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WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Thomas F. Dixon
Assistant General Counsel



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September 15, 2006

VIA DHL and EMAIL

Ms. Carole J. Washburn
Executive Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive SW
P.O. Box 47250
Olympia, WA 98504

**Re: In the Matter of the Petition of Verizon Northwest Inc. for Waiver of
WAC 480-120-071**

Dear Ms. Washburn:

Enclosed are the original and twelve (12) copies of the Petition of Verizon Northwest Inc. for Waiver of WAC 480-120-071. One of the attachments is considered confidential pursuant to WAC 480-07-160. Therefore, an original and three (3) copies of the redacted version of this attachment are being provided on canary yellow paper in a separate, sealed envelope.

If you have any questions, please contact Richard Potter at 425-261-5006.

Sincerely,

/s/ Thomas F. Dixon
KAD

Thomas F. Dixon

c: Ms. Tamalyn Lively

Enclosure

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BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of) Docket No. UT-
7)
8 VERIZON NORTHWEST INC.)
9)
10 For Waiver of WAC 480-120-071) PETITION OF WAIVER OF
11) VERIZON NORTHWEST INC.
12)

13
14 1. This petition is brought by Verizon Northwest Inc. (“Verizon”), 1800 41st Street,
15 Everett, Washington 98201. Verizon is represented on this matter by:

16 Thomas F. Dixon
17 Assistant General Counsel - Northwest Region
18 Verizon
19 707 – 17th Street, #4200
20 Denver, Colorado 80202
21 Phone: (303)390-6206
22 Fax: (303)390-6333

23 2. As described more fully in paragraph 3, Verizon seeks a waiver from the
24 requirements of WAC 480-120-071(2)(b) pursuant to WAC 480-120-071(7)(a). In the
25 alternative, Verizon seeks a waiver of WAC 480-120-071(3)(a) pursuant to WAC 480-120-
26 071(7)(b) and WAC 480-120-015. This petition relates to a request for service from Verizon
27 made by Tamalyn Lively.

28
29 **I. RELIEF REQUESTED**

30 3. Pursuant to WAC 480-120-071(7)(a), Verizon petitions the Commission for a
31 waiver of, or an exemption from, the requirements of WAC 480-120-071(2)(b) with regard to
32 extending service to Tamalyn Lively (hereafter “Lively” or “Applicant”) in Verizon’s Tonasket
33 Exchange. In the alternative, if the Commission ultimately decides that service must be extended
34 to the Lively location, Verizon petitions the Commission pursuant to WAC 480-120-071(7)(b)

1 and WAC 480-120-015 for a waiver of WAC 480-120-071(3)(a) in order to charge the applicant
2 the direct cost to extend service. The cost to extend service to the Lively location is estimated at
3 \$89,225. It is unreasonable for Verizon and its customers to pay over \$89,000 to extend service
4 to one customer. In addition to the prohibitive expense of initial construction, maintaining
5 service to the Lively location would impose substantial ongoing operational difficulties and
6 financial burdens on Verizon and its other customers.

7 8 **II. STATEMENT OF FACTS**

9 4. Ms. Tamalyn Lively placed a service order with Verizon for residential telephone
10 service at 104-W Frosty Creek Road, Tonasket, Washington. This requested service is for a
11 vacation cabin that is not Ms. Lively's main residence, which is located at 9025 – 172nd Avenue
12 NE, Redmond, Washington. The requested service location is approximately thirty miles from
13 Tonasket in Verizon's Tonasket Exchange in the Cobey Canyon area. The property is off of
14 Frosty Creek Road, located on a road over one mile from the last existing Verizon facilities on
15 Frosty Creek Road. Based upon examination by a Verizon engineer, it appears that the first part
16 of the proposed extension on Frosty Creek Road is a dirt road on rock slab that turns into a
17 narrow trail covered in grass (in what appears to be a cow or other animal trail). Turning off of
18 Frosty Creek Road en route to the requested service location, there is a road that, based on
19 county records, is a private road not maintained by any governmental agency. Accordingly, no
20 governmental agency plows any part of the road from the main part of Frosty Creek Road into
21 the applicant's property or any of the other property along the road leading to the applicant's
22 property. In addition, applicant's address is listed by the United States Postal Service as "Non-
23 deliverable" and that "Mail sent to this address will be returned". See
24 http://zip4.usps.com/zip4/zcl_0_results.jsp

1 service to one customer. The area where Ms. Lively has chosen for her vacation cabin is isolated
2 and relatively inaccessible. Individuals such as Ms. Lively who choose to buy a vacation home
3 in a remote area do so with full knowledge of whether and at what cost utility services or
4 substitutes are available. Such persons find ways to meet their utility needs that do not
5 necessarily involve subsidization. For instance, private power generators are common in remote
6 areas, as are private water wells and on-site sewage handling facilities.

7 10. An analysis of the factors set forth in WAC 480-120-071(b)(ii) also demonstrate
8 that service should not be extended to the Lively location:

9 a. Total Direct Cost of the Extension (WAC 480-120-071(b)(ii)(A)). It
10 would cost \$89,225 to extend facilities to this location. This would be an extraordinary
11 cost to impose to serve one customer.

12 b. The number of customers to be served (WAC 480-120-071(b)(ii)(B)).
13 Only one potential customer is involved.

14 c. The comparative price and capabilities of radio communication service or
15 other alternatives available to customers (WAC 480-120-071(b)(ii)(C)). Based on
16 Verizon personnel's field visits, cellular service is not available at the Lively location.
17 Satellite telephone service, however, is generally available in the area. A variety of
18 satellite telephone service plans are available, with monthly fees as low as \$39.95 and
19 effective per minute charges as low as \$0.14 for calls anywhere in the U.S. and Canada.¹
20 Further, prior to requesting service from Verizon, applicant had radio telephone service
21 for her vacation cabin. Finally, Verizon spoke with a Qwest representative and
22 determined that it does not want to extend service to applicant. Verizon is unaware of
23 any other telecommunications provider in the vicinity who is willing to provide service to
24 applicant.

¹http://www.globalsatellite.us/prod_detail.aspx?Product_ID=667&Nav_ID=453 ,
http://www.daysatphones.com/voice_pricing.htm

1 d. Technological difficulties and physical barriers presented by the requested
2 extensions (WAC 480-120-071(b)(ii)(D)). The technological and physical barriers to
3 extending and maintaining service to the Lively location are described in Paragraphs 4-7.

4 e. The effect on the individual and communities involved (WAC 480-120-
5 071(b)(ii)(E)). The effect on the individual requesting service would not be
6 commensurate with the expense to be incurred by the ratepayers to subsidize her service.
7 Applicant's vacation cabin is not part of any community and there would be minimal, if
8 any, beneficial effect to the nearest communities by extending service to this location.

9 f. The effect on the public switched network (WAC 480-120-071(b)(ii)(F)).
10 Verizon would have to reallocate significant funds that otherwise would have been used
11 to provide maintenance, upgrades and other extensions to the public switched network for
12 more of its customers. Diverting technicians to the remote Lively location – especially in
13 harsh weather conditions that would increase travel and work times – would prevent
14 those technicians from meeting other customers' needs.

15 g. The effect on the company (WAC 480-120-071(b)(ii)(G)).

16 Misallocating Verizon's limited capital and expense dollars would harm
17 Verizon's overall ability to serve its customers in the affected exchanges in order to add
18 only one customer, and the extra maintenance burdens would impact Verizon's ability to
19 provide service to its other customers.

20
21 B. *In the alternative, if the Commission determines service must be extended to the Lively*
22 *location, it should allow Verizon to recover its direct costs of extending its service under*
23 *WAC 480-120-071(7)(b).*

24 11. For all the reasons stated in Section III.A., including the analysis of the WAC
25 480-120-071(b) factors set forth in paragraph 10a – g. above,² Verizon and its ratepayers should

² Although these factors apply to waiver requests seeking to recover direct costs under WAC 480-120-071(b), Verizon's request that this Petition also be considered under WAC 480-120-015 enables the Commission to provide for recovery of direct costs without specific findings under those factors.


1 not be forced to pay for the extension of service to this applicant. However, if the Commission
2 requires Verizon to build the line extension necessary to serve the Lively location, recovery of
3 Verizon's direct costs associated with this extension would be appropriate under WAC 480-120-
4 071(b).

5 **IV. SUMMARY**

6 It would be unreasonable for Verizon to undertake such disproportionately expensive
7 construction in light of the nominal, at best, benefit of adding only one customer to its network
8 for a vacation cabin. Thus, Verizon presents this case for waiver of the line extension rule in
9 order to protect its existing and future customers and employees. The facts and circumstances of
10 the Lively request warrant granting Verizon an exemption from, or waiver of, the WAC 480-
11 120-071 obligation to extend service to this location. If the Commission decides to require
12 extension of service to the Lively location, then it should permit Verizon to recover the direct
13 costs of this extension in advance directly from the applicant who is causing the costs to be
14 incurred, rather than from its other ratepayers.

15 Respectfully submitted this 15th day of September, 2006.

16
17 VERIZON NORTHWEST INC.

18
19 By 

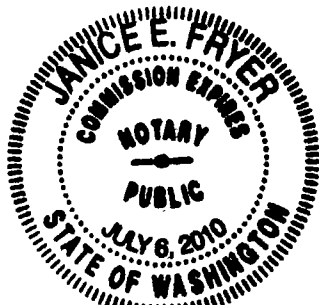
20 Thomas F. Dixon, Assistant General Counsel
21 Northwest Region
22 Verizon
23 707 - 17th Street, #4200
24 Denver, Colorado 80202
25 (303) 390-6206
26 888-475 7218, ext. 3 (toll free)
27 thomas.f.dixon@verizon.com
28

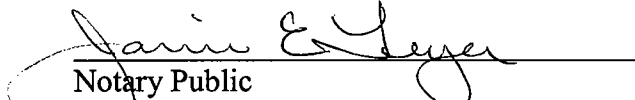
1 VERIFICATION

2
3 I, Jan Davies, Engineer for Verizon Northwest, Inc., have personally inspected the
4 property located at 104-W Frosty Creek Road as well as the roads leading to the property and the
5 nature of the conditions at or near the property. I do attest to the accuracy of the factual
6 statements contain in the foregoing petition to the best of my knowledge and belief.
7

8
9
10 
11 Jan Davies

12 Subscribed and sworn to before me this 13th day of September, 2006, by Jan Davies.
13
14



21 
22 Notary Public

23 CERTIFICATE OF SERVICE

24 I HEREBY CERTIFY THAT I did on 15 September, 2006, send a true and exact
25 copy of the within petition and attachments by U S Mail, first class postage, prepaid, addressed
26 to:

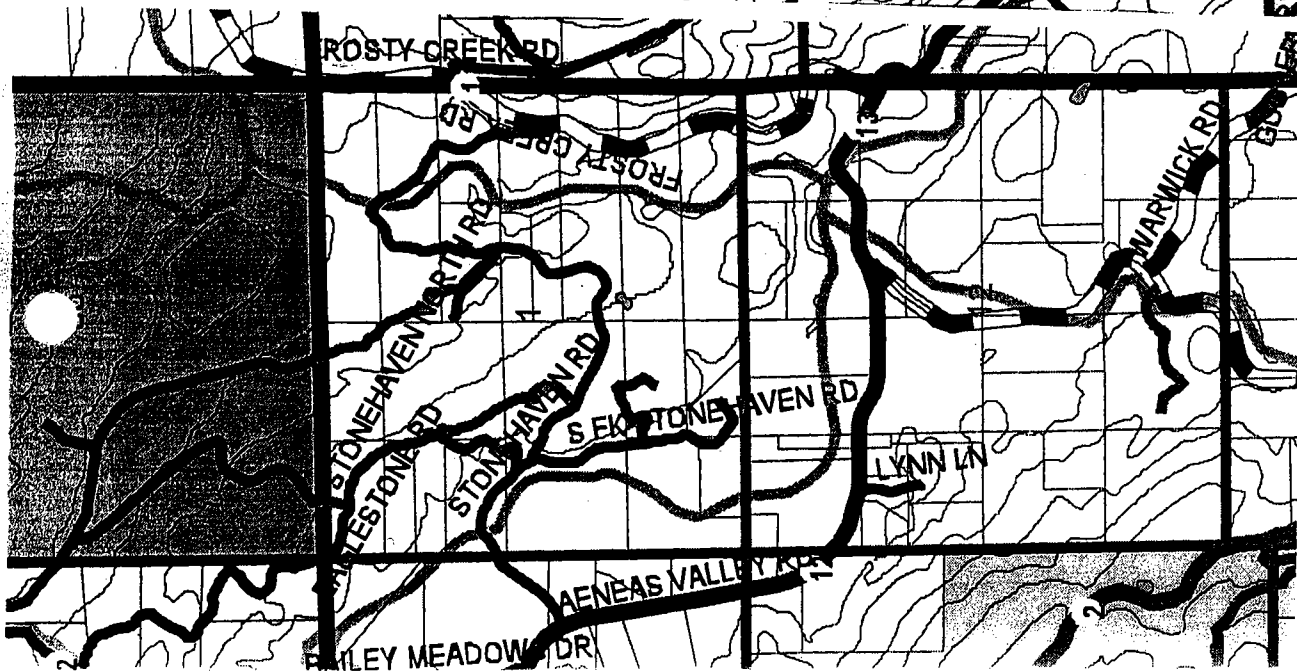
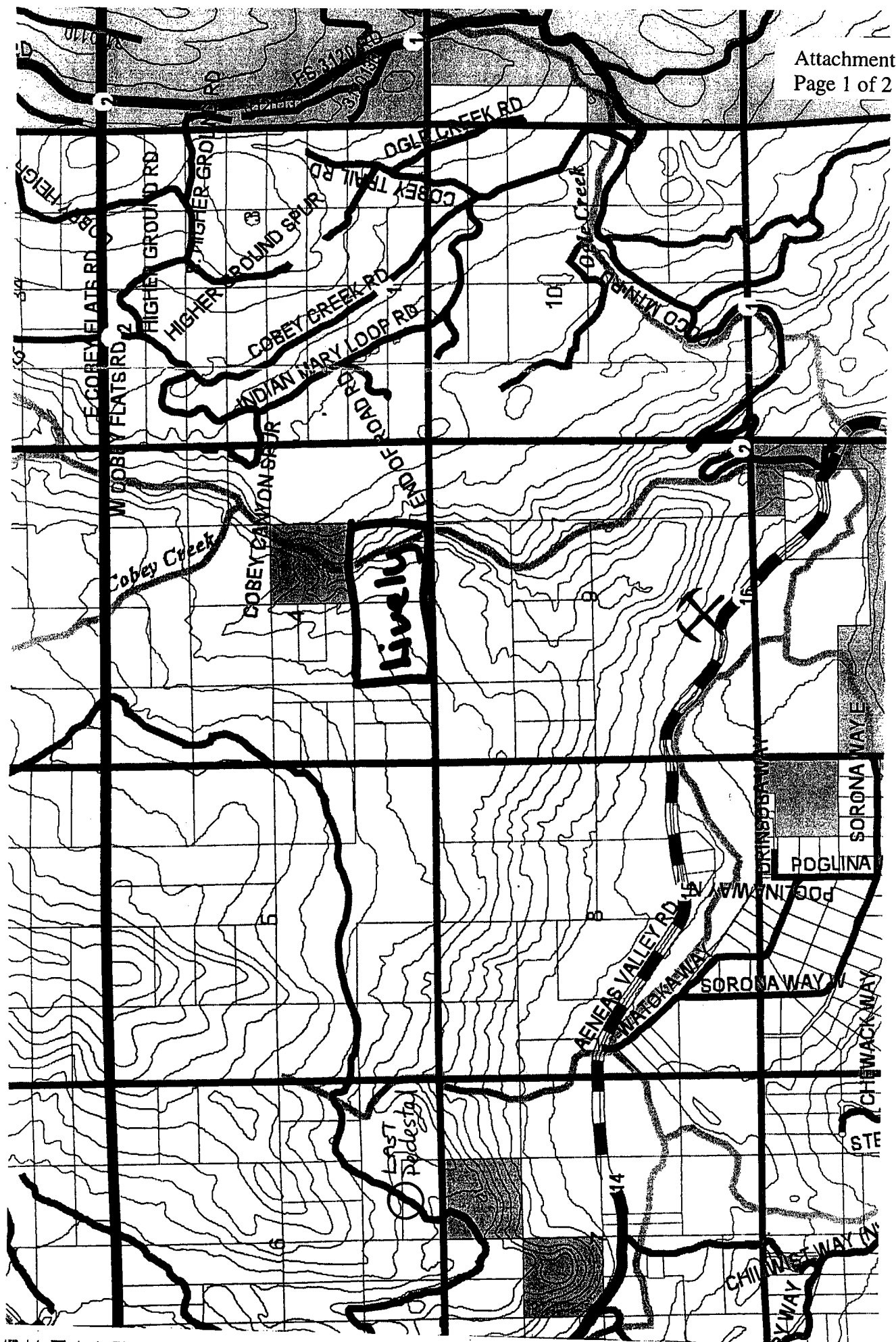
27 Tamalyn Lively
28 9025 - 172nd Avenue NE
29 Redmond, Washington 98052

30 The following address is listed by the United States Postal Service as "Non-deliverable" and that
31 "Mail sent to this address will be returned".

32 Tamalyn Lively
33 104-W Frosty Creek Road
34 Tonasket, Washington 98855

35 Dated: September 15, 2006





353104



| Line Extension - 104-W Frosty Creek Road | |
|---|--------------|
| New Construction | |
| Material | |
| 25 Pair 22 Gauge Buried Cable | |
| Labor | |
| Splicing | |
| Placing | |
| Engineering | |
| Misc | |
| Travel | |
| Estimated Cost of New Construction | 89225 |