

BEFORE THE WASHINGTON STATE  
UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Review of  
Unbundled Loop and Switching Rates  
and Review of the Deaveraged Zone  
Structure

NO. UT-023003

COMMISSION STAFF'S  
RESPONSE TO COMMENTS  
REGARDING THE ISSUES LIST

1           The Washington Utilities and Transportation Commission (Commission) Staff  
(Staff) files the following in response to the comments of Verizon Northwest, Inc.  
(Verizon) and WorldCom, Inc. (n.k.a. MCI) regarding the scope of the issues in this  
docket.

2           With respect to the additional issues that MCI believes should be litigated in this  
case, Staff believes that it is improper to make additions to the issues list at this time. In  
addition, some of the issues MCI would like to add to this docket are issues the  
Commission already has determined it will not consider.

3           Verizon asks the Commission to remove certain issues as a result of the Federal  
Communication Commission's (FCC) Triennial Review Order and the subsequent order  
of the United States Court of Appeals for the D.C. Circuit. For the following reasons,

Staff believes the Commission should decline to remove those issues from this proceeding.

4           The purpose of this docket is to set the TELRIC prices for unbundled network elements, as required by 47 U.S.C. §§ 251, 252. The FCC determined (among other things) that ILECs would no longer have to provide to CLECs certain network functionalities that presently are classified as UNEs, such as switching for high-speed network access lines. The D.C. Circuit affirmed in part and reversed in part portions of the FCC's Order. Verizon asks this Commission to remove those issues that pertain to the part of the FCC's Order that was affirmed by the Court.

5           Staff urges the Commission not to remove any issues from this docket. The legal status of the FCC's Order is not firm. It is possible that parties to the FCC proceeding may ask the Supreme Court to review the D.C. Circuit's decision and that the Supreme Court may take that case. This cost docket has been pending before the Commission for nearly two years. The Commission should continue to determine the TELRIC prices of the UNEs at issue in this docket. If later court proceedings or Commission actions release Verizon and other ILECs from the obligation to provide the disputed UNEs at TELRIC, then Verizon will not be required to do so. However, if after the FCC process runs its course and Verizon and other ILECs must provide the UNEs, the Commission will not need to open another docket to set those prices. In short, nothing about the

FCC's Order or the D.C. Circuit's decision regarding that order requires that this Commission remove issues from this docket.

Dated: March 29, 2004.

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