James E. Green Director Northwest Region



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October 23, 2007

# VIA HAND DELIVERY AND ELECTRONIC MAIL

Public Utilities Commission of Oregon Attention: Filing Center 550 Capitol Street N.E., Suite 215 Salem, OR 97301-2551

Re: Petition of Verizon Northwest Inc. to Price List Certain Packaged Services

Dear Filing Center:

Enclosed for filing are an original and one copy of Verizon Northwest Inc.'s Petition to Price List Certain Packaged Services.

Sincerely,

James E. Green

**Enclosures** 

# BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

Petition of Verizon Northwest Inc. to Price List	)	
Certain Packaged Services	)	Docket No.
	)	

Verizon Northwest Inc. ("Verizon") respectfully submits this Petition to Price List Certain Packaged Services pursuant to ORS 759.054, OAR 860-032-0035 and OAR 860-032-0200 (3). Under its statutory authority set forth in ORS 759.054, the Public Utility Commission ("Commission") promulgated OAR 860-032-0200(3), which states that a package of essential and potentially price-listed services may be considered for price listing if each essential service in the package is readily available to customers on a separate basis and the package price is equal to or greater than the tariffed rate(s) for the essential service(s) plus the long-run incremental cost(s) of the price-listed service(s). The specific requirements for a petition to have packages price listed are set forth in OAR 860-032-0035. For the reasons set forth in this Petition, the Verizon packages described in this Petition satisfy the Commission's rules and warrant treatment on a price listed basis.

In support of this Petition, and in compliance with OAR 860-032-0035, Verizon states:

1. OAR 860-032-0035(1)(a). Name and address of the public utility.

Verizon Northwest Inc. 20575 N.W.Von Neumann Drive Beaverton, OR 97006

Verizon is authorized by the Commission to operate as a telecommunications utility serving forty four (44) exchanges in Oregon that are identified on maps on file with the Commission.

Petitioner's representatives:

James E. Green 20575 N.W.Von Neumann Drive Beaverton, OR 97006

And

Kimberly A. Douglass 600 Hidden Ridge Drive Irving, TX 75038 MC: HQE02F60

2. OAR 860-032-0035(1)(b). Description of the service that Verizon proposes to be price-listed, including the initial price list with the proposed terms and prices of the service.

Verizon proposes to price list the following packages, all of which are currently offered under approved tariffs: Regional Value; Regional Essentials; Regional Essentials Bundle Discounts; Regional Essentials Bundle with FiOS and Regional Value Wireless Bundle Discounts. The packages are available to residential customers and are identified in Section VII, Original Sheets 45, 46, 47, 48 and 56 of Verizon's Local Exchange Tariff OR PUC No. 18. Upon the granting of this Petition, the initial prices of these packages will be the rates set forth in Verizon's tariffs at that time.

<sup>&</sup>lt;sup>1</sup> Regional Essentials Bundle Discounts, Regional Essentials Bundle with FiOS and Regional Value Wireless Bundle Discount are discounts offered to residential customers who purchase either Regional Essentials or Regional Value packages bundled with non-regulated services such as Verizon Long Distance, DirecTV, Verizon Online, Verizon FiOS Internet or TV and Verizon Wireless service.

<sup>&</sup>lt;sup>2</sup> A copy of the tariff sheets referenced in this Petition are attached as Exhibit A.

# 3. OAR 860-032-0035(1)(c). Information relevant to criteria to be considered under OAR 860-032-0035(4), (5) and (6).

Under OAR 860-032-0035(1)(c), a petitioner is to provide information to support findings that the Commission must make and the criteria the Commission must consider as set forth in subsections (4), (5) and (6) of OAR 860-032-0035. Subsections (4), (5) and (6) focus on whether the service to be price listed either faces competition or is "not essential." For purposes of this Petition, the packages – not the individual components of the packages – will constitute the "product or service" to be price-listed. The regulated essential products and services included in these packages will be readily available from Verizon on an individual "stand alone" basis at Commission approved tariffed rates. Thus, under OAR 860-032-0200(3), the packages of products that Verizon proposes to price-list are "not essential" because each individual service component in the package defined as essential pursuant to OAR 860-032-0200(1) and (2) is available separately from Verizon.

# 4. OAR 860-032-0035(1)(d). Statement from each joint provider of the service that it agrees to the price list.

Verizon does not currently anticipate that there will be joint providers of the packaged services or products to be price-listed. Verizon will be the sole provider of services. If there are any such joint providers in the future, Verizon will provide the statement required by OAR 860-032-0035(1)(d) at the time a price list for such a package is filed with the Commission.

5. OAR 860-032-0035(8) and OAR 860-032-0200(3). Package prices are equal to or greater than the tariffed rate(s) for the essential service(s) plus the long run incremental cost(s) of the price listed service(s).

The prices of the Verizon packages listed in this petition will be equal to or greater than the tariffed rate(s) for the essential service(s) included in the packages plus the long run incremental costs(s) of the price listed services included in the packages, which is the standard set forth in both OAR 860-032-0035(8) and OAR 860-032-0200(3). The Commission has already found that the current prices of the current Verizon packages meet this standard; it did so when the packages were approved in the original tariff filings.

6. OAR 860-0032-0035(9). Price-Listing of packages is consistent with the public interest.

Under OAR 860-0032-0035(9), unless the Commission finds that a petition for price listing is contrary to the public interest, such a petition should be granted. In this case, the Petition for price listing of Verizon's packaged services is in the public interest because Verizon is only seeking authority to price list packages of regulated services that are otherwise available to consumers on an individual "stand alone" basis at Commission approved tariff rates. The regulated individual components of the Regional Value, Regional Essentials, Regional Essentials Bundle Discounts, Regional Essentials Bundle with FiOS and Regional Value Wireless Bundle Discount packages will continue to be subject to regulation and the Commission's existing authority.

The public interest does not require full tariff regulation of these packages of products and services because the individual essential service components of such packages are readily available under Verizon's tariffs.

# Conclusion

For the reasons outlined above, Verizon respectfully requests that the Commission grant this Petition and authorize Verizon to price list the Regional Value, Regional Essentials, Regional Essentials Bundle Discounts, Regional Essentials Bundle with FiOS and Regional Value Wireless Bundle Discount packages of products and services.

Respectfully submitted this 23rd day of October 2007.

By: Lames E. Green

Verizon Northwest Inc.

Oregon State Bar No. 91291

# Exhibit A

#### **Original Sheet 45**

#### **CALLING SERVICES**

### IV. PACKAGES

- E. REGIONAL VALUE or REGIONAL ESSENTIALS<sup>1</sup>
  - 1. GENERAL

These offerings are a combination of services available as a package to residential customers only.

2. SERVICES

Regional Value includes the following services:

- a. Flat-rated network access line
- b. Extended Area Service
- The following nonrecurring charges for the initial order or for any subsequent change to this service are included in the package price:
  Each Network Access Line connected – Residence (Section IV, Sheet 102)

Miscellaneous – Change of class, type or grade of service, each Network Access Line

(Section IV, Sheet 103)

d. Unlimited IntraLATA Toll (only 1+ direct-dial station-to-station)

Regional Essentials includes the following services:

- a. The services listed above under Regional Value Services and up to three vertical services:
- b. Caller ID
- c. Call Waiting/Cancel Call Waiting
- d. A choice of voicemail options2
- e. In addition to the nonrecurring charges listed above in Regional Value Services, the following nonrecurring rate is included in the package price:

Calling Services – Nonrecurring Charge, per order (Section VII, Sheet 35)

- Service available for purchase on 7-11-06.
- Voicemail options are non-regulated services and listed for informational purposes only.

Advice No. 888

Issued: May 12, 2006

Issued by Verizon Northwest Inc.

By David S. Valdez, Executive Director - Public Policy and External Affairs

Effective: June 16, 2006

### **Original Sheet 46**

### **CALLING SERVICES**

- IV. PACKAGES (Continued)
  - E. REGIONAL VALUE or REGIONAL ESSENTIALS (Continued)
    - 3. CONDITIONS

Regional Value or Regional Essentials is only available on flat-rated single-line residential service.

Regional Value or Regional Essentials is not available:

with any other package or bundled offering on the same line; with ISDN service; with affiliate discounts; with optional toll discount calling plans

4. RATES

Monthly Rate 1, 2

Regional Value

\$27.04

Regional Essentials

32.04

Service available for purchase on 7-11-06.

Rate does not include any federal, state, or local taxes or surcharges applicable to a residential network access line.

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### **Original Sheet 47**

#### **CALLING SERVICES**

### IV. PACKAGES (Continued)

# F. REGIONAL ESSENTIALS BUNDLE DISCOUNTS

#### 1. General

Monthly discounts may apply when Regional Essentials is bundled with an unlimited domestic long distance calling plan plus the following:

Verizon Online Broadband (Up to 3 Mbps package) DirectTV® purchased through Verizon

# 2. Service

The applicable bundle discount will expire 12 months from the date it is implemented on a customer's account. Customers are limited to one discount only and cannot combine discounts. Each product must be purchased through or billed by Verizon Northwest. Bundle discounts are subject to billing system capability.

# 3. Conditions

Qualifying unlimited domestic long distance calling plans must be consistent with the Plan O Service - Unlimited as found in the Domestic Bell Atlantic Communications, Inc D/B/A Verizon Long Distance Posted Rates, Terms and Conditions.

Verizon Broadband Up to 3Mbps package refers to a specific Verizon offering that offers a maximum speed of 3Mbps, and does not refer to other products that offer lower maximum speeds.

#### 4. Rates

	Monthly Discount
Verizon Online Broadband (up to 3Mbps Package)	\$ 3.00
DirectTV® purchased through Verizon (Total Choice or Higher)	\$ 2.99

### **Original Sheet 48**

### **CALLING SERVICES**

## IV. PACKAGES (Continued)

### G. REGIONAL ESSENTIALS BUNDLE WITH FIOS

#### 1. General

Monthly discounts may apply when Regional Essentials is bundled with an unlimited domestic long distance calling plan plus one or both of the following FiOS Products as determined by Verizon for a 12 or 24-month commitment:

Verizon FiOS Internet Verizon FiOS TV

### 2. Service

Depending on the length of the commitment, the applicable bundle discount will expire 12 or 24 months from the date it is implemented on a customer's account. Customers are limited to one discount only and cannot combine discounts. Each product must be purchased through or billed by Verizon Northwest. Bundle discounts are subject to billing system capability.

#### 3. Conditions

Qualifying unlimited domestic long distance calling plans must be consistent with the Plan O Service - Unlimited, as found in the Domestic Bell Atlantic Communications, Inc. dba Verizon Long Distance Posted Rates, Terms and Conditions.

Discontinuance of any one of the services listed above will result in immediate termination of the discount.

#### 4. Rates

The following discount on Regional Essentials will apply when it is part of the Regional Essentials Bundle with FiOS:

With Verizon FiOS Internet	12 Month <u>Term</u> \$0.01	24 Month <u>Term</u> \$5.01
With Verizon FiOS TV	\$3.01	\$8.01
With Verizon Fios Internet and Verizon FiOS TV	\$8.00	\$15.00

### **Original Sheet 56**

# **CALLING SERVICES**

# IV. PACKAGES (Continued)

- I. REGIONAL VALUE WIRELESS BUNDLE DISCOUNT
  - 1. General

A monthly discount may apply when Regional Value is bundled with an unlimited long distance calling plan plus ONE-BILL® and a Verizon Wireless plan as specified by Verizon.

2. Service

The applicable bundle discount will expire 12 months from the date it is implemented on a customer's account. Each product must be purchased through or billed by Verizon Northwest Inc. Customers are limited to one discount only and cannot combine discounts.

3. Conditions

Qualifying unlimited domestic and international long distance calling plans must be consistent with Plan O Service - Unlimited as found in the Bell Atlantic Communications, Inc. d/b/a Verizon Long Distance Posted Rates, Terms and Conditions.

Discontinuance of any one of the services listed above will result in immediate termination of the discount.

4. Rates

ONE-BILL® with Verizon Wireless Plan

Regional Value Discount \$5.00

Advice No. 937

Issued: August 20, 2007 Issued by Verizon Northwest Inc.

By David S. Valdez, Executive Director - Public Policy and External Affairs

Effective: October 1, 2007