

McDowell Rackner & Gibson PC



WENDY MCINDOO
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September 10, 2014

VIA ELECTRONIC AND U.S. MAIL

PUC Filing Center
Public Utility Commission of Oregon
PO Box 1088
Salem, OR 97308-1088

**Re: UM 259 – Teleconnect Long Distance Services and Systems Company and
CP-734 – MCI Communications Services, Inc.**

Attention Filing Center:

Enclosed for filing in the above-referenced dockets is an original and one copy of the Joint Notice Customer Transfer and Request for Waiver.

A copy of this filing has been served on all parties to this proceeding as indicated on the enclosed certificate of service.

Very truly yours,

Wendy McIndoo
Office Manager

cc: Service List

1 **BEFORE THE PUBLIC UTILITY COMMISSION**
2 **OF OREGON**

3 **UM 259, CP 734**

4 In the Matter of

5 TELECONNECT LONG DISTANCE
6 SERVICES AND SYSTEMS COMPANY

7 Application For Certificate Of Authority To
8 Provide Telecommunications Service In
9 Oregon And Classification As A Competitive
10 Telecommunications Provider

11 and

12 In the Matter of

13 MCI WORLDCOM COMMUNICATIONS, INC.

14 Application for a Certificate of Authority to
15 Provide Telecommunications Service in
16 Oregon and Classification as a Competitive
17 Telecommunications Provider

**JOINT NOTICE OF TELECONNECT
LONG DISTANCE SERVICES AND
SYSTEM COMPANY AND MCI
COMMUNICATIONS SERVICES, INC.
OF CUSTOMER TRANSFER AND
REQUEST FOR WAIVER**

18 **JOINT NOTICE OF CUSTOMER TRANSFER**
19 **AND REQUEST FOR WAIVER**

20 Teleconnect Long Distance Services and Systems Company ("Teleconnect") and MCI
21 Communications Services, Inc. d/b/a Verizon Business Services ("MCI") (together
22 "Applicants") hereby provide notice of the planned transfer of customers from Teleconnect to
23 its affiliate, MCI. Following the transfer, Teleconnect will no longer operate and will seek
24 cancellation of its certification as a competitive provider.

25 Applicants recently became aware of the applicability of Oregon Administrative Rule
26 (OAR) 860-032-0020(11) requiring 90 days' notice to customers and the Commission.
27 Applicants provided notice to customers on August 1, but had not formally provided a copy of
28 such notice to the Commission until this filing. Applicants therefore request waiver of the
29 requirement to provide a full 90-days' notice to [REDACTED] affected customers and the
30 Commission. Of these [REDACTED] customers [REDACTED] are residential and the remainder is small
31 business. As discussed below, the waiver, if granted, would reduce the notice period to

1 customers by only 15 days (that is, customers would have been provided 75 days' notice by
2 the date on which the transfer is scheduled to occur).

3 This transaction is part of a multi-state effort to consolidate certain Verizon subsidiaries
4 and therefore is an internal corporate reorganization as described below. The Applicants are
5 coordinating proceedings in multiple states with a scheduled implementation date of no later
6 than October 15, 2014.

7 I. THE PARTIES

8 Teleconnect was incorporated under the laws of the State of Iowa on November 20,
9 1986. Its principal office is located in Basking Ridge, New Jersey. The company was
10 authorized to provide intrastate toll resale services on September 22, 1989 by Order No. 89-
11 1246 in Docket No UM 259. Teleconnect is ultimately owned and controlled by Verizon
12 Communications Inc., a publicly traded corporation with subsidiaries in the United States and
13 other countries providing telecommunications and other services. Teleconnect provides
14 resold long distance service including toll-free services in Oregon. The company also
15 provides 10 10 dial around and operator services for casual calling customers.

16 MCI was incorporated under the laws of the State of Delaware on January 3, 1992. Its
17 principal offices are also located in Basking Ridge, New Jersey. The company that is now
18 MCI Communications Services, Inc. d/b/a Verizon Business Services was authorized to
19 provide telecommunications services by Order No. 00-054 in Docket No. CP 734. MCI
20 currently offers interexchange services in Oregon. MCI is also ultimately owned and
21 controlled by Verizon Communications Inc.

22 II. THE TRANSACTION

23 Teleconnect has [REDACTED] customers in Oregon. Each of these customers was provided
24 a notice of the transfer on or about August 1, 2014. These customers will be transferred to
25 MCI on or about October 15, 2014.

26

1 Following the transaction, these customers will be served by MCI. Teleconnect will
2 cease to operate and will subsequently seek cancellation of its certification.

3 **III. CUSTOMER IMPACT AND REQUEST FOR WAIVER**

4 The transition to MCI will be virtually transparent to most customers. Teleconnect's
5 customers will not incur any charges as a result of the change in service provider from
6 Teleconnect to MCI, because if the customer's local exchange carrier assesses a Preferred
7 Interexchange Carrier (PIC) change charge, MCI will issue a credit no less than the amount of
8 such charge on or before the next billing cycle. For the most part, there will be no changes to
9 rates, terms or conditions of service. A sample of the notice to these customers is included as
10 Exhibit A. In a single situation in Oregon, it will not be possible to move that customer's
11 Teleconnect rate plan to the MCI billing system. That customer has been offered a similar
12 rate plan. A sample of the notice to this customer is included as Exhibit B.

13 Written notice of the proposed transfer was provided to all Teleconnect customers on
14 or about August 1, 2014. The customer notifications advised customers of the following:

- 15 • the pending change of their interexchange service carrier selection to MCI;
- 16 • there will be no impact on their service (except as otherwise specified in the
17 notice);
- 18 • for most customers, there will be no change to rates, terms or conditions of
19 service;
- 20 • for the few whose service cannot be moved over to the MCI billing platform, a
21 description and detail of their proposed new service and rates;
- 22 • there will be no charges associated with the change to MCI as their interexchange
23 carrier; and
- 24 • they have the option to select a different service provider if they prefer, with no
25 penalty from Teleconnect.

26 The notifications also included the toll free numbers that customers may call for more
information before and after the transaction. Copies of the customer notifications are attached

1 as Exhibit A. The content and timing of these notifications comply with applicable FCC rules
2 per OAR 860-032-0020(4).

3 Applicants were unaware that OAR 860-032-0020(11) applied to transfers of
4 customers until an email from staff in an unrelated transaction. Applicants' notice to
5 customers and the Commission therefore does not meet the 90-days' notice requirement.
6 Instead, with the scheduled October 15, 2014 cut-over date, customers will have 75 days'
7 notice. Formal notice to the Commission is by way of this filing. In order to ensure that
8 Applicants can execute on its nationwide plan to transfer all customers from Teleconnect to
9 MCI on or before October 15, 2014, and to avoid costs imposed by delay, Applicants
10 respectfully request that the Commission waive the 90 days' notice requirement of OAR 860-
11 032-0020(11)(a) and the requirement in OAR 860-032-0020(11)(b) that a copy of such notice
12 be simultaneously provided to the Commission.

13 Applicants aver they are otherwise in compliance with OAR 860-032-0020. For
14 example, no other service providers are impacted by the transfer of customers from
15 Teleconnect to MCI.

16 **IV. CONTACT INFORMATION**

17 Correspondence with regard to this filing should be sent to:

18 Lisa Rackner
19 McDowell Rackner & Gibson
20 419 SW 11th Ave
21 Portland OR 97204
22 (503) 595-3925
23 Email: lisa@mcd-law.com

24 with a copy sent to:

25 Gail Garey
26 Senior Consultant
MCI Communications Services, Inc. d/b/a Verizon Business Services
6415-6455 Business Center Drive
Highlands Ranch, CO 80130
Telephone: 303-305-1563
Email: Gail.garey@verizon.com

1 **V. CONCLUSION**

2 This customer transfer is part of multi-state effort to consolidate certain Verizon
3 subsidiaries. This is an internal corporate reorganization that will reduce costs and
4 provide enhanced operational and economic efficiencies for the surviving Verizon
5 entities. The resulting savings will provide greater opportunities to improve the
6 services available to its customers. Consequently, the transfer of customers is
7 consistent with the public interest.
8

9 WHEREFORE, for the reasons stated above, Teleconnect Long Distance
10 Services and Systems Company and MCI Communications Services, Inc. d/b/a
11 Verizon Business Services submit that the public interest, convenience and necessity
12 would be furthered by the customer transfer described herein including the requested
13 grant of rule waivers necessary to permit these actions to take place in the scheduled
14 timeframe.
15

16 DATED: September 10, 2014.

McDOWELL RACKNER & GIBSON PC



Lisa F. Rackner

Attorneys for Verizon

Teleconnect Long Distance Services and Systems Company

and

MCI Communications Services, Inc. d/b/a Verizon Business Services

Exhibit A

Customer Notifications

Telecom*USA
P.O. Box 31301
Salt Lake City, UT 84130-1301

Exhibit A
Page 1 of 2

MCI
P.O. Box 31303
Salt Lake City, UT 84130-1303



0001 0000 00001 01 MB 0.435



August 1, 2014

RE: 

IMPORTANT NOTICE REGARDING A CHANGE IN YOUR LONG DISTANCE SERVICE

Dear ,

This letter is to inform you of the forthcoming transfer of your long distance service from Teleconnect Long Distance Services & Systems Company doing business as Telecom*USA to MCI Communications Services, Inc. doing business as Verizon Business Services (MCI) on or after **September 1, 2014 (Transfer Date**¹). Following the transfer, MCI will assume responsibility for all services previously provided to you by Telecom*USA.

Please rest assured there will be no interruption to your services. You will retain your current service with no changes to rates, features, or terms and conditions. You will not incur charges for the transfer of your service(s) to MCI. **No action is required from you to continue your service(s) with MCI.**

You have the right to select a different carrier for your long distance service(s). If you do not wish to receive service from MCI, you should select an alternate carrier directly (or through your local carrier) and make arrangements to transfer your service to the alternate carrier before **September 1, 2014**. If you choose to switch to an alternate carrier, you may incur a fee from that alternate carrier for the transfer of your services. There is no penalty from Telecom*USA for selecting a different carrier prior to the Transfer Date.

If you have a long distance preferred carrier freeze, Telecom*USA will contact your local service provider to transition your service to MCI. If you want to change to another carrier, you must first contact your local service provider to lift the preferred carrier freeze. Once your service has been transferred to MCI or another carrier, you can contact your local service provider to re-establish the freeze.

Please note that if you are a customer of Telecom*USA on the Transfer Date, your account will automatically be transferred to MCI.

After your service has been transitioned to MCI, you will be notified of any future changes to these rates, terms and conditions on your monthly invoice, by a post card or letter, by our calling and speaking to you, leaving a message with you, by e-mail, with your consent, or publication on the Company's website.

If you have any questions about this transition or about your service or billing, you may seek assistance as follows:

¹ Transfer Date is subject to regulatory approval in certain states.

(Continued on other side)

For inquiries or complaints prior to the Transfer Date, you may contact a Telecom*USA customer service representative at 1-800-777-2321.

For inquiries or complaints after the Transfer Date, you may contact an MCI customer service representative at 1-800-444-3333.

About MCI

MCI is affiliated with Telecom*USA. Both companies are ultimately owned and controlled by Verizon Communications Inc., a publicly traded company.

We thank you for your business and look forward to providing you with quality service.

Sincerely,

Telecom*USA
MCI

Teleconnect Long Distance Services and Systems Company

and

MCI Communications Services, Inc. d/b/a Verizon Business Services

Exhibit B

Customer Notifications

Telecom*USA
P.O. Box 31301
Salt Lake City, UT 84130-1301

EXHIBIT B
Page 1 of 2
MCI
P.O. Box 31303
Salt Lake City, UT 84130-1303

Telecom★USA

0001 0001 00001 01 SP 0.480



August 1, 2014

RE: 

**IMPORTANT NOTICE REGARDING A CHANGE
IN YOUR LONG DISTANCE SERVICE**

Dear ,

This letter is to inform you of the forthcoming transfer of your long distance and/or toll free service from Teleconnect Long Distance Services & Systems Company doing business as Telecom*USA to MCI Communications Services, Inc. doing business as Verizon Business Services (MCI) on or after **September 1, 2014 (Transfer Date ¹)**. Following the transfer, MCI will assume responsibility for all services previously provided to you by Telecom*USA.

Please rest assured there will be no interruption to your services. Your long distance and/or toll free service will not be disrupted in any way by this change. However, your billing will move to a newer, easier-to-read format, and your pricing and services will change as outlined below. **No action is required from you to continue your service with MCI.**

You will have a new account with MCI and your new monthly bill will come from MCI. Your pricing will change to the MCI Business Value Extra rate plan, which offers \$0.07 cents per minute for state-to-state long distance, in-state rates vary by state.

If you have toll free service, your new state-to-state rate is \$0.07 cents per minute, your new in-state rate is \$0.07 cents per minute and your new local toll rate is \$0.07 cents per minute plus a \$5.00 monthly service charge.

The minimum usage fee is \$10.00 per month. So in any given month, if your usage charges are less than \$10.00, you will be billed the difference between the usage charges and the minimum fee so that your monthly charges equal a minimum of \$10.00. The \$5.00 toll free monthly service fee does not contribute to the \$10.00 minimum. Details of your new rate plan are available at: http://consumer.mci.com/mci_service_agreement/sb_domestic_services_current_plans.jsp. You will not incur any charges for the automatic transfer to MCI, but, additional taxes and surcharges may apply, including a Paper Billing Fee of \$1.99 per account.

Please make all future payments to your new account using the remit-to address shown on your new MCI invoice. You will receive a final bill from Telecom*USA and will be responsible for any outstanding charges.

¹ Transfer Date is subject to regulatory approval in certain states.

(Continued on other side)

You have the right to select a different carrier for your long distance service(s). If you do not wish to receive service from MCI, you should select an alternate carrier directly (or through your local carrier) and make arrangements to transfer your service to the alternate carrier before **September 1, 2014**. If you choose to switch to an alternate carrier, you may incur a fee from that alternate carrier for the transfer of your services. There is no penalty from Telecom*USA for selecting a different carrier prior to the Transfer Date.

If you have a long distance preferred carrier freeze, Telecom*USA will contact your local service provider to transition your service to MCI. If you want to change to another carrier, you must first contact your local service provider to lift the preferred carrier freeze. Once your service has been transferred to MCI or another carrier, you can contact your local service provider to re-establish the freeze.

Please note that if you are a customer of Telecom*USA on the Transfer Date, your account will automatically be transferred to MCI.

After your service has been transitioned to MCI, you will be notified of any future changes to these rates, terms and conditions on your monthly invoice, by a post card or letter, by our calling and speaking to you, by leaving a message with you, by e-mail, with your consent, or by publication on the Company's website.

If you have any questions about this transition or about your service or billing, you may seek assistance as follows:

For inquiries or complaints prior to the Transfer Date, you may contact a Telecom*USA customer service representative at 1-800-777-2321.

For inquiries or complaints after the Transfer Date, you may contact an MCI customer service representative at 1-800-444-2222.

About MCI

MCI is affiliated with Telecom*USA. Both companies are ultimately owned and controlled by Verizon Communications Inc., a publicly traded company.

We thank you for your business and look forward to providing you with quality service.

Sincerely,

Telecom*USA
MCI

CERTIFICATE OF SERVICE

I hereby certify that I served a true and correct copy of the foregoing document in Dockets UM 259 and CP-734 on the following named person(s) on the date indicated below by email addressed to said person(s) at his or her last-known address(es) indicated below.

UM-259

Teleconnect Long Distance Services &
Systems Co.
201 Spear St 7th Fl
San Francisco CA 94105
haleh.davary@verizonbusiness.com;

CP-734

Jean L. Kiddoo
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2020 K Street NW
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Jean.kiddoo@bingham.com


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1300 SW Fifth Avenue Ste. 3400
Portland, OR 97201-5696

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201 Spear St 7th Fl
San Francisco CA 94105
haleh.davary@verizon.com;
richard.b.severy@verizonbusiness.com;
milt.h.doumit@verizon.com

Bill Levis
MCI Communications Services Inc.
707 17th St. Ste 3600
Denver, CO 80202

Michael T. Weirich
Public Utility Commission of Oregon
1162 Court Street NE
Salem, OR 97301-4096
Michael.weirich@state.or.us

Dated: September 10, 2014


Wendy McIndoo
Office Manager