

A. Randall Vogelzang
Vice President and
General Counsel –
Great Lakes Region



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June 9, 2006

Ms. Mary Jo Kunkle
Executive Secretary
Michigan Public Service Commission
6545 Mercantile Way
P.O. Box 30221
Lansing, MI 48909

Subject: IN THE MATTER, ON THE COMMISSION'S OWN MOTION, TO
IMPLEMENT THE PROVISIONS OF SECTION 301A OF 2005 PA 235
MPSC CASE NO. U-14899

Dear Ms. Kunkle:

Enclosed for filing please find an electronic copy of Verizon North Inc. and Contel of the South, Inc. d/b/a Verizon North Systems' (collectively "Verizon") Response to the Commission's May 25, 2006 Order in the above referenced proceeding. Attachment A is confidential under Section 210 of the Michigan Telecommunications Act ("Act") and must be protected as such.

If you have any questions, please contact me.

Sincerely,

**A. Randall
Vogelzang**
Digitally signed by A.
Randall Vogelzang
DN: CN = A. Randall
Vogelzang, C = US, O =
Verizon,
Date: 2006.06.09 13:37:13 -
05'00'

A. Randall Vogelzang

Enclosures

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter, on the Commission's own motion,	)	
to implement the provisions of Section 301a of	)	Case No. U-14899
2005 PA 235.	)	
_____	)	

VERIZON'S RESPONSE TO THE COMMISSION'S MAY 25, 2006 ORDER

Verizon North Inc. and Contel of the South, Inc. d/b/a Verizon North Systems (collectively "Verizon"), pursuant to the Michigan Public Service Commission's ("Commission") order dated May 25, 2006 in Case No. U-14899, submits the following response. Verizon provides information that shows Verizon took the appropriate steps to make primary basic local exchange service ("PBLES") available to the public in compliance with Section 301a of the Michigan Telecommunications Act ("MTA"). Specifically, the attached supporting documentation addresses the programming changes, training of personnel, and any customer notices or advertisements Verizon instituted in order to offer PBLES to the public. Also provided is the number of requests for PBLES since the passage of Act 235 and the number of customers that are currently receiving PBLES on May 1, 2006.

I. EVIDENTIARY SUPPORT FOR VERIZON'S PBLES FILING

A. Programming Changes

The establishment of Verizon's One-Party Value Pak-100 PBLES plan required a number of system changes. All system enhancements were implemented prior to the April 1, 2006 effective date of Verizon's PBLES plan. Kelley Affidavit, ¶15; Attachment A.

B. Training of Personnel

In preparation of PBLES implementation on April 1, 2006, Verizon provided its customer service representatives notification beginning February 10, 2006 of the establishment of Verizon's PBLES rates via its "EZ Reference" system. Kelley Affidavit, ¶6; Attachment A.

C. Customer Notices and Advertisements

During the period February 19, 2006 through March 16, 2006, Verizon included a message on bills providing notice of the new One-Party Value Pak-100 PBLES Service. Verizon also advertises on its website the availability of its One-Party Value Pak-100 PBLES plan. Kelley Affidavit, ¶7; Attachment A.

D. Number of Requests for PBLES Since Passage of Act 235

Verizon did not receive any requests for its PBLES for the period November 22, 2005 (passage of Act 235) through March 31, 2006, because the service had not yet been established. The number of requests Verizon has received since the establishment of PBLES (April 1, 2006) is noted in the attached confidential Kelley Affidavit, ¶8; Attachment A.

E. Number of Customers Receiving PBLES on May 1, 2006

The number of customers subscribed to Verizon's PBLES as of May 1, 2006 is noted in the attached confidential Kelley Affidavit, ¶9; Attachment A.

II. CONCLUSION

Based on the information submitted in this response, the Commission should conclude that Verizon has taken adequate steps to make PBLES available to the public.

Respectfully submitted,

VERIZON NORTH INC. and CONTEL OF
THE SOUTH, INC. d/b/a VERIZON
NORTH SYSTEMS

**A. Randall
Vogelzang**

Digitally signed by A. Randall
Vogelzang
DN: CN = A. Randall Vogelzang,
C = US, O = Verizon
Date: 2006.06.09 13:45:46 -
05'00'

A. Randall Vogelzang (P27998)
HQE02H37
600 Hidden Ridge
Irving, TX 75038
(972) 718-2170

Dated: June 9, 2006

VERIZON RESPONSE

CASE NO. U-14899

JUNE 9, 2006

ATTACHMENT A

AFFIDAVIT OF MATTHEW T. KELLEY

(NONCONFIDENTIAL VERSION)

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter, on the Commission's own motion,)
to implement the provisions of Section 301a of)
2005 PA 235.)
_____)

Case No. U-14899

AFFIDAVIT OF MATTHEW T. KELLEY

STATE OF MICHIGAN)
) ss
COUNTY OF INGHAM)

MATTHEW T. KELLEY, being duly sworn, state as follows:

1. I am a Director - State Government Relations for Verizon Services Group and have responsibility for assisting with the implementation of price regulated services, such as Verizon's Primary Basic Local Exchange Service ("PBLES").

2. The purpose of this affidavit is to: a) demonstrate that Verizon has taken the necessary steps to offer PBLES, b) provide the number of requests for PBLES since the passage of Act 235, and c) provide the number of customers that were receiving PBLES as of May 1, 2006 as requested in the Michigan Public Service Commission's ("Commission") May 25, 2006 order in the above referenced case.

3. On January 19, 2006 Verizon filed a tariff for PBLES, which it identified as "One-Party Value Pak-100" with an effective date of April 1, 2006 in compliance with the Commission's December 20, 2005 order Case No. U-14731. On January 26, 2006, Verizon amended its filing to incorporate changes suggested by the Commission Staff. One-Party Value Pak-100 PBLES Service was filed with a monthly recurring charge of

\$17.98 and \$17.96 for Verizon North Inc. and Verizon North Systems, respectively. Verizon's PBLES pending tariff sheets were finalized and processed by the Commission Staff on February 9, 2006.

4. Verizon's One-Party Value Pak-100 PBLES Service is offered to each residential customer within Verizon's service area where it provides residential primary basic local exchange service pursuant to Section 301a of the MTA. The service includes no fewer than 100 outgoing voice calls per month, not less than 12,000 outgoing voice minutes of use per month, and unlimited incoming voice calls. One-Party Value Pak-100 PBLES service is available to all Michigan consumers, including those who qualify for Lifeline Service. As noted in Verizon's January 19, 2005 filing to establish its PBLES rates in Case No. U-14731, the basis of the cost support and rate development for Verizon's One-Party Value Pak-100 PBLES service was Verizon's One-Party Value Pak-60 rates (its lowest cost calling plan) that were previously approved by the Commission in Case No. U-12807 (Application of Verizon to Restructure its Rates for Basic Local Exchange Services).

5. In order to establish the One-Party Value Pak-100 PBLES Service, Verizon was required to change its end-user billing system to allow for a 100 local call allowance and to rate any local calls in excess of the 100 call allowance. Additionally, Verizon changed its bill format or bill presentation to reflect the new "One-Party Value Pak-100" plan name. Since the One-Party Value Pak-100 PBLES Service was replacing the One-Party Value Pack-60 plan, certain billing codes had to be mechanically changed to bill correctly and to be in compliance with Verizon's tariff. The pending orders also had to be reviewed so they would pass from the order entry system to the billing system

without errors. Finally, the billing tables required updating to reflect the new One-Party Value Pak-100 PBLES plan. All of the system changes summarized above were implemented prior to Verizon's PBLES becoming effective April 1, 2006.

6. In preparation for implementing its One-Party Value Pak-100 PBLES plan by April 1, 2006, Verizon provided its customer service representatives notification beginning February 10, 2006 of the establishment of Verizon's PBLES plan and rates via its "EZ Reference" system. Verizon's "EZ Reference" system provides customer service representatives with a central location for online access to reference information, such as customer notifications, methods and procedures, and practices and procedures, that will help reduce call-handling time and quickly provide accurate information to customers. A copy of the online screens viewed by the customer representatives is included as confidential Attachment A.1.

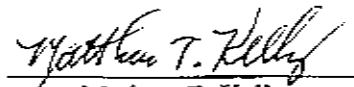
7. During the period February 19, 2006 through March 16, 2006, Verizon included a bill message on certain customer bills notifying them that the One-Party Value Pak-100 PBLES plan would allow a 100 call allowance at the \$17.98 and \$17.96 rates. A copy of the bill insert is included as Attachment A.2. Verizon offers all Michigan customers its PBLES plan as one of their choices when they call the service office to request local service. Verizon also advertises on its website the availability of its One-Party Value Pak-100 PBLES plan. A copy of the screens that can be viewed from Verizon's website is included as Attachment A.3.

8. Verizon did not receive any requests for its PBLES for the period November 22, 2005 (passage of Act 235) through March 31, 2006, because the service had not yet been established. The number of requests Verizon has received since the

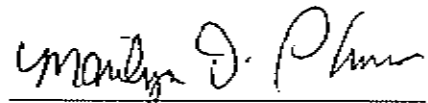
establishment of PBLES (April 1, 2006) is *****BEGIN CONFIDENTIAL*****
*****END CONFIDENTIAL*****. This number only includes inquiries if service is ultimately ordered. Verizon does not have the ability to track instances of PBLES inquiries where service is not ordered.

9. The number of customers subscribed to Verizon's PLBES as of May 1, 2006 is *****BEGIN CONFIDENTIAL***** *****END CONFIDENTIAL*****.

10. I have personal knowledge of the related facts contained herein, except as to those matters based upon information and belief, and as to those matters I believe them to be true.


Mathew T. Kelley

Subscribed and sworn to before me
this 8th day of June 2006



Marilyn D. Plummer, Notary Public
Ingham County, Michigan
My Commission Expires: October 17, 2012

VERIZON RESPONSE

CASE NO U-14899

JUNE 9, 2006

ATTACHMENT A.1

EZ REFERENCE ONLINE SCREENS

PAGES 1-4

**FILED UNDER SEAL PER SECTION 210 OF THE
MICHIGAN TELECOMMUNICATIONS ACT (MTA)**

VERIZON RESPONSE

CASE NO U-14899

JUNE 9, 2006

ATTACHMENT A.2

CUSTOMER NOTIFICATION BILL INSERT

Issue Date: 02-10-2006
Expires Date: 04-10-2006
Effective Date Note: Immed
Personnel Affected: CSSC
Contact: N/A, Consumer, 0000000000
Title: MI PBLES Rate and Function Change Notice — MI-GTE — Customer Selection: Selected Residence
Category: Bill Messages/Inserts & Direct Mailers
Content: GT036906MI — MI-GTE — Vehicle: BM — MI PBLES Rate and Function Change Notice — Customer Selection: Selected Residence

Insertion Date:
Bill Period: 2/19/06 - 3/16/06●
Calendar Date: 2/19/06 - 3/16/06●

=====

Important Information
Your basic local telephone service - Value Pak-60 - will undergo changes that will be reflected in your April billing statement. The changes are required by the Michigan Legislature and are currently before the Michigan Public Service Commission. Value Pak-60 will change to become Value Pak-100, which includes 100 calls for the service rather than the 60 calls under your current service. The current rate for Value-Pak-60 is \$16.78, which appears on the Residence Line on your bill. The rate for Value-Pak-100, which reflects the additional 40 local calls for a total of 100, is \$17.98 and will be included in your April bill. If you would like to discuss your calling plan and see what other options are available to you, please call 1-800-483-4000.

[Legal Notices](#)

Issue Date: 02-10-2006
Expires Date: 04-10-2006
Effective Date Immed
Note:
Personnel CSSC
Affected:
Contact: N/A, Consumer, 0000000000
Title: MI PBLES Rate and Function Change Notice — MI-Alltel - Customer
Selection: Selected Residence with ISOC 10614
Category: Bill Messages/Inserts & Direct Mailers
Content: GT037006MI — MI-Alltel — Vehicle: BM — MI PBLES
Rate and Function Change Notice — Customer
Selection: Selected Residence with ISOC 10614

Insertion Date:
Bill Period: 2/19/06 - 3/16/06●
Calendar Date: 2/19/06 - 3/16/06●

=====

Important Information
Your basic local telephone service - Value Pak-60 - will undergo changes that will be reflected in your April billing statement. The changes are required by the Michigan Legislature and are currently before the Michigan Public Service Commission. Value Pak-60 will change to become Value Pak-100, which includes 100 calls for the service rather than the 60 calls under your current service. The current rate for Value-Pak-60 is \$16.76, which appears on the Residence Line on your bill. The rate for Value-Pak-100, which reflects the additional 40 local calls for a total of 100, is \$17.96 and will be included in your April bill. If you would like to discuss your calling plan and see what other options are available to you, please call 1-800-483-4000.

[Legal Notices](#)

VERIZON RESPONSE

CASE NO U-14899

JUNE 9, 2006

ATTACHMENT A.3

VERIZON WEBSITE SERVICE ORDERING ONLINE SCREENS

Verizon Richer. Deeper. Broader.

Residential

Your one-stop source for everything you need to stay connected at home.

Small & Medium Business

Everything for tailoring and managing your business communications.

Large Business & Government

Comprehensive, end to end solutions over a secure local to global IP network.

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Get the best deal online!
As low as \$14.95/mo. & 1st mo. FREE!
Check availability for your home

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Enter a category

City

State

US

Powered by [SuperPages.com](#)

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View your bill, pay your bill and more.
Anytime, day or night.

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- Broadband Equipment

TV and Entertainment

- TV Services

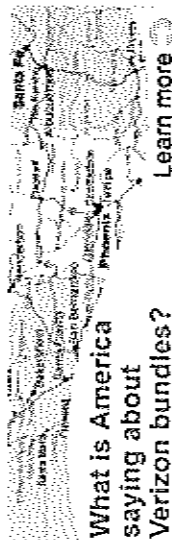
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- Verizon Wireless

Bundles

- Bundle up

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Now as low as **\$14.95/mo.** (for up to 768K)

Plus first month FREE!

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[Qualify your address.](#)

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- Set up new phone service
- Moving my home
- Add or change service
- Add a phone line
- Switch back to Verizon

Service Location

Because products and services vary by area, we need information about your service location.



If you already have Verizon phone service, please enter your Verizon phone number to view product information and pricing specific to your area. If you do not yet have Verizon phone service, select a state to view product information and pricing for services that may be available to you.

I Have Verizon Local Service

Verizon Local Phone Number OR

☒ Remember my Telephone Number

I Do Not Have Verizon Local Service

State Michigan

☒ Remember my State

Address: http://www22.verizon.com/ForYourHome/sas/sas_localplans.aspx

Local Calling & Beyond

Plan	Local Calling	Regional Calling	Nationwide Calling	International Calling	Calling Features	Monthly Fee
<u>Verizon Local Package Extra</u>	Unlimited Calling Area	Not Included	Not Included	Not Included	Choice of 10 or more	\$33.95
<u>Verizon Local Package</u>	Unlimited Calling Area	Not Included	Not Included	Not Included	Choice of 3 calling features	\$30.95
<u>Econo Pak</u>	Each completed call billed at 4¢ per call. Local calling area includes your home exchange and any Extended Area Service exchanges available for your area.	Not Included	Not Included	Not Included	Not Included	\$14.85
<u>Unlimited Local Calling</u>	Unlimited calling within your home exchange and any Extended Area Service exchanges available for your area	Not Included	Not Included	Not Included	Not Included	\$18.16 - \$18.18
<u>Value Pak-100</u>	Includes 100 calls to your home exchange and any Extended Area Service (EAS) exchanges that are available for your area. Each additional call over the initial 100 is only \$0.04 per completed call.	Not Included	Not Included	Not Included	Not Included	\$17.96 - \$17.98

Back
 view my cart

Pricing information is based upon the state of area code and telephone number you provided. Ranges of prices are offered for some products, and additional charges may apply. Pricing may not reflect current promotional pricing. In the event of a discrepancy between the information contained here and the applicable tariff, the tariff terms shall prevail. If pricing information is not available, contact Verizon for more details. Detailed pricing information is available at www22.verizon.com/ForYourHome/sas/sas_localplans.aspx.