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

October 22, 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 Consideration of Proposed Rulemakings (CR-102) and Notice of Extension of Comment Date dated October 10, 2001.

II. <u>COMMENTS ON SPECIFIC DRAFT RULES</u>

GENERAL RULES

480-80-030 Definition of "Price list."

The proposed definition of price list appears to be part of the Staff's effort to inappropriately deprive price lists of their legal effect. See, further, Verizon's comments on 480-80-202, below. The definition of price list should be the same as the definition of tariff, with the exception of making the distinction that price lists are used by companies or for services that have been competitively classified, as follows:

"Price list" is a document that sets forth terms and conditions of service for companies and services that have been classified competitive, including rates, charges, tolls, rentals, and equipment and facilities, and the manner in which rates and charges are assessed for services provided to customers, and rules and conditions associated with offering service.

TARIFFS and CONTRACTS: Utilities

480-80-103 Tariff format.

Verizon asks Staff to clarify that the language in subsection (3)(b) does not limit companies from having the option to use numeric characters for subsequent revisions (i.e., 1st Revision, 2nd Revision, etc.).

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480-80-133 Tariff adoption notice.

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. Subsections (1)(a) and (5) would require an adoption notice due to a "change in control" even though there may be no change in the legal entity providing the service and no change in that entity's name. There is no purpose to be served by filing an adoption notice in that circumstance. The language that Verizon proposes avoids that result and instead covers the situations that actually warrant 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.

480-80-142 Special contracts for noncompetitive telecommunication companies.

As Verizon stated in previous comments, the filing requirements in subsections (5) and (6) should be fifteen "business" days.

PRICE LISTS and CONTRACTS: Competitive Companies and Services

480-80-201 Use of price lists.

In a previous workshop, Staff agreed to add language that would clarify that if a company offers a competitive service by tariff, the company will be subject to all rules and laws applicable to fully regulated services for that tariffed service. The Staff agreed to make that clarification, but it does not appear in the latest draft of subsection (2).

480-80-202 Interpretation and application of price lists.

This proposed rule should be dropped. It inappropriately attempts to deprive price lists of their legal effect and to decide disputes in advance.

Subsection (1) of the proposed rule does not (and cannot) change Washington law, which requires telecommunications companies to charge "scheduled" rates and which recognizes the filed rate doctrine. See Verizon's comments filed on December 12, 2000, March 2, 2001, June 6, 2001 and August 20, 2001. Enacting this subsection would, at best, create confusion. It should not be adopted.

Also, Verizon proposes that subsection (2) be eliminated. Whether a price list is "ambiguous" or "conflicts" with a contract or some other arrangement depends, in large measure, on the facts of a particular case. The Commission should not adopt a rule to govern every instance regardless of the underlying facts. Moreover, this subsection would resolve all "conflicts" in favor of the customer. This rule of construction is

inappropriate. Conflicts should be resolved through a review of the documents and other relevant evidence; the Commission should not prejudge the resolution of any conflict with an arbitrary rule.

CUSTOMER NOTICE

480-80-194 Publication of proposed tariff changes to increase charges or restrict access to services.

This proposed rule would require companies that are proposing to increase recurring or per-occurrence charges or restrict access to services to provide either notice to individual customers that would be affected by the change <u>or</u> publish the notice. Publishing the notice would include distributing copies to community agencies and organizations, publishing the notice in the daily newspaper, providing a news release to the news editor of every newspaper, television station and radio station and posting the notice on an Internet web site.

Verizon is concerned with the new published notice requirement that Staff has added to this draft in subsection (1). This new published notice requirement would require companies who choose this option to not only notify each customer that would be affected by the proposed change, but would now also require companies to send the notice or press release about the increase to every daily paper within its service territory. As stated above, the proposed rule gives companies the option to notify each customer or publish the notice. The new requirement in subsection (1) would require both. Therefore, Verizon suggests deleting the requirement to publish the notice in every daily paper.

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