

2. Now, it proposes to include Local Package Basic ("LPB") as another migration option in addition to LPP.⁴

It states that, "[l]ike LPP, LPB offers a bundle of local exchange, interisland toll and vertical services but with fewer features for a lower price. Therefore, offering this package as an alternative to LTP will help to mitigate any [in]convenience to LTP customers who will have to choose another plan."

3. Accordingly, since it intends to implement the LPP and LPB packages simultaneously, it seeks to revise its updated phase-out plan for LTP "to specify that it will issue the notification letters within a week of the implementation date of LPP and LPB[.]"

B.

Upon review, Verizon Hawaii Inc. shall comply with its revised, updated phase-out plan, subject to the same conditions set forth in Order No. 20230. At the same time, the commission makes clear that the instant order: (1) is not a ruling on the merits of Verizon Hawaii Inc.'s LPB proposal in Docket No. 03-0067; and (2) does not implicitly or otherwise, constitute an approval of LPB. In the event LPB is not approved, Verizon Hawaii Inc. shall promptly move forward with its initial, updated phase-out plan.

⁴Verizon Hawaii Inc.'s LPB proposal is currently pending before the commission. See Docket No. 03-0067, *In re Verizon Hawaii Inc.*

III.

THE COMMISSION ORDERS:

1. Verizon Hawaii Inc. shall comply with its revised, updated phase-out plan, filed on July 23, 2003.

2. Verizon Hawaii Inc. shall file: (A) copies of its written notice or notices issued to its LTP subscribers, clearly explaining that the affected subscribers have the option of choosing either LPP, another commission-approved bundled service package, or an individually tailored set of services, without incurring any nonrecurring charges associated with the phase-out of LTP; and (B) a final report, once the phase-out of LTP is completed. Two copies of all filings shall be served upon the Division of Consumer Advocacy.

3. In the event LPB is not approved by the commission, Verizon Hawaii Inc. shall promptly move forward with its initial, updated phase-out plan of LTP.


DONE at Honolulu, Hawaii this 29th day of July, 2003.

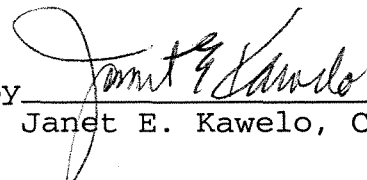
PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By 
Carlito P. Caliboso, Chairman

By (EXCUSED)
Wayne H. Kimura, Commissioner

APPROVED AS TO FORM:


Michael Azama
Commission Counsel

By 
Janet E. Kawelo, Commissioner

DOCKET NO. 01-0440
LOCAL AND TOLL PACKAGE TRANSITION PLAN

| Timeline | Description |
|-------------------------------------|--|
| May 27, 2003 | Decision and Order No. 20195 in Docket No. 02-0415 approves Local Package Plus ("LPP"). Verizon Hawaii ("VH") begins process to prepare, review and internally approve letter to Local and Toll Package ("LTP") customers informing them that LTP will be ending and requesting them to call the Customer Contact Center to select another plan or set of services to take its place. The letter will recommend Local Package Plus and state that LPP rate is \$49.95 per month compared to \$39.95 for LTP. Customers will not incur non-recurring charges to switch from LTP. The letter will request the customers to respond within 30 days and will state that if the customer does not respond, they will be automatically switched to LPP. Company service representatives will be trained to process orders and respond to questions on Local Package Plus and on the transition of LTP customers to Local Package Plus. |
| Ten weeks from LPP approval. | VH mails letter to LTP customers. |
| Thirty Days from issuance of letter | Formal deadline for customer response to letter. |
| Sixty Days from issuance of letter | VH completes identifying which customers have not responded to letter and selected alternate plan/services. Mandatory transition to LPP begins. |
| Ninety Days from issuance of letter | Mandatory transition of LTP customers to LPP completed. |

DOCKET NO. 01-0440
LOCAL AND TOLL PACKAGE TRANSITION PLAN (REVISED)

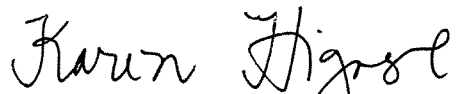
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| One week after implementation date of LPP and Local Package Basic ("LPB") | VH mails letter to LTP customers. |
| Thirty Days from issuance of letter | Formal deadline for customer response to letter. |
| Sixty Days from issuance of letter | VH completes identifying which customers have not responded to letter and selected alternate plan/services. Mandatory transition to LPP begins. |
| Ninety Days from issuance of letter | Mandatory transition of LTP customers to LPP completed. |

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 20355 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
DIVISION OF CONSUMER ADVOCACY
P. O. Box 541
Honolulu, HI 96809

JOEL K. MATSUNAGA, VICE PRESIDENT-EXTERNAL AFFAIRS
VERIZON HAWAII INC.
P. O. Box 2200, A-17
Honolulu, HI 96841



Karen Higashi

DATED: July 29, 2003