

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Review of:) DOCKET NO. UT-023003
Unbundled Loop and Switching)
Rates; the Deaveraged Zone) TWENTIETH SUPPLEMENTAL
Rate Structure; and Unbundled) ORDER: PREHEARING
Network Elements, Transport,) CONFERENCE ORDER; NOTICE OF
and Termination) DATE FOR FILING REVISED ISSUES
) LIST
) **(Due Monday, March 22, 2004)**

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1 **Prehearing Conference.** The Commission convened a prehearing conference on March 10, 2004 at Olympia, Washington before Administrative Law Judge Theodora M. Mace pursuant to due and proper notice to all interested persons. The primary purpose of the conference was to address scheduling issues and access to the parties' cost models by the Commission's policy advisor for this case.

2 **Appearances.** The following parties appeared at the prehearing conference: Qwest Corporation ("Qwest"), by Lisa Anderl, attorney, Seattle, WA; Verizon Northwest Inc. ("Verizon"), by William Richardson and Christopher Huther, attorneys, Washington, D.C.; Covad Communications Company ("Covad"), by Karen Frame, attorney, Seattle, WA; AT&T of the Pacific Northwest, Inc. ("AT&T"), Pac-West, Inc. ("Pac-West"), and XO Washington, Inc. ("XO"), by Gregory J. Kopta, attorney, Seattle, WA; MCI/WorldCom ("WorldCom") by Michel Singer-Nelson, attorney, Denver, CO; WeBTEC, by Arthur Butler, attorney, Seattle, WA; and Commission Staff, by Shannon Smith, Assistant Attorney General.

3 **Verizon Motion to Amend Schedule.** On March 2, 2004, Verizon filed a motion to amend the schedule so that it could have additional time to review discovery

information submitted by AT&T and MCI associated with the revised HAI 5.3 cost model filed in this case. The effect of Verizon's request would be to change the filing of responsive testimony from March 26, 2004 to approximately April 26, 2004.

4 Commission Staff, AT&T and MCI responded that they did not object to granting Verizon some additional time, but they disagreed that Verizon needed as much time as requested.

5 The Commission grants Verizon's motion in part. Extending the schedule for filing testimony in accord with Verizon's request would require a change in other filing dates and in the time now scheduled for evidentiary hearing. Given the Commission's overall schedule of hearings for the year, altering the hearing schedule to accommodate a two-week hearing later in the months of June or July would be logistically difficult. Therefore, the Commission grants an extension until **April 16, 2004 (by noon)** for the filing of responsive testimony. This coincides with the current date scheduled for filing testimony in response to Commission Staff's deaveraging proposal.

6 **Procedural Schedule.** The following schedule will govern the proceedings in this case:

Filing of responsive testimony/ filing of testimony in response to Staff deaveraging proposal	April 16, 2004 (by noon)
Filing of rebuttal testimony	May 10, 2004 ¹

¹ During the prehearing conference, Verizon requested an extension of the rebuttal filing date from May 7 to May 12. After considering the request, the Commission grants it in part. An extension until May 10 provides the parties additional time to prepare rebuttal while still allowing the Commission the time it needs to prepare for hearing.

Filing of cross-examination exhibit lists, order of parties/witnesses, order of cross, cross-examination time estimates May 18, 2004 (by noon)

Prehearing conference for marking exhibits (all exhibits paginated and three-hole punched, separated by witness, in order shown on exhibit lists). Parties must submit six copies of all cross exhibits for the bench. May 20, 2004

Evidentiary hearing May 24-June 4, 2004

VZ cost models tutorial May 26, 2004

Initial post hearing briefs July 1, 2004 (by noon)

Reply briefs July 22, 2004 (by noon)

7 **Commission policy advisor.** Dr. David Gabel is the Commission's policy advisor in this case. The parties agreed that Verizon may provide him a short tutorial on the operation of the VZ cost models, as long as the parties receive notice of the time for the tutorial and have an opportunity to send a representative to observe during the tutorial. The parties also agree that Dr. Gabel may contact Verizon or AT&T and MCI if he has any problems running either the VZ cost models or the HAI cost model, but recommended that the parties be notified as to what information is being requested and what information is provided regarding the operation of the models.

8 With regard to the timing of the tutorial, the parties recommended that it take place prior to the evidentiary hearing so that it would not consume any of the limited time available for hearing. However, this solution may cause logistical

and resource problems for the Commission. The more reasonable solution would be to hold the tutorial in the morning of Wednesday, May 26, 2004 during the time the Commission is conducting an Open Meeting and the recurring cost proceeding will be in recess until 1:30 p.m. In this way, all parties to the case will be present in Olympia, temporarily free of the obligation to be present at the hearing, and able to send representatives to observe the tutorial if they wish to do so. Should he require it, Dr. Gabel may attend the tutorial or delegate attendance to someone who works under his supervision.

9 To the extent that Dr. Gabel or his associates require technical assistance from Verizon or HAI to perform adjustments to the models requested by the Commission during its deliberations, Dr. Gabel need not notify the parties or provide them with other information regarding the request.

10 **Issues list.** Attached to this prehearing conference order is an issues list that was appended to the November 8, 2002 Fourth Supplemental Order in this case. At that time both Qwest and Verizon were full participants in the cost dockets. Since the scope of the case with regard to Qwest has changed significantly² and time has passed since that list was developed, the Commission now seeks to revise it to comport with the current status of the proceedings.

11 **NOTICE IS GIVEN that on or before Monday, March 22, 2004,** each party should review the attached list and submit to the Commission and the other parties a revised list of the issues now pertinent to this proceeding. The parties should explain their elimination of any issues from the proceeding. If the lists submitted show substantial divergence among the parties, the Commission will provide further opportunity to address the matter.

Dated at Olympia, Washington and effective this 11th day of March, 2004.

² In the Seventeenth Supplemental Order, November 25, 2003, the Commission removed Qwest issues from the cost dockets, except for Staff's deaveraging proposals.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

THEODORA M. MACE
Administrative Law Judge

NOTICE TO PARTIES: Any objection to the provisions of this Order must be filed within ten (10) days after the date of mailing of this document, pursuant to WAC 480-07-430 absent such objections, this prehearing conference order will control further proceedings in this matter, subject to Commission review.

ISSUES LIST – NEW GENERIC**RECURRING COSTS PLUS
OTHER ISSUES****Qwest & Verizon
(unless noted otherwise)**

2-wire loop (analog)
 4-wire loop (analog)
 2/4 wire loops – non-loaded
 Deaveraged 2/4 wire loop
 High capacity loops
 Sub loops
 NID
 Basic analog port
 Local office switching
 Local tandem switching
 Deaveraged switching
 Shared Transport
 UDIM
 UNE-P (new and existing)
 Daily record usage file
 EICT/ITP (Qwest to reconcile)
 EELs
 Per-MOU reciprocal compensation

From Part B

Rates for transfer of installed splitter
 Updated average loop length
 Tandem switch compensation
 Recurring costs for high capacity loops
 Qwest TIF
 Qwest rates for dark fiber loops
 Verizon ICM – inflation
 Verizon common cost factor
 Verizon intrabuilding riser cables
 Verizon UPS
 Verizon signaling and call-related databases
 Verizon ISDN loop extenders
 Verizon dark fiber rates

From Part D*

Cost factors (Qwest)
 Category 11 (Qwest)
 Daily Usage Record File (Qwest)

*Subject to Administrative Review and
 Reconsideration

OSS/ALL NONRECURRING COSTS**Qwest & Verizon
(unless otherwise noted)**

2-wire loop (analog)
 4-wire loop (analog)
 2/4 wire loops – non-loaded
 Deaveraged 2/4 wire loop
 High capacity loops
 Sub loops
 NID
 Basic analog port
 Local office switching
 Local tandem switching
 Deaveraged switching
 Shared Transport
 UDIM
 UNE-P (new and existing)
 Daily record usage file
 EICT/ITP (Qwest to reconcile)
 Coordinated conversion
 Hot cut coordinated conversion
 EELs

From Part B

Qwest NRC for ISC order processing time
 (modify six minute assumption?)
 Qwest sub loops
 Qwest NRCs for poles, ducts, rights of way
 Qwest NRCs for manual and electronic orders
 Qwest field verification
 Verizon NRC rates for loop conditioning
 Verizon Migration as-is charges
 Verizon high capacity loops
 Verizon work times for LSRs and ASRs

From Part D*

Quote Preparation Fee (Qwest)
 OS/DA (Qwest)
 DAL (Qwest)
 NRCs (Verizon) Part D Order ¶ 316