

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION

AT RICHMOND, MAY 4, 2004

APPLICATION OF

VERIZON SOUTH INC.

CASE NO. PUC-2004-00047

To introduce High Capacity Digital  
Channel Service - DS3 and classify  
it as competitive under its  
Plan for Alternative Regulation

2004 MAY -04 PM 11:12

DOCUMENT CONTROL

ORDER FOR NOTICE AND COMMENT

By Order entered December 21, 2000, in Case No. PUC-2000-00265,<sup>1</sup> the State Corporation Commission ("Commission") adopted a Plan for Alternative Regulation ("Plan") for Verizon South Inc. ("Verizon South" or "Company"). Under the Plan, new services proposed to be classified as competitive are subject to certain notice requirements.

On April 2, 2004, Verizon South filed tariffs introducing and proposing to classify its High Capacity Digital Channel Service - DS3 as "Competitive" under subsection D of the Plan. The Company notes in the cover letter accompanying the tariff filing that "Established interexchange carriers and a variety of other companies provide high capacity DS3 service on both a retail and wholesale basis." Verizon South asserts that the pricing freedom of its competitors will regulate its prices for this service. Accordingly, Verizon South maintains that the service meets the test under its Plan for classification as a competitive service. The Company provided notice of its proposal to the Office of the Attorney General and all other certificated interexchange and local exchange companies in the Commonwealth.

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<sup>1</sup> Application of Verizon South Inc., 2000 S.C.C. Ann. Rept. 365.

NOW THE COMMISSION, having considered the filing and the Company's Plan, is of the opinion that public notice should be given and a period established for the receipt of comments or requests for hearing. The Commission is particularly interested in comments on whether the existence of this service offering in other providers' tariffs is sufficient evidence of competition or the potential for competition to classify a service as competitive under Verizon South's Plan, especially throughout its entire service territory. If the commenter does not believe this is sufficient evidence, it should comment on what other documentation would be necessary to support the competitive classification in accordance with the requirements of the Company's Plan.

Accordingly, IT IS ORDERED THAT:

- (1) This matter is docketed and assigned Case No. PUC-2004-00047.
- (2) On or before May 17, 2004, Verizon South shall publish, as display advertising, in newspapers having general circulation in its service areas, the following notice:

NOTICE TO THE PUBLIC OF A REQUEST BY  
VERIZON SOUTH INC. TO CLASSIFY HIGH  
CAPACITY DIGITAL CHANNEL SERVICE -  
DS3 AS "COMPETITIVE" UNDER ITS PLAN  
FOR ALTERNATIVE REGULATION  
CASE NO. PUC-2004-00047

On April 2, 2004, Verizon South Inc. ("Verizon South" or "Company") filed tariffs with the State Corporation Commission ("Commission") introducing and proposing to classify High Capacity Digital Channel Service - DS3 under its Plan for Alternative Regulation in the "Competitive" category. Verizon South asserts that competition from a multitude of carriers for these services will effectively regulate the prices Verizon South can demand for these services. The classification, if approved, will provide Verizon South with freedom to set and change prices for these services without Commission approval.

Copies of the filing may be obtained at no cost from the Company's attorney, whose name and address is set out below. The

Petition may also be viewed in the State Corporation Commission's Document Control Center, First Floor, Tyler Building, 1300 East Main Street, Richmond, Virginia, or by accessing the Commission's website at: <http://www.state.va.us/scc/caseinfo.htm>.

Any person desiring to submit comments or request a hearing upon the proposed classification of High Capacity Digital Channel Service - DS3 may do so by filing an original and fifteen (15) copies of the comments or hearing request with Joel H. Peck, Clerk of the State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118, referring to Case No. PUC-2004-00047. Interested parties desiring to submit comments electronically may do so by following the instructions found on the Commission's website: <http://www.state.va.us/scc/caseinfo.htm>. The Commission is particularly interested in comments on whether the existence of this service in other providers' tariffs is sufficient evidence of competition or the potential for competition to classify a service as competitive under Verizon South's Plan, especially throughout its entire service territory. If the commenter does not believe this is sufficient evidence, it should comment on what other documentation would be necessary to support the competitive classification in accordance with the requirements of the Company's Plan. A copy of any comment or hearing request must also be served on Lydia R. Pulley, Vice President, Secretary, and General Counsel, Verizon South Inc., 600 East Main Street, 11th Floor, Richmond, Virginia 23219. Comments or hearing requests must be filed on or before June 17, 2004.

#### VERIZON SOUTH INC.

(3) Comments or requests for hearing on the proposed classification may be filed on or before June 17, 2004. Interested parties desiring to submit comments electronically may do so by following the instructions found on the Commission's website:

<http://www.state.va.us/scc/caseinfo.htm>.

(4) Verizon South may reply to any comments or requests for hearing on or before July 1, 2004.

(5) This matter is continued generally.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to:

Lydia R. Pulley, Vice President, Secretary, and General Counsel, Verizon South Inc., 600 East Main Street, 11th Floor, Richmond, Virginia 23219; C. Meade Browder, Jr., Senior Assistant Attorney General, Division of Consumer Counsel, Office of Attorney General, 900 East Main Street, Second Floor, Richmond, Virginia 23219; and the Commission's Office of General Counsel and Division of Communications.