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**Verizon Northwest Inc.**  
20575 NW Von Neumann Dr.  
Suite 150  
Beaverton, Oregon 97006-6982  
Mailcode: OR030156

Fax 503 629-0592

April 28<sup>th</sup> 2010

Idaho Public Utilities Commission  
Jean Jewell  
Commission Secretary  
472 W. Washington Street  
Boise, ID 83702

RE: VZN-T-10-03

Dear Ms. Jewell,

Please find enclosed an original and seven copies of Verizon's answer to the above mentioned complaint. This answer is being served electronically and via overnight mail to the Commission and to Mr. Hammond representing Mr. Brewster. Please contact me at (503) 645-7909 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Renee M. Willer".

Renee M. Willer  
Verizon Government Affairs  
503/645-7909

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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IDAHO PUBLIC UTILITIES COMMISSION

JOHN BREWSTER, )  
 )  
 Complainant, )  
 )  
 vs. )  
 )  
 VERIZON NORTHWEST INC. )  
 )  
 Respondent. )

CASE NO. VZN-T-10-03

ANSWER

Verizon Northwest Inc. ("Verizon") answers as follows:

1. Verizon admits that Complainant now seeks a line extension of over 7,900 feet from Verizon's facilities to his residence outside of Harrison, Idaho.

2. Verizon admits that the construction of line extensions by Verizon is governed by Verizon's I.P.U.C. Price List No. 1 ("Idaho Price List").<sup>1</sup>

3. Under Verizon's Idaho Price List, Verizon will provide Complainant a construction allowance of up to \$3,000 towards the cost of his line extension; however, the Complainant must pay all costs of the line extension over \$3,000.<sup>2</sup> Also under its Idaho Price List, Verizon is entitled to request advance payment, either in whole or in part, prior to performing any work.<sup>3</sup>

4. Verizon admits that due to the length of the proposed line extension, 15 pedestals as well as load coils and other telecommunications equipment must be placed on the line extension and attached (spliced) to the main copper wire.

<sup>1</sup> I.P.U.C. Price List No. 1, Section 4, Line Extension Charges, Sheets 66-68, Accepted for Filing December 1, 2005, and Section 4, Construction of Outside Plant Facilities, Sheets 69-71, Accepted for Filing March 11, 2007, (hereafter referred to as "Idaho Price List").

<sup>2</sup> Idaho Price List, Sheet 68, Accepted for Filing December 1, 2005.

<sup>3</sup> Idaho Price List, Sheet 66, Accepted for Filing December 1, 2005.

5. Verizon admits that it has provided Complainant with several cost estimates depending on the length of the line extension and the nature of the work to be done, and that all of the estimates exceed the \$3,000 construction allowance. The estimates provided to Complainant stated that the estimates were only valid for 30 days from the date of the estimate. Because Complainant refused to pay the estimated amounts in advance within 30 days of the estimate date, new estimates were prepared upon Complainant's request using what were then the current labor rates for the expected hours to be incurred and the cost of materials. As a result, the amounts in the estimates changed to reflect new labor and material costs. In addition, the length of line extension was reduced from approximately 18,000 feet to approximately 7,900 feet. Verizon also admits it sent 2 estimates to Complainant dated January 9, 2009; however, the date on the 2<sup>nd</sup> estimate was an error. The first estimate was sent on or about January 9, 2009, and was for the line extension of approximately 18,000 feet and the 2<sup>nd</sup> estimate was sent on or about January 27, 2009, and was for the line extension of approximately 7,900 feet but was still dated January 9, 2009. The work to be performed generally involves pulling Verizon's cable through conduit, installing splicing for the 15 pedestals, testing, and turning up service for Complainant.

6. Verizon admits that due to the length of the proposed line extension and the costs estimated for the line extension, that it requested advance payment of all estimated costs, less the \$3,000 construction allowance, from Complainant prior to performing any work.

7. Verizon admits that it allowed Complainant to hire an outside contractor to furnish and place the required supporting structure (conduit) in the public right-of-way pursuant to its Idaho Price List.<sup>4</sup> This allowed Complainant to save some of the trenching and conduit placement costs he would have otherwise incurred if Verizon had performed that work. However, the supporting structure was not placed as planned, requiring Verizon to expend additional engineering and planning time to re-engineer the project, including determining new pedestal and load coil locations.

8. Verizon admits that Complainant seeks to hire an outside contractor to place certain telecommunications equipment, including the 15 pedestals, load coils, and cable for the line extension and that Verizon refused to allow Complainant to hire his own contractor to perform certain work because that is not authorized by Verizon's Idaho Price List.<sup>5</sup> After a line extension is constructed, Verizon is responsible for the maintenance, repair and future reinforcement of the line extension as stated in Verizon's Idaho Price List on Sheet 66 and must, therefore, ensure that Verizon's network integrity is maintained in order to protect service to other customers.

9. In order to ensure the Verizon does not act in an unduly discriminatory manner, Verizon must comply with its Idaho Price List in order to assure that all similarly situated customers are treated the same.

10. Verizon denies that the provision on Sheet 67 of its Idaho Price List entitled "Unusual or Special Construction" is applicable here because estimated costs of material and labor for Complainant's line extension are the normal rates charged for any construction of line extensions. The estimated cost of this project is driven by the length

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<sup>4</sup> Idaho Price List, Sheet 66, Accepted for Filing December 1, 2005.

<sup>5</sup> See footnote 1, *supra*.

of the extension, not by any unusual or special circumstances such as rock sawing, right-of-way issues or easement issues, for example. Therefore, the remaining provisions in the Idaho Price List in Section 4 apply rather than the section entitled “Unusual or Special Construction”.<sup>6</sup>

11. At all material times, Verizon complied with the terms of its Idaho Price List when addressing matters raised by this complaint.

12. Verizon has not refused to construct Complainant’s line extension so long as it is constructed pursuant to its Idaho Price List.

#### **AFFIRMATIVE DEFENSES**

1. Complainant has failed to state a claim upon which relief can be granted by the Commission.

2. The Commission does not have jurisdiction to adjudicate this complaint under § 62-605(5)(b) of the Idaho Code. This complaint directly relates to an economic issue regarding the nonrecurring charges which Verizon has estimated will be required to be paid by Complainant in advance in order to build Complainant’s line extension.<sup>7</sup>

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<sup>6</sup> *Id.*

<sup>7</sup> Idaho Code § 62-605(5) provides in pertinent part: (b) The commission shall have the continuing authority to determine the *noneconomic* regulatory requirements relating to basic local exchange service for all telephone corporations providing basic local exchange service including, but not limited to, such matters as service quality standards, provision of access to carriers providing message telecommunication service, filing of price lists, customer notice and customer relation rules, and billing practices and procedures, which requirements shall be technologically and competitively neutral. (Emphasis supplied.)

**CONCLUSION**

Having fully answered this complaint, Verizon requests the Commission dismiss this complaint for the factual and legal reasons stated.

VERIZON NORTHWEST INC.

By: 

Renee Willer  
20575 NW Von Neumann Dr., Suite 150  
Beaverton, Oregon 97006  
503-629-2459  
Authorized Verizon Representative