11 information for a general rate case, which the  
12 company now has done.

13           The company is asking for the equivalent of  
14 the funds that it lost in the access charges, or  
15 about \$30 million, as a result of the Commission's  
16 decision in this interim portion of the general rate  
17 case.

18           The company contends, in very broad terms,  
19 that it's losing money on Commission-regulated  
20 business. While the Commission has ruled in the past  
21 that it's entitled to earn about 10 percent on its  
22 investment as a result of its business, it says that  
23 it needs the interim increase, and it's only asking  
24 for the amount of last year's reduction, to achieve  
25 minimal health in its intrastate business.

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1           The other parties disagree. The Commission  
2 Staff argues that the company is not in as bad shape  
3 as it says it is, and that even though its regulated  
4 earnings are low, Staff says about two percent, it  
5 argues that the company doesn't need the money to  
6 maintain its operations.

7           Public Counsel, the Consumer Utility  
8 Alliance, AARP, the Department of Defense, and a  
9 business customer group called WeBTEC are all  
10 participants in this docket and, in general, they  
11 agree with Staff and they oppose an interim increase.

12           Commission Staff also argues that if there  
13 is an increase, it shouldn't be an equal amount for  
14 all customers, but it should be an equal percentage.  
15 Because residential rates are lower than business  
16 rates, that would mean a lower increase for home  
17 users and a higher increase for business users.

18           The company opposes that, arguing that  
19 business customers now have more options, and if  
20 their rates rise too fast or too far, those customers  
21 will leave the company entirely and get service from  
22 a competitor and everyone left on the system will be  
23 worse off.

24           So that's a very short description of the  
25 result of the hearing. We have evidence stacking



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1 about this high, we have two and a half days of  
2 transcript, the testimony of witnesses and  
3 cross-examination, and from that and the results of  
4 tonight's session, the Commission will receive briefs  
5 from the parties and make up its mind.

6 Now I'd like to give each of the parties the  
7 opportunity to respond or to amplify the very general  
8 comments that I have made very briefly, and I will  
9 acknowledge the arrival of Ms. Endejan, who does  
10 represent the company in this matter.

11 MS. ENDEJAN: Thank you, Your Honor. Would  
12 would you like to hear from the company first?

13 JUDGE WALLIS: Please proceed.

14 MS. ENDEJAN: David Valdez will deliver  
15 remarks for Verizon.

16 MR. VALDEZ: Good evening, and thank you for  
17 this opportunity for allowing me to explain why  
18 Verizon is seeking an interim increase of \$3.54 in  
19 the monthly price for basic residential and business  
20 telephone service in Washington State.

21 MR. KAMINSKI: Could you make that a little  
22 louder, please?

23 MR. VALDEZ: Certainly. Is this better? Is  
24 that better? Verizon faces an immediate and serious  
25 financial problem involving the company's intrastate

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1 operations in Washington. The company's revenues  
2 from intrastate operations are not covering the cost  
3 of the financial status, and therefore, we simply  
4 can't continue to lose money in the state and we need  
5 to adjust our rates.

6 It should be noted that Verizon's rates in  
7 Washington have generally remained unchanged or have  
8 decreased during the past 22 years. We need  
9 sufficient revenues to continue to provide quality  
10 customer service and continue to attract the  
11 investment needed to provide new products and  
12 services our customers want.

13 Through this interim request, Verizon seeks  
14 only enough revenue to get the company's earnings  
15 back in the black. In the months ahead, we will work  
16 with the Commission and interested parties to fully  
17 and fairly evaluate our long-term revenue needs and  
18 rate structure filed under the general rate  
19 proceeding.

20 The proposed interim rate adjustment will  
21 restore \$29.7 million in annual revenue, the amount  
22 by which the Commission reduced Verizon's payment for  
23 long distance carriers that use the company's  
24 networks. The interim rates would be in effect until  
25 the Commission completes the general rate case

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1 review, and the interim rates are subject to refund.

2           At Verizon, we are proud of the high level  
3 of service we provide our residential and business  
4 customers. We also take pride in the digital  
5 switching network, which is 2,400 miles of fiberoptic  
6 cable, 25,000 miles of copper, that serve both large  
7 and small customers. Supporting this network are  
8 more than 1,800 highly skilled and dedicated  
9 employees, who are active members in the communities  
10 that they serve across the state.

11           Verizon's Washington network is the result  
12 of 20 -- of 2.5 billion of investment. During the  
13 past four years alone, the company has invested more  
14 than 589 million to provide a high-quality network  
15 and state of the art services. We plan to invest an  
16 additional \$89 million in 2004.

17           Our traditional phone business in the state  
18 continues to shrink as the world changes and  
19 customers communicate in new ways. In 1999, Verizon  
20 was adding more than 4,000 lines per month. By 2003,  
21 the company was losing almost 2,900 lines per month.  
22 While we have held the line on the increases in our  
23 residential and business rates for more than two  
24 decades, our net income from intrastate revenues  
25 operations is now in negative territory.

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1           No one wants to pay more for any product or  
2 service, but it is now the time for the Commission to  
3 act on this interim rate request and then carefully  
4 consider our general rate filing.

5           Business and consumers alike benefit from a  
6 robust telecommunications network. We look to the  
7 Commission to restore Verizon's ability to reinvest  
8 in our local network and set rates that allow us to  
9 maintain strong customer service. I'd like to thank  
10 you for this opportunity.

11           JUDGE WALLIS: Mr. ffitch, for Public  
12 Counsel.

13           MR. FFITCH: Thank you, Your Honor. Can you  
14 hear me? Can you hear me now? Thank you, Your  
15 Honor.

16           Again, as I was introduced a bit earlier, I  
17 am Simon ffitch, Assistant Attorney General, with the  
18 Public Counsel office. And Public Counsel is part of  
19 the Washington Attorney General's office. Our office  
20 was created to represent, as the Judge indicated, to  
21 represent the customers of the regulated telephone  
22 companies in the state, for example, Verizon and  
23 Qwest, and also the regulated electric and gas  
24 companies, for example, Puget Sound Energy. And we  
25 have a handout at both of the information tables or

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1 the sign-in tables that describes our office.

2           And as the Judge indicated, we are  
3 representing the customers of Verizon in this case,  
4 and particularly emphasizing the interests of the  
5 residential and small business customers. We have  
6 presented expert financial testimony in this  
7 proceeding opposing the interim request. We did  
8 present that testimony jointly with AARP and with the  
9 WeBTEC organization, which is an association of very  
10 large business customers of telecommunications.

11           Our fundamental position is that Verizon  
12 does not face a financial emergency and has  
13 sufficient resources to maintain its Washington  
14 operations for the next few months without the need  
15 for an interim rate increase to tide them over.

16           In our view, any decision on Verizon's rates  
17 should await a full review of the company books in  
18 the full rate case. And while our testimony in the  
19 case is somewhat lengthy and technical, it boils down  
20 to, I think, to a couple of major points. One is  
21 that Verizon itself is, by most any measure, a  
22 healthy, very healthy telephone company, and we're  
23 concerned that the case that the company is  
24 presenting for interim relief is too narrowly focused  
25 on specific parts of the business and gives a

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1 misleading sense of financial difficulty, which you  
2 don't see if you take a broader look at the company  
3 operations.

4           We also place a lot of emphasis on the  
5 standards or the tests for when interim relief is  
6 appropriate. Ordinarily, regulated utility companies  
7 need to go through a full rate case and a careful  
8 review of their books before they are entitled to a  
9 rate increase.

10           The interim or temporary increase that's  
11 granted during the case is historically something  
12 that is only granted in extraordinary situations  
13 where a company is truly facing a serious financial  
14 emergency that could impair its operations in the  
15 state and its ability to provide service, and we --  
16 our analysis indicates that Verizon is not facing  
17 that kind of situation. So we have presented  
18 opposing testimony in the case.

19           As I say, we have handouts out front. I'd  
20 be happy to talk to anybody afterwards if you have  
21 additional questions.

22           JUDGE WALLIS: The last party who's  
23 represented at the counsel table tonight is  
24 Commission Staff, and I'll ask Mr. Trotter if you  
25 have some comments you'd like to make.

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1           MR. TROTTER: I'll try to be very brief,  
2 because this is your hearing. My name is Donald T.  
3 Trotter. I am an Assistant Attorney General, also.  
4 I'm assigned to represent the Commission. In this  
5 context, I represent the Commission Staff, and that  
6 consists of experts in accounting and finance and  
7 economics, and we present analysis and witnesses to  
8 the Commission. When the Commissioners make their  
9 decision, we don't participate in that.

10           MR. KAMINSKI: Louder, please.

11           MR. TROTTER: We do not sit with the  
12 Commission and help them decide the case. We are  
13 treated more like a party. So when they deliberate,  
14 they do that on their own, and their staff, at least  
15 the staff that I represent, do not participate with  
16 them in their deliberations. So we are treated as a  
17 party.

18           Our expert analysis shows that the company  
19 is not in a current actual financial emergency. In  
20 an interim rate case, the Commission, for about the  
21 past 32 years, has had a series of factors that they  
22 look at to determine whether a company should get  
23 rates before they've proven that their general rates  
24 should be increased. That's why they have a general  
25 rate case, and that will be resolved in the spring.

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1           So the issue right now is should they get a  
2 rate increase before they've proven a full  
3 entitlement to a general rate increase. And the  
4 facts we believe are important are fairly simple.  
5 Number one, and this is a very short list, I can  
6 assure you, Verizon Northwest is rated A, gets an A  
7 rating by the bond rating agencies. They have no  
8 problem issuing securities to finance their business  
9 on an ongoing basis.

10           Number two, they have access to about a \$500  
11 million cash pool that will tide them over during the  
12 time we're processing the general rate case.

13           So number three, in conclusion, there is no  
14 real emergency here. So accordingly, those are a few  
15 of the reasons why the Commission Staff has taken the  
16 position that their rates should not go up \$3.54 a  
17 month between now and May.

18           JUDGE WALLIS: Thank you, Mr. Trotter. Now  
19 I'd like to turn to public comment, and I'd like to  
20 explain the procedure that we'll be using tonight.  
21 When you signed in on the sign-in sheets and  
22 indicated that you would like to make comments,  
23 there's a note at the top that says, By indicating  
24 your intention to provide oral comments, you affirm  
25 that your testimony will be true, to the best of your



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1 knowledge. That means that I don't have to swear  
2 each of you in if you've signed in here. State law  
3 does require that, for the Commission to consider  
4 evidence in an adjudicative proceeding, which this  
5 is, the witnesses have to be testifying under oath,  
6 which, if you've signed in, you have agreed to do.

7 I'm going to go through the list and call  
8 people in order. I'll call the first name and, while  
9 that person is coming forward, I'll try to remember  
10 to tell the next person, mention that name, so that  
11 you'll be prepared and won't be surprised as we go  
12 forward.

13 We, as I indicated earlier, welcome your  
14 comments. That's why we're here. Please be polite  
15 and remember that there are others who would like to  
16 speak, keep your comments as focused as you are able.  
17 They'll be more effective that way. If you'd like to  
18 bring some notes with you, that's perfectly okay, to  
19 the stand. You'll notice that we have two  
20 microphones for witnesses. If you're more  
21 comfortable standing, you may stand at the podium and  
22 address the Commission. If you're more comfortable  
23 sitting down, you may use the table and microphone  
24 that's set up there. So you take your choice.

25 So with that, I'd like to begin calling

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1 witnesses down. When you come down, I'm going to ask  
2 a couple of really basic introductory questions, your  
3 name, address, whether you're a customer and whether  
4 you're representing a group or an organization in  
5 your testimony, and then you'll have the microphone.

6 June Meehan is the first person on our list, and  
7 after Ms. Meehan, we'll be calling Frank McCord.

8 Whereupon,

9                                 JUNE MEEHAN,  
10 having previously sworn to tell the truth, testified  
11 as follows:

12                     JUDGE WALLIS: Ms. Meehan, will you state  
13 your state your name and your address for the record,  
14 please?

15                     MS. MEEHAN: June Meehan, my address is 831  
16 169th Place Southwest, Lynnwood, Washington, 98037.

17                     JUDGE WALLIS: Thank you. I think that some  
18 of the people in the audience might be having trouble  
19 hearing you. Could you pull that microphone a little  
20 bit closer to you?

21                     MS. MEEHAN: I can step closer. How's that?

22                     JUDGE WALLIS: Much better. Ms. Meehan, are  
23 you a customer of Verizon?

24                     MS. MEEHAN: I am.

25                     JUDGE WALLIS: And are you speaking on your

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1 own behalf or are you representing others in your  
2 comments?

3 MS. MEEHAN: I'm speaking on my own behalf.

4 JUDGE WALLIS: Please proceed. Thank you.

5 MS. MEEHAN: Well, I have never been  
6 involved in anything like this before, but when I got  
7 my bill a couple months ago saying that there was  
8 going to be an increase, I immediately got out the  
9 stationery. I didn't get out my computer, I didn't  
10 type anything up; I wrote a handwritten letter,  
11 because I was outraged.

12 Last year, in the last 12 months, my  
13 increase was four percent. Actually, a little less  
14 than four percent. So when I saw that Verizon wanted  
15 an interim of almost 30 percent, I was a little  
16 upset, because every other utility I've gotten,  
17 there's been little fees and little different things.  
18 I have Verizon on my Internet, I have Verizon on my  
19 home phone, and I have Verizon on my cell phone.  
20 I've experienced increases in all of them.

21 And then, when this one happened, I thought,  
22 An interim, when they're already going to increase  
23 again? Didn't make any sense to me. Then, as I was  
24 here and I was reading more information, I noticed  
25 that essentially the interim and what the whole

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1 hullabaloo is is because of long distance, is what it  
2 looks like to me. Looks like more people are not  
3 using their home long distance because they're using  
4 their cell long distance, and I am one of those who  
5 do that.

6           But, again, I pay Verizon for that long  
7 distance, so I can't see where they're missing out on  
8 any money. They're still getting my money. As far  
9 as I can understand, their network is still growing,  
10 especially in the cellular end. Again, I can't see  
11 where they're losing any money. I find it very  
12 interesting and I would love to know if Verizon  
13 employees, especially their CEOs and vice-presidents,  
14 who put on a really big performance here and give a  
15 very bleak picture of Verizon's future in our state,  
16 what their increase was this year.

17           I also found it interesting, in the Seattle  
18 Times this morning, it talked about a widening gap in  
19 our troubled economy, and it's basically the middle  
20 class are lower, we're not making as much, and we're  
21 being taxed and feed to death. And quite frankly, I  
22 don't think that they deserve the interim, and I  
23 certainly don't think that they deserve the 75  
24 percent increase that they're seeking next. Thank  
25 you.

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1                   JUDGE WALLIS: Thank you for your comments.  
2 Frank McCord, and the next person will be Jack  
3 Collins.  
4 Whereupon,

5                   FRANK McCORD,  
6 having previously sworn to tell the truth, testified  
7 as follows:

8                   JUDGE WALLIS: Mr. McCord, would you state  
9 your name and your address for our record, please?

10                  MR. McCORD: Frank McCord, 5730 Sound  
11 Avenue, Everett, Washington.

12                  JUDGE WALLIS: And are you a customer of  
13 Verizon?

14                  MR. McCORD: I am.

15                  JUDGE WALLIS: And are you representing any  
16 group here today or are you speaking on your own  
17 behalf?

18                  MR. McCORD: On my own behalf.

19                  JUDGE WALLIS: Please proceed.

20                  MR. McCORD: Well, I appreciate the  
21 opportunity to come. This is, I think, an important  
22 issue. As a CPA and a banker, the economics and the  
23 cost accounting are both complex and complicated and,  
24 quite frankly, I do not have the time to spend the  
25 hours and days to really study them and comment

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1 knowledgeable on the economics.

2 I would say, though, that as an accountant,  
3 a CPA, that looking backwards financially is  
4 dangerous. You want to look forward, because a  
5 crisis can pop up in a hurry, especially when you  
6 have an industry which is changing rapidly in terms  
7 of technology and which is requiring very large,  
8 unusual investments.

9 And yes, your bond rating might be fine  
10 today, but that doesn't mean it will be okay a year  
11 from now, and if you want any evidence to that, look  
12 over the past two or three years at Enron and all  
13 those corporations that were high-flyers and doing  
14 well, we thought, and then were out of business  
15 shortly thereafter. So it does require an open mind  
16 and some very careful accounting analysis.

17 I'm sure we have the resources and talent to  
18 go ahead and do that. I would like to speak a little  
19 bit on an area where I do think I have some  
20 qualifications to speak on, and that is Verizon as a  
21 service provider, because I am a customer, and also  
22 as a corporate citizen and a good neighbor.

23 Over the last 30 years, I've had a chance to  
24 observe many, many corporations in this area and what  
25 they do and what they don't do. And I give Verizon

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1 very, very high marks for what they do in our  
2 community.

3 I did not know until recently that Verizon  
4 contributes over a million dollars in donations in  
5 the Northwest and over 500,000 here in the state of  
6 Washington, but perhaps more important than that,  
7 Verizon management and employees provide critical  
8 leadership in many, many organizations, the Chamber  
9 of Commerce, economic development, service clubs,  
10 charities, countless charities, and so they -- I give  
11 them great marks as a good corporate citizen, and  
12 I've observed that firsthand over many years here.

13 None of us like to have our phone bills  
14 increased, but as employees, all of us like to have a  
15 salary increase. And my limited knowledge indicates  
16 that they've had very few salary increases and some  
17 recent substantial cuts in their local  
18 reimbursements.

19 I would just like to commend them for what  
20 they've done here in the community locally, as a good  
21 citizen, for their generosity and for the leadership  
22 of their management group, and I can't really come to  
23 a conclusion as to whether they have to have an  
24 interim resource, an interim increase at this point  
25 in time, but I would say that, as a CPA and a banker,

0658

1 that -- don't wait till the last second, because  
2 corporations can get in big trouble, and once the  
3 bond rating goes down and once you have financial  
4 problems, it's very difficult to go ahead and recoup  
5 those losses. Thank you.

6 JUDGE WALLIS: Thank you, Mr. McCord. Mr.  
7 Jack Collins, and the next person on the list is  
8 Joyce Vander Vate.  
9 Whereupon,

10 JOHN B. COLLINS,  
11 having previously sworn to tell the truth, testified  
12 as follows:

13 JUDGE WALLIS: Would you state your name and  
14 your address for the record, please?

15 MR. COLLINS: My name is John B. Collins.  
16 My address is 4569 Purdue Avenue Northeast, Seattle,  
17 Washington, 98105.

18 JUDGE WALLIS: Are you a customer of  
19 Verizon?

20 MR. COLLINS: My -- our home office is not a  
21 customer of Verizon, but we operate a private  
22 non-profit, we have a contract at the moment with the  
23 town of Woodway, which is a customer, and I work  
24 there 12 hours a week.

25 JUDGE WALLIS: Are you speaking on behalf of



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1 a group or an organization or business or on your own  
2 behalf?

3 MR. COLLINS: On behalf of a private  
4 non-profit corporation.

5 JUDGE WALLIS: Please proceed.

6 MR. COLLINS: I'm executive director of  
7 Northwest Small Cities Services. We have two  
8 employees. We have been incorporated in Washington  
9 for 16 years. We serve small, that is to say, under  
10 5,000 population, poor, that is to say 50 percent of  
11 the low and moderate income standard cities  
12 throughout Washington, and occasionally in Oregon and  
13 Idaho.

14 We offer a wide range of services to these  
15 small communities. Our principal relationship with  
16 Verizon Northwest has been with the Verizon  
17 Foundation and through donations, as mentioned by the  
18 person who testified just previous to me.

19 We have received three generous grants, each  
20 of \$10,000, to provide services to these small  
21 communities. Two of them were for telecommunications  
22 workshops, where we exclusively invited small elected  
23 and appointed officials -- I guess they're not small  
24 officials; they're normal sized officials, but  
25 they're from small cities. And we did a pilot

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1 project for the Verizon Foundation, which involved  
2 three small and poor cities in Skagit County,  
3 Hamilton, Lyman and Concrete, for those of you who  
4 are familiar with cities in that county.

5 We provided technical assistance to these  
6 officials to try and determine how they could best  
7 improve their telecommunications capacity both in the  
8 workshops and in the direct communities. The Verizon  
9 Foundation is a corporate foundation, unlike some  
10 others that we deal with that are community-based or  
11 not connected with corporations.

12 Nevertheless, Verizon has been very generous  
13 and nondirective to our activities. In fact, they've  
14 not insisted that we provide services in Verizon's  
15 service area. They've asked us to figure out who to  
16 help and where to help them, and have not advised us  
17 to do otherwise. They've provided facilities,  
18 they've provided staff, and as I mentioned, they have  
19 provided financial resources, and we've been  
20 particularly grateful to Marilyn Hogarth and John  
21 Gustafson, who are involved with the foundation  
22 locally. Both of them really have demonstrated that  
23 they care about serving small cities and towns, and  
24 it's our firm belief that the company does, as well,  
25 and certainly so do we.

0661

1           So we support Verizon's interim increase  
2 request, we know how important their support is to  
3 private non-profits such as ourselves, and therefore  
4 we support the increase request.

5           JUDGE WALLIS: Thank you for your comments.  
6 Ms. VanderVate did not indicate a desire to testify.  
7 If you would like to testify, you may step forward.  
8 Otherwise, the next person on our list is Ed  
9 Petersen. Mr. Petersen, please step forward, and the  
10 person next on the list is Larry Hanson, who  
11 indicates maybe he would like to testify.

12 Whereupon,

13                           ED PETERSEN,  
14 having previously sworn to tell the truth, testified  
15 as follows:

16           JUDGE WALLIS: Would you state your name and  
17 your address for our record, please?

18           MR. PETERSEN: Ed Petersen, 1524 Grand  
19 Avenue, Everett, Washington.

20           JUDGE WALLIS: Are you a customer of  
21 Verizon?

22           MR. PETERSEN: Yes, I am.

23           JUDGE WALLIS: Are you appearing on behalf  
24 of a group or organization or on your own behalf?

25           MR. PETERSEN: On behalf of a non-profit

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1 corporation named Housing Hope.

2 JUDGE WALLIS: What was the name, please?

3 MR. PETERSEN: Housing Hope.

4 JUDGE WALLIS: Housing Hope. Please  
5 proceed.

6 MR. PETERSEN: Okay. Thank you. Very  
7 pleased to have the opportunity to share a couple of  
8 comments. This will be fairly brief.

9 Housing Hope is a non-profit corporation  
10 serving homeless families in Snohomish County,  
11 seeking to mobilize community involvement in support  
12 for addressing a very complex and costly and  
13 challenging issue, that of affordable housing, and  
14 particularly as it relates to homeless and very low  
15 income households.

16 Comments that have been made about the  
17 Verizon Corporation as a positive, good corporate  
18 citizen, I would echo. We rely on community support  
19 to address this critical issue, and Verizon has been  
20 there every time we have sought their support.  
21 They've been with us in a variety of ways. They've  
22 offered considerable technical assistance from  
23 experts within their company who have helped us  
24 develop a technology plan for our agency, have helped  
25 us upgrade our telephone service, have helped us

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1 develop our resources in a variety of ways over quite  
2 a number of years. They provide Internet  
3 contributions, most recently to equip a computer lab  
4 design to assist low income households to be more  
5 capable in the computer world.

6           So they have been, and I've witnessed this  
7 in a variety of ways, a good corporate citizen, one  
8 we would not want to lose in this community that has  
9 the heart of the community and the well-being of the  
10 lower income population in this community at heart.

11           Second comment that I'd like to make is that  
12 I'm very interested in the Washington Telephone  
13 Assistance Program, which provides low income  
14 households with substantially reduced rates for their  
15 use of telephone systems. I understand that the  
16 current proposal, neither the interim nor the general  
17 rate increase are proposing that that would be  
18 increased. I would like to advocate that that in  
19 fact be the case, that this low income telephone  
20 assistance program be continued, and in fact, I'd  
21 advocate for it to be expanded, because the need is  
22 very great and telephone utilization for very low  
23 income households living on fixed incomes or entry  
24 level wages is indeed a challenge, and given the cost  
25 of housing and other essentials in this community,

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1 the degree to which low income households can benefit  
2 from reduced telephone rates is a very key factor in  
3 our effort to try to resolve the issue of  
4 homelessness and the special needs of very low income  
5 households in this community. Those would be my  
6 comments.

7 JUDGE WALLIS: Thank you very much. Larry  
8 Hanson, if you would like to testify, please step  
9 forward. The next person on the list is Bob Barta.  
10 Whereupon,

11 LARRY HANSON,  
12 having previously sworn to tell the truth, testified  
13 as follows:

14 JUDGE WALLIS: Would you state your name and  
15 your address for our record, please?

16 MR. HANSON: Larry Hanson, 4805 West  
17 Glenhaven Drive, Everett, Washington.

18 JUDGE WALLIS: Are you a customer of  
19 Verizon?

20 MR. HANSON: Yes.

21 JUDGE WALLIS: And are you representing  
22 others here or are you representing yourself?

23 MR. HANSON: I'm representing myself.

24 JUDGE WALLIS: Please proceed.

25 MR. HANSON: I was that very solid maybe on

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1 the piece of paper, because I wanted to come and  
2 listen and learn, but when you asked that question, I  
3 felt I needed to step forward and share a few brief  
4 thoughts, maybe in three areas.

5           As a residential customer, it has been  
6 important in my household that we keep pace with the  
7 technology, because our needs have increased, as  
8 well, but as a former president and publisher of the  
9 local newspaper here for the -- for 18 years prior to  
10 my retirement a couple of years ago, I worked very  
11 closely in our technological challenges in growth in  
12 our business to GTE and then Verizon to be a partner  
13 with us, to be up on the technology, to be on the  
14 cutting edge.

15           I know, from a business perspective, how  
16 expensive it is, what investment it takes to be on  
17 the cutting edge, but it was critical to our  
18 business, because it was changing so fast. And each  
19 time we had a need, we saw GTE, as a business and a  
20 business partner, step up, willing to make  
21 investments along with us to provide the technology  
22 that would allow us to operate 24/7 in our business.  
23 And so with that rapid technological change, it was  
24 important to us and we expected to pay  
25 proportionately for that increase in capability.

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1           So what I saw in that process was the  
2   company willing to engage, to respond, and to put in  
3   place the technology we needed. As a business  
4   person, it would be difficult for me to see how I  
5   could run my business over a sustained period of  
6   time, 20 years, without an increase in subscription  
7   rates and advertising rates, because part of what has  
8   to happen is we have a responsibility -- I can only  
9   imagine in Verizon's situation, they need much more  
10  highly educated, technical folks to work for them,  
11  and from an economic development perspective, that's  
12  really important family wage jobs.

13           I served as chair of the Snohomish County  
14  Economic Development Council for a couple of years,  
15  and I know how hard we worked to get family wage jobs  
16  in our community. I think Mr. McCord made a key  
17  point when he said don't wait too long. If they're  
18  under siege from a financial standpoint, this interim  
19  increase makes sense to me, from a business  
20  perspective, and I, as a private person, as I did in  
21  business, was willing to pay for that to make sure  
22  that they were a healthy company.

23           And the final point I'll make, too, as a  
24  community person being involved in a number of  
25  community areas, shoulder to shoulder with me and



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1 others in this community has been Verizon leadership  
2 and staff in a whole range of areas. They really are  
3 important citizens here, and so I would support the  
4 increase.

5 JUDGE WALLIS: Thank you, Mr. Hanson. Next  
6 person is Bob Barta. The next person on our list  
7 who's indicated a desire to testify is Louise  
8 Stanton-Masten.  
9 Whereupon,

10 BOB BARTA,  
11 having previously sworn to tell the truth, testified  
12 as follows:

13 JUDGE WALLIS: Would you state your name and  
14 your address for our record, please?

15 MR. BARTA: Yes, my name is Bob Barta,  
16 B-a-r-t-a, my wife and I live at 112 Forest Court in  
17 the city of Everett.

18 JUDGE WALLIS: Are you a customer of  
19 Verizon?

20 MR. BARTA: Yes, I am.

21 JUDGE WALLIS: And are you appearing on  
22 behalf of others tonight?

23 MR. BARTA: My wife.

24 JUDGE WALLIS: Please proceed.

25 MR. BARTA: And myself. I prepared a

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1 comment, if that's permissible --

2 JUDGE WALLIS: Certainly.

3 MR. BARTA: -- just to read. Thank you.

4 JUDGE WALLIS: I will ask you -- it's often  
5 tempting to read very quickly when we're reading a  
6 statement.

7 MR. BARTA: I won't.

8 JUDGE WALLIS: And our court reporter has  
9 trouble sometimes keeping up, so --

10 MR. BARTA: You betcha. In that case, she  
11 may have this.

12 JUDGE WALLIS: Thank you.

13 MR. BARTA: My wife and I object strongly  
14 and -- to both the Verizon interim and permanent rate  
15 increase for residential telephone service. Verizon  
16 claims technology has changed the way people  
17 communicate. Instead of calling each other the  
18 old-fashioned way, the majority are now using e-mail,  
19 instant messaging, voice calls over the Internet and  
20 wireless services.

21 As a result, Verizon argues it has lost  
22 revenue and should be compensated generously for the  
23 very people -- by the very people it serves. This  
24 argument would shift the responsibility from  
25 Verizon's failure to have had the vision to foresee

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1 the obvious changes in technology, and to have  
2 restructured its investment strategy and practices to  
3 prepare for these changes.

4           Instead, Verizon would penalize its  
5 customers for its own shortcomings. Verizon states  
6 its proposal would not affect customers in low income  
7 households who would continue to pay \$8 a month for  
8 monthly telephone service. However, what about those  
9 of us who live on fixed retirement incomes and are  
10 continually trying to cut corners here and there to  
11 make ends meet?

12           It's not fair for Verizon to ask its  
13 customers to compensate for something over which they  
14 had absolutely no control. Verizon's proposed  
15 monthly increase, from \$13 to 22.80 for residential  
16 service is, in our opinion, my wife and I, outrageous  
17 and unjustified. Thank you.

18           JUDGE WALLIS: Thank you for your comments.  
19 Louise Stanton-Masten, and the next person indicating  
20 a desire to testify is Stephen Burling.

21 Whereupon,

22                               LOUISE STANTON-MASTEN,  
23 having previously sworn to tell the truth, testified  
24 as follows:

25           JUDGE WALLIS: Would you state your name and

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1 your address for our record, please?

2 MS. STANTON-MASTEN: Certainly. My name is  
3 Louise Stanton-Masten. My home address is 6909 185th  
4 Street, Southwest, in Lynnwood, Washington, and my  
5 business address, which is the Everett Area Chamber  
6 of Commerce, is 2000 Hewitt Avenue in Everett,  
7 Washington.

8 JUDGE WALLIS: Are you a customer of the  
9 company?

10 MS. STANTON-MASTEN: I am.

11 JUDGE WALLIS: And are you appearing on your  
12 own behalf or on behalf of your organization?

13 MS. STANTON-MASTEN: On behalf of the  
14 Everett Area Chamber of Commerce, but I will also  
15 make a few personal comments, as well.

16 JUDGE WALLIS: Please proceed.

17 MS. STANTON-MASTEN: Thank you. I  
18 appreciate the opportunity to comment to you on  
19 Verizon's interim rate increase. I want to be clear  
20 that the Chamber has not taken a formal position on  
21 this matter, but I wanted to come before you this  
22 evening to make several points for the Commission's  
23 consideration.

24 We understand that Verizon's request for  
25 this interim rate increase, which you're hearing this

0671

1 evening, is a very complex issue, and also recognize  
2 that any rate increase will impact both general  
3 consumers and the business community.

4           We also, though, have spent some time  
5 looking at the issue and understand that there are,  
6 in fact, several factors that have brought Verizon to  
7 request this rate increase. Most importantly, in my  
8 opinion, is the company's ability to continue to  
9 provide essential telecommunications infrastructure  
10 for both individuals and businesses.

11           We understand, as you have heard earlier  
12 this evening, that the company's basic rates for  
13 business and residential customers have generally  
14 remained unchanged during the past 22 years, and that  
15 today customers pay a monthly rate, for consumers, of  
16 \$13 and \$29 for business customers, with those low  
17 income households eligible for assistance at only \$8  
18 a month.

19           When I read those figures and when I listen  
20 to those figures, all of a sudden it sounds like an  
21 incredible bargain to me, on a personal basis. I  
22 mean, if I'm paying \$13 a month for residential  
23 service and have the expectation that, when I pick up  
24 my telephone at home, I always get a dial tone, my  
25 phone calls are always connected, there's high

0672

1 quality, and I consider it basically an essential  
2 service to have that, that \$13 a month seems like a  
3 bargain, but that's only one element of this issue.

4 I believe that a rate adjustment after more  
5 than 20 years is, in fact, reasonable and prudent for  
6 Verizon, as a company, to be able to stay in  
7 business. The Utilities and Transportation  
8 Commission permits the company to charge basic rates  
9 to cover expenses, needed investment, and a  
10 reasonable return on that investment. We recognize,  
11 as a business organization, that a reasonable rate of  
12 return on an investment is essential for any business  
13 to be able to continue to stay in business and to  
14 provide capital investment in their facilities and  
15 services in order to be able to continue.

16 Also, a fair rate of return, in my opinion,  
17 allows Verizon to continue to reinvest in the  
18 community, as it has demonstrated consistently  
19 through their involvement in community activities and  
20 through the activities of the Verizon Foundation.

21 You've heard several individuals mention  
22 what a good steward of the community the Verizon  
23 company is, and I have personal knowledge of that  
24 through our work at the Chamber of Commerce and what  
25 we have seen in the community.

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1           We have benefited greatly by the involvement  
2 of Verizon people, including John Gustafson, who  
3 serves on our board of directors, and through the  
4 work of the Verizon Foundation. They have  
5 demonstrated their commitment to the community, and  
6 so we're seeing them not only continue to reinvest in  
7 infrastructure and capital and services, but to be  
8 good stewards of the community, which I think is an  
9 important part of their role in this area.

10           Verizon, though, is known for providing  
11 quality customer service, and this comes with a  
12 price. Telecommunications is a very  
13 capital-intensive issue, especially for companies  
14 like Verizon, that serve not only customers  
15 throughout the Puget Sound in high,  
16 densely-populated, urban areas, but also remote,  
17 sparsely-populated, rural areas that expect that same  
18 high quality of service. Whether you're in Bellevue  
19 or Redmond or Lynnwood or out in the hinterlands of  
20 their service area, people have an expectation of  
21 being able to pick up the phone and have that dial  
22 tone there, and that requires a capital investment on  
23 the company's part.

24           Business and consumers alike benefit from a  
25 robust telecommunications network. Our focus at the

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1 Everett Area Chamber of Commerce is on improving the  
2 competitive climate for business in our area. Part  
3 of that is the importance of having adequate  
4 infrastructure to serve current businesses and to  
5 attract and to retain new companies. That  
6 infrastructure includes transportation, electrical  
7 power and telecommunications, all of which are  
8 essential for this area to continue to grow and  
9 prosper.

10 While no one wants to pay more for any  
11 product or service, now it is your obligation to look  
12 at this request and to consider an update to the  
13 current pricing strategy and structure. It is a  
14 complex issue, but I believe that there are many  
15 factors that you have heard this evening which would  
16 allow you to consider favorably looking at this, and  
17 we ask the Commission to give thoughtful  
18 consideration to the increase. Thank you.

19 JUDGE WALLIS: Thank you for your comments.  
20 Our next person is Stephen Burling, and the following  
21 person is Chuck Morrison.

22 Whereupon,

23 STEPHEN BURLING,  
24 having previously sworn to tell the truth, testified  
25 as follows:



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1                   JUDGE WALLIS:  Would you state your name and  
2 your address for our record, please?

3                   MR. BURLING:  My name is Steve Burling, and  
4 I live at 13521 Broadway Avenue in Snohomish,  
5 Washington, 98296.

6                   JUDGE WALLIS:  Are you a customer of  
7 Verizon?

8                   MR. BURLING:  Yes, sir, I am.

9                   JUDGE WALLIS:  And are you representing  
10 yourself or are you representing others this evening?

11                   MR. BURLING:  No, I'm representing myself as  
12 a --

13                   JUDGE WALLIS:  Please proceed.

14                   MR. BURLING:  I'm deadly dead set against  
15 any type of raise for Verizon customers at the  
16 present time.  I've heard several comments claiming  
17 that Verizon provides outstanding service, and I wish  
18 I could say that was the case for me in Snohomish.

19                   When I moved in Snohomish two years ago, I  
20 picked up my telephone line and had a humming and  
21 buzzing sound on my telephone line caused by power  
22 influence.  During that two-year period, I've asked  
23 the company to improve or repair the telephone line  
24 just to be blown off and said that, Don't expect the  
25 same quality of service you got while you were in

0676

1 Mukilteo.

2           Currently, as an FCC-certified electronic  
3 technician working for RC Service Company, our  
4 company at one time did put in telephone systems.  
5 Looking at the telephone line and looking at the  
6 quality of the service I was receiving in Snohomish,  
7 it came to my attention that, by the attitude I  
8 received on the telephone from the Verizon  
9 representatives, they could have cared less about how  
10 good my phone line was. I received comments from the  
11 technicians at the house that I shouldn't be  
12 complaining, that I should be just happy just to  
13 barely get a dial tone, and frankly, at this point,  
14 what I'm saying is Verizon needs to look at their  
15 business practice.

16           One of the comments it's made is we're  
17 losing a lot of line customers. Probably because  
18 their customers are not happy with the service that  
19 they're receiving. Now that we're in a technology  
20 environment where other people can get options,  
21 they're going to go to somebody where they get better  
22 service at a cheaper price.

23           Part of being in business is providing a  
24 service that's reasonable, affordable, and one that's  
25 competitive. Verizon doesn't seem to want to improve

0677

1 the service to give me a reason, as a customer, to  
2 stay with them. So what I'm asking from Verizon, if  
3 they do get this rate increase, what are they going  
4 to do to invest in the network to get me to stay with  
5 them as a customer when I can go down the street and  
6 get a cellular telephone for cheaper and get a cable  
7 connection, because I can't even get DSL in my  
8 neighborhood, let alone a reasonable Internet  
9 connection.

10 So I oppose this rate increase until I can  
11 see from Verizon what are they going to do as a  
12 company to increase their service, at least in my  
13 neighborhood. Thank you.

14 JUDGE WALLIS: Thank you for your comments.  
15 The next person who signed up is Chuck Morrison.  
16 Please step forward. And the person after that is  
17 Alexander Kaminski.

18 Whereupon,

19 CHUCK MORRISON,  
20 having previously sworn to tell the truth, testified  
21 as follows:

22 JUDGE WALLIS: Would you state your name and  
23 your address for our record, please?

24 MR. MORRISON: Chuck Morrison, 11610 297th  
25 Drive, Northeast, Granite Falls.

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1 JUDGE WALLIS: Are you a customer of  
2 Verizon?

3 MR. MORRISON: Yes, I am.

4 JUDGE WALLIS: And are you representing  
5 yourself or another group or organization this  
6 evening?

7 MR. MORRISON: Both, if I may.

8 JUDGE WALLIS: Please proceed.

9 MR. MORRISON: First comment, I guess, would  
10 be that, as speaking about 12th in line or so, I've  
11 thrown away my notes about 11 times already. And  
12 what I have to say will -- when I started was I  
13 thought would be a little different from what some  
14 other folks had said, but it will sound suspiciously  
15 like some other comments you've heard.

16 As a representative of the American Red  
17 Cross of Snohomish County, I'm their executive  
18 director, like a number of other folks, I will report  
19 that Verizon is a superb corporate community citizen.  
20 They have, through the last 20 years that I've lived  
21 in the Everett area and worked for other  
22 organizations in the same capacity as a fundraiser,  
23 been a superb supporter of technology and for higher  
24 education, when I worked at Everett Community  
25 College, for technology, and our current Red Cross,

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1 our ability to respond to disasters. For that, I  
2 thank them. That's been said a lot, so I'll  
3 stop any further comments in that area.

4 As a private citizen, I'll make a couple  
5 comments. Reliability. I live outside of Granite  
6 Falls, well outside, enjoy my peaceful existence out  
7 in the country when I'm not at work. One of the  
8 things I enjoy most is that I don't have to leave my  
9 home to get reliable communication to the outside  
10 world.

11 In the couple of years I've been there, I've  
12 never had a problem and, frankly, you know, I live in  
13 an area with trees, and rivers get in the way a lot,  
14 and whenever there's a problem, Verizon is there, and  
15 the problems are few and the communication's  
16 excellent.

17 Also, as I looked at their rate increase, I  
18 would comment that I have worked, in my long ago  
19 past, for a fairly large corporation. I know that,  
20 within the divisions of those corporations, there's  
21 significant competition for capital investment  
22 dollars between the divisions. The companies make  
23 decisions, the corporate makes decisions to invest in  
24 its successful divisions partially based on their  
25 anticipated returns. Without solid anticipated

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1 returns, corporate sends contributions for new  
2 investment elsewhere.

3           While personally I don't want to pay more  
4 for my phone service, I don't want my reliability to  
5 go down, either. Without solid anticipated returns  
6 for Verizon's Northwest division, I'm afraid my  
7 quality and service will go down. And I urge you to  
8 strongly consider the rate increase.

9           JUDGE WALLIS: Thank you for your comments.  
10 Next person is Alexander Kaminski. As he is stepping  
11 forward, I would like to remind persons that there  
12 are persons in the building this evening who can  
13 answer your questions or attend to your problems.  
14 The company indicated that it did have technical  
15 staff here to talk about any service problems. The  
16 Commission Staff and representatives of the  
17 intervenors are available to respond to questions  
18 about process, so please don't let any questions that  
19 you have go unanswered by the end of the evening.

20           I also would like to note that sometimes  
21 counsel seated at counsel table have questions of  
22 witnesses. I've not specifically invited those, but,  
23 as attorneys, you know that you can pipe up and, if  
24 you have questions that you wish to ask, you may do  
25 so.

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1 Whereupon,

2 ALEXANDER KAMINSKI,

3 having previously sworn to tell the truth, testified

4 as follows:

5 JUDGE WALLIS: Would you state your name and

6 your address for our record, please?

7 MR. KAMINSKI: Name is Alexander Kaminski,

8 and I reside at 11028 23rd Southeast, Everett,

9 Washington.

10 JUDGE WALLIS: Are you a customer of

11 Verizon?

12 MR. KAMINSKI: Well, better ask my wife

13 that. Yeah, I am a customer of Verizon.

14 JUDGE WALLIS: And are you appearing on

15 behalf of others or on your own behalf this evening?

16 MR. KAMINSKI: On my own behalf.

17 JUDGE WALLIS: Please proceed.

18 MR. KAMINSKI: I would like to say that the

19 people that oppose the rates, I myself have been in

20 the state of Washington for 83 years now. I lived at

21 a time when we didn't have telephones. We were out

22 in the country. I think I was maybe 18 or 19 years

23 old before we got a hold of a telephone.

24 Actually, I realize the importance of

25 telephones now, and living in suburban areas and

0682

1 cities, they are a necessity, but to a point that a  
2 telephone for emergencies and a telephone once in a  
3 while to talk to a friend or relative is all that we  
4 use our telephone for, and it should be a reasonable  
5 price.

6           The comments made today in favor I think  
7 were very well-prepared for the company, but there  
8 are comments that were made for those that oppose, I  
9 think reasons for opposing, and the gentleman on the  
10 corner over here said that the company was in --  
11 really in no need of a raise, they had money to go  
12 ahead and do what they wanted to do, and I don't  
13 think we had any information from AARP.

14           And of course, a raise in any kind of a bill  
15 for people that have fixed incomes, which we have, is  
16 always a drain on the pocketbook. And the gentleman  
17 that spoke in that respect, I think -- I'd appreciate  
18 no raise in our telephone bills. Thank you.

19           JUDGE WALLIS: Thank you for your comments.  
20 Our next person is Della Kaminski. If you care to  
21 testify, please step forward, and the next person on  
22 our list is Paul Seely.

23 Whereupon,

24                               DELLA KAMINSKI,  
25 having previously sworn to tell the truth, testified



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1 as follows:

2 MS. KAMINSKI: I wasn't prepared to speak.  
3 I brought my letter, and I don't have a lot of  
4 comments, other than I was wondering if probably a  
5 lot of the loss of customers and perhaps main costs  
6 that have been increasing to you might be from all  
7 the new tech wireless phones and all the other things  
8 that are so amazing, I can't even feature them, let  
9 alone care to have them, but I'm old fashioned, so  
10 I'm happy with my phone just the way it is.

11 And I just wondered if some of those other  
12 things couldn't take the raises and let us stay where  
13 we are, because I feel like we're paying enough. And  
14 since the local long distance is part of long  
15 distance and costs just as much as it does for me to  
16 call Indiana to my son, that I feel like, by the time  
17 I add the long distance phone calls on and my local  
18 long distance phone calls on, I'm paying quite a  
19 little bit, and more than I've ever paid before.

20 And of course, I realize everything's gone  
21 up, but I won't make the phone calls as much as I  
22 used to, either, but I do need it for emergencies and  
23 important things, and I do tinker with the e-mail a  
24 little. I'm trying not to be too old fashioned, but  
25 anyway, I do hope that our rates don't go up much,

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1 because I think they're high enough. I hope that  
2 they can get their money for all these high fancy  
3 things.

4 JUDGE WALLIS: Thank you for your comments.  
5 Before you leave I would like to verify for our  
6 record that you are Della Kaminski?

7 MS. KAMINSKI: I am Della Kaminski.

8 JUDGE WALLIS: And do you live nearby our  
9 prior witness?

10 MS. KAMINSKI: I live by Silver Lake, and we  
11 have been on Verizon ever since they took over, of  
12 course. And we've had good service. And the only  
13 comments that I have on the service is actually more  
14 of a question of what we should do, because of one  
15 spot where a little gizmo with a hood on it is always  
16 taken off of there and messed up. And I wonder if  
17 it's really my business to call it in or if they  
18 check those often or what, because it bothers me that  
19 somebody's always taking the hood off of it and these  
20 wires are down where maybe something bad could  
21 happen.

22 JUDGE WALLIS: Very well. Thank you for  
23 your comments.

24 MS. KAMINSKI: But as far as the service to  
25 my home, I've been very happy. Thank you.

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1           JUDGE WALLIS: Thank you, and you're  
2 certainly free to talk to the company's  
3 representatives out in the hallway, if you would like  
4 to, about your question. Paul Seely is the next  
5 person, and after Mr. Seely, Jean Hales.

6 Whereupon,

7                         PAUL SEELY,  
8 having previously sworn to tell the truth, testified  
9 as follows:

10           MR. SEELY: I'm Paul Seely, Community  
11 Development Director with the Boys and Girls Club of  
12 Snohomish County. I reside in Seattle, at 3158  
13 Northeast 84th Street. Our main office for the Boys  
14 and Girls Club is Everett, 4322 Rucker Avenue.

15           JUDGE WALLIS: And are you or your  
16 organization a customer of Verizon?

17           MR. SEELY: We are. In fact, we are  
18 customers in all locations that we have clubs.

19           JUDGE WALLIS: And are you appearing on  
20 behalf of your organization?

21           MR. SEELY: Yes.

22           JUDGE WALLIS: Please proceed.

23           MR. SEELY: We haven't taken a formal vote,  
24 as you might well understand, as a non-profit, on the  
25 issue of rate, but my previous life with a small

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1 airplane company in Everett, it's not inconsequential  
2 whether or not you make money and have the ability  
3 then to also participate in the community. A number  
4 of people have spoken very well about that.

5 My experience with Verizon, and previously  
6 GTE, was very similar to a couple other speakers. We  
7 found their people very engaged in the community. We  
8 certainly appreciated their financial contribution as  
9 a corporation, as a foundation, and more importantly,  
10 the involvement of their people, their hands and also  
11 their dollars. They've got a great matching gifts  
12 program, Verizon's had, directing their dollars into  
13 the community.

14 As a Boys and Girls Club, we have a number  
15 of sites, no different than anyone else, whether a  
16 business or an individual or a non-profit, we're not  
17 particularly interested in seeing our fixed costs go  
18 up, but what I've been very thankful for is Verizon  
19 has always worked with us and dealt with us in a way  
20 trying to keep things, as much as possible, without  
21 any type of increase, trying to figure out a way to  
22 work with us and make sure our communications are  
23 good and strong, and I think, more than anything else  
24 today, I just wanted to kind of echo the fact that  
25 it's important to have good businesses in our

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1 communities, but we also hate to see any of those  
2 very supportive of the non-profit world, more  
3 specifically, the Boys and Girls Club, find  
4 themselves in any type of financial jeopardy. Thank  
5 you.

6 JUDGE WALLIS: Thank you for your comments.  
7 Jean Hales, and the next person is Alan Eacker. Mr.  
8 Eacker has not indicated whether he wishes to  
9 testify. If he does not, the next person will be D.  
10 Jean Molloy.

11 Whereupon,

12 JEAN HALES,  
13 having previously sworn to tell the truth, testified  
14 as follows:

15 JUDGE WALLIS: Would you state your name and  
16 your address for our record, please?

17 MS. HALES: Jean Hales, 14029 64th Avenue  
18 West, in Edmonds, and I'm here representing the South  
19 Snohomish County Chamber of Commerce, at 3500 188th  
20 Street in Lynnwood.

21 JUDGE WALLIS: Are you or your organization  
22 customers of Verizon?

23 MS. HALES: We both are.

24 JUDGE WALLIS: Please proceed.

25 MS. HALES: Our organization has not taken a

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1 position specifically on the rate increase. We don't  
2 feel like we've had the resources to study that in a  
3 depth that it requires, but we do have a position, as  
4 do so many others, on the value that Verizon brings  
5 to our community and the importance of Verizon being  
6 a viable and healthy organization.

7           We in the Northwest have a long history of  
8 benefiting from the presence of Verizon, and formerly  
9 GTE, in our midst through family wage jobs, community  
10 giving, and first class telecommunications services.  
11 You've already heard about the outstanding corporate  
12 citizen that Verizon is. And I can only echo that  
13 from personal experience from the corporate level to  
14 the high quality of individual employees.

15           Our organization is also supported and  
16 hooked on technology. We are very much in favor of  
17 Verizon having the ability to continue its role as an  
18 outstanding Northwest corporate citizen and, in  
19 looking to the future, we believe that Verizon has a  
20 critical role to play in the success of our region  
21 through its ongoing investment in communications  
22 infrastructure.

23           Working with small businesses is what we do  
24 from day-to-day, and we know that the businesses in  
25 our state are already challenged in being nationally

0689

1 and internationally competitive because of an onerous  
2 tax and regulation environment. It is even more  
3 imperative that we invest in our infrastructure, that  
4 we stay abreast of technology advances in order for  
5 them to be successful.

6 So to keep this brief, this is a complex  
7 issue, we appreciate that, and we are supportive of  
8 thoughtful decisions that position our region for the  
9 future.

10 JUDGE WALLIS: Thank you for your comments.  
11 Alan Eacker, do you wish to testify? It appears not.  
12 The next person is D. Jean Molloy. The next person  
13 on our list who's indicated a desire to testify is  
14 Travis Snider.

15 Whereupon,

16 D. JEAN MOLLOY,  
17 having previously sworn to tell the truth, testified  
18 as follows:

19 JUDGE WALLIS: Would you state your name and  
20 your address for our record, please?

21 MS. MOLLOY: I'm D. Jean Molloy.

22 JUDGE WALLIS: Excuse me just a second, Ms.  
23 Molloy. I'll come over and adjust the microphone, so  
24 it will be a little bit easier for people to hear  
25 what you have to say.

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1           MS. MOLLOY: Okay. I might scare myself,  
2    though, here.

3           JUDGE WALLIS: Please proceed with your  
4    comments.

5           MS. MOLLOY: I'm D. Jean Molloy, from 3410  
6    Norton in Everett. I represent myself, and I think  
7    the silent majority, which you don't see tonight,  
8    because I hear them complaining all the time about  
9    this and that, different services from Verizon, but  
10   usually the high prices. And I know that for sure my  
11   telephone bills went up one penny for two months in a  
12   row, but it really is pretty high. And I feel that  
13   it is too high for a retired person on a fixed  
14   income, and who I think Social Security gives you  
15   about one percent to pay any raises of our utilities  
16   or whatever.

17           This year, we've had raises from utilities,  
18   from Rubatino, and then this one's coming up, and I'm  
19   sure there's a few others I haven't mentioned.

20           Now, I'd like to say, I've heard a lot about  
21   all these people that are affiliated one way or the  
22   other with Verizon, but that isn't the most people.  
23   The most people are us retired people, and people --  
24   and then just people that live on lower income  
25   salaries, but we're not poor enough to be able to



0691

1 have the Red Cross take care of us or the Chamber of  
2 Commerce or Verizon to give us handouts.

3           And it's really hard when you see all this  
4 money -- where's it going? We're not really -- we  
5 have -- we look at our income and our budgets and  
6 everything, and we say we're just not -- we really  
7 are lucky to go buy ourselves a pair of shoes. And I  
8 may look like I own a few pairs of shoes, but  
9 nevertheless, it isn't easy.

10           Verizon's services at this time are  
11 overwhelmingly high for us, and the regulated prices  
12 are already high. I know they're great for big  
13 businesses and everything, but the majority of the  
14 people that live here are us, retired people on fixed  
15 incomes. And I'm just trying to pick out some of the  
16 important things that mean a lot to me.

17           We don't need those extra products. As a  
18 matter of fact, they sell you a machine to keep so  
19 you keep an eye on anonymous calls, then give the  
20 anonymous call people machines so they can bother us.  
21 And this is true. This is one of the things that --  
22 it isn't that easy.

23           And also, they state that the short-term  
24 rate increase is temporary. Has anybody ever seen a  
25 short-term rate increase ever go away? It's usually

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1 the next time they have another short-term increase.  
2 They never go away and they come back. And I just  
3 think anybody with any intelligence at all know that,  
4 and I think, also, that the reason you may be losing  
5 your investing and all that sort of thing could be  
6 the cell phone, and why? Because at least with the  
7 cell phone, we don't have all these problems that  
8 Verizon seems to have, and at least it seems like  
9 it's the most reasonable thing that we get now.

10 I just feel that if we -- they keep going up  
11 and all these things go up, utilities and everything,  
12 we're going to be so poor, I hope Housing Hope is  
13 waiting for us. Thank you very much.

14 JUDGE WALLIS: Thank you for your comments.  
15 Travis Snider. The following person on our list is  
16 Stewart Pickford, who has not indicated a desire to  
17 testify. If you wish to, you may, and Lida Tong is  
18 the next person on our list after that.  
19 Whereupon,

20 TRAVIS SNIDER,  
21 having previously sworn to tell the truth, testified  
22 as follows:

23 JUDGE WALLIS: Mr. Snider, would you state  
24 your name and your address for our record, please?

25 MR. SNIDER: My name is Travis Snider. I

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1 live at 15432 25th Drive Southeast in Mill Creek, and  
2 I'm representing myself.

3 JUDGE WALLIS: Very well. Please proceed.

4 MR. SNIDER: My wife and I own a small  
5 consulting business that we operate out of our home,  
6 and we use land lines, DSL, fax, wireless, and all  
7 those services are from Verizon. Over the years,  
8 we've had, to gain a competitive advantage, to be  
9 able to communicate with our clients, we've had to  
10 have a little bit of everything, because not all of  
11 our clients are just on cell phones or whatever;  
12 we've had to have the full range of communications  
13 gear.

14 Over the many years, my wife and I worked  
15 with chambers of commerce and other economic  
16 development groups to ensure that this region is a  
17 good place to do business in, because this is where  
18 we want to do business. Often, though, we've been  
19 confronted with the lack of critical infrastructure  
20 that's become a barrier to growing our economy and  
21 helping our businesses thrive and produce jobs. And  
22 we work primarily with smaller businesses and we see  
23 the impact of our economy and difficulties with  
24 infrastructure.

25 So as we followed the Verizon's case, we've

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1 noticed, one, that it's been 22 years since they've  
2 had an increase, they're not currently profitable on  
3 their intrastate business, and there are these  
4 increasing demands by business for state or the art  
5 technology. We can't get away from that. We need  
6 that technology, we need to have solid companies that  
7 are investing and going to provide what we're going  
8 to need in the future.

9           Communications for our small company is very  
10 important, and we're concerned that if Verizon is not  
11 able to maintain a fair return, even though it's on a  
12 portion of their business, they may not make the  
13 necessary investments to help us stay competitive.

14           No one likes rate increases, and certainly  
15 the lower income need to be protected and seniors  
16 need to be protected. It is a concern. But we need  
17 to make sure that there's adequate rates in place so  
18 that we can have the necessary investments that we  
19 need. It's investments in technology that really do  
20 help us grow our businesses and provide the jobs that  
21 we need for our citizens. So we would support the  
22 interim rate relief sought by Verizon. Thank you.

23           JUDGE WALLIS: Thank you for your comments.  
24 Stewart Pickford, if you desire to testify. If not,  
25 we'll move on to Lida Tong. The next person on our

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1 list is Lisa Pickford, who does not indicate a desire  
2 to testify. If you do change your mind, you may step  
3 forward, and the person after that is Teresa Rugg.  
4 Whereupon,

5 LIDA TONG,  
6 having previously sworn to tell the truth, testified  
7 as follows:

8 JUDGE WALLIS: Ms. Tong, will you state your  
9 name and your address for our record, please?

10 MS. TONG: My name is Lida, L-i-d-a, Tong,  
11 T-o-n-g, 2011 151st Way, Southeast, Mill Creek,  
12 Washington, 98012.

13 JUDGE WALLIS: Are you a customer of the  
14 company?

15 MS. TONG: Yes, I am.

16 JUDGE WALLIS: And are you appearing on your  
17 own behalf or on behalf of an organization?

18 MS. TONG: On my own behalf.

19 JUDGE WALLIS: Please proceed.

20 MS. TONG: Many of my views have been stated  
21 previously by speakers prior to me in favor of the  
22 interim rate increase, and I too am in favor of it.  
23 Thirteen dollars a month is a bargain for 24-by-seven  
24 reliability. There's nothing else that I can buy in  
25 terms of a service for \$13 a month and have that

0696

1 24-by-seven reliability. And over 22 -- and that \$13  
2 is a bargain, because over the last 22 years, there  
3 has been no rate change to that.

4 And having been in other parts of the  
5 county, I know that the \$13, and even with \$3.54,  
6 will remain among the lowest local rate -- charges in  
7 local rate service anywhere in the country. So for  
8 Washington residents, customers of Verizon, that  
9 continues to be a bargain to keep that reliability  
10 and to insure that the company's financially viable  
11 for our future reliability and to provide the  
12 technological advances that we will all continue to  
13 demand as the world changes in terms of  
14 telecommunication.

15 MR. TROTTER: Excuse me.

16 JUDGE WALLIS: Thank you for your comments.  
17 Mr. Trotter, do you have a question?

18 MR. TROTTER: Just for completeness, this  
19 witness has prior experience with the company.  
20 Perhaps you could state that so the record's  
21 complete.

22 MS. TONG: I am retired with Verizon. I  
23 have been retired for two and a half years.

24 JUDGE WALLIS: Any further questions? Ms.  
25 Tong, thank you for appearing tonight. Lisa

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1 Pickford, do you desire to testify? Teresa Rose  
2 (sic), and we have no other names at this point on  
3 our list of persons who would like to testify. If  
4 you haven't, if you would like the opportunity, we'll  
5 give you that opportunity after this witness  
6 testifies.

7 Whereupon,

8                               TERESA RUGG,  
9 having previously sworn to tell the truth, testified  
10 as follows:

11               JUDGE WALLIS: Would you please state your  
12 name and your address for our record?

13               MS. RUGG: Certainly. I'm Teresa Rugg, and  
14 I live at 7619 137th Avenue Southeast, in Snohomish.

15               JUDGE WALLIS: Are you a customer of the  
16 company?

17               MS. RUGG: Yes, I am.

18               JUDGE WALLIS: And are you appearing on  
19 behalf of an organization or on your own behalf?

20               MS. RUGG: On behalf of myself and my  
21 husband, and for maybe perhaps some voices that are  
22 not here tonight.

23               JUDGE WALLIS: Please proceed.

24               MS. RUGG: I actually greatly appreciated  
25 the comments that were made this evening regarding

0698

1 the involvement that Verizon has had out in the  
2 community. My perspective is from a bit of a public  
3 health perspective, that is my background. I'm a  
4 master's trained health educator, and so I am looking  
5 at this from a community standpoint.

6 I read this -- I read the article in the  
7 Seattle Times about this rate increase and that it  
8 would jump 75 percent, and my initial knee jerk  
9 reaction was that is outrageous. Actually, I  
10 continue to believe that.

11 Those individuals and families that would  
12 like the luxury of having a phone in their home would  
13 greatly suffer by such a proposal. Of course, those  
14 individuals and families with more fluid incomes will  
15 not be hit as hard as those who struggle to get by  
16 month to month.

17 As a mother of two small children, and  
18 staying at home with my children by choice, my  
19 husband and I have gone down to one salary. We were  
20 both Peace Corps volunteers in West Africa, and we  
21 try to remain minimalists, with no cell phones, no  
22 call waiting or other phone services, unlike many  
23 people of our generation.

24 However, if this proposal goes through, our  
25 phone bill will go up 75 percent. My husband's



0699

1 salary is not about to go up 75 percent any time  
2 soon. So I am here today as a voice perhaps for  
3 families that may not be here or be able to even find  
4 out that this rate increase could happen.

5           When I wrote a letter to -- my initial  
6 letter to the company with my displeasure for this  
7 rate increase, I realized I read it in the Seattle  
8 Times. Hmm, how many people actually read the  
9 Seattle Times and where that article was placed? And  
10 then I did receive a letter about this evening's  
11 comment period, and I thought, still, how many people  
12 will show up, so I'm actually happy to see so many  
13 people here this evening, but I do want to say that  
14 the working poor usually may not have Internet  
15 services in their home and perhaps they did not read  
16 the same article I did.

17           So again, looking at it from a community  
18 perspective, put yourself in the shoes of those who  
19 may be on a fixed income or those truly struggling  
20 month to month. The telephone is a way in which  
21 everyone can share with others their thoughts, trials  
22 and tribulations. This form of support would be  
23 taken away from the most vulnerable in our society,  
24 and I don't want to see this happen.

25           I believe some more creative brainstorming

0700

1 must be done by Verizon to provide quality service at  
2 affordable prices for all. Perhaps increases --  
3 perhaps increase the prices of the non-essentials,  
4 like call waiting or automated voice mail, or  
5 something like this that I received in the mail  
6 yesterday, which shows Verizon online DSL with MSN  
7 Premium, and give your children a powerful  
8 educational tool. Fantastic. However, we have folks  
9 that are trying to put food on the table and they're  
10 not at this level yet.

11 Please do not further the gap between the  
12 haves and the have-nots. Thank you for your time  
13 this evening.

14 JUDGE WALLIS: Thank you for your comments.  
15 We have no other persons signed up to testify. If  
16 you haven't spoken and if you would like the  
17 opportunity, please step forward. Would you raise  
18 your right hand, please?  
19 Whereupon,

20 EVELYN NICKERSON,  
21 having been first duly sworn by Judge Wallis,  
22 testified as follows:

23 JUDGE WALLIS: Could you state your name for  
24 us, please, and your address?

25 MS. NICKERSON: Evelyn Nickerson, and I

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1 reside at 23507 Lakeview Drive, Mountlake Terrace,  
2 Washington.

3 JUDGE WALLIS: Are you a customer of the  
4 company?

5 MS. NICKERSON: Yes, I am.

6 JUDGE WALLIS: And are you appearing on your  
7 own behalf or on behalf of a group or organization or  
8 business?

9 MS. NICKERSON: My own behalf.

10 JUDGE WALLIS: Please proceed.

11 MS. NICKERSON: Well, I've noticed that  
12 these organizations and companies that were for the  
13 increase is not taking the money out of their own  
14 pocket. They're taking it out of the budget of the  
15 company or an organization they work for. This hurts  
16 the people that are against the raise and the  
17 increase.

18 And I want to know why there's -- why there  
19 is no -- a charge for any extra services. I only  
20 have my telephone. I don't have call waiting, I  
21 don't have any other services. I pay \$23 a month,  
22 and I've heard that some of them only pay \$8, and  
23 some only pay \$13. Now, why is there a difference  
24 between these other payers and myself when that's all  
25 I have. I don't feel as if I need to have a raise

0702

1 for somebody else that has all kinds of extra  
2 services that I don't have. Thank you.

3 JUDGE WALLIS: Thank you for your testimony  
4 tonight. Is there anyone else in the audience who  
5 would like to testify? I see another hand. Please  
6 step forward. Raise your right hand, please.  
7 Whereupon,

8 GERALD VANDER VATE,  
9 having been first duly sworn by Judge Wallis,  
10 testified as follows:

11 JUDGE WALLIS: Could you state your name and  
12 your address for our record, please? Please turn the  
13 microphone up so we can hear you.

14 MR. VANDERVATE: My name is Gerald Vander  
15 Vate, and that's spelled V, as in Victor, a-n-d-e-r  
16 V, as in victory, a-t-e, and I reside at 2127 Rainier  
17 Avenue in the city, Everett.

18 JUDGE WALLIS: Are you a customer of the  
19 company?

20 MR. VANDER VATE: I am, sir.

21 JUDGE WALLIS: And are you appearing on your  
22 own behalf or on behalf of others?

23 MR. VANDER VATE: My own behalf.

24 JUDGE WALLIS: Please proceed.

25 MR. VANDER VATE: I've heard -- I came in

0703

1 late, but I've heard a lot about how good Verizon has  
2 been as a corporate organization in the city, but,  
3 you know, I'm thinking it would be great, I could be  
4 a philanthropist, too, if I could bill somebody to  
5 give me money so I could give it away. And  
6 essentially, I feel that that's what they're doing.  
7 You know, I prefer to give my own money away rather  
8 than be billed for it and let somebody else give it  
9 where they want to give it. It's no trick, if you  
10 can assess someone else and then give the money away.

11 Another thing, I'm hearing too about this  
12 low income, the \$8 group, and I don't know where  
13 they're getting this. I'm like the previous lady. I  
14 don't have any amenities on my phone, and I'm paying  
15 \$23 something a month. I'm not poor enough to be in  
16 that \$8 group, but I'm retired. And on Social  
17 Security, we're not getting 75 percent increase. If  
18 anybody else on Social Security is, I'd like to know,  
19 because I'm not getting it.

20 And as senior citizens, phone isn't the only  
21 thing that's going up. The fuel we put in our cars,  
22 the oil we put in our furnace, the -- our health care  
23 costs, everything else. Seventy-five percent, I  
24 don't think anybody's getting a 75 percent rate  
25 increase in their wages, unless and maybe it's

0704

1 somebody that works for Verizon, but the people I  
2 know aren't getting 75 percent increases. So we may  
3 not be in that \$8 group, but as you raise rates, then  
4 you're going to -- and people that are on fixed  
5 income, it appears to me that more people are going  
6 to be forced into that lower income group, so I'd  
7 like to say that I'm against it. Thank you.  
8 Appreciate the opportunity.

9 JUDGE WALLIS: Thank you for your comments.  
10 All right. Last call. Anyone else who would like to  
11 testify this evening? I see no further indication of  
12 hands.

13 I want to thank everyone who came this  
14 evening, whether or not you presented your comments  
15 to the Commission. I want to remind you that if you  
16 have questions about your own service, you can talk  
17 to the company's representatives. If you have  
18 questions about the organizations who appeared here  
19 this evening, the people who are represented at the  
20 table and at the table in the hallway, you may talk  
21 to their representatives.

22 If you have questions about the  
23 Commissioners' operations, we have Commission Staff  
24 people here who can answer those questions.

25 So again, thank you for attending this

0705

1 evening, and this hearing is concluded.

2 (Proceedings adjourned at 7:44 p.m.)

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