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1 BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION 2 3 In the Matter of the Petition ) ) DOCKET NO. UT-011439 of ) Volume II 4 VERIZON NORTHWEST, INC., for ) Pages 30 - 55 Waiver of WAC 480-120-071(2)(a). ) 5 \_\_\_\_\_ 6 7 A prehearing conference in the above matter 8 was held on June 17, 2002, at 3:04 p.m., at 1300 South 9 Evergreen Park Drive Southwest, Olympia, Washington, 10 before Administrative Law Judge THEO MACE. 11 12 The parties were present as follows: 13 QWEST CORPORATION, by LISA A. ANDERL, 14 Attorney at Law, 1600 Seventh Avenue, Room 3206, Seattle, Washington 98191; telephone, (206) 345-1574. 15 QWEST CORPORATION, by DOUGLAS N. OWENS, Attorney at Law, 1325 Fourth Avenue, Suite 940, 16 Seattle, Washington 98101; telephone, (206) 748-0367. 17 THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION, by GREGORY J. TRAUTMAN, Assistant Attorney 18 General, 1400 South Evergreen Park Drive Southwest, Post Office Box 40128, Olympia, Washington 98504; 19 telephone, (360) 664-1187. 20 VERIZON NORTHWEST, INC., by JUDITH A. 21 ENDEJAN, Attorney at Law, Graham and Dunn, 1420 Fifth Avenue, 33rd Floor, Seattle, Washington 98101; telephone, (206) 340-9694. 22 23 24 Kathryn T. Wilson, CCR Court Reporter 25

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PROCEEDINGS 1 2 JUDGE MACE: We are here today to hear 3 4 argument on a petition for reconsideration and a motion 5 to compel filed by Qwest, Docket No. UT-011439. This is Verizon Northwest, Inc's., petition for a waiver of б 7 WAC 480-120-071 (2)(a). My name is Theo Mace, and I'm the presiding administrative law judge in this 8 9 proceeding, and I just want to observe for the record 10 that I'm replacing Judge Marjorie Schaer, who was 11 previously assigned to this case. This is June 17th, 12 2002, and we are convened in a hearing room at the 13 Commission's offices in Olympia, Washington. 14 What I hope to cover today in addition to 15 hearing argument is I need to get appearances from 16 counsel, and we need to determine process and 17 procedural schedule and any other business that you might have. So let me start out with appearances, and 18 19 if you've already entered the long form of appearance, 20 you don't have to do that today, but if you haven't, if 21 you would please give your name, your address, who you 22 represent, e-mail, fax, and telephone.

MS. ENDEJAN: My name is Judith Endejan, and
I'm appearing today on behalf of Verizon Northwest,
Incorporated, and I believe that all of my name,

address and telephone number and e-mail have previously
 been set forth.

MR. OWENS: Thank you, Your Honor. I'm 3 4 Douglas N. Owens, attorney at law. Business address is 5 1325 Fourth Avenue, Suite 940, Seattle, Washington, 98101. Phone is (206) 748-0367; fax, (206) 748-0369, 6 7 and I'm appearing on behalf of Qwest Corporation. JUDGE MACE: Do you have an e-mail address? 8 9 MR. OWENS: Dnowens@qwest.net. MR. TRAUTMAN: Greg Trautman, assistant 10 11 attorney general for Commission staff. 12 JUDGE MACE: Thank you. I want to ask the 13 parties if there is anything of a preliminary nature 14 before we go ahead and hear argument. Then I would 15 propose that we hear argument on the petition for reconsideration first. I'll hear from you, Mr. Owens, 16 17 then Staff and/or Verizon, if they want to respond, and then hear from you yet one more time again. 18

19 One of the things I do want the parties to 20 address in the course of the argument today is what is 21 the end of the 18-month period that the rule discusses, 22 and I'm a little concerned about what authority Qwest 23 is invoking in terms of filing this petition for 24 reconsideration. I didn't see any reference to a rule, 25 and it would be helpful to me if you would talk about

that. I have read all of the written pleadings that 1 the parties have filed so far, so you don't need to go 2 3 over those point by point in your argument. Go ahead. 4 MR. OWENS: Thank you, Your Honor. I guess 5 with regard to the authority for Qwest's petition for reconsideration and clarification, I would simply rest 6 7 on any party's duty to attempt to alert the tribunal that it is in the process of making a mistake or an 8 9 error that affects the fairness of the proceeding and 10 offer its suggestions on how that unfairness can be 11 avoided.

12 Qwest was brought into this involuntarily on 13 motion of the Staff granted by order of the Commission, 14 and it expressed its objections to the schedule and the 15 only means available to it as soon thereafter as was 16 feasible, and a petition for reconsideration to the 17 Commission not of the decision to make Qwest a party but of the procedural conundrum in which Qwest finds 18 itself of being apparent target of adverse action by 19 20 the Staff and/or the Commission and not yet having been 21 made aware through either notice of hearing or a 22 pleading directed against Qwest of the issues that it 23 would be required to address in the testimony that it 24 was directed to file as being the first in order of 25 precedence under the schedule that was in the

Commission's Third Supplemental Order. I really don't
 think that any particular rule of authority is
 necessary for a party to attempt to preserve its right
 to a fair hearing in this manner.

5 I would like now to move to the substance and some of the concerns that Qwest has and try to explain 6 7 why they exist. The Commission at Page 2 of the Third Supplemental Order in Paragraph 4 sets out what it 8 9 considers the issues in this case are. The second of them is the one that affects Qwest, and that is whether 10 11 the Commission should redraw exchange boundaries to 12 allow another adjacent carrier to provide the requested 13 service if the cost to build the extension would be 14 less than for the original exchange carrier.

15 That to Qwest misperceives the issue, because 16 this is clearly a case not about allowing another 17 carrier to serve but about compelling another carrier 18 to serve. Qwest considers that to be a very 19 significant difference which the Commission doesn't 20 seem to have apprehended in its order. 21 At Paragraph 10 of the same order, the

At Paragraph 10 of the same order, the Commission -- this is on Page 3 -- describes the substance of the Staff's motion and says Staff contends that it makes sense to join Qwest as a party at this point because if Verizon is granted a waiver, the

Commission would immediately be able to examine whether
 Qwest would more appropriately serve the Timm Ranch and
 to determine whether the exchange boundaries between
 Verizon and Qwest would need to be redrawn.

5 Again, it appears that the Commission has misapprehended the Staff position, because if you look 6 7 at the Staff's reply to Qwest's answer on Page 4 --I'll read from the paragraph that begins at the top of 8 9 the page -- "Assuming that (as Staff believes) Verizon 10 is not able to show that it should be granted a waiver 11 under the standards governing an exemption from WAC 12 480-120-071, the Commission may still find that it is 13 more reasonable under the facts of this case to require 14 that Qwest provide service to the Nelson properties." 15 So this is diametrically opposed to what the Commission 16 apparently understood in making Qwest a party and 17 scheduling Qwest to provide the first round of testimony in this matter. 18

19 Qwest has tried, as you may recall, Your
20 Honor, to discern some unifying principle in this
21 proceeding that the Staff has brought. The only means
22 available, so far, were to question Staff during the
23 scheduling conference held June the 3rd by
24 teleconference, and the Staff essentially repeated what
25 I had just read to you as its position. However, the

prefiled testimony and even the petition, I believe, indicates that of the two areas as to which line extension waivers are --

4 JUDGE MACE: Which petition are you talking 5 about?

б MR. OWENS: I'm talking about Verizon's 7 petition that started this case, Your Honor. Of the 8 two areas as to which Verizon is seeking waivers in 9 this case, there are other companies whose facilities 10 are alleged to be closer to the respective users of 11 service than Verizon's in both cases -- two different 12 companies, Century in one case and Qwest in the 13 other -- yet Qwest is the only company that has been 14 the subject of a motion to make it a party which was 15 granted by the Commission.

16 So Qwest is unable to explain, at least based on what we know now, what are the circumstances under 17 which the Staff may make its recommendation to the 18 Commission, as it says in its motion, to join Qwest as 19 20 a party, that Qwest's exchange boundary be redrawn, and 21 that Qwest, either under the compulsion of the line 22 extension rule or under RCW 80.36.090 be directed to 23 extend service to one of those two locations. 24 Another source of Qwest's inability to

25 formulate the issues and frame testimony to anticipate

the Staff's case is the fact that there are now, as of this past Friday, two eligible telecommunications carriers who have been designated as such for the area that includes the Timm Ranch. One of them, of course, is Verizon itself, which was designated, I believe, back in 1997, and if I may approach, I have something to hand out.

This is, Your Honor, a copy of a petition by 8 9 RCC Minnesota for designation as an eligible telecommunications carrier, and if you will look at 10 11 Exhibit B, near the end of the document, you will see 12 that among the wire centers for which this wireless 13 carrier has sought designation as an ETC is Bridgeport, 14 which is the Verizon exchange in which the Timm Ranch 15 is located. Now obviously, this just happened, and we 16 are not suggesting anybody could have anticipated this, 17 but it certainly in our minds raises a number of issues which need to be addressed and would require some 18 additional time to address them, and would, I think, 19 20 likely require that this carrier also be made a party 21 to the proceedings.

22 Some of the Commission's rationale for making 23 Qwest a party has actually raised more issues that 24 Qwest is unable to ascertain how to respond to in its 25 testimony, and I'll just describe those. I was just

reminded that RCC Minnesota is also the eligible telecommunications carrier for Qwest's Omak exchange, which is the neighboring exchange to Bridgeport in case the Commission were to redraw the exchange boundary, and Qwest is not an eligible telecommunications carrier for that exchange. That is an additional reason why they shouldn't be made a party to the case.

8 Referring Your Honor to Paragraph 28 of the 9 Commission's Third Supplemental Order, I'll just read 10 the second and third sentences: "The Commission has 11 authority under RCW 80.36.230 to prescribe exchange 12 area boundaries for telecommunications companies. Even 13 though it is not clear whether and how this authority 14 should be invoked in this proceeding, Qwest has a 15 significant stake in the outcome since it bears a 16 common exchange boundary with Verizon near the Timm 17 Ranch, its facilities are closer to the Timm Ranch than Verizon's, and Staff alleges that Qwest's costs to 18 19 extend service to the Timm Ranch would be less than Verizon's." 20

21 Well, if it's not clear to the Commission 22 whether and how the authority to prescribe exchange 23 boundaries should be invoked in the proceeding, it 24 certainly isn't clear to Qwest, and I think essentially 25 because there is no criteria, there are no criteria or

standards in the statute itself, that Qwest requires
 some notice of the claims that would be used to justify
 redrawing its exchange boundaries in order to be able
 to respond.

5 Paragraph 29, the Commission justifies making Qwest a party by saying the Commission must ask as 6 7 though to promote the public interest and to determine fair, just, reasonable, and sufficient rates and 8 9 practices for regulated utilities. The Commission cites RCW 80.01.040, which is simply the broad 10 11 regulating-the-public-interest statute, but the actual 12 authority under which that power is contained, RCW 13 80.01.040 says, regulate in the public interest as 14 provided by the public service laws. 15 Well, the public service laws that deal with

16 the just, reasonable, and sufficient rates and 17 practices for regulated utilities, at least for telecommunications companies, is RCW 80.36.140. That 18 statutes requires that before the Commission can do 19 20 what it says in this paragraph -- that is, to determine 21 fair, just, reasonable, and sufficient rates and 22 practices -- it has to determine that the existing 23 rates, practices, and other regulatory items for 24 telecommunications company are, in fact, unjust or 25 discriminatory.

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Qwest hasn't been informed through any notice 1 or any pleading as to what rates or practices the 2 3 Commission or the Staff claims that Qwest has that are 4 unreasonable or discriminatory. So if the Commission 5 made Qwest a party based on the reasoning in Paragraph б No. 29, we submit that this is really a demonstration 7 that Qwest hasn't received the adequate notice to allow the Commission to take such action against Qwest. 8 9 And then finally in Paragraph 30, the 10 Commission discusses the argument based on the WITA versus WUTC case, and it says after finding that, 11 12 arguably, the WITA case does not apply to this 13 particular rule, it says, in any event, the Commission 14 can proceed on an adjudicatory basis to determine the 15 proper cost and allocation of cost for provision of 16 service in this case, or in the alternative, can grant 17 a waiver of the line extension requirement if the 18 evidence supports it. 19 Your Honor, in an adjudication, as you are

aware, there has to be notice of the claims, the facts on which the claims are based, and an opportunity to meet those claims with evidence, and we simply haven't had that. The Commission in the Tel West decision issued just a few weeks ago -- this is Docket UT-013097 -- on May 23rd, very correctly set out the

1 elements in Paragraphs 24 through 26, and I've already quoted those in my pleading, and I won't repeat them, 2 3 but Qwest agrees with what the Commission says here, 4 and we submit that Qwest has not been given adequate 5 notice or opportunity to respond on the existing schedule unfairly puts the moving party, which is the 6 7 Staff, in a position of filing its testimony without 8 any possibility of Qwest rebutting that testimony, and 9 that Staff's filing is after Qwest, and the only issues 10 as to which Qwest has any notice are, Does it share a 11 common boundary with Verizon, what distance are its 12 facilities located away from the respective customers 13 at Timm Ranch, and what would Qwest's costs be? But we 14 have no indication of what those facts, what the 15 relationship of those facts are to the issues under 16 which the Staff asserts that the Commission should, 17 under circumstances not yet disclosed, redraw Qwest's boundaries with the objective of forcing Qwest to 18 provide service to the occupants of the Timm Ranch. 19 20 We simply believe that there isn't adequate

21 notice here. There isn't an opportunity for Qwest to 22 meet the Staff's evidence, and we are just concerned 23 that the hearing under these circumstances is not going 24 to be fair. The parties will spend a great deal of 25 time and effort and money to litigate, and we believe

likely that the court would not uphold the Commission's
 decision if it were to redraw the boundary and forcibly
 force Qwest to provide the service.

4 So we respectfully request that the schedule 5 be reconsidered, that the Staff be required to put its evidence on before Qwest, or that some specific form of 6 7 notice that the Commission hasn't yet issued informing Qwest of what the burden is that Qwest is required to 8 9 meet be set out, and that our preference is to have the 10 Staff's evidence put on first and that Qwest have a 11 reasonable opportunity for discovery of that evidence 12 before Qwest is required to file its evidence to meet 13 it. So that would be the basis of our petition for 14 reconsideration.

15 We did also ask for clarification as to the 16 part of the Commission's order that talked about allocations of cost. We just asked, What does that 17 mean? We don't really have any idea. Thank you. 18 19 JUDGE MACE: Ms. Endejan, do you have 20 anything that you want to contribute to this? 21 MS. ENDEJAN: Briefly, Your Honor. I guess 22 it would be the position of Verizon here that we have 23 certain objectives that we want to achieve. First of 24 all, we do not want to be penalized by failing to abide

25 by a Commission rule when clearly there are

circumstances that warrant an extension of this
 18-month deadline that appears in the rule, so we want
 to not be penalized.

We want to not have to put our case on twice. We want to do it once. We want to have before the Commission a full and complete record of all of the relevant facts and want the Commissioners to hear the case, because we view this as a very significant case for a lot of reasons from a public policy standpoint.

10 In principle, we don't object to Qwest's 11 request for additional time. We are sympathetic to the 12 situation they find themselves in, and also, there is a 13 new factor that is very recent, and I don't think that 14 we have really fully analyzed the significance of 15 having another ETC designated for the area in question. 16 That just happened Friday, so I really don't know what 17 my client's position is on that, but it's something that adds another wrinkle to an already complicated 18 19 case.

20 So we would not be opposed to redoing the 21 schedule if we could have a stipulation among the 22 parties or ruling from the Commission that would state 23 that the 18-month clock would, in effect, stop ticking. 24 JUDGE MACE: When does the 18-month clock 25 stop ticking as of this point?

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1 MS. ENDEJAN: There are two different locations, and with respect to the first location --2 3 JUDGE MACE: Is that the Taylor location? 4 MS. ENDEJAN: It depends on how you view 5 when the request for service came in. There were some oral discussions. Ms. Taylor called Mr. Shirley, and б 7 then they called Ms. Gage, and then we called our service people and they went and started looking at 8 9 this in February of 2001. I first became aware of this in spring of 10 11 2001, but she never submitted a formal service order 12 into the system until December of 2001. So with 13 respect to Ms. Taylor, how you calculate the 18 months 14 depends on when you start the clock running. If you 15 started it, and I just put down March of 2001, 18 16 months ends in August of this year. If you start from 17 the December 2001 actual submission of the service order, the clock stops running on May 2003. 18 19 With respect to Mr. Nelson who submitted the 20 service order request for the Timm Ranch, he submitted

22 don't recall the exact date. The 18-month period would 23 then end in November of 2002. Given the numerous 24 wrinkles and the vagaries and variances of road 25 construction over in that part of Washington, it's very

a service order request sometime in June of 2001. I

difficult to see how -- even if Verizon were ordered to 1 do this tomorrow, it would be very difficult to see how 2 3 that task could be completed, particularly for 4 Mr. Nelson, because that involves about 30 miles of 5 actual digging and road construction to lay the fiber. So be that as it may, in principle, we are б 7 not taking a position one way or the other with respect to Qwest's motion, but we just want to make sure that 8 9 the case is done properly and that we don't get fined 10 for not abiding by a rule that we can't abide by given 11 all the circumstances of the case. 12 JUDGE MACE: Thank you. Mr. Trautman? 13 MR. TRAUTMAN: Thank you, Your Honor. As you 14 know, Staff did not petition for any reconsideration of 15 the order. We have not filed a written response. It 16 appeared that Mr. Owens was talking about a few things. 17 One, he seemed to be talking about the Commission's authority to prescribe the exchange boundaries under 18 19 80.36.230, and Staff's position would be that the 20 Commission correctly decided that it does have that 21 authority and that the Commission's past precedents 22 clearly indicated that the Commission has decided that. 23 Now, that's a different question from saying whether it 24 will move particular exchange boundaries in the facts

of a particular case. That's a different question, but

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that's not what the order had to decide to join Qwest
 as a party.

3 Some of the other comments appear to be 4 directed at, I believe, the structure of the schedule. 5 Basically, the fact that Qwest under the current б proposed schedule would file first and that Staff would 7 respond. Mr. Owens did say, well, Qwest will have no opportunity to respond to whatever Staff puts forth. 8 9 Certainly, that goes too far. That's not under the ALJ's proposed alternative. Qwest does have an 10 11 opportunity to respond, but since this seems to be 12 causing difficulties for Qwest, Staff is agreeable, 13 provided there is a quicker discovery turnaround. 14 Right now, we have 10 days, I believe is what we've 15 used with Verizon, but that was because we had more 16 time between filings.

17 Staff is willing to file first as long as we can file last. Part of the problem why we need an 18 19 opportunity to respond to Qwest is that a lot of the 20 facts in terms of what is the cost of service and some 21 of the technical facts may well be more, at least, 22 initially within Qwest's knowledge than Staff's. It 23 may be things we can acquire and learn through 24 discovery, so that's the reason we need to have the 25 opportunity to do discovery once Qwest has filed.

So Staff is willing to file first and Qwest 1 can file second, as long as we can file last. That 2 3 would appear to address the problems Qwest has. It 4 would also, I assume, address the problems with the 5 motion to compel because, of course, we would be б answering data requests after we filed our testimony, 7 which is what we've done with Verizon, so that would be 8 consistent with that practice.

9 You had asked about when the deadlines or 10 when we believe the deadlines for the 18-month 11 deadlines would run. I believe Staff's position is 12 that as to the Taylor application that she applied back 13 in February of 2001, and so the 18 months would run 14 somewhere near the end of August of 2002 because she 15 had made a request. Even if it was not a formal 16 service order, she had clearly requested service in 17 February of 2001.

From Staff's perspective, knowing that, 18 obviously, now that we are in a testimony filing 19 20 schedule and we have to have a hearing and a Commission 21 order, knowing that obviously that's going to take some 22 time, Staff would not have any objection if the 23 construction work were completed by November of 2002; 24 in other words, at the end of this construction season. 25 As to the Timm Ranch, I believe the

Commission initial request for service was made in June 1 2 of 2001 so that the clock there would run out somewhere near the end of the year. Staff is not quite as 3 4 concerned in that case if the construction were to not 5 be completed until the early part of 2003, but I think б that's more relevant only if the Commission were to 7 decide to bifurcate the case in some way, which Staff had proposed -- although, I'm not sure the other 8 9 parties were receptive to it -- that being having the 10 Taylor case go first and perhaps, if necessary, having the Timm Ranch case separated out, but if there isn't 11 12 going to be such bifurcation, then that doesn't become 13 an issue. I think that hits the points I wanted to 14 make.

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JUDGE MACE: Mr. Owens?

16 MR. OWENS: Thank you, Your Honor. I don't 17 understand how Counsel for the Staff could have heard my comments and construed them as a challenge to the 18 19 Commission's authority to prescribe the exchange 20 boundaries. That was part of the original discussion 21 on the motion to join Qwest as a party, and I don't 22 believe I mentioned that. What I said was that because 23 the statute under which the Commission purports to act 24 in this matter contains no standards, it's critical 25 that Qwest be made aware of the claims on which that

1 relief is sought, and that hasn't happened.

2 JUDGE MACE: Would you be satisfied if Staff
3 did file first?

4 MR. OWENS: In principle, yes. As they say, 5 the devil is in the details. Staff asks for a reduced discovery turnaround. I would point out that, and I'm б 7 not going to testify but as an officer of the court, I would represent to you that it's my understanding that 8 9 the Staff served 87 data requests on Verizon. I think 10 it's physically impossible for Qwest or anyone else to 11 respond in a very short time to such a volume of 12 discovery. I ask that that be kept in mind.

13 It seems that what apparently is driving a 14 lot of the decision-making here is this perception of 15 the deadline, and in principle, if the schedule 16 structure has changed as Staff has indicated it would 17 agree to with Staff filing first and last and Qwest filing in between, that addresses our concerns about 18 19 proper notice and opportunity to respond. We, of 20 course, would need some reasonable amount of discovery 21 of the Staff, subject, as Mr. Trautman mentioned, to 22 the fact that it would be of their testimony, which, of 23 course, we haven't seen yet.

JUDGE MACE: Anything else?MR. OWENS: No, nothing else.

1 MR. TRAUTMAN: Obviously, the number of data 2 requests that I think all sides would issue would be 3 quite less. Verizon issued quite a few to Staff, not 4 87, but they issued 40 to 50 as well because there was 5 a great deal more time.

Another thing is if Qwest, upon filing its б 7 testimony -- for instance, if they have testimony saying it cost "X" amount to serve, if they would 8 9 include with that testimony the backup documentation 10 that supports that, that would also streamline the 11 process. Work papers, if you will, would streamline 12 the process, but I do think that the shorter discovery 13 period is necessary because of the reduced time between 14 filings.

15 JUDGE MACE: It sounds like there is a 16 resolution, to some extent, if Staff would agree to 17 file first. The fly in the ointment, and that may not be the best expression to use here, is that the 18 19 Commission is highly desirous of hearing this case at a 20 very early opportunity. They are very concerned about 21 not foreclosing opportunities for provision of service 22 to these customers if that's what it decides should 23 happen.

I am not willing to change our hearing dates. That means July 15th to 17th, which we agreed to in the

teleconference, remain the hearing dates. If you can work out a schedule that would accommodate Staff filing first and some period of discovery for each of you, I certainly would give you an opportunity to do that, but I can't change the hearing dates.

6 MR. TRAUTMAN: Can you just more or less use 7 the dates that you have in the ALJ proposal and just 8 change the parties?

9 JUDGE MACE: You are talking about then Staff 10 filing being June 21st? Because then it would be the 11 Qwest response on July 2nd. Let's be off the record to 12 discuss this.

13 (Discussion off the record.)

JUDGE MACE: Parties have discussed 14 15 scheduling off the record and have come up with the 16 following schedule, which seems reasonable. Staff will 17 file testimony on June 20th. It will be an electronic filing. Qwest and Verizon will file a responsive 18 19 filing on July 5th by noon, also on electronic filing. 20 Staff will file a responsive filing on July 11th. 21 We will have a prehearing conference on July 22 12th at 1:30 in the afternoon; hearing July 15th to 23 17th. That will begin at 9:30 in the morning on the 24 15th. If it turns out that all your witnesses can be

25 consolidated into two of those three days, please

advise me so that we can cancel one of the schedule days, and I only ask that because the Commission's schedule in July is so full that it would be helpful for the overall schedule if I could throw that additional day back into the pool of dates available for the Commission.

7 Briefing schedule would call for simultaneous briefs on August 13th, electronically filed. We still 8 9 have oral arguments scheduled for August 20th. I'm 10 assuming you have all discussed and agreed upon some 11 sort of discovery turnaround that will assist you. 12 MR. OWENS: We weren't able to come to 13 agreement on that. We tried. I think Qwest is willing 14 to serve its responses to the Staff as they are 15 completed, however long that takes within the 10 days , 16 on a best-efforts base, but I don't know at this point 17 what kind of workload we are looking at. JUDGE MACE: I'm not comfortable with just 18 saying 10 days is okay. Best efforts, certainly. 19

Given the parameters of the schedule, you are going to have to get those responses out sooner than 10 days. I guess I'll leave it to the parties who have proposed the interrogatories that they should contact me if there is a problem.

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MR. TRAUTMAN: Either three or four days

1 would work for Staff.

JUDGE MACE: When you say "would work for 2 3 Staff," you mean Staff can have its responses in three 4 or four business days? 5 MR. TRAUTMAN: And expect the reciprocal. б JUDGE MACE: I would certainly be more 7 comfortable with that, and then with some allowances, depending on the load of questions that are proposed, 8 9 not to hold so fast to it that there would be some 10 penalty involved that we couldn't have it in three or 11 four days. 12 MR. OWENS: Your Honor, we've got a number of 13 other simultaneous proceedings going that involve the 14 same people that would be producing responses to the 15 discovery in this case, and it's simply not realistic 16 to believe that Qwest could comply with that sort of a 17 turnaround given the existing workload. JUDGE MACE: I recognize it's difficult. We 18 do have a pretty tight time frame in this proceeding. 19 20 As I said, I think that's what you should aim for. 21 That's what your best efforts should be. If you have a

22 problem, I think it's flexible enough so that we could 23 try to deal with giving you additional time.

24 MR. TRAUTMAN: Staff would like Qwest to file25 its work papers with its filing. That could save Staff

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1 considerable effort.

2 JUDGE MACE: I'm not going to make that a 3 requirement. You've expressed that interest, and if 4 they can do it, it probably would be helpful, but I 5 don't know what that would involve. MR. OWENS: When we get them, I will be able б 7 to tell you what will be involved, but we don't have 8 them yet. 9 JUDGE MACE: Anything else? MR. TRAUTMAN: The only reason I mention the 10 11 three days is that we would probably be putting out 12 some of our DR's after they file. Now, they are now 13 filing on July 5th, and we are to file on July the 11th, and that's why we need the shorter turnaround 14 15 time. 16 MR. OWENS: I guess I would point out, Your 17 Honor, that Qwest is a regulated company. The Commission has the statutory power, has had it all 18 19 during this case, to require Qwest to provide 20 information. The fact that we are now 11th-hour 21 parties to this case and trying to meet a hearing date 22 I don't think really should reasonably justify this 23 kind of short turnaround. 24 JUDGE MACE: The schedule is a very abbreviated one, and I recognize that that's difficult. 25

I'm asking that you comply with this short turnaround to the extent you can. If there is some difficulty in complying with it, I'm sure Staff will call it to my attention, and we will try to resolve it as quickly as we can. Anything else? Okay, thank you. We are adjourned. (Prehearing conference adjourned at 4:14 p.m.)