

DT 01-186

VERIZON NEW HAMPSHIRE

**Tariff filing to Remove Calling Card Discount from
the CallAround 603 Optional Toll Calling Plan**

Order Granting Petition in Part and Denying in Part

O R D E R N O. 23,846

November 16, 2001

On September 20, 2001, Verizon filed with the New Hampshire Public Utilities Commission (Commission) its tariff material regarding removal of the calling card discount from the Call-Around 603 Optional Toll Calling Plan. The tariff was originally scheduled to go into effect on October 20, 2001, barring any reservations by the Commission.

On October 15, 2001, Commission Staff forwarded to the Commission a memorandum stating that they were in the process of reviewing the tariff and that they had requested that the Company supply additional information to support its filing. Staff believed there might be likely areas of disagreement with the tariff, including, but not limited to, actual revenues collected and customer usage of the plan. Staff also expressed concern that consumers using the service would be harmed and the public interest compromised by the elimination of the discount. Staff's initial recommendation was to either deny the tariff or else suspend the tariff to allow Staff time to gather additional information from the company.

Pursuant to RSA 378:6, IV, the Commission extended the effective date of the tariff by 30 days, to November 19, 2001, to allow Staff adequate time to complete their review and, if necessary, to request additional information from the Company.

Staff requested and subsequently received from the company on November 8, 2001 additional information in support of the tariff filing. Based on its review of the new materials, which provided additional information about the revenue and other impacts that would result from the proposed changes, Staff continues to recommend that the tariff filing be denied.

While Staff is aware that toll services are generally deemed to be competitive in nature, Staff further notes that with respect to the instant filing, the revenue effect on the company is, in the company's own words, "negligible." At the same time, Verizon New Hampshire's CallAround 603 customers who use their calling card would see their rates for these calls increase due to the removal of the twenty-five percent discount. Therefore, Staff concludes that it is not in the public interest at this time to allow the proposed tariff changes to take effect.

We find this service to be competitive and therefore find there is reason to approve the company's request to discontinue the discounted service. However, we acknowledge the affected customers have alternatives from which to choose, and we recognize that the change may have an adverse impact on those

Verizon customers who currently subscribe to this service. We believe that an equitable resolution of these issues is to require Verizon to grandfather existing Call Around 603 customers and to permit Verizon to eliminate the discount for customers who subscribe to this service after the date of this order.

Based upon the foregoing, it is hereby

ORDERED, that the proposed tariff changes are approved for customers who subscribe to this service after the date of this order; and it is

FURTHER ORDERED, that existing Call Around 603 customers be grandfathered from the elimination of discounted calling card rates.

By order of the Public Utilities Commission of New
Hampshire this sixteenth day of November, 2001.

Thomas B. Getz
Chairman

Susan S. Geiger
Commissioner

Nancy Brockway
Commissioner

Attested by:

Debra A. Howland
Executive Director and Secretary