

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of)	DOCKET NO. UT-031123
)	
Verizon Northwest Inc.)	ORDER NO. 01
)	
Petitioner,)	
)	ORDER DENYING PETITION
Seeking Exemption from)	FOR PERMANENT
WAC 480-120-104 Relating to)	EXEMPTION AND GRANTING
Information to Consumers)	TEMPORARY EXEMPTION
.....)	

BACKGROUND

- 1 On July 11, 2003, Verizon Northwest Inc., (Verizon) filed a petition requesting permanent exemption of WAC 480-120-104.

- 2 WAC 480-120-104 requires telecommunications companies to provide welcome letters to applicants when customers first obtain services from the companies. In addition, this rule requires the companies to provide confirmation notices to customers when there are material changes in services, rates, terms, or conditions of existing service.

- 3 Verizon is requesting a permanent exemption from provisions of WAC 480-120-104 requiring the Company to provide welcome letters and confirmation notices to its Enterprise business customers. These customers include all institutional accounts for state and local government, school district accounts, and certain private business accounts. Verizon supports its request by stating that it designates account teams to work directly with such Enterprise business customers. The account teams meet regularly with the Enterprise customers, which Verizon states causes far more new service orders and changes than for residential and other business accounts. Verizon provides welcome letters and

confirmation notices to its residential customers and to any business customer not designated as an Enterprise customer.

- 4 Staff recommended denying the petition for permanent exemption. Instead, Staff recommended granting a temporary two-year exemption. Staff stated that Verizon does not use standard criteria (i.e., the number of lines a customer has) to determine which private business customers are designated as Enterprise customers. Verizon states that it generally gives the Enterprise customer designation to larger revenue accounts. In addition, Verizon stated it may change the designation based on revenue benchmarks, its available resources, and customer needs. Staff had concerns that the Commission would not be able to determine compliance with this rule when it does not know which business is designated an Enterprise customer and which is not. Staff noted that the Commission receives almost no complaints about unexpected charges from Verizon's business customers.
- 5 The Commission grants Verizon's request for exemption subject to conditions. Based on lack of evidence of prior problems and availability of account managers, a two-year exemption from WAC 480-120-104 to monitor Commission complaints appears to be reasonable.

FINDINGS AND CONCLUSIONS

- 6 (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate rates, rules, regulations, practices, accounts, securities, and transfers of public service companies, including telecommunications companies. *RCW 80.01.040; Chapter 80.04 RCW and Chapter 80.36 RCW.*

- 7 (2) Verizon is engaged in the business of providing telecommunications services within the state of Washington and is a public service company subject to the jurisdiction of the Commission under the provisions of Chapter 80.36 RCW.
- 8 (3) Verizon is subject to the provisions of WAC 480-120-104, requiring telecommunications companies to provide welcome letters and confirmation notices to its applicants and customers.
- 9 (4) WAC 480-120-015 provides that the Commission may grant an exemption from the provisions of any rule in Chapter 480-120 WAC, if consistent with the public interest, the purposes underlying regulation, and applicable statutes.
- 10 (5) This matter was brought before the Commission at its regularly scheduled meeting on September 24, 2003.
- 11 (6) In full consideration of the oral and written comments presented in Docket UT-031123, the Commission finds that the request for a permanent exemption should not be granted. The Commission finds that a temporary exemption is reasonable and should be granted, but it should be limited in duration, as follows:
- (a) The Commission grants an exemption from WAC 480-120-104 for Enterprise customers who are served by an account manager for a two-year period, on the condition that Verizon continues to assign account managers to work directly with these business customers;

- (b) The Commission directs Commission Staff to monitor Verizon's business customer complaints pertaining to the exemption above for a period of two years from the date of this Order.

ORDER

THE COMMISSION ORDERS:

- 12 (1) Verizon Northwest Inc., is granted a temporary two-year exemption of WAC 480-120-104, subject to the conditions stated in the body of this Order, above.
- 13 The Commission retains jurisdiction over the subject matter of this proceeding and Verizon Northwest Inc., to effectuate the provisions of this Order.

DATED at Olympia, Washington, and effective this 24th day of September, 2003.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARILYN SHOWALTER, Chairwoman

PATRICK J. OSHIE, Commissioner