

Kim A. Douglass
Senior Staff Consultant
Northwest Region

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STATE OF WASH.
UTIL. AND TRANSP.
COMMISSION

HQE02F60
600 Hidden Ridge
Irving, Texas 75038

July 31, 2006

Phone 972 718-3418
Fax 972 719-7948

VIA DHL

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: **Verizon Northwest Inc. 2006 Annual ETC Filing as Required by WAC 480-123-070 and WAC 480-123-080**

Dear Ms. Washburn:

Enclosed for filing is Verizon Northwest Inc.'s 2006 Annual ETC Filing as required by WAC 480-123-070 and WAC 480-123-080. The signed advertising certification affidavit for Report No. 4 (WAC 480-123-070(7)) will arrive separately.

Sincerely,

A handwritten signature in cursive script that reads "Kim Douglass".

Kim A. Douglass

Enclosures

**WASHINGTON ETC REPORTS AS REQUIRED BY
WAC 480-123-070 AND WAC 480-123-080**

Verizon Northwest Inc. (“Verizon NW” or the “Company”) submits the following reports in accordance with WAC 480-123-070 and WAC 480-123-080.

Report No. 1

WAC 480-123-070(1)(a) & (b) – Report on Use of Federal Funds and Benefits to Customers:

In 2005 Verizon NW in Washington received only Interstate Access Support (“IAS”), in the amount of \$19,139,104. These funds, along with other revenues, enabled the Company to continue to provide services at a level that meets the intent set forth in 47 U.S.C. §254. The amount and categories of investments made and expenses incurred by the Company in 2005 are set forth in its Annual Report filed with the Commission. For example, the Company added nearly \$86,000,000 in property, plant and equipment, including nearly \$40,000,000 in switching and circuit equipment and over \$31,000,000 in cable and wire facilities (see Schedule B-1 Total Washington). The Company incurred nearly \$90,000,000 in Plant Specific Expense, which relates directly to maintaining and operating its network in Washington, and it incurred over \$177,000,000 in depreciation expense to recover investments previously made in its network (see Schedule I-1).

These investments and expenditures generally benefit all customers receiving the IAS supported services from the Company within its designated service area.

**WASHINGTON ETC REPORTS AS REQUIRED BY
WAC 480-123-070 AND WAC 480-123-080**

Report No. 2

WAC 480-123-070(4) – Report on Complaints per One Thousand Lines:

Verizon NW reports that it is aware of 61 complaints made during 2005 to the Federal Communications Commission (“FCC”) and 98 complaints to the Washington Attorney General (“AG”). This corresponds to a number of complaints per 1,000 lines of approximately 0.21.

Of the 61 FCC complaints, only 4 were related to services supported by IAS. Three involved billing issues and were resolved, where warranted, by adjusting the customers’ accounts. The other complaint involved being on hold when calling to check on an order, and was resolved with an apology for his wait during a period of unusually high call volumes; the customer cancelled his order.

The remaining 57 FCC complaints were not related to IAS supported services and dealt with DSL service, long distance service, other carriers’ billing errors and repair. The majority of the complaints were resolved by making adjustments to the customer’s account when a credit was due.

Of the 98 AG complaints, only 10 were related to IAS supported services. Most concerned payment, disconnection and collections issues and were resolved, where appropriate, by reconnections, payment arrangements and credits. One matter involved apparent identity theft and was resolved by notifying the collections agency of the fraud. Another concerned a move order that was denied in error; by the time the Company was able to contact the customer he had service with another provider.

The remaining 88 AG complaints were not related to services supported by IAS and dealt with DSL service, long distance service, and other carriers’ provisioning errors. The majority of the complaints were resolved by making adjustments to the customer’s account when a credit was due.

**WASHINGTON ETC REPORTS AS REQUIRED BY
WAC 480-123-070 AND WAC 480-123-080**

Report No. 3

WAC 480-123-070(5) – Certification of Compliance with Applicable Service Quality Standards;

WAC 480-123-070(6) – Certification of Ability to Function in Emergency Situations:

See attached affidavit.

**WASHINGTON ETC REPORTS AS REQUIRED BY
WAC 480-123-070 AND WAC 480-123-080**

Report No. 4

WAC 480-123-070(7) – Advertising Certification:

See attached affidavit.

**WASHINGTON ETC REPORTS AS REQUIRED BY
WAC 480-123-070 AND WAC 480-123-080**

Report No. 5

**WAC 480-123-080(1)(a) and (2) – Annual Plan for Universal Service Support
Expenditures:**

From October 1, 2006 through September 2007 Verizon NW will receive only Interstate Access Support. The Company will use these funds and other revenues to continue to provide services at a level that meets the intent set forth in 47 U.S.C. §254. The nature and magnitude of its investments and expenditures are anticipated to be similar to those for the prior period. They are expected to benefit customers generally by helping enable the Company to continue to provide good quality supported services.

**AFFIDAVIT CERTIFYING COMPLIANCE WITH SERVICE QUALITY STANDARDS
AND EMERGENCY FUNCTIONALITY AS REQUIRED
BY WAC 480-123-070 (5) AND (6)**

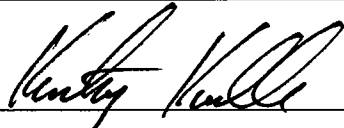
I, KATHY KOELLE, being of lawful age and duly sworn, on my oath state that I am the SENIOR VICE PRESIDENT [an officer] of VERIZON NORTHWEST INC. ("Company"), that I am authorized to execute this Affidavit on behalf of the Company, and that the facts set forth in this Affidavit are true to the best of my knowledge, information and belief.

On this basis, I hereby certify to the Washington Utilities and Transportation Commission ("Commission"), pursuant to the requirements of Commission General Order No. R-534 in Docket No. UT-053021, as follows:

- 1) That during the 2005 calendar year, the Company met substantially the applicable service quality standard found in WAC 480-123-030(1)(h); and
- 2) That during the 2005 calendar year, the Company maintained the ability to function in emergency situations under the standard found in WAC 480-123-030(1)(g), as such standard relates to functionality of wireline carriers in emergency situations;


DATED this 25 day of July, 2006.

VERIZON NORTHWEST INC. (Company)

By:  (Name)

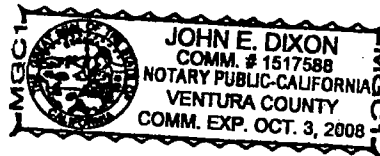
Its: SENIOR VICE PRESIDENT (Title)

SUBSCRIBED AND SWORN to before me this 25th day of July, 2006.


John E. Dixon

[Printed Name]
Notary Public in and for the State of California

My commission expires Oct 3, 2008



**AFFIDAVIT CERTIFYING TELEPHONE ASSISTANCE PROGRAM ADVERTISING
AS REQUIRED BY WAC 480-123-070 (7)**

I, David S. Valdez, being of lawful age and duly sworn, on my oath state that I am the Senior Vice President Officer [an officer] of Verizon ("Company"), that I am authorized to execute this Affidavit on behalf of the Company, and that the facts set forth in this Affidavit are true to the best of my knowledge, information and belief.

On this basis, I hereby certify to the Washington Utilities and Transportation Commission ("Commission"), pursuant to the requirements of Commission General Order No. R-534 in Docket No. UT-053021, as follows:

1) That during the 2005 calendar year, the Company publicized the availability of its applicable telephone assistance programs in a manner reasonably designed to reach those likely to qualify for service and in a manner which, in the Company's judgment, included advertisements likely to reach those who are not current customers of the Company within the Company's designated service area.

DATED this 29 day of July, 2006.

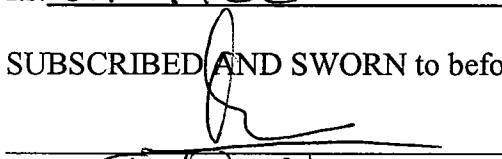
Verizon (Company)

By: David S. Valdez (Name)



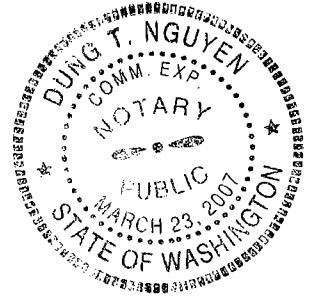
Its: Sr. Vice President (Title)

SUBSCRIBED AND SWORN to before me this 29 day of July, 2006.


John Nguyen
[Printed Name]

Notary Public in and for the State of ~~California~~ WA

My commission expires 03-23-2007.



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STATE OF WASHINGTON
UTILITY DIVISION