BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

In the Matter of the Application of) BELL ATLANTIC COMMUNICATIONS, INC.,) dba VERIZON LONG DISTANCE

Transmittal Filed on June 4, 2002,) Business Plan 2 Bundled Service Option.

DOCKET NO. 02-0158

ORDER NO. 19426

Filed June 21, 2002 At 8:00 o'clock A .M.

Chief Clerk of the Commission

ATTEST: A True Copy KAREN HIGASHI Chief Clerk, Public Utilities Commission, State of Hawaii.

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

In the Matter of the Application of)

BELL ATLANTIC COMMUNICATIONS, INC.,)
dba VERIZON LONG DISTANCE

Transmittal Filed on June 4, 2002,)
Business Plan 2 Bundled Service

Option.

Docket No. 02-0158

Order No. 19426

ORDER

I.

The transmittal of BELL ATLANTIC COMMUNICATIONS, INC., dba VERIZON LONG DISTANCE (Verizon or Verizon Long Distance), dated June 3, 2002 and filed on June 4, 2002, took effect on June 15, 2002, upon operation of law.

A section of the subject transmittal introduces a new service offering known as the Business Plan 2 Bundled Service Option (Business Plan 2). In general, interested consumers, in order to qualify for this plan, must "also subscribe to one of the following qualifying services offered by an affiliate of the Company."

Upon review, this section of the transmittal appears inconsistent with the competitive policies set forth in the:

(1) Federal Telecommunications Act of 1996, codified at Title 47 of the United States Code; (2) State of Hawaii's Act 225, 1995 Session Laws of Hawaii, codified at Hawaii Revised Statutes

(HRS), chapter 269; and (3) Hawaii Administrative Rules (HAR), chapter 6-80, the commission's rules governing competition in telecommunications services.

The commission, thus, will suspend the section of Verizon's transmittal relating to the Business Plan 2, specifically, section 3.7.1(F), at pages 49.1 - 49.3. This section is suspended, in accordance with HRS § 269-16 and HAR § 6-80-40, pending further commission review.

Pursuant to its general and investigative powers, the commission will instruct Verizon to promptly review this section of its transmittal. No later than July 19, 2002, Verizon must, in writing, respond to the commission's concerns, or explain why it believes its Business Plan 2 does not violate the anticompetitive provisions of the above-referenced legal authorities. Unless ordered otherwise, Verizon shall immediately cease any further offering of its Business Plan 2 in the State of Hawaii, pending review of the additional information to be submitted. Two copies of all documents submitted by Verizon shall also be served on the Division of Consumer Advocacy.

II.

THE COMMISSION ORDERS:

1. The Business Plan 2 Bundled Service Option, set forth in section 3.7.1(F), at pages 49.1 - 49.3, of Verizon Long

 $^{^{1}}$ Moreover, HAR § 6-80-87(1) requires telecommunications carriers to provide services on a non-discriminatory basis to all customers similarly situated or within a reasonably constituted class. See also HRS § 269-16(b).

 $^{^{2}}$ See HRS §§ 269-6, 269-7, 269-8, and HAR § 6-80-40.

Distance's transmittal, filed on June 4, 2002, is suspended pending further commission review.

Verizon Long Distance shall comply with the terms of the instant order, including the filing of its written response, no later than July 19, 2002.

DONE at Honolulu, Hawaii this 21st day of June, 2002.

PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

By (EXCUSED)

Wayne H. Kimura, Commissioner

APPROVED AS TO FORM:

Michael Aram

Commission Counsel

BellAtlantic.sl

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 19426 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

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Catherine Sakato

DATED: June 21, 2002