

W A S H I N G T O N



UTILITIES AND TRANSPORTATION
COMMISSION

Investigation Report

Verizon Northwest, Inc.

UT 090073

Travis Yonker
Compliance Investigations

April 26, 2010

TABLE OF CONTENTS

Section	Page
Purpose, Scope and Authority.....	2
Executive Summary.....	3
Background.....	4
Findings and Results – Washington Telephone Assistance Program.....	5
Findings and Results – City Taxes.....	9
Settlement Agreement.....	Appendix A

PURPOSE, SCOPE, AND AUTHORITY

Purpose

In Docket UT-090073, staff and Verizon Northwest, Inc. (Verizon) entered into a settlement agreement accepted by the commission on September 10, 2009. Part of that agreement required Utilities and Transportation Commission staff to conduct a follow-up investigation in March 2010, to be concluded within 60 days. This document reports the results of the follow-up investigation. Its purpose is to determine if Verizon has complied with the terms of the settlement agreement, specifically regarding customer charges for the Washington Telephone Assistance Program (WTAP) and charges for city taxes, as directed by the commission.

Scope

The scope of this investigation includes all information and documentation Verizon provided to the commission pursuant to the settlement agreement. In addition, staff evaluated Verizon's business practices as reflected in consumer complaints received by the commission between September 1, 2009, and April 1, 2010.

Authority

Staff conducted this investigation pursuant to Revised Code of Washington (RCW) 80.01.040(3). In addition, RCW 80.04.070 grants the commission specific authority to conduct such an investigation.

Investigation Staff

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EXECUTIVE SUMMARY

In March 2009, staff completed a comprehensive investigation of Verizon's business practices. That investigation revealed three areas of deficiency. First, staff found that despite prior technical assistance, commission consumer protection staff continued to receive a significant number of complaints regarding Verizon's customer service. Second, staff found that Verizon consistently failed to properly process Washington Telephone Assistance Program (WTAP) applications. Third, staff found that Verizon was improperly billing certain consumers for city taxes when the telephone service was located in unincorporated areas. Staff recommended a total penalty of \$107,800 for these violations.

On March 18, 2009, the commission issued a complaint against Verizon based on the results of the staff investigation and requested relief of \$107,800, as recommended by staff in its investigation report. On April 21, 2009, the commission held a prehearing conference at which time the parties requested time to engage in settlement discussions prior to a hearing. The Administrative Law Judge granted that request.

On September 10, 2009, following successful settlement discussions, the commission adopted the settlement agreement presented jointly by the commission and Verizon.¹ As part of the settlement agreement, Verizon agreed to the following:

- (1) Verizon admitted to 425 violations for improperly assessing city taxes.
- (2) Verizon admitted to 47 violations for improperly charging customers in WTAP.
- (3) Verizon agreed to pay a \$2,600 penalty for its incorrect assessment of city tax rates, with an additional \$39,900 penalty suspended pending a follow-up investigation.
- (4) Verizon agreed to pay a \$37,000 penalty for its violations of WTAP procedures and also pay \$10,000 into a WTAP outreach program.
- (5) Verizon agreed to provide staff with documentation of measures it agreed to take to improve the city tax assessment and WTAP application processes.
- (6) Verizon agreed that staff would conduct a follow-up investigation six months from the effective date of the settlement agreement to determine compliance with WTAP charges and city tax charges.

Recommendation

Staff finds Verizon to be in substantial compliance with the terms of the settlement agreement. Staff further finds that Verizon's efforts to improve its processes related to both WTAP applications and billing of city taxes have led to decreased numbers of complaints. Staff recommends no further enforcement action related to the settlement agreement.

¹ See Settlement Agreement, attached at Appendix A.

BACKGROUND

Prior Investigation

In March 2009, staff completed an investigation into Verizon's business practices. Staff reviewed complaints received by commission consumer protection staff between June 2008 and November 2008. Staff found that out of 34 complaints related to WTAP, consumer protection staff recorded violations in 19 of those complaints. Further, staff found that during the same period, consumer protection staff recorded violations of RCW 80.36.130, relating to city taxes, in five complaints, for a total of 588 individual violations. On March 18, 2009, the commission issued a complaint against Verizon based on the results of the staff investigation and requested relief of \$107,800, as recommended by staff in its investigation report.

Settlement Agreement

On September 10, 2009, following successful settlement discussions, the commission adopted the settlement agreement presented jointly by the commission and Verizon.² As part of the settlement agreement, Verizon agreed to the following:

- (1) Verizon admitted to 425 violations for improperly assessing city taxes.
- (2) Verizon admitted to 47 violations for improperly charging customers in the Washington Telephone Assistance Program.
- (3) Verizon agreed to pay a \$2,600 penalty for its incorrect assessment of city tax rates, with an additional \$39,900 penalty suspended pending a follow-up investigation.
- (4) Verizon agreed to pay a \$37,000 penalty for its violations of WTAP procedures and also pay \$10,000 towards an outreach program for potential WTAP customers.
- (5) Verizon agreed to provide staff with documentation of measures it agreed to take to improve the city tax assessment and WTAP application processes.
- (6) Verizon agreed that staff would conduct a follow-up investigation six months from the effective date of the settlement agreement to determine compliance with WTAP charges and city tax charges.

Current Investigation

In March 2010, staff initiated a follow-up investigation to determine if Verizon had complied with the conditions of the settlement agreement, and also to determine what effect Verizon's efforts had on the overall number of customer complaints. Staff focused its investigation on the terms of the settlement agreement and Verizon's documentation of compliance with those terms. Staff also reviewed complaints against Verizon received by commission consumer protection staff during the compliance period. This report summarizes the results of the staff investigation.

² See Settlement Agreement, attached at Appendix A.

FINDINGS AND RECOMMENDATIONS WASHINGTON TELEPHONE ASSISTANCE PROGRAM (WTAP)

Findings

A. Settlement Agreement Terms

The settlement agreement and resulting commission order required the company to comply with a number of provisions aimed at improving Verizon's handling of WTAP applications. These provisions are enumerated in paragraphs 12 through 18 of the settlement agreement.

(1) Refreshers

Paragraph 12 required Verizon to issue "refreshers," which are job aids detailing procedures for proper carrier handling of WTAP applications that are sent to all appropriate call center representatives. Paragraph 12 required Verizon to issue these refreshers bi-weekly for three months and once monthly thereafter. Verizon provided copies of refreshers issued on the following dates:

- September 17, 2009
- October 1, 2009
- October 14, 2009
- October 28, 2009
- November 11, 2009
- November 25, 2009
- December 23, 2009
- January 29, 2010
- February 9, 2010
- March 9, 2010

The content of the refreshers included a step-by-step list for Verizon's representatives to properly process a WTAP application, including specific information the representative must tell the applicant, and how to navigate the internal computer program to ensure proper processing of the application. Verizon complied with the requirements of Paragraph 12 by distributing the refreshers at the required frequency.

(2) Washington Computer Interface

Paragraph 13 required Verizon to "create and deploy a WTAP computer screen interface, unique for Washington . . . to be used by call center representatives handling WTAP calls." Similarly, Paragraph 14 required Verizon to "create and deploy an electronic routing mechanism through which call center representatives handling WTAP calls" can more easily route applications within ten days of the effective date of the settlement agreement. The agreement required Verizon to complete these process improvements within ten days of the effective date of the settlement agreement. Verizon provided staff with a document entitled "WTAP Screenshot," which includes a one-screen image, and also provided an explanation of the steps call center representatives go through to ensure WTAP applications are handled correctly. Verizon has, therefore, demonstrated that it has created and deployed its WTAP computer screen interface and electronic routing mechanism as required.

(3) Order Sweeps

Paragraph 15 required Verizon to “create and deploy a process within ten days of the effective date of the settlement agreement to ‘sweep’ its computer system on a daily basis to ensure that WTAP orders have been properly routed to the [Services Resource Center] work queue.”

Paragraph 15 further required Verizon to provide staff with monthly reports stating the number of WTAP applications routed automatically and the number of applications rerouted after the daily sweeps. Verizon provided staff with reports for each month from September 2009 through March 2010, indicating the following:

Month	Total WTAP Applications	% WTAP Orders Rerouted
September 2009	457	3.3%
October 2009	1,276	3.1%
November 2009	1,077	5.9%
December 2009	1,027	8.3%
January 2010	1,029	5.5%
February 2010	814	4.6%
March 2010	269	4.5%

Verizon’s reports indicate that its new sweep process effectively routed all WTAP applications. First, the reports indicated that the vast majority of WTAP orders were automatically routed to the Services Resource Center without incident. Second, for the relatively small portion of WTAP applications that were misrouted, the daily sweeps appear to have allowed rerouting of those applications for timely processing in three business days or less. Therefore, Verizon’s compliance with this requirement has had a positive impact on the WTAP application process.

(4) Call Monitoring

Paragraph 16 required Verizon to increase by ten percent “the number of customer calls currently monitored” and to provide staff with monthly reports of total monitored calls and those monitored calls that were related to WTAP. Verizon provided staff with reports for each month from September 2009 through March 2010 describing the number of calls monitored, indicating the following:

Month	Total Washington Calls Monitored	WTAP Calls Monitored
September 2009	64	1
October 2009	165	2
November 2009	176	4
December 2009	164	0
January 2010	169	2
February 2010	160	0
March 2010	79	0

Verizon reported that prior to the compliance period, the company monitored on average 30 Washington calls monthly. Thus, Verizon increased the number of Washington calls monitored by more than 100 percent, far exceeding the ten percent requirement in the settlement agreement.

(5) Coaching

Paragraph 17 required Verizon to “institute a process to ensure . . . that call center representatives in WTAP ‘non-compliance’ are coached by supervisors.” This means that Verizon was required to coach any representative that did not properly handle an incoming call that included a WTAP issue. Verizon reported that for each WTAP-related complaint, the company’s Customer Advocacy Group initiated a “root cause analysis process.” According to Verizon, this process included contacting call center management personnel to find out what happened and getting confirmation that the involved representative had been coached on any deficiencies that had been found. Verizon provided staff with an example of the documentation the company now requires to show proper coaching has occurred. Verizon further provided staff details of some instances of coaching in the company’s monthly report of sweeps. Based on this information, Verizon has complied with this requirement.

(6) Root Cause Analysis

Paragraph 18 required Verizon to “institute a process in which its complaint handling, Lifeline and call center teams partner and routinely interface to perform root cause and trend analysis of WTAP-related complaints.” Verizon reported that for each WTAP-related complaint, the company’s Customer Advocacy Group initiated a “root cause analysis process.” According to the company, this process included analyzing the deficiencies found to see if there were any distinct trends. Verizon provided staff with a number of graphs developed by the root cause analysis process team demonstrating various trends it discovered. Based on this information, Verizon has complied with the requirement in Paragraph 18.

B. Consumer protection complaints

In addition to examining the requirements of the settlement agreement, staff also evaluated the complaints received by commission consumer protection staff related to WTAP during the compliance period to determine what effect, if any, Verizon’s compliance with the settlement agreement had on the number of complaints and violations. Verizon historically has had a poor record of properly processing WTAP-qualified customers, as reflected in commission consumer complaints, however, staff observed a significant improvement during the current compliance period, as indicated below:

Review Periods	Length of Review Period	Number of Complaints	Number of Violations
11/07 – 5/08	7 months	19	36
6/08 – 11/08	6 months	19	49
12/08 – 8/09	9 months	29	84
9/09 – 3/10	6 months	8	33

To determine if Verizon improved its record of improperly processing WTAP customers, staff reviewed all complaints filed with consumer protection staff during the current compliance

period. As noted above, staff found 33 violations of RCW 80.36.130 in eight complaints during the current compliance period. Based on these findings, it appears that complaints against Verizon related to improperly processing WTAP customers have decreased.

Recommendations

While consumer protection staff received some complaints against Verizon during the compliance period for WTAP-related violations, these violations stemmed from only eight individual complaints. This represents a significant drop in total complaints.³ In addition, Verizon has complied with all requirements outlined in the settlement agreement. Staff recommends no enforcement action related to improper charges for WTAP customers.

³ Compare this number with 29 complaints received between December 2008 and September 2009, and 19 complaints between 38 complaints received between November 2007 and November 2008.

FINDINGS AND RECOMMENDATIONS CITY TAXES

Findings

A. Compliance with settlement agreement terms

The settlement agreement and resulting order required Verizon to “institute a process to investigate customer complaints . . . concerning misapplication of city utility tax rates.”⁴ It further states that Verizon must investigate such complaints and give credits to complaining customers within 35 days of the initial complaint. Verizon provided staff with a document describing each complaint it received related to city tax billing issues, which included the date on which Verizon gave credits to the complaining customers. According to the information Verizon provided, in each complaint the company gave the credits within 35 days of the initial complaint, indicating full compliance.

Paragraph ten of the settlement agreement required Verizon to “investigate neighboring customers, and if warranted, issue them appropriate customer credits within 35 days of receipt of the initial complaint.” Verizon provided staff with a document for each city tax billing complaint it received describing the credits provided to all other customers in proximity to the complaining customer. According to the information Verizon provided, each time a customer complained, Verizon took prompt action to give credits to all customers affected by the improper city tax billing within 35 days, indicating full compliance.

Paragraph 11 required Verizon to “provide Staff with a list of all Washington complaints . . . concerning misapplication of city utility tax rates since the effective date of the Agreement.” Verizon provided staff a list of all complaints it recorded, as required.

Staff finds that Verizon has complied with the requirements of the settlement agreement as it relates to the billing of city taxes.

B. Consumer protection complaints

In addition to Verizon’s compliance with the settlement agreement, staff also evaluated the complaints recorded against Verizon related to city taxes.

In its 2008 investigation, staff found Verizon improperly charged city taxes in five complaints, resulting in 588 violations of RCW 80.36.130 between June 2008 and November 2008. During the compliance period, from September 10, 2009, to March 10, 2010, staff found Verizon improperly charged city taxes in three complaints, resulting in 621 violations of WAC 480-120-161 or RCW 80.36.130. In addition, staff found that since the compliance period ended on March 10, 2010, Verizon improperly charged city taxes in one complaint, resulting in 38 violations of RCW 80.36.130.⁵

⁴ See Settlement Agreement, Paragraph 9.

⁵ Due to media coverage on this issue in early March, 2010, consumer protection staff received a large volume of complaints against Verizon, however in all cases except for one, the customer had either (1) been annexed into the city limits thereby making the city tax charge appropriate, or (2) the customer was being billed for a county tax

Discussion

Staff's investigation indicates that the company has responded quickly and appropriately in investigating complaints from customers about city taxes. In addition, the company provides credits within 35 days, as required by the settlement agreement.

Recommendation

Staff believes Verizon has complied with the terms of the settlement agreement as those terms relate to the city tax billing issue. Further, the number of complaints regarding city tax billing decreased slightly during the compliance period. Staff recommends the suspended penalties not be imposed, and no further enforcement action be taken related to improper charges for city taxes.

which was appropriate but the billing statement mischaracterized the charge as a "city tax," due to a software error (*see, e.g.*, Complaint #108639).

Appendix A

BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND)
TRANSPORTATION COMMISSION,) DOCKET UT-090073
)
Complainant,)
)
v.) SETTLEMENT AGREEMENT
)
VERIZON NORTHWEST INC.,)
)
Respondent.)
)
.....)

1 This Settlement Agreement (Agreement) is entered into by the parties to this proceeding for the purpose of resolving all issues raised in the above docket.

I. PARTIES

2 The parties to this Agreement are Verizon Northwest Inc ("Verizon"), and Staff of the Washington Utilities and Transportation Commission ("Staff") (collectively, "the Parties").

II. AGREEMENT

3 The Parties have reached agreement on the issues raised in this docket and wish to present their agreement for the Commission's consideration and approval. The Parties therefore adopt the following Agreement, which the Parties enter into voluntarily, to resolve all matters in dispute between them or that could arise between them from the issues presented in this proceeding, and they seek to expedite the orderly disposition of this matter.

SETTLEMENT AGREEMENT

A. Admission

- 4 Verizon admits that with regard to 26 customers, on 425 occasions between March 2007, and March 2009, it incorrectly assessed city tax rates set forth in its tariffs filed with the Commission under RCW 80.36.100.
- 5 Verizon admits that on 47 occasions, it failed to assess rates associated with the Washington Telephone Assistance Program ("WTAP") as set forth in its tariffs filed with the Commission under RCW 80.36.100 to customers eligible for WTAP rates.

B. Penalties

- 6 Verizon agrees to pay to the Commission a \$2,600 penalty, within thirty (30) days after the effective date of this Agreement, related to the incorrect assessment of city tax rates described in Paragraph 4 above. A \$39,900 penalty will be suspended for and waived after six months from the date of entry of a settlement order provided that Verizon complies with the terms outlined in Paragraphs 9-11 below.
- 7 Verizon agrees to pay to the Commission a \$37,000 penalty within thirty (30) days after the effective date of this Agreement, related to the failure to assess rates associated with WTAP described in Paragraph 5 above.
- 8 Further, Verizon agrees to pay an amount of approximately, but not to exceed, \$10,000 toward a WTAP public outreach effort. The details of the outreach effort will be determined by Staff (with advance review of such effort afforded Verizon only if Verizon's name is used in the effort) and will consist of an educational product and/or publication, to be initiated in September 2009. The amount will be paid by Verizon to an outside vendor chosen by Staff upon placement of the product order by Staff. Verizon agrees to provide documentation of timely payment to the Commission.

C. City Taxes

- 9 Verizon agrees that, by the effective date of this Agreement, it will have instituted a process to investigate customer complaints and inquiries it receives concerning misapplication of city utility tax rates. Complaints will be investigated, and, if warranted, appropriate customer credits issued within 35 days of receipt of the initial complaint or inquiry unless Verizon can demonstrate that circumstances beyond its reasonable control prevented the issuance of credits within the stated time period.
- 10 Verizon agrees that, by the effective date of this Agreement, in conjunction with its investigation of all complaints or inquiries concerning misapplication of city utility tax rates it receives as described in Paragraph 9, it will similarly investigate neighboring customers, and, if warranted, issue to them appropriate customer credits within 35 days of receipt of the initial complaint or inquiry unless Verizon can demonstrate that circumstances beyond its reasonable control prevented the issuance of credits within the stated time period.

SETTLEMENT AGREEMENT

- 11 Verizon agrees that, six months following the effective date of this Agreement, it shall provide Staff with a list of all Washington complaints and inquiries it received concerning misapplication of city utility tax rates since the effective date of the Agreement, and a summary of their resolution, including the resolution of all investigations of neighboring customers. Staff's use of the list described in this paragraph shall be limited to determining compliance with this Agreement.

D. Washington Telephone Assistance Program (WTAP)

- 12 Bi-weekly for three months following the effective date of this Agreement, and monthly for three additional months, Verizon agrees to issue "refresher" written communications (e.g., job aids) that describe detailed procedures for proper carrier handling of WTAP applications, to all appropriate call center representatives. Once implemented, Verizon will provide Staff with copies of such written communications.
- 13 Within ten days of the effective date of this Agreement, Verizon agrees to create and deploy a WTAP computer screen interface, unique for Washington State, to be used by call center representatives handling WTAP calls from Washington customers.
- 14 Within ten days of the effective date of this Agreement, Verizon agrees to create and deploy an electronic routing mechanism through which call center representatives handling WTAP calls can simply click "yes" rather than input a specific code number, to route WTAP applications to Verizon's Services Resource Center ("SRC") for eligibility confirmation with the Washington State Department of Social and Health Services. Once implemented, Verizon will provide Staff with a copy of the screens described here and in Paragraph 13. If feasible, Verizon and Commission Staff will arrange a demonstration of the interface and routing mechanisms described here and in Paragraph 13.
- 15 Within ten days of the effective date of this Agreement, Verizon agrees to create and deploy a process to "sweep" its computer systems on a daily basis to ensure that WTAP orders have been properly routed to the SRC work queue. Verizon will promptly (not to exceed three business days) re-route any WTAP orders that are identified as not having been properly routed. The two part "sweep" process is further described in Attachment 1 to this Agreement. Monthly for six months following the effective date of this Agreement, Verizon will provide Staff with a summary of the daily "sweeps" including, at a minimum, the total number of WTAP orders routed, and the number of improperly routed orders identified by the sweeps, if any. Staff's use of the information provided under this paragraph shall be limited to determining compliance with this Agreement.
- 16 Within ten days of the effective date of this Agreement, Verizon agrees to increase by 10 percent the number of customer calls currently monitored with a goal of capturing comparatively infrequent WTAP calls. Monthly for six months following the effective date of this Agreement, Verizon will provide Staff with a summary of: (a) the number of Verizon calls monitored each month; and (b) of those calls monitored, the number that were

SETTLEMENT AGREEMENT

WTAP-related. Staff's use of the information provided under this paragraph shall be limited to determining compliance with this Agreement.

- 17 Within ten days of the effective date of this Agreement, Verizon agrees to institute a process to ensure (based on information heard by observers monitoring customer calls to Verizon representatives) that call center representatives in WTAP "non-compliance" are coached by supervisors on appropriate WTAP handling in as close to "real time" as possible. This process is further described in Attachment 1 to this Agreement.
- 18 Within ten days of the effective date of this Agreement, Verizon agrees to institute a process in which its complaint handling, Lifeline and call center teams partner and routinely interface to perform root cause and trend analysis of WTAP-related complaints. This process is designed to ensure that WTAP complaints are handled properly, that Verizon complies with Commission rules and statutes, and will be used by Verizon for continuous improvement. The process is further described in Attachment 1 to this Agreement.

E. Compliance Investigation

- 19 Staff will conduct an investigation for the purpose of determining Verizon's compliance with the terms of this Agreement, specifically Paragraphs 9-18 above, and compliance with Washington laws and rules related to the billing of city taxes and WTAP rates since the effective date of the Agreement.
- 20 The investigation will begin six months following the effective date of this Agreement, and conclude within 60 days. It will include all Commission complaints concerning Verizon related to WTAP processing and assessment of city taxes received during the six-month period, as well as information provided by Verizon under the terms of this Agreement.
- 21 A report of the compliance investigation containing Staff's findings will be filed with the Commission and will include Staff's recommendation whether suspended penalties described in Paragraph 6 above should be waived or imposed by the Commission.

F. General Compliance

- 22 This Agreement does not preclude the Commission from pursuing penalties for violations of Commission rules and statutes unrelated to the subject matter of this Agreement.

III. GENERAL PROVISIONS

- 23 The Parties agree that this Settlement Agreement is a settlement of all contested issues between them in this proceeding. The Parties understand that this Settlement Agreement is not binding unless and until accepted by the Commission. The effective date of this Agreement is the date of the Commission's order approving it.
- 24 The Parties agree to cooperate in submitting this Agreement promptly to the Commission for acceptance. The Parties further agree to support adoption of this Agreement in proceedings

SETTLEMENT AGREEMENT

before the Commission through testimony or briefing. No party to this Agreement or their agents, employees, consultants, or attorneys will engage in advocacy contrary to the Commission's adoption of this Agreement.

- 25 The Parties agree to: (1) provide each other the right to review, two business days in advance of publication, any and all announcements or news releases that the other party intends to make about the Agreement (with the right of review to include a reasonable opportunity to request changes to the text of such announcements); and (2) include in any news release or announcement a statement to the effect that Staff's recommendation to approve the Agreement is not binding on the Commission itself.
- 26 The Parties have entered into this Agreement to avoid further expense, inconvenience, uncertainty, and delay of continuing litigation. The Parties recognize that this Agreement represents a compromise of the Parties' positions. As such, conduct, statements, and documents disclosed during negotiations of this Agreement shall not be admissible as evidence in this or any other proceeding, except in any proceeding to enforce the terms of this Agreement or any Commission order fully adopting those terms. This Agreement shall not be construed against either party because it was the drafter of this Agreement.
- 27 The Parties have negotiated this Agreement as an integrated document to be effective upon execution and Commission approval. This Agreement supersedes all prior oral and written agreements on issues addressed herein. Accordingly, the Parties recommend that the Commission adopt this Agreement in its entirety.
- 28 The Parties may execute this Agreement in counterparts and, as executed, shall constitute one Agreement. Copies sent by facsimile are as effective as original documents.
- 29 The Parties shall take all actions necessary, as appropriate, to carry out this Agreement.
- 30 In the event the Commission rejects or modifies any portion of this Agreement, each party reserves the right to withdraw from this Agreement by written notice to the other party and the Commission. Written notice must be served within ten (10) days of the order rejecting or modifying any part of this Agreement. In such event, neither party will be bound or prejudiced by the terms of this Agreement, and either party shall be entitled to seek reconsideration of the order. Additionally, the Parties will jointly request that a prehearing conference be convened for purposes of establishing a procedural schedule to complete the case.
- 31 Except to the extent expressly stated in this Agreement, nothing in this Agreement shall be (i) cited or construed as precedent or indicative of the Parties' positions on an issue resolved in this Agreement or (ii) asserted or deemed in any other proceeding, including those before the Commission, the commission of any other state, the state courts of Washington or any other state, the federal courts of the United States of America, or the Federal Communications Commission, to mean that a Party agreed with or adopted another Party's legal or factual assertions.

SETTLEMENT AGREEMENT

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

VERIZON NORTHWEST INC.

ROBERT M. MCKENNA
Attorney General

MICHAEL A. FASSIO
Assistant Attorney General
Counsel for the Utilities and
Transportation Commission Staff

TIMOTHY J. McCALLION
President

Dated: _____, 2009

Dated: _____, 2009