

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION**

IN RE: VERIZON RHODE ISLAND : DOCKET NO. 4003

ORDER

WHEREAS, on October 31, 2008, Verizon Rhode Island (“Verizon”) filed a tariff to eliminate the call allowance associated with Directory Assistance Service (“DA”) for residential customers for effect December 1, 2008 with the Rhode Island Public Utilities Commission (“Commission”); and

WHEREAS, Verizon noted that its customers are currently allowed three (3) calls to local directory assistance per monthly billing period; and

WHEREAS, elimination of the call allowance will result in customers being charged \$1.25 per local directory assistance request; and

WHEREAS, Verizon represented that the proposed change will have no impact on the current exemptions for DA Service and that those exemptions extended to customers who are visually impaired or physically disabled will remain in effect; and

WHEREAS, on November 20, 2008, the Division of Public Utilities and Carriers (“Division”) filed a letter with the Commission recommending that the Commission deny Verizon’s request and instructing Verizon to work with the Division to establish a transition plan that is in the best interest of its customers; and

WHEREAS, the Division noted in its letter to the Commission that DA is a service relied upon by many Rhode Island ratepayers; and

WHEREAS, the Division noted that elimination of the three call monthly allowance will result in an additional \$840,000 in annual revenue to Verizon, paid for by Verizon's Rhode Island residential customers; and

WHEREAS, the Division pointed out that the current financial hardship Rhode Island's citizens are currently experiencing suggests that this is an inappropriate time to approve a service reduction and rate increase; and

WHEREAS, the Division identified the rate increase as unreasonable and improper; and

WHEREAS, Verizon responded to the Division's letter noting that DA is a completely discretionary service with a number of free alternatives including but not limited to Internet-based DA providers, wireless carriers, and directory publishers; and

WHEREAS, Verizon noted that the free alternatives provide the ratepayer protection that the Division seeks to preserve; and

WHEREAS, Verizon argued that with the availability of these free alternatives, there is no reason that it should not be afforded pricing flexibility for DA Service; and

WHEREAS, during the open meeting on November 25, 2008 and after deliberation, the Commission voted unanimously to deny Verizon's proposal to eliminate the call allowance associated with DA Service for residential customers.

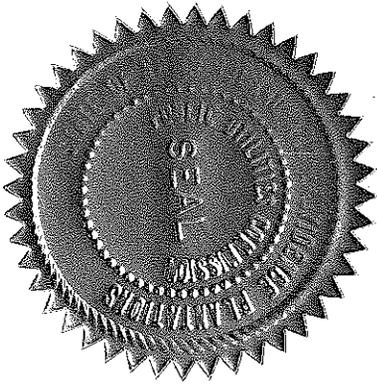
Accordingly, it is

(19539) ORDERED:

1. Verizon Rhode Island's proposal to eliminate the call allowance associated with Directory Assistance Service is hereby denied.

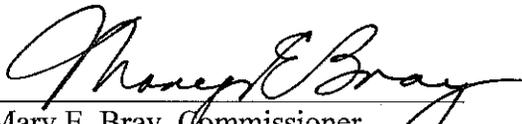
EFFECTIVE AT WARWICK, RHODE ISLAND ON NOVEMBER 25, 2008,
PURSUANT TO AN OPEN MEETING DECISION ON NOVEMBER 25, 2008.
WRITTEN ORDER ISSUED JANUARY 21, 2009.

PUBLIC UTILITIES COMMISSION




Elia Germani, Chairman


Robert B. Holbrook, Commissioner


Mary E. Bray, Commissioner