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1 Perkins Coie, here on behalf of US West, I should say
2 very soon to be known as Qwest Corporation. For
3 purposes of today, I will try to either generically
4 refer to us or I will still use US West, although the
5 process is in place for that name change to be
6 happening.

7 With me today is Lori Simpson, with US
8 West/Qwest. She's here as a witness. Jeff Owens,
9 with US West/Qwest; Tom Freeberg, US West/Qwest;
10 Margaret Bumgarner, with US West/Qwest; Mark Reynolds
11 is also here with US West/Qwest, and if we have the
12 bridge line working, Steve Beck will be on the bridge
13 line, and he may or may not chime in in a counsel
14 capacity, but that will depend on whether the bridge
15 line is, in fact, functioning.

16 JUDGE RENDAHL: Let's be off the record for
17 one moment.

18 (Discussion off the record.)

19 JUDGE RENDAHL: Let's continue with Mr.
20 Kopta for Nextlink. We'll be on the record.

21 MR. KOPTA: Gregory Kopta, of the law firm
22 Davis, Wright, Tremaine, on behalf of Nextlink, ELI
23 and ATG. And with me is Kaylene Anderson, who
24 previously provided testimony on behalf of Nextlink.

25 MR. CROMWELL: Robert Cromwell, for Public

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1 Counsel. I gave my appearance at the prehearing
2 conference about a month ago. With me is our law
3 clerk, Brad Goergen.

4 JUDGE RENDAHL: Could you spell Mr.
5 Goergen's last name?

6 MR. CROMWELL: G-o-e-r-g-e-n.

7 JUDGE RENDAHL: Thank you. Okay. Now, for
8 AT&T.

9 MS. DeCOOK: Rebecca DeCook, on behalf of
10 AT&T. With me today is Ken Wilson and Dom Sekich,
11 who previously entered appearances in this
12 proceeding.

13 JUDGE RENDAHL: For WorldCom.

14 MR. DIXON: Good morning, Your Honor.
15 Thomas Dixon, on behalf of WorldCom. My witnesses
16 are not present at this time. In the event we need
17 to contact them, I advised them we would call, but I
18 do not anticipate their presence will be necessary
19 today.

20 JUDGE RENDAHL: Thank you. For Sprint.

21 MR. HEATH: Eric Heath, on behalf of
22 Sprint.

23 JUDGE RENDAHL: Please identify yourself.

24 MS. BERMAN: I'm Terry Berman, of Miller
25 Nash, appearing on behalf of ICG Communications.

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1 JUDGE RENDAHL: Are you associated with Mr.
2 Harlow?

3 MS. BERMAN: Yes, I am.

4 JUDGE RENDAHL: And for Staff.

5 MR. GRIFFITH: This is Dave Griffith, for
6 Commission Staff.

7 MS. SMITH: Shannon Smith, from the
8 Attorney General's Office for Commission Staff,
9 although not appearing today in a representative
10 capacity.

11 MS. STRAIN: Paula Strain, Commission
12 Staff.

13 JUDGE RENDAHL: Thank you. Do we have all
14 appearances?

15 MR. DIXON: Your Honor, you asked one
16 question, and I failed to answer it. The lead
17 counsel on behalf of WorldCom is, of course, Ann
18 Hopfenbeck, and I am her mere assistance for this
19 proceeding. So once again, I would want all mailings
20 and e-mails to be directed to her, but I have no
21 objection to my name continuing on the list. I think
22 it was dropped off at one point, and I would just as
23 soon have my name kept on the e-mail list, if that's
24 not too much difficulty. I'll be happy to get
25 together with Paula and make sure you have my e-mail

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1 address.

2 JUDGE RENDAHL: Thank you.

3 MR. DIXON: She has properly delegated this
4 function and gone on to Hawaii.

5 JUDGE RENDAHL: Good for her. Okay. We
6 have a few preliminary matters before we talk about
7 the checklist items. US West has identified and we
8 have marked several exhibits, as well as WorldCom and
9 AT&T have identified exhibits.

10 The first exhibit that has been marked is
11 Exhibit 106, and that is described as Revised SGAT,
12 July 6th, 2000. The next exhibit that we have
13 marked, in numerical order, would be Exhibit 150.
14 That is an additional exhibit for Ms. Bumgarner. And
15 that would be described as 6/30/2000 Revisions to
16 Direct Connections Documents.

17 The next exhibits in order to be marked are
18 Exhibit 169, ex parte letter filed by WorldCom April
19 4th, 2000. Exhibit 170, Nextlink Innerduct Occupancy
20 Lease Order, dated May 7th, 1999. And Exhibit 171,
21 Proposed SGAT Changes (Not in Exhibit 106). And
22 those are SGAT Provisions 10.8.1.2 and 10.8.4.2.1.

23 The next exhibit to be marked is Exhibit
24 188. Those are comments on Checklist Items Three,
25 Seven, Thirteen, dated July 5th, 2000. Then we have

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1 --

2 MR. DIXON: Excuse me, Judge. I don't know
3 that you stated those were WorldCom comments.

4 JUDGE RENDAHL: That's correct. Those are
5 sponsored by WorldCom. So let's call them WorldCom
6 Comments of Checklist Items Three, Seven and
7 Thirteen.

8 Continuing with Exhibit 230, that would be
9 the AT&T/US West Interconnection Agreement. Exhibit
10 231 is the Covad/US West Interconnection Agreement.
11 Exhibit 232 is the MCImetro/US West Interconnection
12 Agreement. Exhibit 233 will be the MFS/US West
13 Interconnection Agreement. Exhibit 234 will be the
14 Sprint/US West Interconnection Agreement. Exhibit
15 235 is the TCG/US West Interconnection Agreement.
16 And finally, marked as Exhibit 236, is the AT&T/US
17 West Pick and Choose Language Agreed to in Colorado.
18 Do we have a date for that document, or do we need a
19 date for that document?

20 MS. DeCOOK: I don't believe it's dated,
21 but we could put a date on it if --

22 MS. SACILOTTO: When did we agree on it, at
23 the follow-up workshop? We could call it 6/30/2000.

24 MS. DeCOOK: That's fine.

25 JUDGE RENDAHL: Okay. Beginning with US

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1 West, do you wish to -- well, maybe first I'll ask,
2 are there any objections to any of these exhibits
3 being entered into the record? Hearing no
4 objections, they'll be admitted.

5 Okay. Let's proceed. Ms. Strain has
6 circulated for all of us a chart of all of the
7 outstanding issues that Staff believes are still
8 outstanding. There may be others that the parties
9 can identify as we go along, but we'd like to work
10 off of this log.

11 And so let's start with the general issues,
12 identified as Washington G-1, for general one. And
13 I'd like to go through these checklist items by
14 having US West present an initial -- if it's
15 appropriate, I guess whoever's sponsoring language,
16 but it seems appropriate that US West should start
17 and make whatever comments it has and other parties
18 make comments and then discussions similar to the
19 process we went through in the last workshop. Is
20 that acceptable to the parties? Okay. So let's
21 proceed with the first item and go from there.

22 MS. SACILOTTO: All right. Kara Sacilotto,
23 on behalf of US West/Qwest. At the last workshop, or
24 prior to the last workshop, we circulated a proposal
25 about which issues should go into the SGAT docket

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1 separately, which issues we believe can be addressed
2 in the consolidated docket, and then in that
3 document, and as well as at the prehearing conference
4 in the cost docket, we identified those issues that
5 could be considered in the cost docket. And that was
6 our proposal, it's still our proposal. I don't know
7 that we've heard any objections to it. We made a
8 couple of slight amendments to it to toss out --
9 separate out a few issues, but those were mentioned
10 at the last workshop.

11 JUDGE RENDAHL: Do parties have any
12 comments on US West's proposal, or how to handle SGAT
13 issues?

14 MR. KOPTA: This is Greg Kopta, on behalf
15 of Nextlink, ELI and ATG. I don't know that we have
16 any comments with respect to what the issues are. I
17 think one of the things that has yet to be decided is
18 the timing of dealing with those issues. I know that
19 as far as the cost docket issues goes, that will be
20 on the same track, presumably, as the other issues in
21 the costing proceeding, and the issues that are
22 related to the checklist items will go on the same
23 track as the 271 review process.

24 The issue, then, is with SGAT-specific
25 issues that are not cost-related or at least that are

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1 not in the cost docket, how we will deal with those.
2 And US West, I believe, in response to some
3 discussions at the prehearing conference, had
4 proposed a schedule for dealing with those issues I
5 believe in the August time frame, and our concern is
6 just, with everything else that's going on, whether
7 there's a real need to be able to address those
8 issues that quickly. Particularly given that as we
9 go through the SGAT, there may be instances in which
10 some language or some provisions are better reviewed
11 as part of a general SGAT, as opposed to a checklist
12 item.

13 One example would be ISP compensation. If
14 US West's position is that ISP is not something
15 that's part of 271, but is part of the SGAT, then it
16 may be that that's something that would be reviewed
17 as part of the SGAT. Now, I'm using that as just an
18 example. I'm not saying that that needs to be taken
19 out, but that's kind of the sort of issue that we may
20 run across as we go through the individual checklist
21 items, that there are provisions in the SGAT that are
22 better reviewed in the general SGAT docket or
23 proceeding.

24 And so our view is that it would be better
25 to look at the general terms later in the process,

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1 obviously without delaying the whole process, but we
2 don't see that there's a need to address those in the
3 August time frame.

4 MS. SACILOTTO: May I respond, or would you
5 like to wait until everybody's had a chance to chime
6 in?

7 JUDGE RENDAHL: I'd like to hear everyone's
8 comments and then come back to US West.

9 MR. DIXON: Your Honor.

10 JUDGE RENDAHL: Mr. Dixon.

11 MR. DIXON: Thomas Dixon, on behalf of
12 WorldCom. I do believe in Colorado last week we
13 agreed to roll some additional sections into the
14 general SGAT docket and would recommend that that
15 would be appropriate here, and I'm trying to see if
16 any of them are missing that I'm looking at. The
17 only one I'm thinking was the bona fide request
18 process. While we talked about we would address it
19 individually where it's referred to, it might also
20 have a role in the general docket, to the extent we
21 don't cover that entire section of the SGAT on a
22 checklist item basis.

23 And so that's the only suggestion, and if
24 I'm in error, please correct me, but I think we
25 agreed that we would consider it individually, but we

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1 might also pick it up in the general if there's
2 anything left that wasn't covered on a checklist item
3 basis. That's the only one, I think, of the general
4 sections that continue to be in the consolidated
5 section. I think it should be in both.

6 JUDGE RENDAHL: Ms. DeCook.

7 MS. DeCOOK: Your Honor, in our workshop
8 last week in Colorado, we also discussed the
9 possibility of moving the August proposed deadline
10 out to give the parties some opportunity to address
11 some of these more generic sections of the SGAT
12 amongst themselves to see if we could narrow the
13 issues and maybe eliminate completely issues on these
14 general areas, and I believe US West agreed to that
15 conceptually. So I would recommend that that be
16 proposed here, as well.

17 JUDGE RENDAHL: When you say move the
18 August deadline, are you discussing briefing or the
19 Commissioners' review, or what is the August deadline
20 that you're referring to?

21 MS. DeCOOK: Well, the August deadline that
22 we were discussing in Colorado was conducting a
23 stand-alone workshop on the general items, and that
24 posed some resource constraints for most of the
25 parties because of everything else that's going on in

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1 the other workshop settings. And so we had some
2 discussions with US West offline to see if there
3 might be some value to, rather than conducting
4 workshops, to having some informal discussions
5 amongst the parties to see if we could narrow the
6 issues on the generic piece of the SGAT and then
7 bring whatever remains to a workshop later in the
8 process.

9 JUDGE RENDAHL: So I'll get back to you,
10 Ms. Sacilotto, but, Mr. Kopta, is that consistent
11 with your suggestion that these not be discussed in
12 an August time frame, but they be discussed at a
13 later date?

14 MR. KOPTA: Yes, it is. I think one of the
15 concerns that we had was brought up by Ms. DeCook, in
16 that if the parties can get together and negotiate
17 some of the general provisions, that we could
18 minimize the number of issues that would need to be
19 addressed either in a workshop or in briefing, so
20 that rather than as it stood as part of US West's
21 proposal, again, sort of following up on discussions
22 at the prehearing conference, having initial comments
23 and then responsive comments on everything, that we
24 could narrow things down and only address those
25 things that are controversial and that would be a

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1 more efficient way of dealing with it, but that it
2 would not be able to be done in the August time
3 frame.

4 JUDGE RENDAHL: Okay. Are there any other
5 parties that have comments on this issue? Mr. Dixon.

6 MR. DIXON: Yes, thank you. Tom Dixon,
7 with WorldCom. I just wanted to say I was present in
8 the Colorado discussions, as well, and would concur
9 that the intent here was to try and get offline. In
10 fact, we would agree that we would offline set dates
11 that we would all get together and try and narrow
12 these general terms and conditions issues down and
13 then perhaps have a workshop, if one was required,
14 assuming we didn't reach complete agreement on those
15 terms, and at that point, to focus on what was left
16 that the parties hadn't agreed to in Colorado.

17 I would think that process would be
18 beneficial for Washington, because we're looking at
19 the identical terminology, and in all likelihood will
20 resolve the issue in both states in one both informal
21 process, and then, to the extent we need a workshop
22 in Colorado and/or Washington, we would have
23 presumably a single workshop in each state, if it was
24 necessary, on general terms and conditions.

25 JUDGE RENDAHL: Ms. Sacilotto.

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1 MS. SACILOTTO: I think we're amenable to
2 -- I guess -- and I think we're speaking the same
3 thing here. We're fine with taking this offline and
4 trying to narrow these issues to get them as few as
5 possible, if we can. And I'm wondering if it would
6 be possible to essentially do this once. We're going
7 to be doing it in Colorado. These are general terms
8 and conditions there, you know. Hopefully, there's
9 not a lot of state-specific nuances. To the extent
10 that we can not go through the process twice, I think
11 that might be really beneficial.

12 So I don't think that we would be opposed
13 to doing a similar process of trying to take it
14 offline, see what we can agree to, and then report
15 back. I'm just wondering if we can do it --
16 establish a schedule that would be very, very close,
17 so that we don't duplicate effort. I know there's
18 not necessarily the same counsel in both states, but
19 a lot of the same parties are in both states, and if
20 we could somehow do this in a way that minimizes
21 duplication as much as possible, that would be our
22 biggest goal.

23 JUDGE RENDAHL: I think, given that there
24 appears to be some agreement on taking this offline,
25 I think what I'd like to request is the parties, at a

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1 break or otherwise today, try to find a date where
2 you can get together to discuss this. I think Ms.
3 Sacilotto's suggestion with combining this is
4 appropriate. And then report back to us at the end,
5 you know, by the end of the day where you are in your
6 discussions. Mr. Dixon.

7 MR. DIXON: Judge, Tom Dixon. Just one
8 recommendation. Actually, where we left it in
9 Colorado, and I think, for the benefit of parties
10 there, was that we were going to try to clear dates
11 with all the people in Colorado, and presumably, if
12 we're going to try to do this as one series of
13 informal gatherings, call it what you will, we could
14 just bring in the Washington people. So the ability
15 to really clear a date today is probably not very
16 likely, because we don't have the Colorado people
17 that we would need to clear the same dates with that
18 may be involved back in Colorado.

19 So I would suggest, as we left it in
20 Colorado, I believe US West was going to send out
21 some proposed dates on e-mail, and then we were just
22 going to get back with them and set these on an
23 e-mail basis. My suggestion would be that perhaps US
24 West expand that e-mail to include the Washington
25 participants, and then we attempt to do the same

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1 thing with all the Colorado and Washington
2 participants and then hold these informal gatherings
3 somewhere.

4 JUDGE RENDAHL: Okay. My request, then, is
5 that it appears that we had tentatively scheduled a
6 prehearing conference at the end of the last workshop
7 for August the 29th for the next series of workshops.
8 And I think what might be best is to have the parties
9 report back at that time as to the status of where
10 you are and when your informal discussions are
11 scheduled and how you'd like to have that taken up.
12 Is that acceptable to the parties?

13 MS. SACILOTTO: That's fine. I just -- I
14 think if the whole thing is going to fall apart,
15 though, maybe we should better let you know a little
16 bit earlier. I mean, I don't know to what extent
17 we'll be able to coordinate the two proceedings. I
18 sure hope we can, but if it's just not going to
19 happen, maybe we should just let somebody know and
20 figure out what the next step is.

21 JUDGE RENDAHL: If you prefer. Just please
22 advise the Commission of the status of where you are
23 as soon as you're aware.

24 MS. SACILOTTO: Yeah.

25 JUDGE RENDAHL: Okay. The next general

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1 item would be -- is the participants are to review
2 the UTC interpretive and policy statement and develop
3 proposed rule change language to provide for
4 expedited Commission approval of SGAT provisions.
5 Has there been any discussion amongst the parties
6 about that issue, or should we defer that until
7 later?

8 MS. SACILOTTO: Kara Sacilotto, for the
9 Company. I don't know that we necessarily reviewed
10 the interpretive policy statement, that we did
11 exactly what's described here. I looked at the
12 policy statement myself, and it seems to me that
13 there are already expedited procedures in there that
14 could be used to apply to the situation when somebody
15 wants to opt into SGAT provisions. So I don't know
16 that there's so much of a need to modify your rules.

17 There was a concern in Colorado about this,
18 because they do not have a similar interpretive and
19 policy statement, and so that was included on the
20 Colorado issue list. But as Ms. DeCook mentioned
21 earlier, there's also proposed pick and choose
22 language that's been agreed to in Colorado, and AT&T
23 has passed that around here. That might be relevant
24 to this issue, as well.

25 JUDGE RENDAHL: I seem to recall that this

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1 is the discussion -- that it was a discussion about
2 pick and choose that led to the discussion of whether
3 the interpretive and policy statement needed to be
4 reviewed. So is it appropriate to talk about the
5 proposed pick and choose language at this time?

6 MS. SACILOTTO: Yes, I think so. It's fine
7 to talk about it now. I mean, this would be the more
8 appropriate time, as opposed to when we get to the
9 checklist items.

10 JUDGE RENDAHL: Okay. Given that this is a
11 combined US West/AT&T proposal, who would like to go
12 first?

13 MS. DeCOOK: I think Mr. Sekich, on AT&T's
14 behalf, was involved in the negotiation with US West
15 on this document, so perhaps he could kind of walk us
16 through it.

17 MR. SEKICH: I think the --

18 JUDGE RENDAHL: Is that acceptable to US
19 West?

20 MS. SACILOTTO: Yes, yes. Mr. Owens will
21 be a little bit more familiar with this than I am, so
22 he can chime in on our behalf, if we need to.

23 JUDGE RENDAHL: Okay. Given that Mr.
24 Sekich -- is that a correct pronunciation -- and Mr.
25 Owens were sworn in at the last workshop, I believe.

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1 Were you sworn in?

2 MS. DeCOOK: He's a lawyer.

3 JUDGE RENDAHL: Oh, excuse me. Well, go
4 ahead, Mr. Sekich.

5 MR. SEKICH: I think the purpose behind the
6 language that's in this Paragraph 1.8 creates sort of
7 a generic process to allow the parties to understand
8 how individual items could be picked from the
9 interconnection -- or from the SGAT. Specifically,
10 it sets forth provisions that in Washington may not,
11 in fact, be directly applicable. It provides the
12 parties the option to resolve a dispute in two
13 different ways. One, going to the Commission, or
14 two, providing -- taking advantage of dispute
15 resolution procedures that may be incorporated under
16 the SGAT.

17 And in fact, the language specifically
18 contemplates that a given state, such as Washington,
19 may, in fact, have their own expedited or dispute
20 resolution processes or may have their own sort of
21 Section 252(i) dispute resolution processes.

22 You'll see in Paragraph 1.8.3.1, in the
23 middle of -- there's no carriage return in the middle
24 of 1.8.3, it's where that paragraph begins --
25 provides that a CLEC can go to the Commission and can

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1 attempt to have the dispute resolved pursuant to
2 252(i) or any other expedited processes with the
3 Commission.

4 Now, this language does not obviously
5 contemplate what additional or enhanced processes
6 should be available to CLECs or US West pursuant to
7 Commission rules. So in fact, I guess this gets, I
8 guess, the parties halfway there. The question is,
9 in fact, what needs to be changed in Washington
10 pursuant to Washington rules.

11 This language doesn't quite get to that
12 issue, but it does provide the parties an opportunity
13 to seek redress at the Commission or, as you see in
14 1.8.3.2, take advantage of dispute resolution
15 processes, arbitration, in particular.

16 AT&T thought this was a fairly good
17 compromise. It, you know, allows the CLEC to decide
18 where they think they will get, I guess, swiftest
19 justice on the issue.

20 JUDGE RENDAHL: Mr. Owens.

21 MR. OWENS: We have reached agreement with
22 AT&T and the other parties in Colorado on this
23 language, which is why it's reflected in this
24 Colorado workshop consensus language. What I have
25 not done is to determine the extent to which there's

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1 any conflict between this language and the rules here
2 in the state of Washington, which is why we didn't
3 include it in the SGAT that we handed out earlier
4 today. So with that one caveat, this language is
5 acceptable to US West.

6 JUDGE RENDAHL: Do any other parties wish
7 to comment? Mr. Kopta.

8 MR. KOPTA: Thank you, Your Honor. Having
9 just received this today, obviously we would like the
10 opportunity to review it. I was not a participant in
11 the Colorado workshops, although one or more of the
12 companies that I represent may have been, so I don't
13 know what their participation was with respect to
14 this document and certainly with respect to how it
15 impacts Washington. I would want to take a look at
16 it.

17 I don't know whether we want to try and
18 discuss some of the things at this point, but my
19 preference would be to run this by my folks to get
20 their reaction and then to provide any feedback
21 either to the Commission or to US West, and if there
22 are any proposed revisions, then we can make those at
23 that time.

24 JUDGE RENDAHL: Okay. Do any other parties
25 have comments? Mr. Dixon.

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1 MR. DIXON: Thank you. Tom Dixon, on
2 behalf of WorldCom. I haven't compared this line for
3 line with what was approved in Colorado, but assuming
4 it's identical language, and I have no reason to
5 suspect otherwise, this was acceptable to WorldCom.

6 JUDGE RENDAHL: Mr. Kopta, how much time
7 are you requesting to --

8 MR. KOPTA: We would be glad to provide
9 whatever comments that we have on this at the same
10 time that we provide legal briefing as a follow-up to
11 this workshop.

12 JUDGE RENDAHL: Is that acceptable to the
13 parties?

14 MR. BUTLER: Your Honor, I'm in the same
15 position as Mr. Kopta. Provide it by the same time
16 line.

17 JUDGE RENDAHL: Mr. Butler, could you just
18 state your appearance for the record, and then --

19 MR. BUTLER: Arthur Butler, appearing on
20 behalf of Tracer, Teligent Services, Inc., Rhythms
21 Links, Inc., Broadband Office Communications, Inc.

22 JUDGE RENDAHL: Thank you. And so you'd
23 like to reserve the right to comment on that at the
24 same time?

25 MR. BUTLER: Yes.

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1 JUDGE RENDAHL: Ms. DeCook.

2 MS. DeCOOK: Thank you, Your Honor. It
3 seems to me that, you know, I don't have any
4 objection to the request and the timing of the
5 request, but it strikes me that if language changes
6 are going to be proposed, we probably need some sort
7 of mechanical process to address that and get those
8 issues resolved and get a final proposal to the
9 Commission.

10 JUDGE RENDAHL: If language changes to the
11 SGAT or language changes for rules?

12 MS. DeCOOK: As I understood it, what Mr.
13 Kopta was requesting was time to review this proposed
14 language, which is a proposed insert to the SGAT, and
15 provide comments either saying it's okay with
16 Nextlink and its other clients or making proposed
17 language changes to that document.

18 JUDGE RENDAHL: I believe that if Mr. Kopta
19 and Mr. Butler are proposing to make comments in
20 their briefs, which are due on the 17th, there is --
21 the schedule that we anticipated at the end of the
22 last workshop is that the Staff would produce a draft
23 report and order on August 7th, at which point
24 parties would have an opportunity to respond on the
25 14th. Again, there's a revised report submitted on

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1 the 21st, and then, again, another opportunity for
2 comments on the 28th, so it seems to me we have that
3 built into the schedule. If that's not what you
4 anticipate, then I'm not understanding.

5 MS. DeCOOK: Actually, what I would suggest
6 that we do is establish a date prior to the August
7 7th date that you have for the first report, where
8 the parties get back to the Commission with any
9 resolution they have on language.

10 JUDGE RENDAHL: Well, wouldn't that
11 appropriately be the 17th?

12 MS. DeCOOK: Well, we won't get their
13 proposal until the 17th, as I understand it.

14 MS. SACILOTTO: I think I'm with Ms. DeCook
15 here. If they're going to have a problem with the
16 language, we will not have a chance to work through
17 it or to respond to it before Staff does the report
18 if he doesn't provide us with his information until
19 the 17th, because there's no follow-up to the
20 briefing on the 17th.

21 Frankly, I would also like the opportunity
22 to review the language against the interpretive
23 policy statement myself. So could we set a date
24 prior to the 17th that the parties present any
25 comments on this, or work it in in some way so that

00679

1 we can do this in a -- I don't know what the thing
2 is, but we need to have a give and then a take.

3 MS. DeCOOK: Right.

4 MS. SACILOTTO: At some point. I don't
5 know if it can be before the 17th. I'm not quite
6 sure where we are today. That's awfully soon.

7 JUDGE RENDAHL: Well, today's the 6th. It
8 would have to be sometime within the next week, the
9 week of the 10th, if you would request that, in a
10 sense, the parties -- let's go offline for one
11 moment, off the record while we discuss this.

12 (Discussion off the record.)

13 JUDGE RENDAHL: Back on the record. While
14 we were off the record, we discussed how to handle
15 resolution on the pick and choose language sponsored
16 by AT&T and US West in Exhibit 236, and the parties
17 have agreed to discuss this offline within the next
18 week and report back to the Commission if there are
19 any disputes that need to be resolved. If there are,
20 I assume those will also be argued in the parties'
21 briefs on the 17th. If I am mischaracterizing the
22 discussion, please chime in now. Okay.

23 MS. DeCOOK: Your Honor, before --

24 JUDGE RENDAHL: Ms. DeCook.

25 MS. DeCOOK: Thank you. Before you move

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1 on, just in case the parties didn't catch it in Mr.
2 Sekich's presentation, there is a return missing in
3 1.8.3. You'll see about halfway through the
4 paragraph that paragraph 1.8.3.1 is made part of
5 1.8.3. So I just want to make sure everybody noticed
6 that.

7 JUDGE RENDAHL: Thank you, Ms. DeCook. And
8 I'll also add, I believe Ms. Sacilotto suggested that
9 the parties would report back to everyone as to the
10 status of discussions by e-mail; is that correct?

11 MS. SACILOTTO: That is correct.

12 JUDGE RENDAHL: Okay. Are there any
13 further discussions on Exhibit 236 and the general
14 topic number two? Okay.

15 Let's move on to Checklist Item Number
16 Eight, and going in order on the outstanding issues
17 log, Ms. Sacilotto, for Qwest/US West.

18 MS. SACILOTTO: Yes, the first checklist
19 item on the issues log is Checklist Item Eight, and
20 Ms. Simpson will be reporting back on that. Just a
21 question of clarification. If, as we're going
22 through this, the parties have additional issues,
23 should we -- I was thinking the best way to do this
24 is sort of as we roll along.

25 JUDGE RENDAHL: Yes, and I would identify

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1 for the record if there is an issue not identified on
2 this log that you would like to have discussed.

3 MS. SACILOTTO: Okay. For Checklist Item
4 Eight, we do have some additional issues that we
5 would like addressed on the log, and I will turn it
6 over to Ms. Simpson to address both the ones on the
7 logs and then the ones that we want to add.

8 JUDGE RENDAHL: Correct. Would you like to
9 identify them first, so parties are aware?

10 MS. SIMPSON: If I could, I'd like to name
11 them as I go, if that's all right.

12 JUDGE RENDAHL: That's fine with me. Is it
13 fine with other parties? Okay.

14 MS. SACILOTTO: I think these are issues
15 that are familiar to people who have been around in
16 the other states.

17 JUDGE RENDAHL: Proceed.

18 MS. SIMPSON: All right. To begin with,
19 Issue WA-8-1, this is an issue that we discussed with
20 WorldCom and -- WorldCom raised it, in any case,
21 concerning the standard or the listing accuracy of
22 the listings that CLECs provide to US West, as well
23 as of the listings that US West provides to CLECs.
24 And specifically, we're talking about Section
25 10.4.2.13 of the SGAT, and I'll tell you what page

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1 that's on. It's on page 157 of the newest version of
2 the SGAT that you just received, which is Exhibit
3 106.

4 Just to summarize it, with that language,
5 we have taken out the warranty reference to this as
6 being the standard for the listings that the CLECs
7 provide to US West, and we replaced it with, as you
8 can see, different language, where we use a
9 commercially-reasonable standard to ensure that
10 listings are accurate and complete.

11 And then Section 10.4.2.14, which is just
12 below the one I just referred to, we simply have
13 rolled that into 10.4.2.13. That's the only change
14 in 14. We've collapsed those two sections.

15 If there's no comment on those sections,
16 then I'd refer you to Section 10.4.2.23 of the SGAT
17 -- excuse me, 10.4.2.23.1, which is on page 158, and
18 this is the reciprocal language for listings that US
19 West provides to CLECs for purposes of publishing
20 white pages directories. Again, we've used the same
21 commercially-reasonable standard for the listings
22 that we provide to CLECs. And with regard to white
23 pages listings, that's it for that issue. Those SGAT
24 changes reflect the standard for providing listings
25 to each other.

00683

1 JUDGE RENDAHL: For clarification, would
2 your comments on 10.4.2.23.1 reflect a new issue or
3 --

4 MS. SIMPSON: That was an issue that was
5 raised by WorldCom, even though it's not on your
6 issues log. It's my recollection that WorldCom asked
7 about reciprocity as to the white pages listings that
8 US West would provide to CLECs at the last Washington
9 workshop, and that language that you just cited is in
10 response to the issue raised by WorldCom.

11 JUDGE RENDAHL: Thank you. Mr. Dixon.

12 MR. DIXON: Yes, thank you. Tom Dixon, on
13 behalf of WorldCom. I believe that, first of all,
14 the language is acceptable to WorldCom. It was
15 acceptable in Colorado and acceptable in Washington.
16 And I believe the addition of 10.4.2.23.1 is simply
17 addressing the reciprocity requirement that was
18 raised in the issue, and that's just the number that
19 was given to make it reciprocal.

20 So without flipping between now three
21 SGATs, I suspect that's just been added to the
22 previous section, and that was the appropriate place
23 to give it, and that's why there's no number
24 referencing it in your issues log.

25 MS. SACILOTTO: That's correct.

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1 MS. SIMPSON: That's right. The issue was
2 raised, but the number was made up in response to the
3 issue. That's correct.

4 JUDGE RENDAHL: Thank you for that
5 clarification. Do any other parties wish to add any
6 comments? So that matter is then resolved. Okay.

7 MS. SIMPSON: All right. The next one,
8 which on your log is WA-8-2, and you cite SGAT
9 Section 10.4.2.1, this refers to an issue that was
10 raised by Mr. Kopta, from Nextlink, where he asked us
11 about the definition for premium listings from the
12 Washington tariff. There is a reference in the prior
13 SGAT to primary listings and citing to the Washington
14 tariff, but there was no reference in the SGAT to
15 premium listings as being defined in the tariff.

16 So we have given Mr. Kopta a copy of the
17 Washington tariff, and then we have added, actually
18 in Section 10.4.2.2 of the SGAT, which is on page 155
19 of your newest SGAT, Exhibit 106, a reference that
20 says primary listings and other types of listings are
21 defined in the tariff. So we've added the "and other
22 types of listings" to address Mr. Kopta's questions.
23 And we have deleted similar but incomplete language,
24 then, in 10.4.2.1.

25 JUDGE RENDAHL: Any comments from other

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1 parties?

2 MR. KOPTA: I agree with what was just
3 discussed in terms of what the issue was, and we've
4 taken a look at the tariff provisions, and I think
5 we're fine with what US West has proposed here.

6 MR. DIXON: Judge.

7 JUDGE RENDAHL: Mr. Dixon.

8 MR. DIXON: Just maybe procedurally as we
9 go through this process today, I'm assuming silence
10 is assent, so when you ask for any other comments, if
11 there are none, I'm assuming we're done with the
12 issue unless someone raises an issue. I just want to
13 be sure that's clear on the record, that silence
14 means we have agreed, because I don't want to get up
15 every time and say, WorldCom agrees. So if that's
16 acceptable, I'd just as soon propose that.

17 MS. SACILOTTO: I would concur. All I
18 would add to that is I thought it was somewhat
19 useful, and people can disagree with me, if we hear
20 no dissent, is to change what we have as proposed to
21 closed. The way I would do it is similar to how we
22 went through the right-of-way things the last time.
23 So I would say something like, Up to Footnote 18
24 closed, Footnote 19, closed, you know, footnote blah
25 blah closed, and then that way we'll have -- I would

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1 just like to be able to change my proposed to
2 consensus. And if we find that that's taking too
3 long, then we'll just go with straight silence, but
4 --

5 JUDGE RENDAHL: Well, then, why don't, at
6 the end of the discussion, you indicate which ones
7 you believe are closed for the record.

8 MS. SACILOTTO: Great.

9 JUDGE RENDAHL: In that case, why don't we
10 go back to that first issue, the Washington 8-1, and
11 identify those.

12 MS. SACILOTTO: Okay. This would be -- I'm
13 going to start with 10.4.2.23.1, and that would be
14 reflected -- well, it's already reflected as
15 consensus for Footnote 24, so I think that's
16 accurate, and then it would also be in -- well, it's
17 already marked as consensus, also, in Footnotes 21
18 and 22 on the previous page, 157. So those would be
19 accurate.

20 And for the issue we've just been
21 discussing with Mr. Kopta, I would change the
22 denotations in Footnote 18 on page 55 and Footnote 19
23 on 56 as consensus.

24 JUDGE RENDAHL: So 18 and 19 are now
25 consensus?

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1 MS. SACILOTTO: Yes, ma'am.

2 JUDGE RENDAHL: Just to be clear, would
3 Footnote 23 be a consensus?

4 MS. SIMPSON: Not yet.

5 MS. SACILOTTO: It will be, hopefully.

6 JUDGE RENDAHL: Okay. So on the
7 outstanding issues log, 8-1 and 8-2 could be marked
8 off as closed. Okay.

9 MS. SACILOTTO: Now, I think we have a
10 couple of other issues that have percolated around in
11 other states and we're percolating them up here in
12 Washington. Ms. Simpson.

13 MS. SIMPSON: Yes. The next one would be
14 WA-8-3, if we want to assign it a number that would
15 be consistent with the log, and this is an issue that
16 I believe was raised by WorldCom outside of the
17 proceedings that we've addressed. And it involves --
18 well, let me refer you to the section. It's
19 10.4.2.23, first of all, which is on page 158, and it
20 goes with Footnote 23.

21 And the issue was a question concerning the
22 use of listings by US West, listings that are
23 provided to us by CLECs, the use of those listings,
24 and then the reciprocal issue is the use of listings
25 that US West provides to CLECs, both for directory

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1 assistance -- and we'll talk about that later, that's
2 a different checklist item, but for this moment, for
3 white pages directory listings.

4 So to begin with, Section 10.4.2.23, in
5 response to WorldCom's questions about the use of
6 listings and reciprocal use of listings, what we have
7 included here is proposed language where US West
8 would agree to negotiate with CLECs for uses of white
9 pages directory listings for purposes other than
10 publishing white pages directory listings.

11 And what the SGAT said prior to our adding
12 this language was that -- and it's referred to as
13 subscriber list information -- subscriber list
14 information may be used only for publishing white
15 pages directory listings. And we have expanded that
16 language in response to Mr. Dixon's questions to
17 include the opportunity to negotiate outside of this
18 SGAT for other uses for those listings.

19 MR. DIXON: First of all -- Tom Dixon. Oh,
20 sorry.

21 JUDGE RENDAHL: Mr. Dixon.

22 MR. DIXON: Apologize. This is language we
23 discussed in Colorado, but I actually think that AT&T
24 had some issues with it. To go back with it, I think
25 they're working with Mr. Thayer, because I believe

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1 that related to, just for purposes of this record,
2 Exhibits 42 and 41 in Colorado. Those are Colorado
3 exhibit numbers that we all agreed we'd take offline,
4 and Mr. Thayer was going to get back to US West on
5 that language. That's my recollection, but AT&T can
6 speak to it.

7 MR. SEKICH: That's not inconsistent with
8 my recollection, either. However, I think that we
9 may be very close in closing this issue out. I think
10 indeed there was a linkage, I think, discussed in
11 Colorado between Paragraph 10.4.2.5 and Paragraph
12 10.4.2.23.

13 Conceptually, one paragraph allows US West
14 to, you know, sell back to or reach some arrangement
15 for the CLEC to use listings information, directory
16 list information. The other paragraph allows the
17 CLEC to put certain restrictions on the use of its
18 directory, end user directory listings on US West. I
19 think the language is actually fairly close.

20 The way I understand this will work now is
21 that if a CLEC needs or would like to use subscriber
22 list information for purposes other than a publishing
23 directory, it will approach US West, request to
24 negotiate some sort of arrangement for that. My
25 suspicion is is that when that negotiation occurs,

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1 the CLEC will then have the opportunity, also,
2 probably, to introduce additional leverage, which is,
3 I want this information from you, I'm going to allow
4 you to share my subscriber list information a little
5 more liberally under Paragraph 10.4.2.5.

6 So that there really is kind of a linkage
7 and sort of competing leverages on either side. I
8 think the modifications you've made in 10.4.2.5 will
9 allow the parties to sort of enter into those
10 negotiations and maybe come up with a resolution
11 that's probably acceptable to both.

12 Long way of saying I think the language
13 works for AT&T as is, with one caveat. In Paragraph
14 10.4.2.5, the very last sentence of that paragraph
15 states that CLEC will not receive compensation from
16 US West for any sale of listings by US West.

17 If acceptable to US West, I would like to
18 include a provision there which states -- or a clause
19 that states, "CLEC will not receive compensation from
20 US West for any sale of its listings by US West, as
21 contemplated under this agreement, this SGAT."

22 MS. SIMPSON: Would you say that again?

23 MR. SEKICH: Sure. In fact, the clause
24 would be added at the very end of that last sentence
25 in Paragraph 10.4.2.5. The last sentence would read,

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1 as modified, "CLEC will not receive compensation from
2 US West for any sale of listings by US West, as
3 provided for under this Agreement," capital A. That
4 would not foreclose the possibility that the parties
5 could reach some negotiated agreement where, in fact,
6 the CLEC might be compensated at some later point.

7 MS. SIMPSON: We think that's acceptable.
8 I would make one clarification -- well, two. I think
9 we should add 10.4.2.5, which I was just going to
10 address as a separate action item. Let's just add
11 it, if we could, then, to this one, WA-8-3, and you
12 actually have not seen 10.4.2.22.1 before.

13 I think you're thinking of DA language,
14 which we'll talk about under the DA. Because there
15 is reciprocity, I think, that we need to discuss
16 about the DA checklist item. I was just trying to
17 limit this discussion to white pages, and this is the
18 first time we've ever seen that, just to clarify for
19 the record and our understanding.

20 So with that change, then, in 10.4.2.5 and
21 the other section, I think that concludes that
22 discussion on listings.

23 JUDGE RENDAHL: Do any other parties have
24 any comments? Mr. Dixon.

25 MR. DIXON: Tom Dixon, with WorldCom. In a

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1 long, roundabout way, yes, we raised the issue. The
2 language was more of an issue with AT&T. We are
3 satisfied with corrections or the additions to
4 10.4.2.23, as well as the changes proposed both by US
5 West and AT&T on 10.4.2.5, and would recommend, from
6 our perspective, those could be noted as consensus.
7 The relevant footnotes could be marked as consensus,
8 from WorldCom's perspective.

9 JUDGE RENDAHL: Any other comments? I'm
10 just going to ask parties, we are now at about 11:10,
11 and we could either break now or we could keep going
12 and take an early break at 11:45 for lunch. What
13 would the parties prefer to do?

14 MS. SACILOTTO: I'd like to at least close
15 out Checklist Item Eight before we take a break,
16 because I think it can be done in minutes.

17 JUDGE RENDAHL: Okay. But would you prefer
18 to take a break or just break early for lunch? I
19 think that's the question. Early for lunch?

20 MS. SACILOTTO: That's fine.

21 JUDGE RENDAHL: Okay. Let's keep going
22 till 11:45.

23 MS. SACILOTTO: Okay. Hearing no further
24 comment, I would propose marking Footnote 19 and 20
25 -- well, 19 has already been closed -- 20 as

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1 consensus, that's on page 156, as well as Footnote 23
2 on page 158 as consensus for Washington. And then we
3 have one more issue for this checklist item.

4 MS. SIMPSON: This is Lori Simpson, for US
5 West. I would call --

6 JUDGE RENDAHL: Ms. Simpson, I'm just going
7 to ask you to speak up, given that the air
8 conditioning has now come on.

9 MS. SIMPSON: I'll try.

10 JUDGE RENDAHL: Thank you.

11 MS. SIMPSON: This would be WA-8-4, and I'm
12 going to refer you to Section 10.4.4.2 of the new
13 SGAT. And this is on page 159 of the revised SGAT.
14 I have just corrected the Web site reference in that
15 section. That's all. The old Web site has been
16 replaced with a new address, and that's all that
17 change amounts to.

18 JUDGE RENDAHL: Any comments? I think we
19 can consider Footnote 27 closed. Thank you.

20 MS. SIMPSON: That's all the items I have
21 for white pages listings.

22 JUDGE RENDAHL: Do any other parties have
23 other issues for Checklist Item Eight? Does that
24 conclude Checklist Item Eight, then?

25 MS. SACILOTTO: We view it as closed.

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1 Everything's consensus.

2 JUDGE RENDAHL: Okay. Let's move on, then,
3 to Checklist Item Number Nine.

4 MS. SACILOTTO: Margaret Bumgarner, on
5 behalf of US West, to address this checklist item.

6 JUDGE RENDAHL: Ms. Bumgarner.

7 MS. BUMGARNER: Thank you. I think you
8 forgot the soon to be Qwest.

9 MS. SACILOTTO: Oh, soon to be Qwest. The
10 Company.

11 MS. STRAIN: Margaret, if you could speak
12 up, I'm having trouble hearing you.

13 MS. BUMGARNER: On the list, it's listed as
14 WA-9-1 and WA-9-2, and it says, Open items, the LRN
15 and double assignment of numbers that were deferred
16 to later workshops. Actually, I think that these
17 were both closed. As far as Checklist Item Nine for
18 number administration, there were no more issues, but
19 if any other problems are identified for LRN, it
20 would be addressed in the Checklist Item Number One,
21 and for the double assignment of numbers, if there
22 are any more issues, it would be addressed in
23 Checklist Item Number 11.

24 So I believe that both of those issues, as
25 far as Checklist Item Nine, are closed.

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1 JUDGE RENDAHL: Any comments on US West's
2 description of items on Checklist Number Nine? Are
3 there any other items on Checklist Number Nine that
4 US West or any other parties wish to address?

5 MS. BUMGARNER: I have no other issues.

6 MS. DeCOOK: Just one placeholder, Your
7 Honor. I believe on this checklist item we had a
8 deferral, based upon metrics that are produced under,
9 I think, NP-1.

10 JUDGE RENDAHL: A deferral for a later --

11 MS. DeCOOK: For a later day, once the
12 performance metrics are presented, audited, all of
13 that stuff.

14 MS. SACILOTTO: Becky, just to be clear,
15 you're not saying it's an open action item; you just
16 want to have it be --

17 MS. DeCOOK: It's a placeholder, similar, I
18 think, to -- I don't know if you've seen the Arizona
19 report that came out, but there's a placeholder for
20 performance, and this is one area where we had agreed
21 to defer, based upon the production of measurement
22 data under a particular PID.

23 JUDGE RENDAHL: And I understand that that
24 issue goes more to whether the approval would be
25 conditional or unconditional, based on the audited

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1 information available later?

2 MS. DeCOOK: Yes and no. It related to a
3 particular issue that we had raised and US West's
4 representation that it had been cured. And we
5 indicated that subject to the presentation of audited
6 performance data under this particular measure, we
7 were going to defer our objection on that particular
8 issue. So it's conditional, but relative to a
9 particular issue that we had raised.

10 JUDGE RENDAHL: Thank you. Now --

11 MS. BUMGARNER: Yes, that is true. I mean,
12 it's conditional on the performance on that NP-1.

13 JUDGE RENDAHL: Okay. Any other issues on
14 Checklist Item Number Nine? Mr. Dixon.

15 MR. DIXON: Just a Colorado change that was
16 made, that I think we may have overlooked, that
17 probably should be brought to the Washington people's
18 attention, and I hope this is the right checklist
19 item. 13.1, where we made a change because of the
20 FCC order and made reference to thousand block
21 pooling, I believe that was added for Colorado, but I
22 don't know if the Washington people have seen that
23 before or not.

24 MS. BUMGARNER: That language was
25 introduced at the workshop here in Washington and was

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1 approved.

2 MR. DIXON: Good. I couldn't recall, so I
3 just had it highlighted on my Colorado list. I
4 apologize. I'm bouncing between three SGATs and two
5 checklists, so I'm trying to make sure we don't miss
6 anything.

7 JUDGE RENDAHL: Thank you. Any other
8 comments on Checklist Number Nine before we consider
9 that one closed? Okay. Let's move on, then, to
10 Checklist Item Number Seven, as Checklist Item Number
11 12 was resolved during the June workshops.

12 MS. SACILOTTO: Ms. Bumgarner will start
13 with Checklist Item 7-1, which is 911/E911.

14 MS. BUMGARNER: Thank you. Issue Number
15 WA-7-1, which talks about amending the SGAT Section
16 10.3.7 to include the WorldCom issues, those sections
17 of the SGAT that this refers to are Section
18 10.3.7.1.1, 10.3.7.1.2, and 10.3.7.1.1.3. We
19 actually reviewed those in the Washington workshop
20 and reached closure on those three sections that have
21 been added.

22 JUDGE RENDAHL: Any comments from any other
23 party? Mr. Dixon.

24 MR. DIXON: On behalf of WorldCom, Tom
25 Dixon. This was our issue. It has been adequately

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1 addressed and we are satisfied with the language, so
2 we'd proposed closing it, from our perspective, and I
3 think it already states that we've reached consensus
4 on it, and that's correct.

5 JUDGE RENDAHL: Any other comments? That
6 would be Footnote 14 would be closed.

7 MS. SACILOTTO: No, these are 15, 16 and
8 17. They're already marked as consensus.

9 MS. BUMGARNER: Right.

10 MS. SACILOTTO: I think we probably
11 discussed these in Washington and had consensus back
12 at the last workshop.

13 MS. BUMGARNER: Yes.

14 MS. SACILOTTO: So we're just --

15 JUDGE RENDAHL: Closing it out.

16 MS. SACILOTTO: Again.

17 JUDGE RENDAHL: Fine.

18 MS. BUMGARNER: Ready?

19 JUDGE RENDAHL: Ms. Bumgarner.

20 MS. BUMGARNER: Issue WA-7-2, this one is
21 to review the technical publications to ensure that
22 they conform to the SGAT. This is regarding the
23 direct connections to US West's frames. I have
24 provided the revised documents. We did meet after
25 the Colorado workshop on June 30th, and that was

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1 provided as an exhibit earlier.

2 MS. SACILOTTO: It's 150.

3 MS. BUMGARNER: Exhibit 150. And I believe
4 -- I did talk with AT&T earlier, and I think we're
5 going to try to talk at lunchtime today and see if
6 they have any comments.

7 JUDGE RENDAHL: Ms. DeCook.

8 MS. DeCOOK: Thank you, Your Honor. We've
9 been through about half of the document we were
10 provided today, so if we could, we'd like to finish
11 going through it over lunch, and then we'll talk with
12 US West when we come back from lunch and see if we
13 can wrap this issue up completely.

14 JUDGE RENDAHL: That sounds acceptable.
15 Any other comments at this point from any other
16 party? Mr. Dixon.

17 MR. DIXON: Yes, Tom Dixon, on behalf of
18 WorldCom. We will be also reviewing this with AT&T,
19 and likely will reach resolution, as well.

20 JUDGE RENDAHL: Okay. Any other comments?
21 Okay. We'll return to Washington 7-2 after lunch.

22 MS. BUMGARNER: Okay. Issue WA-7-3, US
23 West will review SGAT language regarding 911
24 protections on CLECs' circuits versus US West
25 circuits. If you look at Section 10.3.7.1 of the

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1 SGAT, I have proposed language to add a sentence to
2 that section, "US West shall provide special
3 protection identification for CLEC 911 circuits in
4 the same manner as US West provides for its 911
5 circuits." This was closed in Colorado. It's a
6 proposal for the Washington workshop.

7 JUDGE RENDAHL: Mr. Wilson.

8 MR. WILSON: Ken Wilson, representing AT&T.
9 We have met with US West on this topic, and based on
10 their representations that their processes do provide
11 the same protection to CLEC circuits, we rest our
12 concerns on this issue.

13 JUDGE RENDAHL: Thank you. Any other
14 parties? Okay.

15 MS. BUMGARNER: Are we okay with the
16 language? Can we close this?

17 MR. WILSON: Yes.

18 MS. BUMGARNER: Thank you.

19 JUDGE RENDAHL: So that would close
20 Footnote 14.

21 MS. BUMGARNER: Okay.

22 JUDGE RENDAHL: Okay. Ms. Bumgarner.
23 Ms. Simpson.

24 MS. SIMPSON: This is Lori Simpson.
25 Washington 7-4 concerns, again, reciprocity and the

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1 standard with which listings will be provided. And
2 I'll refer you to Section 10.6.2.1.1 of the SGAT, on
3 page 164. I believe we've actually reviewed this
4 before, but to close it again for the record, this is
5 where US West agrees to use the same standard that
6 we've referred to before with regard to the listings
7 that we provide to CLECs for purposes of providing
8 directory assistance service.

9 JUDGE RENDAHL: Any comments from other
10 parties?

11 MR. DIXON: If you'll give me just a
12 moment, Your Honor, I'm just flipping through the
13 other SGAT.

14 MS. SIMPSON: If you want to compare it to
15 the standard that we apply to CLECs providing us
16 their listings, just for your reference, again,
17 that's in 10.4.2.13 as a cross-reference.

18 MR. DIXON: The corrections -- Tom Dixon,
19 on behalf of WorldCom. The proposals for these two
20 sections are acceptable to WorldCom.

21 JUDGE RENDAHL: Any other parties? That
22 would be closed, then.

23 MS. SIMPSON: Consensus for Footnote 34,
24 and we already had noted that. Your Honor, I do
25 have, I believe, three or four additional issues

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1 under directory assistance.

2 JUDGE RENDAHL: Let's refer to them
3 starting with Washington 7-5.

4 MS. SIMPSON: Dash five, okay.

5 MS. SACILOTTO: Before Lori goes on,
6 there's a Footnote 35 that is 10.6.2.2.

7 MS. SIMPSON: Already did that one.

8 MS. SACILOTTO: Oh, okay. It was included
9 under 7-4.

10 MS. SIMPSON: Oh, thank you. I intended to
11 say that. I'd like to separate that into a separate
12 issue, because it really is. And in fact, that is
13 the next issue, Washington dash -- oh, I'm sorry.

14 MS. BUMGARNER: Can I close out 911? I do
15 have one additional issue for 911.

16 JUDGE RENDAHL: Would that be, then, the
17 7-5, WA-7-5?

18 MS. BUMGARNER: Yes.

19 JUDGE RENDAHL: Okay. Ms. Bumgarner.

20 MS. BUMGARNER: On Section 10.3.6.4 of the
21 SGAT, we've made revisions to that section of the
22 SGAT, changed it to show vendor, rather than naming
23 SCC, and that was at the request of SCC. They're
24 currently our vendor. They asked if we would make
25 that generic, and show the word "vendor" instead of

00703

1 their name in our SGAT.
2 JUDGE RENDAHL: Any comments by parties?
3 MR. DIXON: No objection on behalf of
4 WorldCom, Your Honor.
5 MS. SACILOTTO: We were going to put this
6 as 7-5, or you could make it --
7 MS. STRAIN: It's a 911 issue, is it not?
8 MS. SACILOTTO: Yes, but it's under
9 Checklist Item Seven.
10 MS. STRAIN: Okay. But --
11 MS. SACILOTTO: We just -- yeah.
12 JUDGE RENDAHL: So new item WA-7-5 is
13 resolved.
14 MS. BUMGARNER: Thank you.
15 MR. DIXON: And there's probably a footnote
16 that needs to be changed to consensus.
17 MS. SACILOTTO: Yeah, that would be
18 Footnote 13 on page 153.
19 JUDGE RENDAHL: Okay. Ms. Bumgarner, any
20 other 911 issues?
21 MS. BUMGARNER: No.
22 JUDGE RENDAHL: Okay. Ms. Simpson.
23 MS. SIMPSON: All right. Lori Simpson, for
24 US West. This will be Washington 7-6, and I'm going
25 to refer to SGAT Section 10.6.2.2, on page 164 of the

00704

1 revised SGAT. And another section of the SGAT that
2 is the counterpart to this one is Section 10.5.2.10.

3 This was an issue raised by WorldCom, and
4 perhaps AT&T, I can't remember, but I know WorldCom
5 raised it initially, concerning the reciprocity or
6 lack thereof of the requirements in Section 10.2 --
7 I'm sorry, 10.6.2.2, wherein CLECs have to do certain
8 things with regard to the directory assistance
9 listings that we provide to them. So what we have
10 done is to modify Section 10.6.2.2 to insert the word
11 "timely."

12 And then, if you would look at 10.5.2.10,
13 which is on page 162, that's the reciprocal provision
14 wherein US West will do the same thing with CLECs'
15 directory assistance listings that we are asking
16 CLECs to do when we provide them directory assistance
17 listings for their directory assistance service.

18 JUDGE RENDAHL: Any comments?

19 MR. DIXON: Tom Dixon, on behalf of
20 WorldCom. The statements of Ms. Simpson that we
21 raised are correct, and I know AT&T had some language
22 issues. These are new. I don't know that we
23 actually had these in Colorado, from what I can tell,
24 so it might take a minute just to review the
25 language.

00705

1 MS. SIMPSON: We had 10.5.2.10 in Colorado
2 -- this is Lori Simpson -- but we had debated the
3 "timely" wording. And that's the new change since
4 Colorado.

5 MR. SEKICH: That's fine.

6 MS. SIMPSON: We were doing that one-day
7 debate. The other change since Colorado -- oh, and I
8 apologize, it's actually not made here. I'm sorry.
9 In 10.5.2.10, I see that I've left out a term that I
10 had intended to include. So it should say, "US West
11 will timely enter into its directory assistance
12 database updates of CLECs' listings," and the same
13 actually in 10.6.2.2. I had intended to add
14 "directory assistance" before the word "database."

15 MR. DIXON: Now --

16 JUDGE RENDAHL: Mr. Dixon.

17 MR. DIXON: Yes, thank you. On behalf of
18 WorldCom, Tom Dixon. I found my Colorado amendment,
19 and actually, I thought what we decided to do on
20 10.5.2.10 was, instead of your insertion of the word
21 "timely," and I think there was some discussion about
22 promptly, we actually had said "US West would enter
23 this within one day of receipt."

24 MS. DeCOOK: They said they couldn't do
25 that.

00706

1 MS. SIMPSON: Would you like me to respond
2 to that?

3 MR. DIXON: Hang on just a second. I'm
4 being corrected, so that's fine. If that's not the
5 case, then we can dispense with the issue. It's what
6 my notes reflected still. Timely is acceptable for
7 WorldCom.

8 MS. SIMPSON: This is Lori Simpson. If I
9 could just answer on the record, just to keep it
10 complete, we aren't able to do all listings within
11 one day of receipt, because the CLEC doesn't always
12 want us to enter listings within one day of receipt
13 into our directory assistance database, for one
14 reason. So we went with the insertion of the word
15 "timely" on both sides to make it equitable.

16 JUDGE RENDAHL: Thank you. Are there any
17 other comments from other parties about either
18 10.6.2.2 or 10.5.2.10?

19 MS. SACILOTTO: Well, hearing no objection,
20 I would like to mark Footnote 29 as closed, and we
21 will insert the word "directory assistance," but I am
22 not going to -- I'm going to assume that those words
23 before the word "database" is okay. And then, in
24 10.6.2.2, we would mark Footnote 35 also as closed.
25 And once again, in making the change to show that as

00707

1 a consensus issue, we will insert the word "directory
2 assistance" right before the first reference to
3 "database."

4 MS. SIMPSON: May I go on?

5 JUDGE RENDAHL: Please.

6 MS. SIMPSON: Lori Simpson, for US West.

7 The next issue is -- or will be Washington 7-7. This
8 concerns SGAT Sections 10.6.2.3, and 10.5.2.11. The
9 issue here, as I recall it, and it was raised by
10 WorldCom and perhaps AT&T, too, concerns restrictions
11 or uses of directory assistance listings by US West
12 and by CLECs.

13 And if we could start with 10.6.2.3, and
14 look at that language, this is on page 164 of the
15 SGAT. And just to summarize, it says that CLECs will
16 only use US West directory assistance list
17 information provided under this SGAT for purposes of
18 providing directory assistance service.

19 And then, if we could flip over to
20 10.5.2.11, we have -- I believe this is the first
21 time you would have seen this language, and what we
22 have done is drafted reciprocal language that says
23 that US West will only use CLECs' directory
24 assistance listings provided under this SGAT for
25 purposes of providing directory assistance service or

00708

1 directory assistance list information to directory
2 assistance providers.

3 JUDGE RENDAHL: Any comments?

4 MS. DeCOOK: This is an issue that I think
5 both WorldCom and AT&T had, and this is new language,
6 so I'd like to take a look at this a little more
7 carefully at lunch and report back after lunch.

8 JUDGE RENDAHL: Mr. Dixon.

9 MR. DIXON: That would be fine for
10 WorldCom, as well.

11 JUDGE RENDAHL: Okay. So we'll bring back
12 Issue WA-7-7 after lunch.

13 MS. SIMPSON: Okay. We have just two
14 additional. The next one is Washington 7-8, and I
15 refer you to Section 10.6.1.1 of the SGAT, on page
16 163. I've inserted a sentence in that section that
17 says that we don't -- US West does not require prior
18 permission from CLECs in order to make its directory
19 assistance listings available to directory assistance
20 providers.

21 No CLEC raised that. That's just to be
22 consistent with other changes we've made in the SGAT.

23 JUDGE RENDAHL: Any comments?

24 MS. DeCOOK: This is also new language.
25 I'd just like -- I think we'd like to review it in

00709

1 context to make sure that we don't have any concerns
2 about it. We'll report back after lunch.

3 MR. DIXON: WorldCom would like to do the
4 same.

5 JUDGE RENDAHL: Okay, thank you. We'll
6 bring back issue 7-8 after lunch, then.

7 MS. SIMPSON: Okay. And the final issue,
8 actually Kara is going to address it. It concerns
9 licensing and revocation for directory assistance
10 listings used by CLECs.

11 MS. SACILOTTO: There was a question raised
12 at the prior workshop and in Colorado regarding the
13 nature of the license, is it an intellectual property
14 license, is it just a term that's used. And you
15 know, frankly, I think that the discussion has gotten
16 a bit blown out of proportion for purposes of this
17 SGAT.

18 What we are intending to do in the SGAT is
19 to simply provide a permission to use the information
20 for DA purposes, and whether or not this licenses an
21 intellectual property license or some other type of
22 license, I think we believe is really not relevant to
23 consideration of the SGAT. The SGAT is intended to
24 give permission to use this information for directory
25 assistance purposes, which is what is required by

00710

1 Section 251(b)(3) and to meet our checklist
2 requirement.

3 If the parties want to negotiate some other
4 use of this information and if they have some other
5 concerns about it, it's our view that the SGAT is
6 intended to be a limited document to address this
7 particular issue, and if they have some other kind of
8 use that they want to put to it, that would be an
9 issue that the parties -- that is just simply not
10 within the confines of the SGAT document.

11 So I guess, you know, while we've been
12 having all this debate about is it intellectual
13 property, isn't it intellectual property, we have our
14 view that it is, but, frankly, we don't think it's
15 relevant for purposes of this particular proceeding,
16 because we are providing them with the permission
17 that the act requires, which is to have access to --
18 which is for DA purposes.

19 And so I guess that's where we're coming
20 out on this, this license issue. Whether or not it's
21 intellectual property, we believe we have the right
22 to give permission for purposes of DA, and that's
23 what the SGAT is intended to do.

24 As far as the revocation language, Tom,
25 WorldCom has provided us with some draft revocation

00711

1 language. We are working on a few tweaks to that. I
2 think that hopefully during the lunch break, we'll be
3 able to tweak our language up a little bit and
4 provide it after the lunch break. That's what we're
5 aiming for. And that way, we can discuss that
6 language when we come back, and I don't think we're
7 far apart. It's just some language issue -- issues.

8 JUDGE RENDAHL: Any other comments? Mr.
9 Dixon.

10 MR. DIXON: Just to confirm what Ms.
11 Sacilotto has indicated, if you'll refer to WorldCom
12 Exhibit 188, and if you turn to page two of that
13 exhibit, WorldCom commented on Checklist Item Number
14 Seven, which relates to the two paragraphs at issue
15 here. And frankly, on the issue of the license, I'm
16 not in a position to respond to Ms. Sacilotto at this
17 time. At one point, we thought it was not a license,
18 based on some comments made by Mr. Beck in Colorado,
19 and then in Colorado he clarified it was considered
20 an intellectual property, that the property was
21 considered intellectual property, and therefore, the
22 license has a broader meaning.

23 As I raised here, I just went back to our
24 intellectual property attorneys to say, Do we really
25 have an issue with this. And I'm still waiting,

00712

1 frankly, because it was over the Fourth of July
2 holiday weekend. And the proposed language to which
3 Kara has referred to is then found in this same
4 section, which is that which she'll be tweaking. And
5 again, it's language that I provided as requested in
6 Colorado by July 5th.

7 So that's on the table, and it sounds like
8 we'll probably reach some resolution on that over
9 lunch.

10 On the license, as I said, I really don't
11 have an answer back from our intellectual property
12 people, and at this point, maintain the issue, but
13 hope to clarify or resolve it with what Ms.
14 Sacilotto has said.

15 MS. SACILOTTO: Just to chime in, I mean, I
16 guess we just don't see how this is -- we've gotten
17 real bollixed up in this, and frankly, we're just
18 kind of stepping back and saying what does this have
19 to do with this checklist item, and it doesn't have
20 anything to do with the checklist item.

21 What we're trying to figure out is have we
22 provided the access to the DA information that the
23 act requires, and nobody has opposed the idea that
24 information should be provided for DA purposes, and
25 that's what we're providing. So we just think that

00713

1 it's just not an issue for this.

2 And to the extent that this is going to get
3 elevated, I guess we would need to know why this is
4 even relevant, why do they care, because they have
5 agreed to the other -- to the uses that have been put
6 in here and whatnot, so I don't see how it's,
7 frankly, relevant to this discussion. I'm trying to
8 strip it out.

9 JUDGE RENDAHL: Mr. Dixon.

10 MR. DIXON: Well, I would suggest, as I
11 said, I'd like to talk about it over lunch a little
12 bit and see what we can do. It was obviously enough
13 of an issue for my client to raise it, and we did
14 raise the issue, what it was. And they believe that
15 the DA list information is not intellectual property.
16 That was the issue that we raised. And I don't know
17 that I'm going to reach resolution over lunch, but
18 I'm looking at perhaps some other alternatives as to
19 how we might address it. So we can get back over
20 lunch on that.

21 JUDGE RENDAHL: Any other comments from the
22 parties on this issue? Okay. I think, since we're
23 getting close to the 11:45 time we discussed -- Ms.
24 Simpson, did you have any other issues?

25 MS. SIMPSON: That's all for directory

00714

1 assistance.

2 JUDGE RENDAHL: Okay. So as I understand,
3 some of these issues will be discussed over lunch and
4 brought back. Before we break, since you are going
5 to be discussing matters at lunch, would you like to
6 return at 1:00 or later? What is your preference?

7 MS. SACILOTTO: I'd like to come earlier.
8 Oh, 1:00. Maybe 1:00

9 JUDGE RENDAHL: One o'clock or 1:15.

10 MS. SACILOTTO: Sorry, I thought it was
11 earlier.

12 MR. DIXON: Time flies.

13 MS. SACILOTTO: When you're having so much
14 fun.

15 JUDGE RENDAHL: We'll return at 1:00, then,
16 and we'll be off the record till 1:00. We're off the
17 record.

18 (Lunch recess taken.)

19 JUDGE RENDAHL: Back on the record. We're
20 back after our lunch break, and there were a number
21 of items that were to be discussed over the lunch
22 hour, and Kara, or Ms. Sacilotto, or Mr. Dixon, who
23 would prefer to report back, or Ms. DeCook, or Mr.
24 Sekich?

25 MR. SEKICH: Yes, thanks. Actually, there

00715

1 were a couple issues on directory assistance.

2 JUDGE RENDAHL: Mr. Sekich, could you speak
3 up, given the fan right above you?

4 MR. SEKICH: A couple issues, and you might
5 want to help me, actually, with issue ID numbers, but
6 I'm looking at paragraphs of the SGAT. I think the
7 first issue we were going to talk about involved
8 Paragraph 10.6.2.3, and Paragraph 10.5.2.11.

9 MS. DeCOOK: 7-7.

10 MR. SEKICH: That's Issue 7-7.

11 Conceptually, I don't think the parties are far off,
12 but AT&T has a proposal that I think WorldCom concurs
13 in, which is to strike the entire content of Section
14 10.6.2.3 and replace it with nearly the same sentence
15 that is included in 10.5.2.11. The only difference
16 would be swapping the parties' names. In other
17 words, "US West" would read "CLEC" in that paragraph,
18 and "CLEC" would read "US West." The concept would
19 be that these two provisions would be precisely
20 reciprocal. And I think, conceptually, that's where
21 the parties and US West were headed with that.

22 MS. SIMPSON: This is Lori Simpson, with US
23 West. I think that the only problem we would have
24 with that is that there are some examples in 10.6.2.3
25 of so-called violations of the use of DA lists that

00716

1 are relevant in our discussion of licensing and
2 revocation. And in fact, there's a cross-reference
3 now to 10.6.2.3 for that very purpose in the language
4 that Mr. Dixon proposed to us that you may not have
5 seen yet, but are probably about to.

6 What we might be able to do, though, is
7 just move the restrictions, the examples into the
8 revocation section, which is 10.6.2.1, and do what
9 you said with 10.6.2.3. Did you follow me?

10 MR. SEKICH: Yes, I did. The other
11 possibility would be to use this list as an example
12 of, I guess, restrictions supplementing the paragraph
13 10.5.2.11.

14 MS. DeCOOK: Isn't that what you said?

15 MS. SIMPSON: No.

16 MR. SEKICH: No.

17 MS. DeCOOK: Oh, okay.

18 MS. SIMPSON: I kind of like the idea of
19 moving them to 10.6.2.1. Well --

20 MS. SACILOTTO: Yeah, I guess if we're
21 going to move it to 11, then we need to keep it in
22 2.3, but if we move it to the revocation, then it
23 just says it once.

24 MR. SEKICH: And I think the issue is AT&T,
25 and I think also WorldCom, want to ensure that this

00717

1 list of examples is truly a representative list of
2 the examples of restrictions placed on US West's use
3 of the CLECs' DA information supplied to US West.
4 And to the extent that there is a way to work that so
5 that it's clear, and this is not, I guess, shown to
6 be an exclusive -- or a list that exclusively applies
7 to the CLEC, as opposed to US West, I think AT&T
8 would be comfortable with that.

9 MS. DeCOOK: Well, that's the problem, I
10 think, with moving it to 6.2.1, is because that's a
11 one-way provision that only deals with US West data.

12 JUDGE RENDAHL: Let's go off the record for
13 a moment.

14 (Discussion off the record.)

15 JUDGE RENDAHL: Let's be on the record.

16 And Ms. DeCook or Mr. Sekich, would you please state
17 the concern?

18 MR. SEKICH: I think AT&T's proposal for a
19 revision to 10.6.2.3 would be as follows: Strike the
20 entire provision as it reads now and replace it with
21 the following sentence: "CLEC shall not use US
22 West's directory assistance listings supplied to CLEC
23 by US West under the terms of this agreement for
24 purposes other than providing directory assistance
25 service," period.

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1 MS. SIMPSON: We would need to discuss that
2 further, because we don't agree that they can
3 purchase listings under the Washington SGAT and use
4 them outside of US West's 14-state territory. They
5 can purchase them under a different contract, but not
6 under the SGAT, and use them outside of US West's
7 14-state territory. We've covered this in earlier
8 workshops.

9 MS. DeCOOK: Well, let me ask a clarifying
10 question about 5.2.11. If you look at the language
11 just in terms of how it's stated for directory
12 assistance service, isn't that giving US West the
13 right to use our information beyond the state of
14 Washington or the region, for that matter? I mean,
15 it's unlimited in terms of how you can use our
16 listing information.

17 MS. SIMPSON: Well, we would need to take
18 back and consider whether we could limit ourselves to
19 using their listings just in the state of Washington.
20 That's what we need to consider.

21 MS. DeCOOK: Well, and just to be clear,
22 our position is that it should be reciprocal. If
23 you're giving yourself the right to use our data
24 beyond the state of Washington, we should be afforded
25 that same right. So you know, whatever limitations

00719

1 are reciprocal, that's the way it should be here.
2 There's no reason for you to have greater access to
3 our data than we have to yours.

4 JUDGE RENDAHL: Let's go off the record.
5 (Discussion off the record.)

6 JUDGE RENDAHL: Let's be back on the
7 record. The parties will, at the next break,
8 continue their discussion on 7-7. And let's go back
9 to 7-2, which was an item that the parties agreed to
10 discuss over lunch. Mr. Dixon, is that something
11 you'd like to address first, or Ms. Sacilotto?

12 MS. DeCOOK: I will address it.

13 JUDGE RENDAHL: Sorry. Ms. DeCook.

14 MS. DeCOOK: I think the ball was in our
15 court. We needed to look through the documentation
16 and determine whether it accurately reflected
17 discussions that we had with US West last week and
18 whether we were, as a result of those discussions,
19 complete on this issue and we can close it.

20 We have reviewed the documentation. It
21 does reflect all the changes that the parties
22 discussed, and so I think we can say that, for
23 purposes of this checklist item, the 911 issue, the
24 documentation does adequately now address our
25 concerns.

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1 MR. DIXON: And WorldCom concurs with that
2 result, as well.

3 JUDGE RENDAHL: Thank you, Mr. Dixon.

4 MR. DIXON: So we could close that.

5 JUDGE RENDAHL: Does that refer to Exhibit
6 236?

7 MR. DIXON: One-fifty, Exhibit 150. The
8 one that's about a half-inch thick.

9 JUDGE RENDAHL: Thank you. And is there an
10 SGAT provision associated with that that we need or a
11 footnote checklist item?

12 MS. DeCOOK: Not directly, Your Honor.

13 JUDGE RENDAHL: Okay, thank you. Moving
14 on, the next item I had deferred during lunch was
15 7-8.

16 MR. SEKICH: We've taken a look at the
17 provisions in 10.6.1.1, and they're acceptable to
18 AT&T.

19 MR. DIXON: They're also acceptable to
20 WorldCom.

21 JUDGE RENDAHL: Thank you. The next issue
22 I had was Washington Item 7-9, the licensing and
23 revocation issue. Who would like to --

24 MR. DIXON: Why don't I take the lead on
25 that one first, if that's okay. Tom Dixon, with

00721

1 WorldCom. I think, on the license issue, you know,
2 we're at impasse on that in Colorado at the moment.
3 I suggest we just go there for now, agree that we'll
4 brief it if we choose to, and if between now and the
5 briefing date of July 17, we reach some other
6 accommodation, I'll continue to pursue our people to
7 see if that can be done and pass that over to US
8 West, if it happens.

9 With respect to the proposed language on
10 revocation, the actual process, I don't know if you
11 want to take that up on the break, since you're going
12 to make some changes to the other language and then
13 bring it back in. We have no problem with the
14 language that's been proposed by US West in response
15 to what I had proposed in Exhibit 236 addressing
16 this. And the only reason I'm saying we may want to
17 wait until we're done with the break discussion is
18 that's where we're going to modify the reference to
19 10.6.2.3. So I think this issue will go away on the
20 break, as well.

21 MS. SACILOTTO: Okay. Well, that's fine.
22 We can take that up on the break, as well. But I
23 guess I'd like to know, if this is going to go to
24 dispute resolution, I guess I want to know what the
25 dispute is and why it's a dispute.

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1 MR. DIXON: Well, the dispute is whether or
2 not the -- see if I can be precise -- the DA list
3 information is, in fact, intellectual property. The
4 concern that we have is we're neither conceding it is
5 or it isn't at this point. Our people are concerned
6 that the term "license" gives that impression and
7 that we neither want to agree or disagree with that
8 point at this time. We just don't want it to be
9 treated as intellectual property for the time being,
10 and that if we're going to go -- if US West believes
11 and persists in its belief that it is intellectual
12 property, then we want the opportunity to at least
13 dispute that fact, that argument.

14 And I'll follow up. It could be our
15 intellectual property people come back and say, Hey,
16 we're fine, but the goal is to try and get it
17 resolved. And our people have raised it, and
18 unfortunately, I tried to get them over the holiday
19 weekend and I have not gotten an answer back. I
20 checked this morning on our e-mail and still had not
21 heard from them.

22 MR. OWENS: As a non-attorney, can I offer
23 something here? Is it possible for the parties to
24 reach agreement that we're not going to address that
25 issue in this proceeding, and that we both reserve

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1 our right to, if we ever have a dispute on the issue
2 in the future, we could each reserve our right to
3 interpret that language as we see fit?

4 MR. DIXON: That's one of the exact things
5 I suggested at lunch that I'm going to try and
6 propose back to our people. We just effectively
7 agree to disagree. The one issue that it leaves,
8 Jeff, and I'll be real up-front, is if it is, in
9 fact, a 271 issue, from our people's perspective,
10 then I have a problem simply deferring it. If I can
11 get them to agree it's not a 271 issue and that we
12 can just simply agree to disagree, then we can walk
13 away from the issue on the basis you proposed.

14 MS. SACILOTTO: Yeah, if you could -- I'd
15 love to just put this sucker to bed.

16 MR. DIXON: So would I. So I think we'll
17 do it offline and we'll do the best we can.

18 JUDGE RENDAHL: Okay. So now, because you
19 need to contact folks back at WorldCom, I assume you
20 would not be reporting back on that at a break?

21 MR. DIXON: No.

22 JUDGE RENDAHL: Your proposal is to either
23 handle it in brief or advise everyone that it's not
24 an issue?

25 MR. DIXON: Right. And what I will do, in

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1 fairness to both US West and everyone else, my goal
2 is to report back on it let's just say by next
3 Wednesday, so there's still time on the briefing, if
4 it were going to be included in the brief. I'll try
5 and do it sooner, if I can. This being Thursday,
6 basically, I figure by next Wednesday I hope to have
7 an answer. If I get one sooner, I'll report it
8 sooner.

9 JUDGE RENDAHL: Okay, thank you. Those
10 were all the issues I had on my list to bring back
11 after lunch. Did anybody else have any other issues
12 to bring back? Okay. Well, it appears there's still
13 some items on Checklist Item Number Seven that are
14 outstanding, at least for the moment. So let's move
15 on to Checklist Item 10, unless people want to go
16 back and identify those still outstanding issues,
17 just so that we have a current list of them. Ms.
18 Sacilotto.

19 MS. SACILOTTO: Can we take the break -- in
20 the interests of letting Ms. Simpson catch a plane,
21 she needs to leave here 4:30, 4:45 at the latest.
22 Could we try to arrange the break so that we could
23 see if it's possible to close out her checklist item
24 before she leaves to catch a plane?

25 JUDGE RENDAHL: My plan was to try to take

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1 a break at 2:30. Would that be consistent or would
2 you prefer an earlier break?

3 MS. SACILOTTO: I think that would be okay.

4 JUDGE RENDAHL: Why don't we plan on
5 breaking in about an hour, and that will allow you
6 all to try to work through that issue. Okay.

7 Let's go on to Item Number 10. And again,
8 I'm going to turn to US West for Checklist Item
9 Number 10.

10 MS. SACILOTTO: Yeah, we're going to -- I'm
11 going to move Margaret up here, so I don't have to --

12 JUDGE RENDAHL: Yell to her.

13 MS. SACILOTTO: Exactly. Okay. Ms.
14 Bumgarner will address the open issues on Checklist
15 Item 10.

16 MS. BUMGARNER: The first issue, WA-10-1,
17 talks about performance results for the database
18 updates. It says database tests, but it's actually
19 database updates, DB-1 and DB-2, to be supplied
20 within two weeks. I don't remember this as being an
21 issue.

22 I did talk about the fact that we expected
23 the -- and this has to do with the LIDB database,
24 that we did expect the LIDB database update
25 performance information would be available in July,

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1 that that would be the first month that they would
2 begin reporting those results. These will be
3 reported along with all of the other performance
4 data, the ROC performance measures. So I'm not quite
5 sure why this one's isolated out as saying that we
6 would supply this one within two weeks. Maybe it was
7 just a misunderstanding.

8 MS. STRAIN: That could be.

9 MS. BUMGARNER: Okay.

10 MS. STRAIN: If that's not what happened.

11 MS. BUMGARNER: Yeah, it will just be
12 reported along with all of the other normal
13 performance measures. This is one of the ROC
14 performance measures. I don't remember this as an
15 issue.

16 JUDGE RENDAHL: When does US West plan to
17 report back on the performance data? I guess the
18 actual -- this is the actual performance data we're
19 talking about?

20 MS. SACILOTTO: The audited results?

21 MS. BUMGARNER: Audited results.

22 MR. OWENS: As I mentioned at the last
23 workshop -- this is Jeff Owens, with US West -- the
24 audit began now two weeks ago, and the question is
25 when will the audit be completed. I suspect that it

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1 will run through the summer and the audit, hopefully,
2 will be completed by the end of August. That's just
3 a pure guess on my part. And depending on the
4 findings of the audit, I would hope we would be
5 reporting audited results in September, probably the
6 earliest we'd have audited results available.

7 JUDGE RENDAHL: So Ms. Bumgarner, what
8 you're discussing about being reported along with the
9 other performance data is the unaudited data?

10 MS. BUMGARNER: Right.

11 JUDGE RENDAHL: Thank you. Okay. Well,
12 let's move on to Issue 10-2, then.

13 MS. BUMGARNER: WA-10-2, this is an issue
14 that is disputed. This is WorldCom request for
15 entire calling name database, and this is one that
16 the briefs were due to be filed today on this
17 particular issue.

18 JUDGE RENDAHL: Sorry, I wasn't reading
19 clearly enough.

20 MS. SACILOTTO: Just to let you know, this
21 is Kara, for the Company. We submitted our briefs,
22 the briefs that were due today. We filed them by
23 e-mail yesterday, and we have some revisions,
24 amendments to those in light of some discussion in
25 the Southwestern Bell Texas order that came out last

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1 Friday, and so we are going to be filing an amended
2 version of that. So go with the amended version.

3 JUDGE RENDAHL: But when are you filing the
4 amended version?

5 MS. SACILOTTO: Well, we're going to serve
6 -- hopefully, we're serving the amended version by
7 e-mail today. I don't know that we'll have the
8 physical hard copy in Olympia by today, but we're
9 sending out the e-mail today.

10 JUDGE RENDAHL: Thank you. Are there any
11 other issues on Checklist Item 10 that parties had to
12 bring?

13 MS. BUMGARNER: Yes.

14 JUDGE RENDAHL: Thank you.

15 MS. BUMGARNER: There's one more issue, I
16 guess we'll make this WA-10-3, which is actually the
17 same as the issue related to 911 -- what is that,
18 WA-7-2, and this is the one dealing with the
19 technical documents and providing for direct
20 connections to the frames. And that's the one that,
21 following lunch, AT&T and WorldCom both reported back
22 on that they were okay with the revisions that we
23 made on the last documents.

24 JUDGE RENDAHL: Any comments?

25 MR. DIXON: That's fine.

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1 MS. SACILOTTO: Becky, just for
2 clarification, when you reported back, you said you
3 were okay with those changes for 911. Are you okay
4 with them for 10, too -- 10, also?

5 MS. DeCOOK: I apologize. My limitation
6 was not intended to be directed at 10. It really
7 applies to future checklist items. And so we are
8 closed on both WA-10-3 and WA-7-2.

9 MR. DIXON: That's the same for WorldCom.

10 JUDGE RENDAHL: Thank you. Any other
11 comments? Okay. With the exception of the impasse
12 issue on the ICNAM database and the -- I guess it's
13 not really an issue, the performance results. Aside
14 from the ICNAM issue, Checklist Item 10 appears to be
15 closed. Is that a correct statement on the record?
16 Okay. Silence is assent here.

17 Okay. Let's move on, then, to Checklist
18 Item Number Three. Who would like to start?

19 MS. SACILOTTO: I think it will be Mr.
20 Freeberg, so we're going to play musical chairs one
21 more time.

22 JUDGE RENDAHL: Let's be off the record.
23 (Discussion off the record.)

24 JUDGE RENDAHL: Let's be back on the
25 record.

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1 MS. SACILOTTO: Mr. Freeberg will address
2 the open items on Checklist Item Three.

3 MR. FREEBERG: Tom Freeberg, for Qwest/US
4 West. Issue 3-1 refers to Section 10.8.2.4 in the
5 SGAT. This is on page 172 of Exhibit 106. There is
6 some language there which aligns closely with Exhibit
7 221, which is referred to in our agenda here, as
8 noted in the exhibit at Footnote 40. This is
9 language which I think we agreed upon in Colorado, so
10 I'm hopeful it's one that we can agree upon here in
11 this workshop.

12 MS. DeCOOK: AT&T agrees.

13 MR. DIXON: WorldCom agrees.

14 JUDGE RENDAHL: Thank you. Any other
15 parties, any other comments from other parties?

16 MR. DIXON: So Footnote 40 will be
17 consensus.

18 JUDGE RENDAHL: Okay.

19 MR. FREEBERG: Thank you. Issue 3-2 refers
20 to three sections in the SGAT that begin at 10.8.1.1.
21 They are at page 170 and 171 of Exhibit 106. And
22 there were actually several changes made here. One
23 of the changes was to correct language which had, in
24 a previous version of the SGAT, included reciprocal
25 language, each party-type language, so we made the

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1 correction that said, instead, this is not reciprocal
2 and it applies to US West. So we made that change.

3 A second change that was made here was
4 focused on 10.8.1.2, and in particular, we had some
5 discussion in a previous workshop about elaborating
6 on the places where one might find duct or conduit
7 that might be accessed. And we added, in a previous
8 workshop, what was the last sentence in the SGAT that
9 reads, "Duct and conduit may follow streets, bridges,
10 public or private rights-of-way and be within some
11 portion of a multi-unit building."

12 There was some language offered by AT&T,
13 again, in Exhibit 221, which you would now see in
14 what was distributed this morning as Exhibit 171. So
15 if you'd go to Exhibit 171, there is a single
16 sentence, which now appears at the end of Section
17 10.8.1.2, and it reads, "Within a multi-unit
18 building, duct may traverse building entrance
19 facilities," and I see that's not spelled quite
20 right, "building entrance links, equipment rooms,
21 remote terminals, cable vaults, telephone closets or
22 building risers."

23 So I'm hopeful that, with that addition, we
24 may have language which meets the kind of language
25 that AT&T hoped for there.

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1 MR. SEKICH: This is Dominick Sekich, for
2 AT&T. I think we have two concerns on this issue,
3 one of which I think we will be able to close out.
4 The other issue, I'm not sure where we stand. It's
5 the issue we discussed at length in Colorado.

6 Our witness on this issue is not with us
7 here in Washington, but I think in both
8 jurisdictions, AT&T had requested that we include
9 language, I guess at the introduction of each of
10 these paragraphs, which the language was quote,
11 directly or indirectly, so that a provision would
12 read, for example, "Where it has ownership or control
13 to do so, directly or indirectly, US West will
14 provide." And I noted that that provision was not
15 included here, which I think is accurate, because I'm
16 not sure that we've reached closure on whether that's
17 acceptable to US West or not. That's the first
18 issue. That might be a more difficult one to close
19 out.

20 The other issue relates to the language
21 that was added to 10.8.1.2, and I think AT&T's
22 appreciative that, in fact, it was added. It does
23 incorporate language that we have been advocating for
24 inclusion, and I think with maybe a brief discussion
25 about, I guess, the intent of US West with this

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1 language, we could probably close out the issue.

2 I think it's important for AT&T to have
3 assurances, and I think the assurance would be merely
4 in the form of an expression of US West's intent that
5 there is not another kind of duct or conduit out
6 there that this provision would not allow AT&T access
7 to. The reason I say that is, you know, our
8 provision that we had suggested was a very broad one,
9 it tried to bring in all poles, ducts, conduits,
10 rights of way with one provision, and we set forward
11 a list that was meant to be inclusive, but not
12 exclusive.

13 I think if we get some assurances that, in
14 fact, you need to give us just about everything under
15 this paragraph that US West is required to offer, we
16 have some assurances that would be okay.

17 I might ask a specific question. One thing
18 that's not specifically addressed here is the concept
19 of a corporate campus or a residential campus, for
20 example, which is not necessarily a multi-unit
21 building, but --

22 MS. SACILOTTO: Well, I mean, that's just
23 -- it's sort of like this is never going to -- we
24 tried to use your Exhibit 221, and I'm not seeing
25 things about campuses and whatever and whatever, so

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1 I mean -- we got -- we put the things about the
2 telephone closets and the equipment rooms and
3 building risers and cable vaults, you know, so I
4 mean, we used Rick's language here.

5 MS. DeCOOK: Not quite.

6 MR. SEKICH: I entirely appreciate that.
7 The difference is is that AT&T sought to incorporate
8 all poles, ducts, conduits, rights-of-way into one
9 provision. I understand the way US West has set up
10 their SGAT was they had separated poles, ducts and
11 conduit, rights-of-way out. When you break it apart
12 that way, it does create the possibility that there's
13 some ambiguity about whether, in fact, the entire
14 inclusiveness -- what I'm hearing is that, in fact,
15 you mean to make it as expansive as possible and not
16 mean to exclude anything in particular.

17 MR. FREEBERG: There's no intent to exclude
18 anything.

19 MR. SEKICH: I think, with that expression
20 of intent, I think we're okay with closing that part
21 of -- I guess it's Part B of this issue.

22 MS. SACILOTTO: Yeah, I mean, we can't --
23 the way the SGAT is designed, and I think for
24 legitimate reasons, that sort of came up when we were
25 discussing, like, documentation where it's applicable

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1 to a particular request, we're trying to keep these
2 things separated so that farther down the road, pole
3 things go with the poles, right-of-ways go with
4 right-of-ways, ducts and conduits go with that. So
5 we can't push them together and then separate them
6 back. We're trying to keep it separate all the way
7 across. That's why we did it this way, because
8 they're different things.

9 MR. FREEBERG: So are we --

10 MR. SEKICH: We're okay, as I say, I think
11 on Part B of this issue. Part A, which is the
12 directly or indirectly --

13 MS. SACILOTTO: Well, you know, I guess
14 where we're coming from there is that the language
15 that you propose, the FCC orders on poles and ducts
16 talk about in pretty -- they talk about ownership or
17 control to do so, and in those orders, there's not a
18 direct or indirect. Those terms are not defined.
19 Our concern is that those terms that you're proposing
20 don't add clarity to the SGAT; they add ambiguity to
21 the SGAT. They're not terms that have been, you
22 know, subjected to the regulatory process.

23 And so we would have a problem with that,
24 because we simply -- what that means is completely
25 ambiguous. I mean, we have a real problem with that

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1 kind of thing. So ownership or control tracks what
2 the FCC orders talk about in this checklist item in
3 its orders.

4 MR. SEKICH: I think our position, we may,
5 in fact, be at impasse on this Part A of this issue,
6 and I think our position, just to be clear, is that
7 regardless of whether or not we can track an FCC
8 order on this issue, there is language that has
9 import and significance, that indeed it might be
10 important, for the reasons I think are probably amply
11 in the record from last time, those provisions are
12 important to us. And I think maybe just consider
13 that at impasse and brief the issue.

14 MS. SACILOTTO: I guess I'd like to know
15 why that has to be in here, because, you know, where
16 we have ownership or control to do so, we provide it
17 to you. What are you trying to get with the indirect
18 or direct that isn't encompassed already within the
19 phrase "ownership or control to do so?"

20 MR. SEKICH: As I recalled our witness'
21 testimony last time, the concept of including
22 specifically indirect control, for example, or
23 indirect ownership of these issues was meant to
24 foreclose the possibility that a kind of arrangement
25 that did not have as its express or sole or primary

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1 purpose to create a right-of-way, for example, would
2 not, in fact, come under the rubric of this section,
3 and thereby not allow AT&T or other CLECs the ability
4 to have access as provided by the act. I do believe
5 that the act and the FCC rules would require that.

6 MS. SACILOTTO: It's just so ephemeral.

7 MR. BECK: This is Steve Beck. May I be
8 heard on this?

9 JUDGE RENDAHL: Yes, Mr. Beck. Go ahead.

10 MR. BECK: I think that's a misstatement of
11 our position. US West is not restricting the access
12 to right-of-way in its SGAT to situations where the
13 operative legal document exists solely or primarily
14 for the purpose of providing an easement of
15 right-of-way. We simply don't want to provide access
16 to agreements that don't have anything to do with
17 right-of-way under this checklist item, because we're
18 obviously not required to do so and it would be an
19 imprudent business decision to do so.

20 And so it's not that we require that
21 whatever document the CLEC is focusing on to have as
22 its primary or sole purpose to provide US West an
23 easement. What we're requiring is that it, in fact,
24 somewhere in it, whether primarily, solely, or just
25 tangentially, it must provide for an easement or

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1 right-of-way in order to be subject to this checklist
2 item and to this legal requirement.

3 And to put a finer point on it, I think
4 it's AT&T's contention that MDU contracts have
5 easements in them, ancillary easements in them. It's
6 our position that they do not. If they did have
7 easements or rights-of-way in them, then we would be
8 obligated, under the SGAT, to provide access to that
9 aspect of our rights in the MDU.

10 But it's our legal position, and I think
11 this is where we may have an impasse, is that the
12 application of the language in the SGAT may lead to
13 particular factual disputes in the future. However,
14 I think the SGAT, as it's a statement of a legal
15 obligation, is completely accurate.

16 And furthermore, I don't think that this
17 indirectly language, quite frankly, would cover the
18 issue that I think AT&T is focusing on, which would
19 be the MDU context. You don't have a right-of-way
20 directly or indirectly. You either have it or you
21 don't. And this -- I think Ms. Sacilotto hit the
22 nail right on the head. All this phrase that's been,
23 you know, proposed by AT&T, this indirectly or
24 directly phrase would add -- would not be meaning,
25 but rather ambiguity and the likelihood of further

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1 litigation down the road. I don't think it's going
2 to decide or help either party in any way.

3 I think if we have a particular dispute,
4 let's refine it to what it's really about, which is
5 are the MDU contracts rights-of-way or not, or do
6 they contain rights-of-way, and that, quite frankly,
7 is not a 271 issue. That's a matter for an
8 application in a particular factual scenario and
9 would be subject to either this Commission or the
10 FCC's jurisdiction if AT&T has a complaint as to how
11 we're handling it, but it is certainly not something
12 that is a deficiency in the SGAT in any way as
13 stating our legal obligations.

14 JUDGE RENDAHL: Any other comments by other
15 parties?

16 MR. SEKICH: Yeah, I think maybe just to be
17 a little clearer, as well, I think Mr. Beck is
18 correct that, in fact, MDU arrangements are something
19 that we have concerns about, but I think there are
20 other categories that might fit in this indirect
21 classification. Service agreements to provide
22 certain service, which might provide access to a
23 telephone closet, for example, is I guess another
24 category of that kind of arrangement where, in fact,
25 access to physical space, public or private, is

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1 afforded to US West, which I think, in AT&T's
2 opinion, is something that needs to be, I guess,
3 provided under this SGAT in order for it to meet the
4 271 checklist requirements.

5 MS. DeCOOK: Well, and just to be clear,
6 we're talking about two different issues and really
7 converging two different issues. The documentation
8 issue is in WA-3-4. We're really talking about a
9 different SGAT provision in WA-3-2. And I think the
10 record is clear on why we believe that there's a need
11 for the language of indirect or direct and indirect.
12 I think Mr. Thayer laid it out fairly clearly the
13 last go round. I think we're at impasse and there's
14 no point in further debating this issue.

15 MR. BECK: And I guess our position at that
16 point would be that, you know, we're not at impasse
17 on a 271 issue now; we're at impasse on, you know,
18 whether -- because nobody can look at the SGAT and
19 say it doesn't require us to provide -- it legally
20 requires us to provide any right-of-way that we have
21 ownership or control sufficient to provide to a third
22 party, so that there's no argument that the SGAT is
23 deficient. The argument is, when a certain factual
24 scenario comes up, such as an MDU situation, AT&T
25 believes, but does not know, that they may have a

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1 factual dispute with us or a legal dispute as to what
2 is right-of-way and does an MDU agreement contain it.

3 That, frankly, should not hold up the 271
4 process and should be dealt with in the process that
5 the FCC has specifically laid out for just such
6 disputes in their orders and in their rules, or under
7 -- if this Commission properly has jurisdiction
8 pursuant to its pole attachment act, then it would be
9 a dispute to be dealt with in a separate docket by
10 this Commission, but it doesn't exist now and it's
11 clearly not an issue as to 271 and shouldn't be used
12 to hold up this process.

13 JUDGE RENDAHL: Well, Mr. Beck, this is
14 Judge Rendahl. I think, at this point, it does
15 appear that the parties are at an impasse, and
16 whether or not that is a 271 issue, I fully expect
17 the parties to explore during their briefs. So my
18 understanding of Issue 3-2 is that there appears to
19 be some agreement on Part B, as Mr. Sekich explained
20 it, but that the issue of, as you guys have aptly --
21 you all have aptly described for the record on Part
22 A, I assume we will see in brief. Let's move on to
23 issue 3-3.

24 MR. DIXON: Judge.

25 JUDGE RENDAHL: Mr. Dixon.

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1 MR. DIXON: I just want to get a
2 clarification. I know the issue was raised about
3 college campuses and business campuses that were not
4 in a single building. How was that resolved? Was
5 that resolved as part of A or B?

6 MS. SACILOTTO: Probably resolved it as
7 part of B.

8 MR. DIXON: Okay. And with the
9 understanding being that it is intended that
10 rights-of-way that would exist within a college
11 campus or a business campus that was not contained
12 within a multi-unit building, but might be in many
13 buildings --

14 MR. FREEBERG: Private right-of-way.

15 MR. DIXON: Right, would be covered. Thank
16 you.

17 JUDGE RENDAHL: With that, are we done with
18 Issue 3-2? Okay. Let's move on to Issue 3-3.

19 MR. FREEBERG: Issue 3-3 is one that maybe
20 I should let Mr. Kopta address. And then, to the
21 extent I need to, I'll comment further or not.

22 MS. SACILOTTO: Well, before Mr. Freeberg
23 turns it over to Mr. Kopta, I just want to identify,
24 so people know what it is, earlier in the day we
25 identified a document 170, and this is some

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1 documentation between US West and Nextlink regarding
2 the right-of-way issue that is WA-3-3. So now I can
3 turn it over to Mr. Kopta.

4 MR. KOPTA: Thank you. We've had some
5 discussions since the last workshop on this
6 particular issue. And while we still have some
7 concerns with respect to the intervals that are in
8 the SGAT, our energies have been focused toward the
9 possibility of developing language that would allow
10 CLECs to conduct their own field verifications, so
11 that if they believe they can do it quicker and
12 cheaper than what US West has proposed, then that
13 would be their option.

14 When last we spoke, US West was optimistic
15 that they would be able to develop some language
16 along these lines, but were undergoing some
17 additional discussions and some testing in terms of
18 how that would work, and that we would develop
19 language as the result of that ongoing discussion and
20 testing.

21 But I also see this morning, on Exhibit
22 171, and perhaps Mr. Freeberg, I'll turn back to him
23 in a moment, at least a first start at some language
24 that would allow CLECs to perform their own field
25 verification. I think that this is a good start.

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1 There obviously will be some things that we would
2 like to flesh out and make clear from our own
3 technical witness' perspective, but we are certainly
4 at this point willing to pursue doing that and
5 leaving that issue as something that the parties will
6 work at offline to resolve as soon as they do so.

7 MS. SACILOTTO: Can I go back to Mr. Kopta?
8 With respect to the issue that is 3-3, as we
9 discussed yesterday on the phone, the documentation
10 that we've provided, which is 170, in our view shows
11 that we met our intervals, as they're provided in the
12 SGAT, for doing something within 10 days, and then
13 doing something, the next step, within 35 days. And
14 I appreciate that Tom's going to talk about the CLEC
15 verification part, but can we close out 3-3 on this
16 particular dispute that you all raised?

17 MR. KOPTA: Well, we are willing to proceed
18 along the lines as I've described, but if you want to
19 press that particular issue, we don't have any
20 concerns with the documentation that you provided,
21 nor do we dispute the accuracy of that documentation.

22 However, as I calculate the days, Nextlink
23 received a field -- or US West provided -- the clock
24 started, shall we say, on the field verification on
25 March 19th. US West has a field verification

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1 document dated May 7th, and the interval between
2 those two dates is 49 days, as I calculate it, as
3 opposed to 35 days. So in fact, you didn't meet your
4 interval in the SGAT.

5 MR. FREEBERG: And what we need to do is
6 look at the calendar and see the comparison of
7 calendar days versus business days, and if that
8 doesn't account for the difference. That would be my
9 expectation. I must admit, I haven't done that
10 calculation.

11 MR. KOPTA: I simply counted -- those are
12 calendar days. And as I look at the table that you
13 have in Exhibit D, it simply says days, so I'm
14 assuming that when you say days, you mean calendar
15 days, not business days. Certainly to the extent
16 that you're talking about these time limits as being
17 business days, we would have even more of a problem
18 with them than we already do.

19 MR. FREEBERG: The table, I believe, is a
20 business-day calculation, so I -- again, I haven't
21 done the math to check to see -- I understood that
22 March 19th through May 7th was 35 business days. So
23 maybe at a break, we can check that against a
24 calendar to be sure, but --

25 MR. KOPTA: It may be that it's 35 business

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1 days. I guess that ought to be clarified, if that's
2 what US West's proposal is in Exhibit D, that the
3 time limits are business days, not calendar days.

4 MR. FREEBERG: Okay. As Mr. Kopta proposed
5 in Exhibit 171, the second half of it, there's a
6 reference to what would be a new section in the SGAT,
7 which is 10.8.4.2.1. And it is some proposed
8 language around CLEC-performed field verification.
9 And what's true, at this point in time, is that US
10 West is conducting a trial of CLEC-performed field
11 verification, in particular with MFN, a CLEC. That
12 trial has a milestone coming up here on July 19th. I
13 don't know that that is the conclusion of the trial,
14 but it is an important kind of a milestone. I
15 believe the trial will conclude late in July.

16 We're believing that this language will be
17 adequate, from our standpoint, in all likelihood,
18 volunteer it in advance of that trial having
19 concluded, and willing to incorporate it in the SGAT
20 at this point in time, expecting that, if any, there
21 might need to only be minor modification of the
22 language at the final conclusion of the trial. So to
23 be clear, that's US West's position on the
24 CLEC-performed field verification.

25 MR. KOPTA: If I might, I might ask a

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1 couple of questions about this language, just so that
2 I can try and get some clarity in terms of going back
3 to our folks and seeing what their reaction is. In
4 subpart two, where it provides that a US West
5 contractor will monitor activity of the CLEC
6 contractor and a current labor rate will be charged
7 to the CLEC, what do you contemplate being involved
8 in that monitoring activity?

9 MR. FREEBERG: I would expect that a
10 contract inspector would accompany a CLEC doing its
11 own field verification, and that, again, all of the
12 stipulations in 10.8 about that being a cost-based
13 situation would apply. That is, the rate would
14 simply be a rate which was, again, based on the cost
15 of the contract inspector accompanying. That's the
16 intent there.

17 MR. KOPTA: Okay. Our folks probably know
18 what a manhole butterfly drawing is, but I must
19 profess, I do not.

20 MR. FREEBERG: I think that's part of the
21 trial. Again, I think, again, that it is a fairly
22 well understood term within the industry,
23 construction underground and so forth. But you're
24 right, that is a part of what we want to be sure
25 there is no misunderstanding about with respect to

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1 the trial.

2 MR. KOPTA: And then the last thing is the
3 last subpart. When you're talking about the last
4 sentence, "Specifically, CLEC will be charged
5 standard rates for tactical planner time," what
6 exactly is the tactical planner going to be doing?
7 What kind of time are we talking about, on an average
8 basis, at least in terms of what the tasks are?

9 MR. FREEBERG: What I think is true here is
10 it would be logical, at the conclusion of field
11 verification, to have agreed upon any make-ready work
12 that was required. And that make-ready may affect
13 not only what exists and can be seen in the field,
14 but what might be imminent, from a construction point
15 of view, you know, inside of US West. And so it
16 would be an attempt not to have the field
17 verification conclude only to have US West out doing
18 some construction in advance of the CLEC occupying
19 the space, so it's simply kind of a check it, to make
20 sure that there isn't an overlap between the pending
21 or imminent work, that kind of thing.

22 My guess is, like some of the other things
23 here, is not more than an hour or two of someone's
24 time to be double checking those sorts of things and
25 trying to agree on what make-ready work is necessary

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1 and who will do it.

2 MR. KOPTA: Thanks for those
3 clarifications. I think, with that, we can take this
4 back to our folks to review and provide any comments
5 offline to US West, and if we have any proposed
6 revisions, then we can work with them, and I guess
7 the other parties, to the extent that they're
8 interested in this issue, as well, to try and
9 finalize this thing.

10 JUDGE RENDAHL: Are there any comments from
11 other parties before we go back to US West? Ms.
12 Sacilotto.

13 MS. SACILOTTO: I would propose that this
14 is an area in which we can -- we can -- I think we're
15 proceeding in a good direction here, and I think that
16 this is not going to be one that we should think is
17 going to go to impasse or anything like that. I
18 would propose that, to the extent somebody wants to
19 -- that we exchange -- you take it back, do what you
20 got to do, send us back what you have, if you have
21 anything, and that we, amongst ourselves, close this
22 issue out.

23 JUDGE RENDAHL: Okay. I guess I would ask,
24 similar to another issue we discussed earlier, that
25 you advise the group by e-mail when there is a

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1 resolution and what that resolution is next week,
2 prior to briefing.

3 MS. DeCOOK: Well, we'd like to be part of
4 the exchange of e-mails where they're going back and
5 forth on language.

6 MS. SACILOTTO: Can we -- I hate to say
7 this. I'm so optimistic that I think that we can
8 work this through that I would like to not be bound
9 by -- I have no problem exchanging the language
10 amongst the parties. Can we take this out of -- I
11 don't know that we can get it all done by the 17th,
12 is all I'm concerned about. I mean, we can try to
13 get it done by then, but can we just sort of proceed
14 along and really try to get this done and report back
15 when we're done, because we're going to have to get
16 other people involved in this.

17 JUDGE RENDAHL: Let's go off the record for
18 a moment.

19 (Discussion off the record.)

20 JUDGE RENDAHL: Let's be back on the
21 record. The parties have agreed to work on this
22 issue and advise each other of where they are. There
23 may not be resolution before briefing is due on the
24 17th, in which case the parties will simply advise
25 the Commission they're still in the process of

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1 discussion, and will advise the Commission when
2 they've either reached impasse or when they have
3 reached resolution as quickly as possible. Okay.

4 Are there any other issues under Item
5 Number 3-3 that we need to discuss? Does the
6 parties' discussion of 3-3 include acceptance of the
7 proposed language in Exhibit 171, or is that part of
8 the for-discussion item?

9 MS. SACILOTTO: Well, part of 171 was what
10 we discussed in a previous item, WA-3-2, and then the
11 last part of it, the proposed language on 10.8.4.2.1
12 is what I would propose we would be working with as
13 the starting point for the further discussions
14 amongst the parties via e-mail.

15 JUDGE RENDAHL: Thank you. I just wanted
16 that clarification on the record. Okay. Let's move
17 on to 3-4. I understand the parties were going to
18 attempt some discussion prior to the Colorado
19 workshop. It was a potentially impasse issue at that
20 point. Has there been any further discussion on that
21 issue and any movement past impasse?

22 MS. SACILOTTO: I can start the discussion,
23 and I think we're probably headed towards impasse,
24 but maybe not. I mean, I think there's a glimmer of
25 hope. There's a process that's set forth. In

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1 Colorado, this issue arose again at the Colorado
2 follow-up workshop. And in that workshop, a process
3 was set forward, and if Steve is on the phone,
4 perhaps he can help me with the intricacies of that,
5 and I'll speak up really loud, because the air
6 conditioner just came back on.

7 But essentially, what the parties were
8 going to try to do was US West was -- there seems to
9 be a disagreement, and we heard a little bit of it
10 earlier, about what exactly constitutes a
11 right-of-way agreement. To put it in -- our position
12 is that a right-of-way agreement is an agreement that
13 gives us a particular right to enter -- something
14 along the lines of an easement, meets and bounds and
15 whatever. AT&T believes that it encompasses
16 something more.

17 We were going to try to -- I think we're
18 going to try to propose some language around that,
19 but in addition, what the parties are doing in that
20 proceeding is they are going to, in the event that
21 they can't agree on -- what they're going to try to
22 do is redact some documents, essentially, so to see
23 if the issue can be resolved in a means of providing
24 redacted documents, as opposed to saying you don't
25 get any documents at all.

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1 And I think the dates that were proposed is
2 we were going to provide some stuff to the parties on
3 the 14th, and then Staff and the CLECs were going to
4 provide -- or are you guys on the 14th or the 21st?

5 MS. DeCOOK: I think we're on the 14th.

6 MS. SACILOTTO: Okay. So the parties were
7 going to provide -- all of the parties were going to
8 provide their proposed -- what they would view as an
9 acceptable redacted agreement that would protect the
10 proprietary information, yet give the information
11 that perhaps the CLECs were looking for on the 14th,
12 and then the Colorado Staff was going to do their
13 thing and provide that on the 21st. And then, on the
14 28th of July, all of the parties were going to
15 respond.

16 And I guess I'm wondering, because we're
17 going through that process in Colorado, if it
18 wouldn't make sense to incorporate that here.

19 JUDGE RENDAHL: Ms. DeCook.

20 MS. DeCOOK: Thank you. I think the way we
21 left it here was there was a glimmer of hope that
22 maybe we could devise a redaction scheme that US West
23 would agree to that CLECs would be satisfied with.
24 And we've kind of furthered that discussion in the
25 context of the Colorado workshop. And the dates are

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1 all correct.

2 The one caveat I would add is that there
3 were some agreements that were put in the record,
4 some sample agreements that were put in the record in
5 Colorado, and the parties were asked to use those
6 agreements and, for US West, whatever other sample
7 agreements they could offer, and do sort of a pro
8 forma redaction of those documents, as they deemed
9 redaction should be done. And the parties could also
10 provide their quote principles of redaction, as well,
11 as part of the comments that they would be filing or
12 submission that they would be making on the 14th.

13 And then, both the Staff -- in Colorado,
14 there's an Office of Consumer Counsel -- would work
15 with that information and provide a proposal in their
16 response on the 21st.

17 So I guess I generally agree that perhaps,
18 since that's how we left it here, that it makes the
19 most sense to try to let the Colorado process work
20 and see what comes out of it. I think we need to
21 anticipate the possibility that closure will not be
22 reached and provide for briefing on that issue.

23 Fortunately, briefing has already been
24 done, to some extent, on that issue in Colorado, so I
25 think we could -- it would be supplemental briefs at

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1 that point. But I think we need to figure out how to
2 incorporate the briefing schedule, given the filing
3 schedule in Colorado, and bring that into this
4 proceeding.

5 JUDGE RENDAHL: So your proposal would be
6 similar to the issue between -- with Nextlink and US
7 West on the CLEC field verification issue, to
8 essentially hold off on that issue and address it
9 later?

10 MS. DeCOOK: I think so.

11 MS. SACILOTTO: I guess with the -- I don't
12 know if it's a caveat, but I would -- we have certain
13 time lines in Colorado where each side has to do
14 stuff. If we resolve it in Colorado, then I would
15 assume we would resolve it here, as well. I don't
16 know to what extent we need to incorporate those due
17 dates or whatever here in Washington or if we should
18 just report back at the end of all of that.

19 JUDGE RENDAHL: I think I'll take this
20 matter sort of under advisement until we talk about
21 scheduling, understanding there's a potential
22 impasse, a question of whether you would brief it on
23 the 17th or brief it later, you know, brief it on the
24 17th and then advise the Commission later that you've
25 reached agreement or wait to brief it later. So I

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1 think I'll wait to take up that issue until we talk
2 about scheduling. Is that acceptable to the parties?

3 MS. DeCOOK: That's fine.

4 JUDGE RENDAHL: Mr. Dixon.

5 MR. DIXON: Yes, Judge. Tom Dixon, of
6 WorldCom. Just to kind of give you a direction, in
7 Colorado, the kind of the schedule that we've been
8 working around is July 28th is when parties respond
9 back to a Staff report. So I would suggest that this
10 is not going to reach resolution absent the parties
11 doing it on their own prior to the first part of
12 August, just so you have a time frame of what we're
13 looking at in Colorado.

14 JUDGE RENDAHL: Thank you.

15 MR. FREEBERG: And one last clarification,
16 I think, is that I think we are all working on some
17 language which was drafted by AT&T, which was part of
18 Exhibit 221, which -- a version of which, if not it
19 precisely, would show up within the SGAT at
20 10.8.4.1.3. If I've mischaracterized that, AT&T can
21 let me know. But for what it's worth, there is some
22 language now in Exhibit 106, as part of this
23 workshop, which might get replaced with something
24 more similar to what AT&T has proposed in Exhibit
25 221. And just so that you know that. And maybe

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1 that's enough said on that point.

2 But the last time we met, this section of
3 the SGAT simply said under development. There was
4 actually no language here. So just to be clear,
5 that's, I believe, the track we're on.

6 JUDGE RENDAHL: Okay. So let's defer
7 further discussion on Issue 3-4 for our scheduling
8 discussion later, understanding that the parties are
9 continuing to work on this issue through the Colorado
10 process. Any other comments on 3-4 at this point?
11 Okay. Let's move on to Issue 3-5. We are proposing
12 to take a break at 2:30, and is there enough time to
13 discuss 3-5 within that time?

14 MR. FREEBERG: I think so.

15 JUDGE RENDAHL: Okay. Let's proceed.

16 MR. FREEBERG: I'm seeing nods. I'm
17 optimistic. 10.8.2.20 is on page 175 of the SGAT,
18 Exhibit 106. I think what is new in this workshop is
19 a sentence which appears in the middle of that
20 section. It reads, "Notwithstanding the foregoing,
21 CLECs shall only be held to such standards as US
22 West, its affiliates, or any other telecommunications
23 carrier is held." That's new language that we agreed
24 to, I believe, in the Colorado workshop, and so I
25 would expect we will be able to agree on that here.

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1 JUDGE RENDAHL: Comments?

2 MS. DeCOOK: AT&T's fine with that
3 language.

4 MR. DIXON: So is WorldCom.

5 JUDGE RENDAHL: Any other parties have
6 comments on this issue? Okay. It appears that
7 Footnote 46 is a consensus item. Let's move on to
8 Issue 3-6.

9 MR. FREEBERG: 3-6 is associated with
10 Section 10.8.4.1. And I believe in the last workshop
11 we had some discussion that resulted in the language
12 which is in the first line of that section, which
13 reads, "Upon receipt of an inquiry regarding," and in
14 fact, we added that language, as discussed, I think,
15 in the last workshop. I don't -- I don't believe
16 there's anything further, though there are some other
17 changes to that section. I believe we've got a
18 section now that we can agree upon.

19 JUDGE RENDAHL: Comments? Hearing nothing,
20 it appears that --

21 MS. DeCOOK: AT&T agrees with that
22 language. We were just reading the other new
23 language that was there.

24 JUDGE RENDAHL: Okay. Mr. Dixon.

25 MR. DIXON: WorldCom is fine with it, also.

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1 JUDGE RENDAHL: Then that would be footnote
2 --

3 MS. SACILOTTO: These are all marked as
4 consensus already.

5 JUDGE RENDAHL: Oh, well, it's done. Item
6 3-7.

7 MR. FREEBERG: Item 3-7 refers to Section
8 10.8.4.2, page 178 of Exhibit 106. I believe there
9 are actually four important changes to this section,
10 if I'm remembering right. And let me make sure that
11 -- yes.

12 The first of the four that I would point
13 out is we had some discussion, I think in a previous
14 workshop, around the words -- and it says in our
15 agenda -- "as appropriate." The new language
16 proposed in this SGAT would read "as applicable," and
17 we added, "As applicable, depending upon whether the
18 request is for poles or duct." We expected that
19 would make more clear what was less clear in the last
20 discussion we had.

21 And you'll see that we struck the
22 right-of-way reference. And the thought there is
23 that right-of-way requests would not involve field
24 verification, that there would be a records inquiry
25 done around a right-of-way request, but not field

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1 verification. And so that language was removed, and
2 again, that language which follows the part I just
3 read, I would expect to become part of the new
4 language at 10.8.4.1.3, which was specific to
5 right-of-way requests.

6 So that is -- I'll call that right-of-way
7 aspect of this, maybe the second of the four matters
8 that I was going to mention.

9 The third of the four matters I was going
10 to mention is the very last sentence, where there was
11 a phrase that says, "US West will charge CLEC for
12 field engineer time," struck that. There should not
13 be charges other than those which are standard in
14 Exhibit A associated with field verification.

15 And the fourth of the items, I would say is
16 WorldCom's issue. WorldCom raised an issue having to
17 do with the 45-day interval, and proposed some
18 concerns, I think, with that language, for example,
19 that is struck towards the end of 10.8.4.2, which has
20 to do with the length of time required to perform
21 field verification.

22 There is a schedule at the top of page 179,
23 a reference to the schedule in Exhibit D in Paragraph
24 2.2, and I know that Mr. Dixon has some concerns with
25 that schedule, and that might be mentioned here.

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1 JUDGE RENDAHL: Before you go ahead, Mr.
2 Dixon, may I just clarify what was 10.8.4.2 is now
3 subsections of what's now 10.8.4.1.1, .2, and .3; is
4 that correct?

5 MR. FREEBERG: That's true.

6 JUDGE RENDAHL: Okay. I wanted
7 clarification for the record, so we knew what you
8 were talking about. Mr. Dixon.

9 MR. DIXON: Yes. Again, if you'll refer to
10 our Exhibit -- I'm trying to figure out where it
11 went. Here it is, 188. At the very top, under the
12 section referring to Checklist Item Three, access to
13 poles, ducts and right-of-way, you'll essentially see
14 what we have raised concerning the schedule that's
15 discussed in Paragraph 2.2 of Exhibit D, as well as
16 references to what's called a standard inquiry. It's
17 found, for example, in paragraph -- or Section
18 10.8.4.1.1, and also a reference to a standard
19 inquiry in the following subparagraph, .2.

20 And then, as also referenced in Paragraph
21 10.8.4.2, which is actually at the top of the page,
22 there's a reference to Exhibit D, Paragraph 10.2, on
23 page 179. And just to be brief, but to the point,
24 WorldCom took the lead, frankly, on reviewing Exhibit
25 D. And in doing so, we signed off on the document

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1 and later figured out that, as a matter of law, we
2 may have made a mistake.

3 And the mistake we may have made was
4 dealing with the issue of what US West calls a
5 standard inquiry, which then, under the schedule
6 described in Exhibit D, Paragraph 2.2, allows for
7 activity to occur after the 45-day time period that
8 is found in the FCC rules at 47 CFR 1.1403.

9 Essentially, what we've gotten is, on
10 further reflection, even though we agreed to Exhibit
11 D language, we realized that we felt the language was
12 not consistent with the rule, and therefore not
13 consistent with the law, and we felt the law trumped
14 our error. And that's really what it comes down to.

15 As I said in Colorado, I regret this didn't
16 come up until sooner, but the fact is it has come up.
17 And we reached impasse on this in Colorado, meaning
18 US West did not agree with our recommendation to
19 limit it to the 45 days, as found in the rule, so I
20 believe we're at impasse on that point, as identified
21 in our exhibit.

22 MR. FREEBERG: And from US West's point of
23 view, we believe that the schedule in Exhibit D, at
24 Paragraph 2.2, provided for what would be predictable
25 outcomes on field verification to go to a flat 45

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1 days regardless of the size of the verification
2 would, we think, lead to unpredictability as far as
3 outcomes go, and so we were not comfortable making
4 the change suggested by Mr. Dixon.

5 MS. SACILOTTO: As a legal matter, I guess
6 we would also dispute what Tom is characterizing as a
7 requirement of the rule. The rule talks about a pole
8 request, responding with request or denial within 45
9 days, but there is no discussion of the amount, you
10 know. I don't think that the FCC considered the
11 situation where there could be a request for 500, a
12 thousand poles. It just talks about, yeah, okay, a
13 pole within 45 days. They could mean one pole. It's
14 just not clear in the rule, it's not addressed.

15 And so I guess Tom has put his mea culpa on
16 the record, but we're a little bit more annoyed with
17 Tom than we would like to be, because we spent a
18 whole lot of time negotiating what we thought was
19 something reasonable to deal with something that
20 would be extraordinary, a very large pole request.
21 And we spent a lot of time negotiating that with
22 WorldCom, and now we find out that that was a wasted
23 effort. So darn.

24 MR. DIXON: Darn. I'll second that.

25 JUDGE RENDAHL: Since we were about to take

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1 a break, is it fair to characterize Issue 3.7 as
2 resolved, with the exception of this impasse -- this
3 legal impasse issue that WorldCom has identified in
4 Exhibit 188?

5 MR. DIXON: From WorldCom's perspective,
6 that is a correct statement.

7 MR. KOPTA: I might add at this point, sort
8 of to echo what we discussed earlier, there seems to
9 be some confusion about whether the days in this
10 Paragraph 2.2 in Exhibit D are calendar or business.
11 As I go back and look at my calendar, Tom, it was
12 within 35 business days. It took exactly 35 business
13 days.

14 MR. FREEBERG: Thank you for that.

15 MR. KOPTA: But as I also look at the
16 language that was stricken in 10.8.4.2, it
17 specifically said 35 calendar days. So I think it
18 ought to be clear, regardless of who prevails on the
19 legal issue, that days means calendar or business.
20 And certainly, from our perspective, it ought to be
21 calendar, if we have a choice.

22 JUDGE RENDAHL: Okay. Since we need to
23 allow Ms. Simpson an opportunity to catch her flight,
24 I'm going to take a break now, but I would like to
25 hear back from US West after the break also on their

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1 perception of calendar versus business days, so it's
2 resolved on the record. Let's be off the record.

3 (Recess taken.)

4 JUDGE RENDAHL: Let's go back on the record
5 and have a report back on Ms. Simpson's issue and any
6 other issues you all were discussing during our
7 break. Ms. Sacilotto or Ms. Simpson?

8 MS. SACILOTTO: Ms. Simpson, you want to do
9 it?

10 MS. SIMPSON: Sure. With regard to the two
11 SGAT sections, and I'm sorry, I don't have them in
12 front of me at this moment.

13 MR. DIXON: 10.6.2.3.

14 MS. SIMPSON: And 10.5.2.11. With regard
15 to those two sections, we are going to take those
16 back as action items, if we can, for US West, and
17 specific language and come back with a different
18 proposal.

19 JUDGE RENDAHL: And what is your timing for
20 takeback?

21 MS. SACILOTTO: What we would propose is to
22 try to do something -- in the event that we can't
23 reach agreement on this, to try to do something
24 before the 17th.

25 MS. DeCOOK: You're the driver.

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1 MS. SACILOTTO: We'll either have a thumbs
2 up or a thumbs down before the 17th.
3 MS. SIMPSON: Friday, the 14th; is that --
4 JUDGE RENDAHL: The briefs are due on the
5 17th, so in the interest of other parties including
6 that in their briefing --
7 MS. SACILOTTO: Oh, why don't we try --
8 let's make it the 13th. Lucky number, the 13th.
9 MS. DeCOOK: Thursday, the 13th.
10 MS. SACILOTTO: I don't know how much
11 briefing this will really require, so can we try to
12 reach a yea or nay by the 13th?
13 MS. DeCOOK: Sure. And if you can get
14 something to us sooner, that would be nice.
15 MS. SIMPSON: Okay.
16 JUDGE RENDAHL: So now, this is on Issue
17 7-2?
18 MS. SACILOTTO: I think it's 7-7.
19 JUDGE RENDAHL: 7-7, okay. So on Issue
20 7-7, US West will report back on its takeback item to
21 the other parties on Wednesday, the 12th?
22 MS. SIMPSON: I think that's fair.
23 JUDGE RENDAHL: Okay. Mr. Dixon.
24 MR. DIXON: Yes, Tom Dixon, for WorldCom.
25 Although it's actually under 7-9, it relates to 7-7,

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1 and that is the language concerning the revocation
2 process. What I would suggest we do with that --
3 first of all, we might want to mark this draft an
4 exhibit, so at least it's part of the record, and it
5 was a draft that US West provided me on the lunch
6 break.

7 JUDGE RENDAHL: Does US West have copies of
8 the revocation language?

9 MS. SACILOTTO: Yes, yes, yes.

10 MS. SIMPSON: We will have to give you the
11 change that Mr. Dixon is about to describe.

12 JUDGE RENDAHL: Why don't you distribute
13 that. Let's go off the record while we distribute
14 that and get the language.

15 (Discussion off the record.)

16 JUDGE RENDAHL: Let's be back on the
17 record. The parties have -- or US West distributed a
18 draft language exhibit. It's marked as Exhibit 122,
19 sponsored by Ms. Simpson. It is described as
20 proposed language for Sections 10.6.2.1 and
21 10.5.1.1.2, dated July 6th, 2000. And Mr. Dixon, if
22 you will read into the record the revision in the
23 first sentence of that draft language?

24 MR. DIXON: Yes, the first sentence needed
25 to be modified slightly, and then WorldCom will have

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1 agreement on this particular language.

2 Beginning on the second line of Exhibit
3 122, you would strike the following words: The first
4 word, "prohibited," and then retain the word
5 "purposes" on that line, and then strike the balance
6 of the sentence, beginning with "describe without
7 limitation" in Section 10.6.2.3.

8 And then, with those strikeouts, you would
9 insert the following language after the word
10 "purposes" on the second line: "Other than for the
11 provision of directory assistance service." And then
12 I will read the complete sentence in its complete
13 form as it should now read. Again, we're referring
14 only to sentence one.

15 "A CLEC will be deemed to have misused DA
16 list information if it uses it for purposes other
17 than for the provision of directory assistance
18 service," period.

19 JUDGE RENDAHL: Thank you. Now, I'm
20 assuming that there are no objections to the
21 introduction of this exhibit? Okay.

22 MS. SIMPSON: Lori Simpson, of US West.

23 JUDGE RENDAHL: You'll have to speak up
24 over the air conditioner.

25 MS. SIMPSON: We do have a couple other

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1 minor changes that we've only just discovered that
2 we'd like to give you.

3 JUDGE RENDAHL: Let's go off the record
4 while we discuss that.

5 (Discussion off the record.)

6 JUDGE RENDAHL: Let's go back on the
7 record. Ms. Simpson.

8 MS. SIMPSON: Given the language in the
9 rest of the SGAT, we would like to strike the "a
10 CLEC."

11 MS. SACILOTTO: Just have it say "CLEC"
12 instead of "a CLEC."

13 MR. DIXON: No objection.

14 MS. SACILOTTO: I'm a little louder, so I'm
15 going to do it.

16 JUDGE RENDAHL: Okay.

17 MS. SACILOTTO: In the third to the bottom
18 line, where it says, "Either party may submit the
19 dispute to dispute resolution, under Section 5.8 of
20 this SGAT," we would change "SGAT" to "Agreement,"
21 with a capital A. And then, in the references to
22 days in here, in light of our previous discussion on
23 Checklist Item Three, we will insert "calendar."

24 MS. STRAIN: Any place it says days?

25 MS. SACILOTTO: Where it says days,

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1 calendar, calendar, calendar.

2 JUDGE RENDAHL: Are those all of the
3 revisions that you have?

4 MS. SACILOTTO: Yes.

5 JUDGE RENDAHL: Okay.

6 MR. DIXON: On behalf of WorldCom, adding a
7 -- striking the "A" from the first line and inserting
8 the word "calendar" in front of the three references
9 to days is acceptable, as is adding the word
10 "Agreement" in lieu of "SGAT." I would note that I
11 believe Ms. Sacilotto may have misspoken when she was
12 reading the sentence. She talked about Section 5.8,
13 and I think it's 5.18 is the dispute resolution
14 section. And that is reflected in the document. I
15 just think you may have misread it.

16 JUDGE RENDAHL: Thank you both. With those
17 corrections, are there any objections to the
18 admission of Exhibit 122? Hearing no objection, it
19 will be admitted, and I'm assuming that this then
20 resolves the Issue 7-9?

21 MR. DIXON: Tom Dixon, for WorldCom.
22 Actually, 7-9 has two issues. One is on the license
23 part, and that we've held in abeyance until July
24 12th, when I'll report back as to whether we're going
25 to have a problem with it being declared intellectual

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1 property or not and whether we'll need to brief it or
2 not.

3 But as to the second part of the Issue 7-9,
4 which dealt with a revocation process in the event
5 there's an effort to revoke the license, Exhibit 122,
6 as modified, addressed that, and that part is now
7 resolved.

8 JUDGE RENDAHL: Thank you.

9 MR. DIXON: Of Issue 7-9.

10 JUDGE RENDAHL: Thank you. Are there any
11 -- aside from the calendar days issue, are there any
12 other issues discussed during the break that need to
13 be discussed on the record?

14 MR. FREEBERG: Yes.

15 JUDGE RENDAHL: Mr. Freeberg.

16 JUDGE RENDAHL: Tom Freeberg, for US West.
17 Agenda Item 3-3, if we can circle back to it,
18 involved, again, the example of the River Point
19 Boulevard job, which was processed during 1999. And
20 we had the discussion here just recently around the
21 interval when the calculation involved business days
22 versus the interval if the calculation involved
23 calendar days.

24 To clear up a misunderstanding, is that
25 currently the interval calculation is made based on

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1 calendar days. That understanding didn't happen for
2 the folks doing this work until late last year. So
3 this job happened to have happened previous to their
4 beginning to calculate these intervals based upon
5 calendar days.

6 So currently, and for some time in the
7 past, the intervals are based on a calendar-day
8 interval. In this particular case, if we had
9 calculated the intervals based on calendar days, we
10 would have missed the intervals. And that's
11 regrettable. On the other hand, the documentation,
12 Exhibit 167, was based on business days, and so to
13 make it clear, in fact, those are based on business
14 days. And when I said we met our intervals, it was
15 based on that assumption.

16 Just to be clear, furthermore, though, on
17 Exhibit 170, which, again, is some of the
18 documentation that was related to the processing of
19 that job, Mr. Nilges, I think, received, in fact,
20 some information about this job on May 7th. He
21 turned around and agreed that the make-ready work
22 needed to be done, and he agreed with that on May
23 21st, as shown by his signature there.

24 And so when he volunteered the June 30th
25 date, I'm quite confident he was talking about the

00773

1 date at which the make-ready work was complete. So I
2 believe on the record there may be some language
3 saying that he didn't hear anything about it until
4 June 30th. In fact, I think he did have some
5 awareness, and that, in fact, it wasn't -- it was the
6 make-ready interval which finally concluded at the
7 end of June.

8 JUDGE RENDAHL: Mr. Kopta, any comments?

9 MR. KOPTA: No, we don't have any reason to
10 dispute what Mr. Freeberg just said. I think the
11 concern that Nextlink has is that for what amounts to
12 a third of a mile of conduit, that it took from the
13 middle of February until the beginning of July to be
14 able to obtain occupancy. That's longer than
15 Nextlink believes that it should be, but as I stated
16 before, we are willing to work with getting some
17 provision in the SGAT that would allow for a CLEC to
18 do their own verification, in which case we can cut
19 down on that amount of time and expense
20 substantially.

21 MR. FREEBERG: I'd agree, only to add that
22 some of that interval was a month and a half's worth
23 of time that the ball was in Nextlink's court.
24 Nextlink was trying to decide if, in fact, it wanted
25 to go ahead on the job. It was -- at least a month

00774

1 and a half of that period of time was in between
2 steps, if you will, in between inquiry and field
3 verification, in between field verification and let's
4 go ahead and do the make-ready. So that portion of
5 the interval, from our point of view, the ball was in
6 Nextlink's court.

7 JUDGE RENDAHL: Okay. So just for
8 clarification for the record, the issue that's
9 remaining on Issue 3-3 is for Nextlink and US West
10 and other parties, to the extent they wish to be
11 involved, is to work out language and testing
12 regarding CLEC field verification; is that correct?

13 MR. FREEBERG: I believe so, yes.

14 JUDGE RENDAHL: Okay. Then let's move on,
15 now that we have the clarification on calendar days.

16 MR. DIXON: Judge.

17 JUDGE RENDAHL: Mr. Dixon.

18 MR. DIXON: Just one point. I'm going to
19 mention this globally, because it's come up here, but
20 it's not unique to this particular issue. That is,
21 throughout the SGAT, there are references to
22 sometimes, for example, X number of business days,
23 where the word business is used; there are some
24 references to X number of calendar days, where
25 calendar is actually used; and there are actually

00775

1 some references that just say X days, where neither
2 business or calendar is used.

3 I would suggest that one of the things that
4 may need to be done, as regrettable as it may be, is
5 either this document is going to have to be global,
6 to find out whether there was an intent to use
7 business or calendar days when it doesn't say one way
8 or the other, or we draw an assumption that if it
9 says 60 days, with no designation, that's deemed to
10 be calendar.

11 But I think there should be some effort to
12 at least make it clear, when it says so many days,
13 but doesn't designate whether it's business or
14 calendar, how we're to interpret it. So either as
15 far as putting the words in or stating something
16 perhaps even in the beginning of the general terms,
17 that when X days are used, that means calendar days,
18 unless otherwise designated.

19 So I just pass that on now, because this is
20 not the only place where we'll run into that issue,
21 and I suspect that's one of the problems we're doing
22 something by committee and we miss the small things
23 sometimes.

24 JUDGE RENDAHL: Any response?

25 MR. OWENS: Jeff Owens, for US West.

00776

1 Because that covers the entire SGAT, that's something
2 that can be dealt with in that separate process that
3 we'll discuss, I think, later today, but we will take
4 it as an action item, go through the SGAT and search
5 for days and try to clarify that, to the extent we
6 can, before we get to that.

7 JUDGE RENDAHL: Thank you. Just for my
8 clarification, before we took a break, we were
9 discussing Item 3-7. Where are we on that item?

10 MR. DIXON: I thought -- Tom Dixon, on
11 behalf of WorldCom. I thought we were done. I
12 indicated we were at impasse on the first two
13 paragraphs found at my Exhibit 188, which dealt with
14 the standard inquiry and the schedule that's set
15 forth in Paragraph 2.2 of Exhibit D.

16 So to my knowledge, that was at impasse,
17 and I thought we were finished on all other aspects
18 of that, because -- of any other changes. But I'm
19 subject to be corrected.

20 MR. FREEBERG: That was my understanding.

21 JUDGE RENDAHL: Okay. Thank you for my
22 edification there. Okay. Let's proceed, then, to
23 Issue 3-8.

24 MR. DIXON: Let me see if I can make this
25 one easy, if I could. Exhibit 3-8 indicates WorldCom

00777

1 needed to review Paragraph 10.8.4.3. And as you will
2 note in our Exhibit 188, we have no problem with that
3 provision as written, and therefore, from our
4 perspective, we can close that item.

5 JUDGE RENDAHL: Any other comments? Okay.

6 MR. FREEBERG: Issue 3-9 involves Section
7 10.8.4.4, page 179 of Exhibit 106. In the previous
8 workshop, we had one amorphous paragraph here, which
9 included lots of considerations. It's, in this most
10 current version, been broken up into four different
11 sections. And with that change, and changes which
12 were consistent, again, with Mr. Dixon's suggestions
13 in Exhibit 188, which had to do with some adjustment
14 of the intervals, we're hopeful we now have a
15 paragraph we can all live with, or four paragraphs.

16 MR. DIXON: And this is Tom Dixon, from
17 WorldCom. From WorldCom's perspective, you'll note
18 that this was acceptable language. It's still showed
19 as proposed in Colorado, because one of the attorneys
20 representing Nextlink, in part, and some other
21 clients, JATO and whatever, wanted to take it back to
22 his clients, but from WorldCom's perspective, the
23 changes to 10.8.4.4 are satisfactory.

24 JUDGE RENDAHL: For clarification, the
25 language changes noted on Exhibit 188 for Section

00778

1 10.8.4.4 are now reflected in that paragraph?

2 MR. DIXON: That is correct. In other
3 words, we requested certain language be included, and
4 that was done in Colorado, and it's my understanding
5 incorporated here. I haven't compared them verbatim,
6 but again, I have no reason to doubt that that's not
7 been done.

8 JUDGE RENDAHL: Thank you. Are there
9 footnote numbers we need to check off as --

10 MR. KOPTA: Your Honor, if I may.

11 JUDGE RENDAHL: Sorry, Mr. Kopta.

12 MR. KOPTA: We have not had a chance to
13 review the modification that US West has made, and so
14 while I think this helps to clarify some of the
15 problems that we had, there are still some lingering
16 aspects of this that may need some additional
17 clarification, and we'd ask for the opportunity to
18 take a look at this and work with US West offline to
19 try and resolve those.

20 JUDGE RENDAHL: Ms. Sacilotto.

21 MS. SACILOTTO: I don't know if you're
22 aware of this, Greg, but Bob Nichols was representing
23 you all in Colorado, and he gave us a sign-off on
24 this in Colorado, so -- I have that in my notes, that
25 he gave us a sign-off on these three paragraphs. In

00779

1 Colorado, it had an exhibit number -- I'll give you
2 that. Maybe you can make a call to him and we can
3 get this okayed, because --

4 MR. KOPTA: Well, I don't have reason to
5 doubt your representation, but Mr. Nichols and I are
6 both outside counsel for Nextlink, and it's incumbent
7 on me to check with my client.

8 MR. DIXON: Actually, to help Kara, it's
9 Exhibit 1 US West 63 in Colorado is the one you're
10 looking for. There is one tiny correction that I
11 made back in Colorado that has to be made here, as
12 well, and that's in Paragraph 10.8.4.4.3. On the
13 third line down, the word "therefore" has an "E" that
14 it shouldn't have. We caught that there and we
15 caught it again here. And I believe that was
16 acceptable to US West to drop that "E."

17 And I don't disagree that Robert Nichols
18 did sign off. I don't think they represent identical
19 clients between Colorado and Washington. Also, I
20 don't know why it still shows proposed in Colorado in
21 the footnote, quite frankly.

22 MS. SACILOTTO: I'm not sure they -- I
23 don't know why it is. It might be wrong.

24 MR. DIXON: Because I actually thought it
25 was closed in Colorado after Mr. Nichols signed off

00780

1 on it.

2 MS. SACILOTTO: I'm not sure if the JATO
3 people did. I thought it was closed. Well, Greg,
4 when do you think you can get back to us on this?

5 MR. KOPTA: Tom is the person that I need
6 to talk to, and we can have a call tomorrow, as far
7 as I'm concerned.

8 MR. FREEBERG: That would be fine with me.

9 JUDGE RENDAHL: So --

10 MS. SACILOTTO: Can we make this their
11 action item?

12 JUDGE RENDAHL: Yeah, Nextlink will confer
13 on this and report back to US West, as well as the
14 other parties, whether there's resolution on Item 3-9
15 tomorrow.

16 MR. DIXON: Judge, I'm assuming when we
17 talk about report back, it would just be by e-mail?

18 JUDGE RENDAHL: That's my assumption, too.

19 MR. DIXON: On any of these report-backs,
20 so to speak.

21 MR. KOPTA: And I will say right now, I
22 expect these to be minor clarifying-type things. I
23 don't think we have a substantive issue, in terms of
24 time intervals and things like that.

25 MR. FREEBERG: Broke it up and adjusted.

00781

1 MR. KOPTA: And it helped to break it up,
2 it really did.

3 JUDGE RENDAHL: Okay. Issue 3-10.

4 MR. DIXON: Again, if I could take the
5 lead, I might be able to move this one quickly.

6 JUDGE RENDAHL: Go right ahead.

7 MR. DIXON: Looking again to our Exhibit
8 188, you will see that it states that WorldCom has no
9 problems with the changes to Paragraph 10.8.5. So
10 from our perspective, that particular section is okay
11 and closed. I believe AT&T needed to sign off on it,
12 too, at least according to our document here.

13 MS. DeCOOK: It appears that way. Looks
14 good to me.

15 MR. SEKICH: Yeah, I think it's okay,
16 10.8.5. I would note that, actually, there might be
17 some clean-up required to make some of this language
18 make sense. We use usage fees here. We capitalize
19 it in some places, it's lower case in other cases. I
20 think fees is a defined term in this paragraph,
21 defined in the second line. We should be clear on
22 whether those preparation charges and usage fees are
23 the same, are they both fees, or is it just usage
24 fees. I think if you mean only usage fees is what
25 the defined term "fees" means?

00782

1 MR. FREEBERG: I would agree that usage
2 should probably be uppercase wherever it appears, and
3 I see at least one example that that's not the case.

4 MR. SEKICH: And then in the second line,
5 where we define the word, the term "fees," that
6 should really be maybe defined "usage fees?"

7 MS. DeCOOK: Just take usage out.

8 MR. FREEBERG: Or take out the
9 parenthetical.

10 MS. SACILOTTO: Yeah, take out the
11 parenthetical for fees, maybe. Because everywhere
12 else, we say usage fees, usage fees, usage fees, so I
13 don't know that we're using the short form.

14 MR. SEKICH: Sure. No, I understand. It
15 gets confusing, because in the third line, we talk
16 about make-ready fees, which I assume are
17 distinguishable from usage fees.

18 MS. SACILOTTO: Why don't we take out the
19 parenthetical.

20 MR. SEKICH: Yeah, however that makes
21 sense. Sort of a nits and gnats kind of thing, but
22 conceptually, it's fine.

23 MS. DeCOOK: Is there a difference between
24 make-ready fees and usage fees?

25 MR. FREEBERG: Yes.

00783

1 MS. DeCOOK: And then, when you refer to
2 the fees in the last two sentences, without any
3 descriptor?

4 MS. SACILOTTO: That means all fees, so
5 maybe we you should put in "all."

6 MS. STRAIN: You have another "E" in the
7 therefore in that sentence, also.

8 MS. SACILOTTO: It's a spellcheck.

9 JUDGE RENDAHL: Actually, it looks like
10 it's struck out, but you can't see it because it's on
11 the same line as --

12 MR. DIXON: I believe I caught that last
13 time.

14 MS. SACILOTTO: You know, I think
15 spellcheck keeps putting that back in, frankly.

16 JUDGE RENDAHL: Okay. So with these
17 changes, making -- in the second line, striking out
18 the parenthetical fees, capitalizing usage, and on
19 the third line from the bottom, referring to all
20 fees, does that resolve AT&T's concern?

21 MR. DIXON: Also, the second line from the
22 bottom has the word "fees" again.

23 JUDGE RENDAHL: Thank you.

24 MS. DeCOOK: And the third line from the
25 bottom has a "usage" that's not capitalized.

00784

1 MR. SEKICH: Struck through, actually.

2 MS. SACILOTTO: That's the second one. I
3 see the one. You're talking after semi-annual?

4 MS. DeCOOK: Exactly.

5 MS. SACILOTTO: I have it marked there to
6 uppercase that.

7 MR. SEKICH: Well, I guess my question
8 would be, then, is usage a defined term? So perhaps
9 all lower case is a better fix. I don't know. It's
10 an easier way to make it work. We maybe don't need
11 to spend more time on it.

12 JUDGE RENDAHL: Maybe the best thing to do
13 is to --

14 MS. SACILOTTO: I think this is, frankly,
15 closed. We'll either put it all uppercase or we'll
16 do it all lower case, and we'll put the "all" in the
17 last two lines, and the "e" that is struck out will
18 actually be struck out, and --

19 JUDGE RENDAHL: With those changes, can
20 everyone accept this?

21 MR. SEKICH: Yes.

22 JUDGE RENDAHL: Done. Okay. 3-10 is done.
23 Okay, 3-11.

24 MR. FREEBERG: 3-11, in what I read of our
25 agenda, is related to the same section of the SGAT.

00785

1 It's simply AT&T's perspective on it, I think.

2 MS. DeCOOK: Actually, I think this relates
3 to the contract language that is reflected in Exhibit
4 122 -- oh, 221, I'm sorry, dyslexia.

5 MR. FREEBERG: Is this beyond 3-4, the
6 thing we talked about there?

7 MS. DeCOOK: Yeah, it really doesn't have
8 anything to do with 3-4. I think it's -- if you
9 recall, there was some discussion last time about
10 Paragraph Six of Exhibit 221, which has some
11 references to some ICA provisions from the AT&T
12 contract that Mr. Thayer was recommending be added to
13 the SGAT.

14 MR. FREEBERG: The changes to the SGAT that
15 I discussed as part of 3-2 was my attempt to lift
16 from Section Six of Mr. Thayer's memo and include
17 into the SGAT those points that he considered to be
18 the most critical, the ones he was concerned with
19 most, but are you --

20 MS. DeCOOK: 10.8.1.2, is that the
21 provision?

22 MR. FREEBERG: 8.1.2, exactly. That
23 language comes right from exhibit -- Section Six of
24 Mr. Thayer's memo.

25 MS. DeCOOK: As far as I know, we have no

00786

1 remaining issues under this action item, so let's
2 close it.

3 JUDGE RENDAHL: Okay. Item 3-11 will be
4 closed. Are there any additional items under
5 Checklist Item Number Three?

6 MR. KOPTA: There is, from our perspective,
7 and I believe we had discussed last time Section
8 10.8.2.22.

9 JUDGE RENDAHL: Could you repeat that
10 number, please?

11 MR. KOPTA: 10.8.2.22.

12 JUDGE RENDAHL: Thank you.

13 MR. FREEBERG: Could I address that?

14 MR. KOPTA: Please do.

15 MR. FREEBERG: Section 10.8.2.22 is on
16 pages 175 and 176 of the SGAT, Exhibit 106. Several
17 of the intervenors proposed possible rewrites of this
18 section, made comments about it, and in this most
19 current version here that we're looking at in this
20 workshop, there is a fairly extensive addition to the
21 middle of this section of the SGAT. It volunteers
22 two situations, at least, where any penalty might be
23 waived.

24 These had to do with -- well, I think you
25 can read them for yourself, I believe. They had to

00787

1 do with an opportunity to cure and avoid the payment.
2 We discussed this section in the Colorado workshop,
3 as reflected in the footnote, and I believe reached
4 consensus there, and hoping that we might be able to
5 do that here.

6 MS. SACILOTTO: Greg, it also addresses
7 your situation where you said, well, what if it's US
8 West's fault.

9 MR. KOPTA: Right, I noticed that. And we
10 had discussed this on a call after the latest round
11 of workshops, and I think we agreed in concept to
12 this type of an amendment to the SGAT, with the
13 understanding that the amount of the penalty would be
14 something that could be revisited at the time when
15 penalties or those sorts of issues were addressed on
16 a more global basis, but for now would not have any
17 problem with allowing it to remain in the SGAT.

18 One suggestion that I would make to the
19 language that is in here now is that in place of
20 refund that we have waived, which is actually the
21 language Tom has just used, since I would prefer that
22 this be resolved before any payment be made, so there
23 won't be a need for a refund, it would just be a
24 waiver of a penalty.

25 MR. FREEBERG: I would agree to change the

00788

1 word "refund" to "waive." I think that would be
2 fine. Another -- just for what it's worth, there was
3 another suggestion made in another rewrite of this
4 that, instead of the penalty, that we might have the
5 opportunity to effectively remove plant in the event
6 that the cure period expired and there was no
7 corrective action taken.

8 So another way to look at this is that the
9 penalty is less harsh than a treatment which would
10 literally involve the removal of plant, which
11 potentially could be working plant.

12 MR. KOPTA: And I will just say that it's
13 not that I am, at this point, prepared to say that
14 there shouldn't be a penalty or that the penalty
15 should be \$200. Our concern is that penalty issues
16 are being addressed later, and that would be our
17 preference, to address those later. I believe that's
18 kind of agreed that we would leave the SGAT the way
19 that it is, and at least my understanding was that if
20 we had a problem with this, then we can raise it at
21 the time when we discuss remedies penalty in the
22 workshop. But with the change that we just talked
23 about, we're fine with this.

24 JUDGE RENDAHL: The change, meaning --
25 MS. SACILOTTO: Waive.

00789

1 JUDGE RENDAHL: Waive, instead of refund.

2 MR. KOPTA: There are two places where
3 refund is used, and it would just be changed to
4 waive.

5 MR. FREEBERG: So modify that in both
6 places.

7 MR. DIXON: I have one other nit. Here's
8 another in the way of 30 days. I assume you mean
9 calendar days, since we agreed to the language. I
10 think we might as well fix this one right now.

11 MR. FREEBERG: I think that's a good idea.
12 Thank you.

13 JUDGE RENDAHL: So with the changes
14 exchanging "refund" for "waive" and inserting the
15 word "calendar" between the 30 days, or after 30,
16 between days, are those changes acceptable to
17 everyone, and does that resolve issue 3-12?

18 MR. KOPTA: Yes, I think you flipped it
19 when you described substituting waive for refund.

20 JUDGE RENDAHL: It's highly possible. What
21 I meant.

22 MR. KOPTA: With that change, we're okay
23 with it.

24 JUDGE RENDAHL: Okay. Are there any
25 additional items to discuss under Checklist Item

00790

1 Three? Ms. DeCook.

2 MS. DeCOOK: Just one placeholder. The
3 parties did agree to defer MDU issues to subloop,
4 whatever workshop subloop is going to be addressed
5 in.

6 JUDGE RENDAHL: To which issue was it
7 deferred until?

8 MS. DeCOOK: I believe it's loop, unless --
9 I don't think there's a stand-alone subloop.

10 MS. SACILOTTO: Yeah, probably. I'm
11 getting confused with other states. I believe it's
12 the loop workshop here. I have just some really
13 minor things, because I'm looking through and I'm
14 starting on page 78, and I see a couple things that
15 still have a proposed next to them, and I think
16 they're just so minor that they might not have gotten
17 picked up, so I'd like to get rid of the proposeds.

18 MS. DeCOOK: One-seventy-eight?

19 MS. SACILOTTO: On page 178, and I'm
20 looking at Footnote 59. Maybe I'm missing something,
21 but we -- it looks like here all we did was replace
22 the word "innerduct" with "duct/conduit." That's
23 marked as proposed. We could call these WA-3-13, and
24 we could call them nits and see if we can close out
25 this action item.

00791

1 JUDGE RENDAHL: Any objections to that?

2 MR. DIXON: None.

3 JUDGE RENDAHL: Okay. Let's proceed with
4 identifying the nits.

5 MS. SACILOTTO: Okay. Well, that's the
6 first one, 10.8.4.1.1, and it has a proposed next to
7 Footnote 49. It looks like the change that was made
8 was to change "innerduct" to "duct/conduit."

9 JUDGE RENDAHL: Okay. The next one.

10 MS. SACILOTTO: Sixty.

11 MR. DIXON: Sixty is the one that's
12 impasse.

13 MS. SACILOTTO: Okay. Sixty is open, and
14 61 is open. And 62 -- I'm now on page 179.

15 MR. FREEBERG: I believe we closed. It was
16 actually 3-7 on our agenda.

17 MS. SACILOTTO: Okay. I didn't mark that
18 one.

19 MR. OWENS: Just to be clear, on Footnote
20 62, is that closed, with the exception of the 60-day
21 issue?

22 MR. FREEBERG: The 45-day issue.

23 MR. OWENS: Yeah.

24 MR. DIXON: I think what was closed was the
25 strike, because as I recall, I thought we struck --

00792

1 strike from where it says 2.2 on, and the CLECs will
2 not be charged -- US West will charge CLEC field
3 engineer time. I think that's agreed to. The issue
4 that's still alive, I would argue, is not part of 62,
5 and that's the Exhibit D in Paragraph 2.2. So that's
6 how I understood the Footnote 62 related to the
7 strikes at the end of that paragraph on page 179.

8 MS. SACILOTTO: All right. Well, I guess
9 that has to be left undone. Closed, except for the
10 interval. And 63 has next to it an AT&T/WorldCom to
11 verify.

12 MR. DIXON: Yes, that's one we --

13 MS. DeCOOK: Are we verifying the deletion?

14 MR. DIXON: Yeah, what we were doing,
15 Becky, is we verified the deletion here to correspond
16 with a replacement of similar language earlier in
17 this particular section. I think we did see that
18 occurred, but if you ask me where at the moment, I
19 couldn't tell you. It could be in --

20 MS. DeCOOK: Isn't this the one we broke
21 apart?

22 MR. DIXON: Right, that's what I was trying
23 to see.

24 JUDGE RENDAHL: This is also an issue which
25 Nextlink needs to confer and report back, as I

00793

1 understand.

2 MR. DIXON: See, I think it was what was in
3 10.8.5 took care of what you struck in 10.8.4.3 that
4 we were supposed to verify. And I think if you look
5 at 10.8.5, about halfway through it, it's referring
6 to it, and this may be the only issue, "Usage fees
7 will be assessed on an annual basis unless CLEC
8 requests a semi-annual basis." And I think what we
9 raised and what needs to be fixed, unfortunately, is
10 that should include both make-ready and usage fees
11 can be requested on a semi-annual basis.

12 MR. FREEBERG: Make-ready is a one-time.

13 MR. DIXON: Is it? Okay.

14 MR. FREEBERG: That's a one-time.

15 MR. DIXON: You pay that up front; right?

16 MR. FREEBERG: If there is any.

17 MR. DIXON: So I think that is what

18 resolved it, is 10.8.5 resolved --

19 MS. SACILOTTO: I think you guys just
20 wanted to look at the language. You're right, Tom.

21 MR. DIXON: And I think it's fine from us,
22 with the understanding make-ready costs, as I recall,
23 are paid up front, so they wouldn't be billed on an
24 annual or semi-annual basis.

25 MS. SACILOTTO: We can cross out the AT&T

00794

1 to verify?

2 MS. DeCOOK: Yeah.

3 MR. DIXON: So then we have consensus on
4 that.

5 MS. SACILOTTO: I think that's all the
6 nits. There's a couple footnotes that are open until
7 Greg gets back to us tomorrow.

8 MS. DeCOOK: No pressure.

9 MS. SACILOTTO: No pressure. I just had to
10 say that again.

11 JUDGE RENDAHL: Okay. So that would
12 conclude the items under 3-13, nits. Are there any
13 other items parties wish to discuss under Checklist
14 Item Three? Okay.

15 Let's move on to the last checklist item,
16 Checklist Item 13, understanding most of these issues
17 are, in fact, impasse issues, those -- at least the
18 first four. Ms. Sacilotto, would you please, at
19 least on these, without going into your arguments on
20 the issue, just whether the parties are still at
21 impasse or the status of these issues?

22 MS. SACILOTTO: Sure, yes. On this issue,
23 which we -- WA-13-1, the parties are still at
24 impasse. This has to do with the ratcheting and
25 commingling issue. And in connection with this

00795

1 checklist item, we submitted an exhibit, Exhibit 169,
2 which was the MCI ex parte letter, and I don't know
3 if this is a legal issue or a factual. You want to
4 take it?

5 MR. FREEBERG: This particular letter,
6 which is Exhibit 169, is referred to as Footnote 79
7 in Paragraph 28 of FCC 00183.

8 JUDGE RENDAHL: Would you repeat that
9 reference?

10 MR. FREEBERG: Yes. The Exhibit 169 of
11 this workshop was referred to in Footnote 79 of
12 Paragraph 28 of FCC 00183. And I think that we've
13 discussed previously, in the previous workshop, that
14 it was our understanding that the ex parte was
15 considered by the FCC and that the FCC reacted to the
16 ex parte there, and that we thought that was an issue
17 that would certainly come up in the future as access
18 reform took shape, but not until then.

19 MS. SACILOTTO: Just to clarify, there was
20 a discussion at the workshop about what they meant by
21 commingling. Did they mean traffic, local traffic
22 and toll traffic intermixed, call-by-call on the same
23 trunks, or were they referring to using the spare
24 circuits on a DS3, some of them for toll and some of
25 them for local. And this document, 169, proposes the

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1 latter, and the FCC rejected it.

2 JUDGE RENDAHL: Any comments?

3 MR. FREEBERG: To be clear, pages six and
4 seven of Exhibit 169 made clear that what's being
5 asked for is not a call-by-call interleaving of one
6 plus calls and local calls, but a split of traffic in
7 ways more along the lines as we've talked about
8 previously in this workshop.

9 JUDGE RENDAHL: Comments from other
10 parties?

11 MR. DIXON: On behalf of WorldCom, I don't
12 see a point in rehashing the issue. I think you want
13 to get it identified, and I think we got it
14 identified. So unless you really want to hear
15 arguments again, I would suggest we move on, from at
16 least WorldCom's perspective.

17 JUDGE RENDAHL: Sounds good. Okay. So
18 13-1 is still an impasse issue, and therefore, we'll
19 expect to read your briefing on the subject on the
20 17th. Is the same true of Issue 13-2?

21 MS. SACILOTTO: It's still an impasse
22 issue, but I believe we have a few amendments to SGAT
23 language that were mentioned at the prior workshop
24 and that have been put here. And Tom can talk -- Mr.
25 Freeberg can talk about those.

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1 MR. FREEBERG: Yes. I'd like to point
2 these out. I don't expect these are going to resolve
3 the issue. On the other hand, what these are is the
4 SGAT making clear that it recognizes that another
5 local carrier might have its own tandem. In the
6 first case, this shows up on page six of Exhibit 106
7 at Section 4.11.2. The new language is underlined
8 there.

9 And so again, I don't expect that this
10 would avert our impasse, necessarily, but it does
11 make clear that these are the terms under which the
12 SGAT expects that a tandem might be involved.

13 The other bit of language that was changed
14 since our last workshop shows up at Section
15 7.3.4.2.1, page 46 of Exhibit 106. And once again,
16 acknowledgement that another party may have its own
17 tandem.

18 JUDGE RENDAHL: Comments from other parties
19 on that?

20 MR. DIXON: Judge, on behalf of WorldCom,
21 Tom Dixon. I just want to give two quick points. We
22 relied on an FCC rule that discusses the same issue,
23 and with respect to the language on page six dealing
24 with the definition of tandem office switches, to
25 make that definition compatible with the FCC rule

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1 that we think is applicable, all that would be
2 required would be to change the word "same," found on
3 the third line at the very end, to the word
4 "comparable." And I believe if you review the FCC
5 rule, the word "comparable" is there, not the word
6 "same." So that's really just simply the issue, I
7 think, on 4.11.2. The same seems to me to imply more
8 than comparable.

9 And Becky points out that the word
10 "actually" may or may not be a problem. I think -- I
11 don't recall it off the top of my head, but in any
12 case, we're trying to track the FCC rule. I know
13 that "comparable" is one of the words that's
14 different. I can't recall whether the word
15 "actually" is or is not.

16 MR. KOPTA: It's not in the rule.

17 MR. DIXON: It's not. Thank you. So if
18 that's not in the rule, again, we would want the word
19 "actually" stricken, as well.

20 The second point that was raised on the
21 Paragraph 7.3.4.2.1, we simply believe the FCC has
22 never used the number of times traffic is switched to
23 determine whether a switch should receive tandem
24 treatment, so that's really the thrust of the issue
25 in that particular paragraph. Again, they rely on a

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1 comparable area, and as Ms. Sacilotto pointed out,
2 there's some cases, there's also some reference to
3 functional comparability, but nothing that talks
4 about the number of times traffic is switched.

5 So I think that, in a nutshell, focuses the
6 dispute, at least from WorldCom's perspective.

7 JUDGE RENDAHL: So I'm assuming we are
8 still at impasse, even with the proposed change of
9 language. Is that a fair assumption?

10 MR. DIXON: Absent striking the last clause
11 and making the changes to definition, I think we're
12 at impasse.

13 JUDGE RENDAHL: All right. Then let's move
14 on to Issue 13-3. Just simply, are the parties still
15 at impasse at this point?

16 MS. SACILOTTO: Yes.

17 MS. DeCOOK: We're still at impasse.

18 JUDGE RENDAHL: Okay. We'll expect to see
19 briefing on that. And then Item 13-4?

20 MS. DeCOOK: Still at impasse.

21 JUDGE RENDAHL: Still at impasse.

22 MS. SACILOTTO: Still at impasse, but I
23 note that there's a note about you guys, AT&T, doing
24 something.

25 MS. DeCOOK: I don't know what that means.

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1 MS. STRAIN: Maybe I can explain. Paula
2 Strain, from the Staff. When we talked about this at
3 the initial workshop, we had put this item down as
4 symmetrical charging of rates just as a placeholder
5 to see if there were any issues other than the ones
6 that were already specifically identified that were
7 impasse issues, and you had said you would go through
8 that exhibit and see if there were any others that we
9 hadn't already addressed in the other impasse issues
10 on this for Checklist Number 13.

11 MS. DeCOOK: Yeah, as far as I know, there
12 are no -- Exhibit 215 covered the issues, the rates
13 that were at issue, so I'm not aware of any
14 additional ones. If there are, we'll certainly
15 identify those in our brief.

16 MS. STRAIN: Okay.

17 MS. SACILOTTO: I guess that leaves me
18 wondering how we respond to that.

19 MS. STRAIN: My thought was that --

20 MS. SACILOTTO: Is it covered in the other
21 action impasse items or is there something in
22 addition to what's -- to the other impasse items
23 that's encompassed on 215? Is that what you're
24 trying to get at?

25 MS. STRAIN: Well, that's what we were

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1 trying to get at in the last workshop.

2 MS. SACILOTTO: Right.

3 MS. STRAIN: So if you're saying that
4 everything in 215 is addressed in 13-1 through 13-3,
5 then this item can go away, but if there are items --
6 if there are issues that aren't included in the first
7 three that need to be briefed that you are at impasse
8 on, then --

9 MS. DeCOOK: Well, the single POI issue
10 appears to be in four, so that's not in any of the
11 first three.

12 MS. SACILOTTO: Well, yeah, I guess one
13 through four.

14 MS. DeCOOK: Okay.

15 MS. SACILOTTO: I just want to know what I
16 have to brief.

17 MS. DeCOOK: Well, I think we raised the
18 issues in our presentations as to what costs we
19 thought were not adequately reflected in symmetrical
20 treatment. And I recall Ken standing at Exhibit 215
21 and identifying specifically what charges were at
22 issue that we thought were not reciprocal or
23 symmetrical. So I don't know that there's any more
24 that is required.

25 MS. STRAIN: I think where the confusion

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1 was was whether those items that he was pointing out
2 were included in the previous three issues or whether
3 they were not. And to the extent that they were not,
4 then they needed to be identified and briefed.

5 MS. DeCOOK: Well, I don't understand that,
6 because we just spoke about Number Four, Issue Number
7 Four being a separately identifiable issue. So you
8 know, it's not a matter of just limiting it to the
9 first three issues, because Four is a stand-alone
10 issue in and of itself, and it encompasses all of the
11 costs that were reflected on 215 that were not
12 reflected in the SGAT on a symmetrical basis.

13 MR. OWENS: This is -- to the extent we
14 agree that 13-4 should be retained and should address
15 interLCA billing or POI per LATA, I guess the
16 question is is there a fifth issue or a sixth issue
17 that we should be briefing besides interLCA?

18 MS. DeCOOK: Well, I think what I see that
19 is missing is the whole issue that really kicked off
20 the reciprocal comp discussion, and that is where is
21 the proper point of interconnection and how do the
22 parties bill one another for reciprocal comp
23 purposes? I mean, I think it's a whole discussion
24 that related to US West's proposal for reciprocal
25 comp versus the proposal that AT&T put forth.

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1 That's not really reflected in any of these
2 isolated issues. They all have some relationship to
3 that issue, but that's really the first decision
4 point that has to be reached on reciprocal comp.

5 JUDGE RENDAHL: So my assumption here is
6 that there are no other rates. AT&T has not
7 identified any other rates in Exhibit 215.

8 MS. DeCOOK: Other than, you mean, the --

9 JUDGE RENDAHL: Other than the rates that
10 they identified in 215 that are symmetrical and not.
11 There are no changes to your identification in
12 Exhibit 215 as to which rates are --

13 MS. DeCOOK: No.

14 JUDGE RENDAHL: -- symmetrical and which
15 ones are not?

16 MS. DeCOOK: Right. I think there was a
17 discussion between Jeff and Ken at the conclusion of
18 the presentation, in which I think there were some
19 corrections made to 215, or clarifications made to
20 215, and I don't believe there's anything else that's
21 not reflected in 215.

22 JUDGE RENDAHL: Mr. Wilson; is that
23 correct?

24 MR. WILSON: The chart itself, as I
25 remember it, showed some boxes and identifying

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1 equipment facilities, et cetera, and it also had the
2 word collocation on it, and there was a previous
3 discussion on costs associated with collocation, and
4 there was also, on 215, a box that said loop. And
5 the issues, for instance, One through Three, get at
6 some of those things, but not all of those things.
7 So I think you have to consider, and we will brief,
8 all of the issues that were raised on 215. We don't
9 know of any other issues that were not on 215.

10 Maybe one more statement. However, if you
11 remember, in the discussion I discussed other ways
12 that one could provide for a cure to get to symmetry
13 other than adding up all the costs. For instance,
14 going to one-way trunking or CLECs charging, for
15 instance, tandem switching for their switching -- for
16 some of their switching and transport costs, and then
17 end office charges for termination costs. And that's
18 somewhat of the issue that we have hit on, I believe,
19 in the issue we just raised a moment ago on the
20 tandem switching. So Issue 13-1 is kind of hitting
21 on some of that.

22 But as far as the -- if you wanted to add
23 up all of the appropriate costs to get to symmetry, I
24 think those would all be included in 215.

25 JUDGE RENDAHL: Okay. Then I'm going to

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1 consider 13-4 an impasse and expect the parties to
2 brief accordingly.

3 MR. KOPTA: May I make one comment?

4 JUDGE RENDAHL: Mr. Kopta.

5 MR. KOPTA: Thank you. I believe that we
6 clarified this at the last workshop, but I just -- in
7 an excess of caution, I just want to make sure. We
8 discussed at that last workshop the sort of overlap
9 between reciprocal compensation and interconnection,
10 and this is one of those areas that seems to be
11 getting very close into the interconnection side of
12 things, with some reciprocal compensation aspects to
13 it.

14 So I just wanted to make it clear that
15 we're not dealing with the issue whether or not US
16 West has paid for its share of interconnection
17 facilities; rather, that that is going to be
18 addressed in the interconnection workshop, and that
19 at this point we're just briefing the issues that
20 AT&T had raised as part of their presentation in
21 terms of how much of the interconnection facilities
22 should be subject to a reciprocal symmetrical
23 compensation.

24 JUDGE RENDAHL: Is that the parties'
25 understanding? Ms. DeCook.

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1 MS. DeCOOK: Just one comment. I think
2 that, you know, part of our discussion in our brief
3 will go to the impact of US West's proposal versus
4 our proposal. That may have some discussion about
5 levels of payment or more theoretical. It's not
6 going to get into the factual discussion about
7 whether they've paid their fair share as a matter of
8 fact. I think it's going to deal with more, from a
9 policy perspective, which way is more appropriate.

10 JUDGE RENDAHL: Does that help clarify, Mr.
11 Kopta?

12 MR. KOPTA: Yes, I just didn't want to be
13 precluded in terms of the testimony that we would be
14 filing for the interconnection checklist item, if we
15 indeed still have a problem on that score, with
16 respect to whether or not there had been compensation
17 paid for interconnection facilities, that we would
18 not face the argument of we should have raised it in
19 this workshop, rather than in the interconnection
20 workshop, which is where we think it's more
21 appropriate.

22 MR. BECK: This is Steve Beck. I'm only
23 hearing bits and pieces, but are we at the issue that
24 Nextlink has regarding its current bill?

25 MR. FREEBERG: Not yet.

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1 JUDGE RENDAHL: No, not yet. That's next.

2 MR. BECK: We may want to take a
3 five-minute break during that time frame when I can
4 talk to Mr. Freeberg, and we might be able to move
5 forward on that one.

6 JUDGE RENDAHL: That is one of my next
7 issues, is whether we plug through the remaining ones
8 and take a break before talking about scheduling, or
9 take a break as soon as we finish 13-4. And what are
10 the parties' preference?

11 MR. DIXON: Are we off the record?

12 JUDGE RENDAHL: We're not off the record.
13 Let's be off the record.

14 (Discussion off the record.)

15 JUDGE RENDAHL: Let's be back on the
16 record. We are going to take a break after we finish
17 this issue, but we need to finish 13-4, and I believe
18 Mr. Owens had a comment.

19 MR. OWENS: In response to Mr. Kopta, I'm
20 puzzled by his statement that we're going to defer to
21 interconnection issues of payment for
22 interconnection. That's what we've been doing in
23 this workshop. That's what this workshop, reciprocal
24 compensation, is all about. So I would not agree
25 that we should be deferring discussions of payment

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1 for interconnection facilities to the interconnection
2 workshop. That's what this workshop is all about.

3 MR. KOPTA: I respectfully disagree, but
4 the only evidence that I've heard on that is Ms.
5 Anderson's testimony in the last workshop that
6 Nextlink has not received any payment for
7 interconnection facilities, so if you want to deal
8 with it in this workshop and that's the only evidence
9 there is, then I'm happy to proceed on that basis.

10 MR. FREEBERG: Tom Freeberg, for US West.
11 I think that issue is going to be 13-5. And my view
12 of reciprocal compensation is the payment of what
13 we've been billed. And I have not differentiated
14 between billing we might have received for one part
15 of what we've characterized in the SGAT as LIS. I
16 haven't set aside call termination from other
17 elements of LIS. I've assumed that we've been billed
18 by other parties for entrance facilities, for direct
19 trunk transport, for tandem switching, for tandem
20 transport, for call termination, for multiplexing,
21 for EICT, and to varying degrees by different
22 parties. So I haven't somehow held certain of those
23 things off to be discussed later.

24 And the payments that we've made to
25 Nextlink, I believe, have been for what we've been

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1 billed.

2 JUDGE RENDAHL: Any comments?

3 MR. KOPTA: Well, yes, I would respond in
4 saying that what we have been discussing in terms of
5 what's being billed is for transport and termination,
6 not what is owed as far as interconnection
7 facilities.

8 And I'm interested to hear Mr. Freeberg's
9 explanation, because I'm looking at the SGAT
10 specifically, and this is a long string of numbers,
11 Section 7.3.1.1.3.1. It's on page 44 of Exhibit 106.
12 The second sentence states, "The nominal charge to
13 the other party for the use of the entrance facility,
14 as described in Exhibit A, shall be reduced by this
15 initial relative use factor," referring to the
16 previous sentence, talking about the sharing of
17 costs, which has nothing to do with billing, at least
18 in terms of the carrier that's entitled to the
19 reduction.

20 So I have not seen any evidence presented
21 by US West that it is, in fact, reducing the charges
22 that it imposes the carriers to reflect what's stated
23 in the SGAT. And certainly, as Ms. Anderson pointed
24 out in the last workshop, it is not something that's
25 been Nextlink's experience. Certainly, she can

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1 address that further, if we want to address that
2 issue now. Our position was that this should be
3 something that's addressed as part of
4 interconnection, not part of reciprocal compensation.
5 But if we want to address it now, we can address it
6 now.

7 MR. OWENS: This is Jeff Owens. Can I ask
8 a couple questions? Number one, does this provision
9 exist within your interconnection agreement?

10 MR. KOPTA: I don't know whether it does or
11 not, but if you all are going to be relying on the
12 SGAT, I think it's important to know whether you are
13 providing compensation based on what's in your SGAT.
14 If you want to rely on what's in our interconnection
15 agreement, then we can address the provisions of the
16 interconnection agreement.

17 MR. OWENS: We clearly are obligated to
18 work with you in accordance with our interconnection
19 agreement. We don't have the authority to walk away
20 from your interconnection agreement and work off the
21 SGAT if you haven't agreed to the SGAT. So our
22 relationship between US West and your clients is
23 described in the respective interconnection
24 agreements, and if you want to opt into a paragraph
25 like this, there are opt-in provisions. But I find

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1 it puzzling that you're suggesting that we're to be
2 held to the terms of the SGAT you haven't signed on
3 to yet.

4 MR. KOPTA: I'm not making that position,
5 except that is what you are you purporting to do.
6 What you are trying to do is rely on your SGAT to
7 demonstrate that you have a legal obligation to
8 comply with your obligations under the act. And if
9 you are relying on the SGAT, then I'm only saying
10 that you should be held to the SGAT. Our position is
11 that you should be held to the legal obligations in
12 each of your interconnection agreements the
13 Commission's approved. So if you're not going to
14 rely on the SGAT, we're wasting a lot of time going
15 over the SGAT.

16 MR. OWENS: The SGAT is, in fact, the
17 legally binding obligation of US West. Any CLEC that
18 wishes to opt into the SGAT may do so. Any CLEC that
19 wants to use pick and choose to add -- or they don't
20 like reference to their interconnection agreement,
21 may do so, but US West is not obligated to -- and I
22 don't think you want US West to be obligated to
23 choose on its own whether it's going to honor a term
24 in your interconnection agreement or the SGAT.

25 MS. SACILOTTO: That's your responsibility,

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1 Greg. I mean, we have our agreements with people and
2 then we have the SGAT. We have people who have opted
3 into the SGAT. But until you opt into the SGAT,
4 either in whole or in part, we can't do it for you.

5 MR. KOPTA: Well, and I'm not saying that
6 you should. But we are looking at the SGAT right
7 now. If you want to go to the exhibit, the TCG
8 agreement, and we can deal with the specific
9 provisions on that agreement on the sharing of
10 interconnection facilities, then we can do that. I'm
11 simply pointing to this provision in the SGAT that
12 doesn't talk about billing; it talks about reducing
13 the amount being billed for a carrier for
14 interconnection facilities that have been provided.

15 I'm just saying that, at least under terms
16 of the SGAT, which I believe are similar to the
17 provisions in the TCG agreement, which Nextlink opted
18 into, that there is an obligation on behalf of US
19 West to provide for or to reduce the amount of the
20 billings for interconnection facilities that are
21 exchanged between the companies, and that US West is
22 not currently doing that, as we sit here today.

23 MR. FREEBERG: Tom Freeberg, for US West.
24 This particular section of the SGAT that we're
25 discussing, 7.3.1.1.3.1, is also similar to another,

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1 7.3.2.2. And mechanically speaking, I believe what
2 is true is these are reciprocal statements. In other
3 words, they begin with, "The provider of." So what
4 I'm believing happens, mechanically speaking, is that
5 whomever built the facility bills the other party,
6 and typically for 100 percent of the stated cost in
7 Exhibit A of the SGAT. That's the first step. So
8 whoever builds it bills the other party the full
9 amount shown in Exhibit A of the SGAT.

10 Step two is this credit is issued or this
11 adjustment is made, and in the case of the first
12 quarter, the assumption is typically the 50 percent.
13 So whose responsibility is it to issue the 50 percent
14 credit? It is whoever built the facility and whoever
15 issued the 100 percent bill to begin with.

16 For what its worth, it would seem to me
17 these are billing matters, and I would assume they're
18 in the reciprocal compensation section of the SGAT,
19 so I would assume these to be important things for us
20 to be discussing here and now versus later.

21 MR. KOPTA: Well --

22 JUDGE RENDAHL: Mr. Kopta, US West, I think
23 we've had enough discussion on this issue. I think
24 it's appropriate -- an appropriate time to take a
25 break. And from my notes, I think we kind of were at

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1 an impasse on 13-4. And on this issue of whether the
2 matters can be brought back in the interconnection
3 workshop, I'd like to think about that for just a
4 bit. But I think right now I'd like to propose we
5 take a break and that, when we get back, we talk
6 about the Item 13-5 and proceed through the nits and
7 gnats, and then get on to scheduling, so that we can
8 leave here at a reasonable time today. Is that
9 acceptable?

10 MR. FREEBERG: Yes, it is to me.

11 MR. DIXON: Particularly for those of us
12 who have flights to catch.

13 JUDGE RENDAHL: So I think let's just take
14 a five-minute break, unless parties feel they need
15 more at this point. Let's be back at 4:15. Let's be
16 off the record.

17 (Recess taken.)

18 JUDGE RENDAHL: Back on the record. And
19 the first issue we need to talk about is the 13-5,
20 which is Nextlink's issue. And Mr. Kopta, Ms.
21 Sacilotto, who should go first on this, or Mr.
22 Freeberg?

23 MS. SACILOTTO: I guess Mr. Freeberg.

24 MR. FREEBERG: Sure. Give this a try. To
25 recap just a little bit, Nextlink expanded its

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1 operations from Spokane to Seattle late last year.
2 And at about the same time, they were in the process
3 of opting into actually two other contracts. And as
4 they began to do business in Seattle, we began to
5 receive bills from Nextlink for the Seattle
6 operation, which I think we agreed in the last
7 workshop was really the focus of 13-5. We began to
8 receive those bills, I think for the first time, on
9 December 10th of 1999. And they have continued to
10 bill us each month since then.

11 In the last workshop, there was some
12 discussion about payments that I was understanding
13 had been made and which Nextlink had yet to receive,
14 and I think Nextlink can talk some about their having
15 received them. I certainly can't do that. But
16 offline, we've had some discussion, and I'm confident
17 that they have received the payments that I believe
18 we've sent.

19 And I believe that brings us up to
20 currency, in terms of our having paid those local
21 traffic bills for which Nextlink has paid us.

22 There will be some discussion, I think,
23 about future payments, payments which are due in the
24 future. In fact, one is due on July 10th, and I
25 think that Nextlink will talk some about that bill.

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1 I learned about that only here, I think yesterday we
2 talked, and I believe we were already beginning to
3 correspond with one another about these future bills.
4 I have not had a chance to understand this future
5 material that's being discussed now, so we may have
6 some discussion that will be hard to close.

7 With that, I'm believing that those
8 payments that I mentioned previously, which currently
9 amount to about 406, \$407,000, I think have been paid
10 by US West and received by Nextlink. With that --

11 JUDGE RENDAHL: Mr. Kopta.

12 MR. KOPTA: Thank you, Your Honor. I'm
13 going to let Ms. Anderson discuss this issue from the
14 point of view of Nextlink.

15 MS. ANDERSON: Thank you. Kaylene
16 Anderson, for Nextlink. I basically agree with Mr.
17 Freeberg's representations of the current situation,
18 as well as our discussions offline.

19 Just to clarify a few things, though, we
20 had a couple issues with the lack of payment in our
21 Seattle office. The first was we hadn't, in fact,
22 received it yet at the last workshop, and the second
23 one was that US West had disputed the appropriate
24 rate to pay our bills at.

25 We did, in fact, receive a payment for

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1 about \$235,000 from US West on June 23rd, which would
2 have brought the payments current from December
3 through May. However, that total was billed at a
4 lesser amount, not the correct amount that our
5 interconnection agreement provides for. However, we
6 did receive an additional \$170,000 on the following
7 Monday, 6/26, and I can only assume that that
8 correction was directly as a result of discussions we
9 had during the workshop.

10 So Mr. Freeberg is correct that through
11 May, US West has paid the Nextlink Seattle reciprocal
12 compensation at the appropriate billed rate.
13 However, earlier today we received notice, written
14 notice from US West that they were disputing all
15 ISP-bound traffic for December through May, for a
16 total of about \$38,000, and that they would not be
17 paying, on a going forward basis, the ISP-bound
18 traffic portion of our reciprocal compensation bill.

19 I haven't had a chance to look at that
20 correspondence yet, because it did just come in today
21 from US West, but they have faxed it to our office.

22 So while I'm happy that the December
23 through May issue has finally been resolved, it's
24 certainly our position that their refusal to pay the
25 ISP-bound portion of the traffic is in direct

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1 contravention of what our interconnection agreement
2 provides and the Commission's interpretation of that
3 agreement.

4 JUDGE RENDAHL: Us West.

5 MR. FREEBERG: Once again, from my
6 standpoint, again, due to the recency of this and the
7 fact I haven't seen the letter, either, I can't
8 really respond, other than to say when I inquired
9 into amounts that might still be owed, you know, are
10 there still amounts owed, my understanding is there
11 was a dispute about the application of a factor, a
12 factor that had to do with percent local usage.

13 So now if -- when I heard that shred of
14 evidence, I never heard related to Internet-bound
15 traffic, right. That was not a part of the
16 information that I got from anybody on my side. So
17 I'm not saying it's not the case; I'm just saying
18 that they said there was was a dispute around the
19 percent local usage factor that did not mention its
20 relationship to Internet-bound traffic.

21 MS. SACILOTTO: Yeah, I guess until we get
22 that document in the record, I would wait for
23 whatever their complaint is to speak for itself,
24 because nobody -- it sounds like not even Kaylene has
25 seen the actual letter that she's referring to. So

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1 before she says we're violating our agreement or
2 about to, I would want to see this actual letter that
3 she's talking about. I don't think it's quite fair,
4 when nobody in the room has seen the letter, to be
5 characterizing it.

6 JUDGE RENDAHL: Well, I'm not sure I heard
7 Nextlink or Ms. Anderson characterize the action in
8 that way, but what I am concerned about is that,
9 again, given the briefing deadlines that we now have
10 ahead of us, is this something, Mr. Kopta, that at
11 least you and US West can discuss in the next few
12 days to reach a point where you have a matter that
13 you can brief or not brief by the middle of next
14 week?

15 MR. KOPTA: As far as I'm aware, we can.
16 As Ms. Anderson testified, you should have a copy of
17 the letter tomorrow, when she goes back to her
18 office, and I'm assuming US West will check on that,
19 as well, from their end, and I would hope that we can
20 discuss this. And perhaps it may be that it's a
21 clerical type of miscommunication that we can clear
22 up informally and there's no issue, or if US West is
23 taking a different position legally, then we can
24 present that to the Commission at the time we present
25 legal briefs following up on this workshop.

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1 JUDGE RENDAHL: My assumption will be, and
2 I think my direction to US West/Qwest and Nextlink
3 will be that the Commission Staff will assume that
4 this is an impasse issue to be briefed, unless we
5 hear from the parties otherwise by e-mail, you know,
6 along the same deadlines of next week, as we've been
7 talking about for other issues. Is that acceptable
8 to the parties?

9 MR. KOPTA: It is.

10 MS. SACILOTTO: Yes, it is, but I guess I
11 want to get some -- I don't know. You know, before
12 we had our break, there was some talk about us not
13 paying you for some facilities, and now we've told
14 you that we've paid you all this money, and I have no
15 clue what it is that you say we haven't paid you for.
16 You know, there's been no bills submitted, no
17 documents submitted, no numbers submitted, no -- I
18 don't know if we're talking Spokane, Seattle --

19 MS. ANDERSON: Our earlier discussions, as
20 I understand them, was that we hadn't received the
21 money for the 6/10 invoice in Seattle, and that's
22 true. Apparently the check is in the mail, and it's
23 not due until Monday, so we're assuming that that
24 will be forthcoming.

25 The representation from our reciprocal

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1 compensation group speaking with Elizabeth Kron,
2 who's in your recip. comp group in Minneapolis, is
3 that the Seattle check should be coming to us by the
4 10th, although we haven't received it yet, and it
5 will not be for the amount we billed; it will be for
6 a lesser amount, minus the Internet-bound traffic.

7 MS. SACILOTTO: I think I was getting more
8 to Mr. Kopta's point.

9 JUDGE RENDAHL: And I think that, on that
10 point, I think I may not have discussed that earlier.
11 I think to the extent that we resolved Issue 13-4 and
12 that it's an impasse issue, I consider this one also
13 to be an impasse issue.

14 But to the extent that Nextlink believes
15 there are issues to be addressed in the
16 interconnection phase, I'm going to allow Nextlink to
17 file testimony on that. Once it's been filed and the
18 parties have had a chance to review it, we will then
19 consider whether that testimony is appropriate or
20 inappropriate at the time.

21 I mean, obviously we're at a point now
22 where no additional testimony can be filed in this
23 phase, so I will allow Nextlink an opportunity to
24 raise the issues that they believe are appropriate in
25 their interconnection. If, after they have filed it,

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1 the parties believe it's inappropriate, they can make
2 the argument to strike, and we will consider it at
3 that time.

4 MR. KOPTA: Thank you, Your Honor. Just to
5 clarify Ms. Sacilotto's request, what we were talking
6 about, Nextlink billings are for transport and
7 termination only. So that's what --

8 MS. SACILOTTO: I guess that's -- you know,
9 we view -- that's what this is, transport and
10 termination. I mean, it's --

11 MR. OWENS: You referred to Paragraph
12 7.3.1.1.3.1. That paragraph is transport.

13 MS. SACILOTTO: Yeah, it's under 7-3,
14 reciprocal comp.

15 MR. KOPTA: Well, I'm talking about the
16 amount that is owed for everything from the switch on
17 into our network, not --

18 MR. OWENS: This.

19 MR. KOPTA: Not -- oh, so transport between
20 our switch and your switch is what you're talking
21 about. That's not what I'm talking about.

22 MR. FREEBERG: Help, Ken.

23 MR. WILSON: If I might, I think perhaps
24 you misspoke. It sounds to me like the current
25 billings is termination, and that your additional

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1 issue may be for the transport between the switches.

2 MR. KOPTA: Well, it depends on how you
3 want to define the issue. If it's end office, it
4 would just be termination; if it's tandem, then it
5 would be transport and termination. At least that's
6 the way that my understanding is. If we're talking
7 about definitional, all we're talking about is once
8 it hits the switch, not the facilities that connect
9 the two switches. That's not included in the bills
10 that were sent to US West. That's what I'm saying.
11 So however we want to define what that is, that's
12 what we're saying.

13 MR. OWENS: This is helpful, because my
14 next question, just so we understand what the dispute
15 is --

16 JUDGE RENDAHL: Yeah, I'm allowing the
17 discussion, because I think it's appropriate for the
18 record.

19 MR. OWENS: The question I would ask, is
20 the dispute over the amount US West is billing
21 Nextlink for the transport we're providing to
22 Nextlink, or is the dispute over Nextlink's bill for
23 transport to US West that you think we're not paying?
24 Help me understand what the transport dispute is.

25 JUDGE RENDAHL: Mr. Kopta.

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1 MR. KOPTA: Sure. The issue that we were
2 just talking about, the bills that Nextlink has sent
3 to US West, are, in your terminology, for the
4 termination. We are talking about, in the other
5 issue, with respect to how much of the
6 interconnection facilities between US West and the
7 CLEC are subject to a sharing based on a portion of
8 traffic.

9 That piece, we're saying, has not been
10 addressed in terms of providing Nextlink with any
11 offset in the amount of the traffic, based on what US
12 West is providing to Nextlink, nor has Nextlink, as
13 far as I know, billed US West for the transport that
14 it provides.

15 MR. OWENS: Okay. Well, certainly you're
16 not holding US West responsible for Nextlink's
17 failure to bill us for transport. So I presume your
18 concern is that US West has billed Nextlink for
19 transport and that we haven't reduced those transport
20 charges in accordance with 7.3.1.1.3.1.

21 MR. KOPTA: Or, as you pointed out,
22 pursuant to the interconnection agreement that we
23 have between the two companies.

24 MR. OWENS: Right.

25 MR. KOPTA: That is my understanding, and

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1 that's the second issue that we want -- that we
2 consider to be an interconnection issue, as opposed
3 to a reciprocal compensation issue. And we raised
4 this at the last workshop, and there was no problem
5 with dealing with it as an interconnection issue. I
6 don't know why it's a problem now, but apparently it
7 is.

8 JUDGE RENDAHL: My understanding from the
9 last workshop was, I think AT&T had issues that they
10 felt were appropriately dealt with under
11 interconnection, and I believe Nextlink may also have
12 them. And my ruling is I'll allow the parties to
13 file the testimony on what they believe to be covered
14 under interconnection at that workshop and allow
15 other parties to respond and make motions to strike
16 if they feel it is not appropriate. And then it
17 would be incumbent upon me to make a decision at that
18 point. At this point, we're too far gone to allow
19 additional testimony on a point that might otherwise
20 have been raised. Ms. DeCook.

21 MS. DeCOOK: Just so the record's clear, I
22 think the point that we made last hearing was that we
23 thought that interconnection and reciprocal comp is
24 very interrelated and it's hard to establish a bright
25 line as to where one stops and where one starts. And

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1 there's going to be -- and obviously, from the
2 presentations, it's clear that you have to discuss
3 interconnection when you are talking about reciprocal
4 comp.

5 And we think one of the principal issues
6 that has to be decided is the point of
7 interconnection, because that drives, then,
8 reciprocal comp payments and how they are made
9 between parties.

10 So you know, it's hard to say, you know,
11 this is necessarily an interconnection issue, this is
12 necessarily a recip. comp issue. I think some are
13 clearly recip. comp issues, some are kind of blurred,
14 because there is that blurring of the concepts. So I
15 just think we need to be careful about saying, you
16 know, something is very clearly interconnection and
17 something is very clearly reciprocal comp.

18 JUDGE RENDAHL: Thank you.

19 MS. SACILOTTO: I don't -- I don't agree or
20 disagree with Becky. I think there's an overlap.
21 But, frankly, I don't think this is one that was. I
22 mean, if it's a bill for this stuff that is transport
23 and termination, then, you know, this was not raised
24 in the testimony and it's kind of getting dumped on
25 us here that there's some distinction between

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1 transport and termination that we're just hearing
2 about now.

3 JUDGE RENDAHL: Well, I will ask the
4 parties, when they are trying to resolve Issue 13.3,
5 US West and Nextlink, to the extent you can address
6 that issue -- I'm sorry, 13-3. To the extent that
7 you can have further discussion on that, on this
8 issue.

9 MS. SACILOTTO: Is it 13-5?

10 JUDGE RENDAHL: Did I say 13-5?

11 MS. SACILOTTO: No, you said 13-3.

12 JUDGE RENDAHL: I'm sorry. It is 13-5. To
13 the extent that US West and Nextlink can resolve the
14 issues identified under 13-5 and these additional
15 issues, that would be wonderful. To the extent that
16 Nextlink believes they're appropriate under
17 interconnection, again, I'll allow the testimony and
18 will address it at that point.

19 MR. KOPTA: Thank you, Your Honor.

20 MS. SACILOTTO: Subject to us being able to
21 object to it?

22 JUDGE RENDAHL: Correct.

23 MS. SACILOTTO: Thanks.

24 JUDGE RENDAHL: Ms. DeCook.

25 MS. DeCOOK: Before you go, were you going

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1 to move on to the nits?

2 JUDGE RENDAHL: I was going to move on to
3 the nits.

4 MS. DeCOOK: Can I just go back to 13-4
5 very briefly, because I think I had a brain gap or
6 something. I talked to Ms. Strain during the break,
7 and I also found our copy, a handwritten thing I did
8 since we didn't have an actual copy of 215, and I
9 just want it to be clear on the record that there is
10 a reference to no collocation and long loops on 215,
11 and that's referring back to some other exhibits that
12 Mr. Wilson addressed in his presentation, and I don't
13 want anyone to claim surprise that we are going to
14 argue that there are some costs that aren't
15 symmetrical, including collocation costs and long
16 loop costs and the other issues that Mr. Wilson
17 presented a few minutes ago.

18 So I just wanted to make that clear on the
19 record. But I'm not aware of anything besides what
20 we've described today in terms of rates.

21 JUDGE RENDAHL: Thank you. To the extent
22 that -- let's move on, then, to Issue 13-6, unless
23 the parties have any objections. Let's move on to
24 13-6. First, I'd like, given the time, I'd like to
25 very briefly have either US West or WorldCom identify

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1 where the parties are on these nits and gnats.

2 MR. DIXON: If it's all right with US West,
3 I can do that, I think. If you'll again refer to
4 Exhibit 188, at the top of unnumbered page three,
5 you'll note a reference to SGAT Paragraph 7.3.7.1.
6 We are at impasse on that particular issue, and I
7 believe Mr. Freeberg, having seen the diagram of
8 Exhibit 163, will have some comments on that and make
9 a record from his perspective, but at this point
10 we're at impasse on that particular issue in
11 Colorado, and one I expect to remain the same here.

12 If you go to the next paragraph, identified
13 as SGAT Paragraph 7.3.8, we have reached agreement on
14 that. And I believe if you turn to the SGAT page 48,
15 you will find, under Paragraph 7.3.8 the addition of
16 the language that WorldCom requested at the very end
17 of the paragraph -- it's actually the second
18 paragraph as you look at it under Exhibit 188.
19 You'll see that the last sentence has been added, and
20 that meets WorldCom's concerns on Paragraph 7.3.8.
21 So on that, we have reached consensus.

22 And with the exception of anyone else
23 having issues with it, Footnote Number Seven could
24 therefore be changed from proposed to consensus,
25 absent any objection from any other party. Hearing

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1 no objection, I assume we can probably change
2 Footnote Seven to consensus in Washington.

3 MS. SACILOTTO: I'm not going to object.

4 MR. DIXON: Going, then, on down the
5 exhibit. Beginning with the language that says,
6 "SGAT, paragraphs, entrance facilities," and then
7 cites a number of sections, as I indicated earlier, I
8 believe on the record, but just to be certain, on the
9 second line, the correct cite is 7.3.2.1 when
10 referring to the EICT. And so the one that was in
11 the middle of that section should have been stricken.

12 We are at impasse on this, and this
13 actually goes all the way from the middle of
14 unnumbered page three to approximately two-thirds of
15 the way to unnumbered page four. And again, US West
16 has not accepted the proposal that's been made by
17 WorldCom in that regard. I believe the exhibit
18 explains our position, so I see no point in
19 summarizing it, given the time, and I have no more to
20 add to the record, other than summarizing what's in
21 the exhibit.

22 A little clarification. The balance of the
23 exhibit that starts over with SGAT Paragraph 7.3.7.1
24 to the end, I must have had happy fingers. It
25 repeated the entire sections. So you can strike the

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1 bottom half of unnumbered page four, all of page
2 five, and unnumbered page six, because they repeat
3 what are on the earlier pages. With that, that, I
4 believe, is where we're at on those particular
5 issues, so -- and I assume Mr. Freeberg wishes to
6 comment on the -- more substantively on at least one
7 of them.

8 MR. FREEBERG: Yes, I'd like to do that.
9 But Mr. Dixon, can we just check those number
10 references one more time?

11 MR. DIXON: Sure.

12 MR. FREEBERG: Because I actually think the
13 numbers you had in your memo are correct.

14 MR. DIXON: Okay. In other words, you
15 think --

16 MR. FREEBERG: I think they were correct as
17 written, actually. That is, as I read the SGAT,
18 7.3.1.2.1 talks about the EICT.

19 MR. DIXON: You're right. I don't know. I
20 must have done as Ms. DeCook said. I must have had a
21 brain lapse, so sorry.

22 MR. FREEBERG: I think your numbers are
23 accurate, as you wrote them.

24 MR. DIXON: Thank you. Then strike my
25 earlier strike. I apologize for confusing the

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1 record.

2 MR. FREEBERG: So with regard to the first
3 issue that Mr. Dixon referred back to Section
4 7.3.7.1, which you would find within the SGAT at page
5 47, Exhibit 106 at page 47, the subject here is
6 transit traffic. And in its comments and testimony,
7 WorldCom was concerned that US West might be somehow
8 collecting twice or carrying transit traffic. Had no
9 problem with the tandem switching component, but was
10 concerned about the tandem transport component.

11 On the easel, I have what I believe to be
12 the exact look of Exhibit 163. And I'm going to
13 attempt not to draw on this again, if I can help it,
14 so we won't need another exhibit. But I think it
15 will help us to talk through this issue of is there
16 really a double collection happening here.

17 So a transit call, as we discussed before,
18 might be a call where the retail customer of CLEC One
19 on Exhibit 163 is placing a call to the retail
20 customer of CLEC Two. US West relays that call
21 between the two switches through its tandem, in this
22 case, and the question would be what charges apply to
23 the various carriers involved in a call like this.

24 So let's think about it. In the case of
25 CLEC One, who originated the call, we talked about

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1 the facing of the tandem transport -- or the tandem
2 switching, excuse me, and the tandem transport. We
3 didn't -- we don't exactly talk about entrance
4 facilities and direct trunk transport, although we
5 talked about that just previously, and we mentioned
6 that section within the SGAT. In fact, Sections
7 7.3.1.1.3.1 and 7.3.2.2, which refer to entrance
8 facilities and direct trunk transport.

9 If I were to just talk about a possible
10 situation, if you look in Exhibit A, the very precise
11 prices are in there, but let's say that what those
12 sections of the SGAT proposes is that whichever of
13 these two parties built this, they would bill the
14 other party. So if, for example, CLEC One built this
15 facility between these two switches, it, per the
16 SGAT, would bill US West the full price for entrance
17 facilities and direct trunk transport. Then it would
18 turn around and, at the beginning of the arrangement,
19 at least, issue a credit for half the
20 amount, assuming the traffic on this two-way
21 facility, two-way trunking facility was balanced.

22 Once traffic had been exchanged and it was
23 understood that there was not a balance, then the
24 proration would be made here based upon the traffic
25 balance. So for example, let's say the total price

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1 of the entrance facilities in the direct trunk
2 transport was \$500 a month. If the traffic was, on
3 this facility, 90 percent coming from US West towards
4 CLEC One, it would issue US West a credit for \$50, 10
5 percent of the full price, the full \$500 price of the
6 entrance facilities and the direct trunk transport.
7 Does that make sense?

8 If the CLEC were originating 90 percent of
9 the traffic on this two-way facility, it would issue
10 US West a credit for \$450, 90 percent of the full
11 price of these two. These are the mechanisms that
12 are intended to emulate one-way trunking when, in
13 fact, two-way trunking is in place. Questions? With
14 me so far? Good.

15 JUDGE RENDAHL: Ms. Sacilotto.

16 MR. FREEBERG: WorldCom's point was --

17 MS. SACILOTTO: I just want to know, at the
18 risk of making another exhibit, would it be useful
19 for him to write on it? Would that make it a little
20 easier than you having to --

21 MR. FREEBERG: It might. If you're with me
22 so far, I think I'm okay.

23 JUDGE RENDAHL: Mr. Freeberg, I'm just
24 going to ask one question. This is -- actually, this
25 is directed to Mr. Dixon and Mr. Freeberg. With the

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1 exception of the impasse item of 7.3.7.1, which is
2 what you're discussing right now --

3 MR. FREEBERG: Yes.

4 JUDGE RENDAHL: Are there other impasse
5 items under these nits and gnats?

6 MR. DIXON: Yes.

7 MR. FREEBERG: Yes.

8 JUDGE RENDAHL: And that would be, with the
9 exception of 7.3.8, everything else is an impasse?

10 MR. DIXON: That's correct.

11 JUDGE RENDAHL: Okay. Is it your intent,
12 Mr. Freeberg, to identify US West's position on all
13 of the other issues today?

14 MR. FREEBERG: Yes, but it will be brief on
15 the other items.

16 JUDGE RENDAHL: Okay.

17 MR. FREEBERG: I promise. This is the one
18 item which takes just a moment longer.

19 JUDGE RENDAHL: Okay. I think our intent
20 is for the folks who are trying to catch a plane to
21 try to leave as close to 5:00 as we can.

22 MR. FREEBERG: Make it snappy.

23 JUDGE RENDAHL: That's my only -- I don't
24 want to cut into your presentation, but I do want to
25 just mention that. Let's go forward.

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1 MR. FREEBERG: WorldCom's point in the case
2 of transit calls is that US West should not charge
3 tandem transport because, in effect, CLEC Two has
4 provided this facility. Where would US West be
5 acting properly to be somehow charging tandem
6 transport on a facility that might have been provided
7 by CLEC Two.

8 Based on this mechanism that we just
9 discussed and what we know about the traffic, what is
10 happening between CLEC Two and US West regarding this
11 facility is that most of the traffic is flowing from
12 US West towards CLEC Two. So if the charge here for
13 the entrance facilities and direct trunk transport
14 that wasn't in place was, again, \$500, in effect, the
15 mechanism would be arranged so that it was costing US
16 West \$450 a month for all the traffic that it was
17 sending towards CLEC Two.

18 CLEC Two would be paying \$50, because it
19 was only using that two-way facility let's say 10
20 percent of the time. Now, some of the \$450 for the
21 traffic sent from US West towards CLEC Two is transit
22 traffic. In a month like April, transit traffic was
23 25 million minutes of approximately 750 million
24 minutes of interconnection traffic that was
25 happening. So the transit traffic is typically less

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1 than five percent of all the traffic. But what US
2 West is doing is, to less than five percent of the
3 traffic, applying this tandem transport charge, and
4 what it's doing is recovering some of its \$450 cost
5 for carrying calls from -- to CLEC Two from the US
6 West network or from behind it, if you will.

7 So in fact, we're not collecting twice;
8 we're simply recovering that portion of the facility
9 that we've built from ourselves potentially to the
10 other carrier, and that part which is involved in
11 relaying calls across. I think that's all I needed
12 to mention there. I hope that was clear.

13 JUDGE RENDAHL: Do any other parties have
14 any comments based on that discussion? Okay.

15 MR. FREEBERG: On the other points, very
16 quickly. While we've discussed now a couple of times
17 the cost sharing that's done on entrance facilities
18 and direct trunk transport, WorldCom has pointed out
19 that there isn't similar language that is related to
20 EICT and multiplexing and nonrecurring charges. And
21 in fact, WorldCom's correct, that language doesn't
22 exist.

23 The reason it doesn't exist is because EICT
24 and multiplexing are always associated with
25 collocation. The thinking in putting together the

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1 SGAT the way that it's put together is that
2 collocation, EICT, and multiplexing are all optional
3 matters. A CLEC can avoid these costs if they so
4 choose, base these costs otherwise, and potentially
5 bill US West for these costs if they so choose, and
6 some carriers do. So with that, that addresses one
7 part of this matter.

8 Another matter that WorldCom mentioned with
9 relationship to these items, I think, again, WorldCom
10 drew a distinction between termination and transport,
11 much the way Nextlink was discussing here earlier.
12 And what I understood WorldCom's comments to say is
13 assuming US West disputes paying a CLEC for
14 Internet-bound traffic, paying the termination part
15 of that bill, wouldn't US West consider paying the
16 CLEC for the transport.

17 And US West's position on that is, again,
18 that the transport and the termination, if they're
19 associated with Internet-bound traffic, should be
20 handled the same way, and yet WorldCom proposed that
21 they might be handled differently, that we might
22 oppose to the termination, but pay for the transport,
23 if you will. I think, Tom, you don't think I
24 mischaracterized what you've said.

25 MR. DIXON: No.

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1 MR. FREEBERG: I think with that, I've
2 addressed these matters.

3 MR. DIXON: Judge, I'll just wrap it up
4 with one comment. The discussion on Exhibit 163, I'm
5 still waiting to hear from my witnesses. That
6 happened at the Colorado workshop, which, again, was
7 sandwiched between this and the holidays, and I'm
8 hoping that when they get back to me, we may reach
9 resolution on the first. But if not, I'm saying it's
10 at impasse for the moment. On the latter two, I have
11 less hope.

12 JUDGE RENDAHL: Okay. So on 7.3.7.1, there
13 is some possibility of resolution?

14 MR. DIXON: There is possibility.

15 JUDGE RENDAHL: But on the cost sharing
16 issues and tandem transmission mileage, there is not
17 a likelihood of --

18 MR. DIXON: Much less likely, like
19 99-to-one. But always the optimist, I'll try.

20 JUDGE RENDAHL: Okay. Mr. Wilson.

21 MR. WILSON: Just a quick comment on the
22 last point Mr. Freeberg made, the cost sharing issue.
23 I'd just like to note that those are some of the
24 elements that I discussed in my presentation at the
25 first workshop that AT&T thinks should be

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1 symmetrically applied.

2 JUDGE RENDAHL: Thank you. Okay. With
3 that, the only -- under Item 13-6, the only item
4 currently in agreement is 7.3.8, under the recovery
5 of cost and transit rate matter. Everything else at
6 this point will be considered impasse unless the
7 parties identify prior to briefing or at briefing
8 that resolution has been reached.

9 MR. DIXON: Judge, consistent with my
10 earlier promise, again, I used 7/12 as the date I'd
11 get back on the license. I'll do the same thing with
12 respect to 7.3.7.1.

13 JUDGE RENDAHL: Thank you. Now, and I'm
14 assuming, since parties have briefed presumably today
15 the ISP-bound traffic issue, we don't need to go
16 there. Okay. So we're done with the -- excuse me.

17 MS. SACILOTTO: I'm sorry. Only to say
18 that like our ICNAM brief, or ICNAM, we'll submit,
19 again, an amended one, so go with the amended one.
20 And that's getting mailed out today, an amended ISP
21 brief.

22 JUDGE RENDAHL: So don't read the first one
23 you got. Okay. Let's move on to discussion of
24 scheduling. And the schedule we had -- just to recap
25 the schedule of where we are on this workshop, my

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1 understanding from the last workshop at the end of
2 June, there was a brief due on the 17th. Excuse me,
3 Ms. Sacilotto.

4 MS. SACILOTTO: I'm sorry, there is one
5 additional item here. At the prior workshop, Staff
6 had proposed a bench request to us regarding
7 percentages of things that were billed by us to the
8 CLECs and then by the CLECs to us, and I would
9 propose having that identified as 13-8, and I'll have
10 Mr. Freeberg briefly report on the results of that,
11 so that Staff can have its response.

12 JUDGE RENDAHL: Thank you.

13 MR. FREEBERG: We focused our research on
14 the bench request on Washington. If you'll remember
15 this exhibit, which was Exhibit 165 in our last
16 workshop, addressed both the regional situation and
17 the Washington situation. But, again, the Washington
18 situation is what we focused on in the bench request.
19 The period of time that was the focus was from
20 September of last year through March of this year,
21 and if you remember on that exhibit, one piece of it
22 was what has US West paid, and the number which is
23 volunteered on that exhibit was 18 million.

24 And then there was kind of a related
25 matter, which was what had US West billed other

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1 carriers for reciprocal compensation. And that
2 number was .7 million, \$700,000. And the question
3 then, as I understood it, was of that which US West
4 billed the other carriers for traffic during that
5 period of time, what did the CLEC pay.

6 And I'm believing we'll memorialize this in
7 writing in a bench request, but to be clear at this
8 point in time, all except 60, roughly \$68,000 of that
9 has been paid. So a very high percentage of the
10 \$700,000 which has been billed has been paid by the
11 CLEC.

12 On the \$18 million side, the question,
13 again, might be of what US West paid, what was it
14 billed, and the more precise number was actually 18.3
15 million. I simply rounded off in my Exhibit 165.
16 And the payment made -- or the billed amount was
17 within \$100,000 of that number. So once again, US
18 West has paid a very, very high percentage of that,
19 of the traffic carried during that period of time.

20 JUDGE RENDAHL: I'm sorry, I'm not sure I
21 got that last -- I understood you to say you paid
22 18.3 million of the hundred --

23 MR. FREEBERG: Billed amount, which was
24 less than 18.4 million. For traffic handled during
25 that period, US West was billed less than 18.4

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1 million for local traffic.

2 MS. DeCOOK: Tom, refresh my memory. Was
3 that 18 million exclusive or inclusive of ISP
4 traffic?

5 MR. FREEBERG: Inclusive.

6 JUDGE RENDAHL: And how much of that 18.4
7 million has US West paid?

8 MR. FREEBERG: 18.3, plus a little.

9 MS. DeCOOK: Now, could I ask one other
10 question? Is this -- would the number be different
11 if the question were what does US West owe, as
12 opposed to what was it paid, what it paid?

13 MR. FREEBERG: What we owed is what we were
14 billed. That's how I attempted to respond.

15 MS. DeCOOK: Well, and I guess that's where
16 my question is leading. Is there some disputed
17 amount that's not reflected in these numbers?

18 MR. FREEBERG: The difference between the
19 18.4 and 18.3 is a disputed amount.

20 MS. DeCOOK: So you don't think there's any
21 disputed amount that hasn't been billed?

22 MR. FREEBERG: I can't know that, I don't
23 think.

24 MS. SACILOTTO: I guess until we get it
25 billed, yeah.

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1 MS. DeCOOK: Well, I think that the parties
2 have discussions about how, you know, the whole
3 process for determining what's owed, particularly on
4 the ISP side. So that's why I'm trying to ascertain,
5 is if there have been some discussions between the
6 parties in Washington about amounts, all of it aren't
7 necessarily reflected in what's been billed to date,
8 or during this time frame.

9 MR. FREEBERG: My assumption is the parties
10 have billed us what they think we owe them.

11 JUDGE RENDAHL: Okay. Now, you are going
12 to memorialize this in response to a bench request?

13 MR. FREEBERG: Yes.

14 JUDGE RENDAHL: Thank you. Mr. Griffith.

15 MR. GRIFFITH: Mr. Freeberg, I believe
16 there were some other items in that bench request in
17 addition to just the reciprocal compensation. Are
18 you addressing those?

19 MR. FREEBERG: Refresh my memory.

20 MR. GRIFFITH: Well, there was a discussion
21 in one of your diagrams of about 100,000 trunks that
22 had transport associated with them and termination
23 charges just for the trunks themselves without the
24 traffic. I think that was also in the bench
25 requests.

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1 MR. FREEBERG: You're right. Can you state
2 that for me one more time? Be as clear -- I'm not
3 sure I can have an answer to that.

4 MR. OWENS: Can I try?

5 MR. GRIFFITH: Probably easier to go back
6 and look at the record for what we actually asked
7 for.

8 MR. OWENS: Okay. Are you looking for
9 separating call termination from transport?

10 MR. GRIFFITH: Right.

11 JUDGE RENDAHL: Why doesn't US West/Qwest
12 look at the transcript, the bench request that was
13 requested and respond.

14 MS. SACILOTTO: We'll give you your
15 response. I think we missed that one. Sorry.

16 MR. GRIFFITH: Thanks.

17 JUDGE RENDAHL: All right. Let's turn to
18 scheduling for the moment. I just want to recap the
19 schedule for this current workshop, and then we're
20 going to go forward for the next workshop. Briefing
21 on the 17th, with the Staff report on the 7th of
22 August, parties have an opportunity to respond on the
23 14th, then there's a revised report on the 21st, and
24 parties have an additional opportunity to provide
25 comments on the 28th of August, with a presentation

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1 to the Commissioners on September 7th.

2 Now, the parties have asked, particularly
3 on the Issue 3-4, given the discussions that are
4 going on in Colorado at the time, my preference on
5 that, considering that, as I understand, briefing has
6 already been prepared for Colorado, is for parties to
7 brief that on the 17th, and then identify to the
8 Commission later if that matter has been resolved.
9 So that it is -- it may seem awkward, but I think
10 that's the best way to handle the matter, instead of
11 possibly letting the issue pop up, you know, sometime
12 towards the very end and then having a legal issue
13 that has to be addressed towards the end. If it's an
14 issue that, as I understand, the parties to have
15 briefed or, you know, fully explored now, let's at
16 least have it and then allow the parties to resolve
17 the issue and let us know if it's been resolved and
18 then we take it up.

19 MS. SACILOTTO: I guess if I could just
20 briefly respond. I guess I don't have a problem
21 submitting essentially the same thing that the
22 parties did prior to the follow up workshop in
23 Colorado here, but what we're doing in Colorado is
24 much more granular than that was, as the issue got a
25 little bit more refined, and so I guess I would want

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1 to know what we're going to do to address the
2 granularity of it, because I don't know that we're
3 going to really know where the dispute is on those
4 issues until we work our way through the documents in
5 Colorado. For example, I don't know if I will oppose
6 the redaction principles of AT&T until I see those,
7 and vice versa.

8 JUDGE RENDAHL: I think I'm thinking purely
9 of the larger legal issue that was discussed in the
10 first three days of the workshop. And there are
11 additional -- you know, if there's more granularity
12 that you wish to add to that argument, please do so.
13 My interest is merely getting it there out on the
14 table for everyone involved at the Commission to
15 consider, and if the parties resolve it later, fine,
16 it goes off the table, but we'd like to get as much
17 as possible up front. Ms. DeCook.

18 MS. DeCOOK: I think if I heard where Kara
19 was going, I think what may happen is, you know, we
20 could certainly submit our briefs that we've done
21 already. And the question is, though, can we have
22 supplemental briefing to address proposed redaction
23 principles or anything that comes out of our
24 negotiations, because those could be disputed issues,
25 too.

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1 JUDGE RENDAHL: I believe what would happen
2 is at the point -- I understand the parties to say
3 that there won't be resolution from what comes out of
4 the redaction process in Colorado until early August,
5 and Staff's draft is due on the 7th. So to the
6 extent that there are additional issues out of
7 Colorado that you haven't reached, if you're still at
8 impasse and there are additional issues that need to
9 be addressed, you have an opportunity to respond on
10 the 14th, and I'd assume you'd respond on those
11 issues on the 14th.

12 MS. DeCOOK: That's great.

13 JUDGE RENDAHL: Okay. I think that closes
14 the issues that we need to discuss for this workshop
15 schedule.

16 MR. KOPTA: Your Honor, may I interject at
17 this point?

18 JUDGE RENDAHL: Mr. Kopta.

19 MR. KOPTA: US West filed on Friday what
20 they termed a clarification of performance type
21 evidence that would be presented. It's not
22 technically part of this workshop. But I thought we
23 had discussed that and it was clear on the record
24 exactly how that issue was to be resolved. We don't
25 believe that the clarification that US West filed

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1 was, in fact, a clarification, but a modification,
2 and if the Commission wants to consider that, then we
3 want the opportunity to respond. Otherwise, it would
4 be our position that we should rest on the ruling
5 that was made during the workshops and that the
6 clarification that US West filed on last Friday
7 should be disregarded.

8 MS. SACILOTTO: Steve, are you on the line?

9 MR. BECK: Yes.

10 MS. SACILOTTO: Can you address this,
11 because I didn't see the final version of the
12 clarification.

13 MR. BECK: I didn't hear the comments.

14 JUDGE RENDAHL: Ms. Sacilotto, I'll just
15 characterize this. Mr. Beck, Mr. Kopta has raised
16 the question of whether the ruling that was made at
17 the last workshop on the performance on the PIDs
18 needs to be clarified or not and whether other
19 parties have an opportunity to respond. And I would
20 just say, if you feel you need to respond to US
21 West's motion, you may do so at the time of the
22 briefing on the 17th, and it will be handled in that
23 draft report and order on the 7th.

24 MR. KOPTA: Thank you.

25 MS. SACILOTTO: Can I just clarify what the

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1 clarification was? In my view, the clarification was
2 not intended to clarify the discussion that happened
3 at the workshop. Prior to the workshop, at our
4 prehearing conference, there was a brief discussion
5 of this performance issue, and then there was an
6 order that was released from the prehearing
7 conference, and I don't remember which paragraph of
8 that order was, but we were trying to seek -- my
9 understanding, and Steve, correct me if I'm wrong,
10 was to try to conform that written order that came
11 out of the prehearing conference with what came out
12 of the workshop. It seemed to us that the written
13 order from the prehearing conference could cause
14 confusion based upon what was discussed during the
15 workshop.

16 So we were not trying to clarify the
17 workshop; we were trying to clarify that order that
18 was memorializing the prehearing conference that
19 happened prior to the workshop.

20 MR. KOPTA: And I'm fine with that
21 characterization. Since I know that you proposed
22 language for modifying the order, my reference was to
23 a discussion along the lines of performance and
24 evidence of performance and when that was to be
25 considered and when it may be submitted that was

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1 discussed during the workshop. So from our point of
2 view, we would like the opportunity to respond. As I
3 understand Your Honor's ruling, we should do that as
4 part of our briefing following this workshop, and
5 we're happy to do it that way.

6 JUDGE RENDAHL: Thank you. Mr. Dixon.

7 MR. DIXON: One clarifying question. Since
8 Judge Wallis entered the order, would it be
9 appropriate for you to reduce your order to writing,
10 modifying the prehearing order first, before we talk
11 about clarifying an oral order? Because it should be
12 on the record. You've made your ruling, all you need
13 to do is amend the prehearing order to reflect what
14 you did at the last workshop. That would seemingly
15 put off all these motions.

16 And then, if we think you got it wrong, I'm
17 sure we'll jump in the fray. But if you could
18 clarify it by simply issuing a written order amending
19 the prehearing order, I think that would solve a lot
20 of problems.

21 MS. SACILOTTO: Yeah, I think we filed
22 that, because under the rules, you have to object to
23 an order or do something within a certain number of
24 days, and we might not have had the transcript at
25 that point, frankly.

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1 JUDGE RENDAHL: We'll take that under
2 consideration and we'll let you know if -- if we plan
3 to modify the order, we will send that out. If not,
4 we'll let you know that we want responses to the
5 motion on the briefing.

6 MR. DIXON: Thank you.

7 JUDGE RENDAHL: Let's move on to the next
8 schedule, and that schedule currently appears in the
9 March 15th, 2000 order adopting supplemental
10 interpretive and policy statement, and it identifies
11 a schedule for the next two, and possibly the fourth
12 workshop. I understand there is a conflict for the
13 Commission for November 9th, which would fall in the
14 middle or towards the end of that five-day workshop.
15 And Mr. Wallis, please step in here if you have some
16 other scheduling issues.

17 And so the concern would be do we identify
18 a different five-day period, or do we cut that up
19 into two different workshop sets? Ms. DeCook.

20 MS. DeCOOK: Your Honor, I would recommend
21 cutting it up because the master schedule that we
22 have is fairly extensive.

23 JUDGE RENDAHL: Why don't we go off the
24 record to make these scheduling discussions, and then
25 we can go back on the record to memorialize it.

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1 We'll give the court reporter a break.

2 (Discussion off the record.)

3 JUDGE RENDAHL: Let's be back on the
4 record. There is a prehearing conference for
5 Workshop Two scheduled for August 29th in the
6 morning. That notice will go out. The presentation
7 to the Commissioners will be sometime the week of
8 September 7th, and I will notify parties next week of
9 the exact date and time.

10 We have discussed for the schedule for
11 Workshop Two that there will not be an official
12 workshop day on November 9th, but the parties have
13 agreed to work offline on that day. We've also
14 tentatively scheduled a three-day workshop the week
15 of November 27th, starting on Monday and then going
16 into Tuesday and Wednesday, but the parties will get
17 back to us about flight times and availability and
18 whether it's possible to get in on Monday.

19 Are there any other matters I haven't
20 addressed that need to be addressed on the record at
21 this point? Hearing none, we'll be off the record.
22 You're free to catch your flights.

23 MR. DIXON: Thank you.

24 (Proceedings adjourned at 5:24 p.m.)

25