

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: December 9, 2008**

REGULAR _____ **CONSENT** X **EFFECTIVE DATE** December 10, 2008

DATE: November 28, 2008

TO: Public Utility Commission

FROM: Jim Stanage

THROUGH: Lee Sparling, Bryan Conway, and Lance Ball

SUBJECT: VERIZON NORTHWEST INC: (Advice No. 966) Modifies the regulation found under the Regional Essentials and Regional Value Retention and Winback Offer to clearly define customer eligibility.

STAFF RECOMMENDATION:

Staff recommends that the filed tariff be allowed to go into effect and that the request for a waiver of statutory notice be granted.

DISCUSSION:

Verizon Northwest Inc. (Verizon) proposes to change the eligibility requirements for discounts on its Regional Essentials and Regional Value packages through its Competitive Response - Retention and Winback Offer program. This filing changes the eligibility requirements for Winback discounts for these two residential packages in order to exclude customers who initiate new service, request a change to their service, or order new additional lines. That is, only customers who switch their local service to Verizon from another carrier would be eligible for the discounts. However, the filing does extend the discounts to customers who have switched their local service to Verizon from another carrier and request the discounts as a response to Verizon marketing activities within 30 days of their switch.

The filing was submitted on November 7, 2008, but has since been revised. The revisions were filed less than 30 days prior to the effective date. Oregon Revised Statutes (ORS) 759.190 requires tariff filings to be made at least 30 days prior to their effective dates. However, the company has filed a request for a waiver of the statutory notice requirement so that the tariff filing can be allowed to go into effect with less than the statutory notice of 30 days (i.e., a request sometimes referred to as an LSN).

Customers participating in this offer are not eligible to participate in other Verizon discount offers or promotions on the same local access line for a twelve-month period beginning with subscription to this offer. This discount offer is limited to one discounted offer per customer line, not to exceed two lines billed on the same bill. If prior to the end of the twelve-month term the customer removes the qualifying product from their account, then the customer will lose the associated discount. The applicable discount will expire twelve (12) months from the date it is implemented on a customer's line.

Residential customers subscribing to one of the Regional Essentials or Regional Value packages would receive a discount of \$5.00 or \$10.00 for twelve months on the packages' monthly charges, which are \$32.04 or \$27.04, respectively.

The Regional Essentials package includes the same components as Regional Value plus three features---i.e., Caller Identification (ID), Call Waiting, and Voice Mail¹---as well as free installation of the features.

The Regional Value package is a group of services for residential customers that Verizon currently offers as a tariffed service, which includes a local access line with unlimited local, Extended Area Service (EAS), and IntraLATA Toll calling; and line installation.

The company estimates that this filing would have a negligible revenue effect

PROPOSED COMMISSION MOTION:

Verizon Advice No. 966 be allowed to go into effect with less than statutory notice.

¹ Voice Mail is an unregulated service that is not offered in the company's Oregon tariff.