## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

In the Matter of the Application	of)	
VERIZON HAWAII INC.	)	DOCKET
For Approval of Changes to its Tariff. Transmittal No. 02-08.	)	
Tariff. Transmittal No. 02-08.	)	

ORDER NO. 20101

Filed March 25, 2003 At 1:30 o'clock P

Chief Clerk of the Commission

NO. 02-0068

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

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## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

In the Matter of the Application	of)	
VERIZON HAWAII INC.	)	Docket No. 02-0068
For Approval of Changes to its Tariff. Transmittal No. 02-08.	) ) )	Order No. 20101
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## <u>ORDER</u>

I.

Α.

By Decision and Order No. 19293, filed on April 10, 2002, the commission approved VERIZON HAWAII INC.'s Local Package bundled service offering, i.e., transmittal number 02-08, for a one-year promotional period. Specifically, Verizon Hawaii Inc. offers residential customers two optional arrangements -- Local Package Standard and Local Package.

Under the Local Package Standard and Local Package, certain services in combination with residential service are offered at a flat monthly rate of \$25.95 and \$28.95, respectively. Under both plans, the bundled services include unlimited local directory assistance service.

Initially, the commission expressed its concern with the unlimited local directory assistance service feature of both plans -- "it appears that a customer who makes more than a certain amount of directory assistance calls per month, will exceed that portion of the service cost that is attributed to

directory assistance service." Thus, in lieu of approving the Local Package bundled service offering on a permanent basis, the commission accepted Verizon Hawaii Inc.'s alternative proposal to approve transmittal number 02-08 as a twelve-month, promotional program.

As part of this promotional approval, the commission instructed Verizon Hawaii Inc. to submit a report "on the actual usage of local directory assistance under the Local Package Standard and Local Package, on a month-to-month basis." This data would assist the commission in deciding whether to approve the Local Package bundled service offering on a permanent basis.

В.

On April 10, 2002, Verizon Hawaii Inc. began to offer its Local Package Standard and Local Package promotional programs. On December 6, 2002 and March 11, 2003, Verizon Hawaii Inc. filed its preliminary and final usage reports, respectively, in compliance with Decision and Order No. 19293. The reports show that the actual, average month-to-month usage of local directory assistance by the affected subscribers is consistently below the ten free local directory assistance calls per month feature that is already part of residential service. The usage, moreover, falls consistently below the projections set forth by Verizon Hawaii Inc. in its supporting cost study.

<sup>&</sup>lt;sup>1</sup>Order No. 19262, filed on March 21, 2002, at 2.

<sup>&</sup>lt;sup>2</sup>Verizon Hawaii Inc. projected an additional five local directory assistance calls per month, for a total of fifteen calls per month.

C.

On March 11, 2003, along with the final usage report, Verizon Hawaii Inc. filed its transmittal number 03-13, seeking the commission's approval of the Local Package bundled service offering on a permanent basis. By Order No. 20095, filed on March 24, 2003, the commission allowed transmittal number 03-13 to take effect, effective from April 11, 2003. Accordingly, the commission will close the instant docket.

II.

THE COMMISSION ORDERS that the instant docket is closed.

DONE at Honolulu, Hawaii this 25th day of March, 2003.

PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

By My Tr. Warmus Chairman

Bv

Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:

Michael Azama

Commission Counsel

02-0068.sl

By (RECUSED)
Gregg J. Kinkley, Commissioner

<sup>&</sup>lt;sup>3</sup>Order No. 20095 is the commission's monthly issuance of its public utilities tariff order.

## CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 20101 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: March 25, 2003