

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

In the Matter of the Petition of)	DOCKET NO. UT-051116
)	
VERIZON NORTHWEST INC.,)	ORDER NO. 01
)	
Petitioner,)	
)	
For a Permanent Exemption from)	
WAC 480-120-262(3), Operator)	
Service Providers (OSPs), Oral)	ORDER GRANTING
Disclosure of Rates)	EXEMPTION FROM RULE
.....)	

BACKGROUND

- 1 On July 20, 2005, Verizon Northwest Inc., (Verizon or the Company) filed a petition requesting that the Commission grant the Company a permanent exemption of WAC 480-120-262(3), Operator Service Providers.

- 2 WAC 480-120-262(3) requires operator service providers to disclose the charges on any call from a payphone or other aggregator location if the charges for the call would exceed a benchmark established in the rule. The benchmark is equal to \$0.50 per minute plus \$0.50 per call. Verizon’s rates for some calls exceed the benchmark.

- 3 Verizon’s petition focuses on the particular rate information that must be disclosed. WAC 480-120-262(3)(c) requires that the company disclose “all rates and charges that will apply if the consumer completes the call.” Verizon would like to disclose a maximum price rather than “all rates and charges” or the specific charge. Verizon asks the Commission to grant a permanent exception to this requirement. Verizon asserts that disclosure of the actual rate would be unduly expensive or would result in an unreasonably long recorded message.

4 Verizon's current rate disclosure message is:

"Welcome to Verizon. The rate for this call will not exceed five dollars and fifty cents for the first minute and 17 cents for each additional minute plus applicable taxes and government fees. For the exact rate, press zero. [bong tone]. For calling card calls enter your calling card number, for collect calls press one now. To charge this call to another number enter a complete billing number now. For Person-to-Person and all other calls press zero."

5 On June 24, 2003, in Docket UT-031023, Verizon filed a petition requesting a similar exemption. In this petition Commission Staff believed this approach in disclosing rates to the Company's consumers satisfies the purpose of the rule. The Commission granted a two-year temporary exemption directing Commission Staff to monitor Verizon's customer complaints pertaining to this issue. This exemption ended on July 31, 2005.

6 Staff reviewed all complaints from August 2003 to July 2005 related to Verizon's operator services. Staff found no issues regarding disclosure of the company's operator service rates. Staff recommends the Commission grant a permanent exemption to Verizon. The petition provides customers information about the potential cost of the call and as well as an option to obtain the actual rate of the call.

FINDINGS AND CONCLUSIONS

7 (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.*

- 8 (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.
- 9 (3) Verizon is subject to the provisions of WAC 480-120-262, requiring telecommunications companies to disclose rates charged for operator services from payphones and other aggregator locations.
- 10 (5) 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.
- 11 (6) This matter was brought before the Commission at its regularly scheduled meeting on August 17, 2005.
- 12 (7) After review of the petition filed in Docket UT-051116 by Verizon on July 20, 2005, and giving due consideration, the Commission finds that the request for permanent exemption is reasonable and should be granted.

O R D E R

THE COMMISSION ORDERS:

- 13 (1) After the effective date of this Order, Verizon Northwest Inc., is granted a permanent exemption from WAC 480-120-262(3). Verizon Northwest Inc., must disclose a maximum rate rather than the actual rates and charges. The disclosure message must explain the method of obtaining an actual rate quote, and the method must comply with WAC 480-120-262(3)(b). Charges to the consumer must not exceed the quoted maximum rate.

- 14 (2) The Commission retains jurisdiction over the subject matter and Verizon Northwest Inc., to effectuate the provisions of this Order.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Olympia, Washington, and effective this 17th day of August, 2005.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

CAROLE J. WASHBURN, Secretary