

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Pricing Proceeding)	
for Interconnection, Unbundled Elements,)	DOCKET NO. UT-960369
Transport and Termination, and Resale)	
)	
In the Matter of the Pricing Proceeding)	
for Interconnection, Unbundled Elements,)	DOCKET NO. UT-960370
Transport and Termination, and Resale for)	
U S WEST COMMUNICATIONS, INC.)	
)	
In the Matter of the Pricing Proceeding)	
for Interconnection, Unbundled Elements,)	DOCKET NO. UT-960371
Transport and Termination, and Resale for)	
GTE NORTHWEST INCORPORATED)	

RESPONSIVE DIRECT TESTIMONY OF

RODNEY LANGLEY

ON BEHALF OF

GTE NORTHWEST INCORPORATED

SUBJECT: STAFF DEAVERAGING PROPOSAL

JANUARY 18, 2000

1 **I. IDENTIFICATION OF WITNESS AND BACKGROUND**

2
3 **Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND TITLE.**

4 A. My name is Rodney Langley and my business address is 600 Hidden Ridge, Irving,
5 TX 75038. I am employed by GTE Service Corporation as Manager-Costing. I am
6 appearing on behalf of GTE Northwest Incorporated (GTE) in this case.

7
8 **Q. PLEASE STATE YOUR EDUCATIONAL BACKGROUND AND WORK**
9 **EXPERIENCE.**

10 A. I received a Bachelor of Science degree in Business Administration from Valdosta
11 State University in Valdosta, Georgia in 1970, with an emphasis on Management.
12 I have been employed with GTE for over 27 years. I began my career in 1972 with
13 General Telephone of the Southeast. Since that time I have held positions of
14 increasing responsibility in the areas of traffic facilities administration, switching
15 administration, customer services, access services, product management, and
16 wholesale-local services. In February 1996, I was promoted to Senior Product
17 Manager-Interconnection and then to Group Product Manager-Network
18 Interconnection for GTE's Open Market Transition (OMT) Program Office. In that
19 position I was responsible for developing and implementing the processes,
20 procedures, and system capabilities required to enable GTE to receive and process

1 wholesale service requests for competitive local exchange carriers (CLEC). In
2 September 1997, I was promoted to my current position as Manager-Costing.

3
4 **Q. WHAT ARE YOUR CURRENT RESPONSIBILITIES AS MANAGER-COSTING?**

5 A. I am responsible for the format, content, and methodology of conducting GTE's
6 non-recurring cost studies for wholesale local services – resale and unbundled
7 network elements, retail services, interim number portability (INP)/local number
8 portability (LNP) functionality; Operational Support Systems (OSS) transitional and
9 transactional cost studies; and recurring and non-recurring collocation cost studies
10 for the 28 states in which GTE operates. My responsibilities also include mapping
11 of costs to prices for these categories of services and activities.

12
13 **Q. HAVE YOU PREVIOUSLY TESTIFIED ON BEHALF OF GTE TELEPHONE**
14 **OPERATIONS?**

15 A. Yes. I have testified on behalf of GTE concerning non-recurring, OSS, and
16 collocation costs before public utility commissions of California, Alabama, North
17 Carolina, Indiana, Washington (Phase II of this proceeding), and New Mexico and
18 I have participated in Commission workshops in Texas and Hawaii.

19
20 **II. PURPOSE AND SUMMARY OF TESTIMONY**

1 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

2 A. The purpose of my testimony is to address the testimony of Thomas L. Spinks of
3 the Washington Utilities and Transportation Commission Staff. I will address several
4 areas of omission in his proposal for deaveraging unbundled loop rates based on
5 loop length in Washington, specifically the administrative and system costs.

6

7 **Q. PLEASE SUMMARIZE YOUR TESTIMONY.**

8 A. Staff's proposal to deaverage unbundled loop rates based on loop lengths should
9 be rejected, because it is impractical and would impose substantial costs on GTE
10 that would have to be passed to the CLECs.

11

12 Loop rate deaveraging has associated administrative impacts and costs that must
13 be addressed and incorporated into the final cost and rate determination by this and
14 other commissions. These administrative costs include, at a minimum, the systems
15 costs (developmental and operational) and procedural costs. The proposal by Mr.
16 Spinks fails to consider the various administrative and developmental costs.

17

18 **III. GTE's CONCERNS WITH STAFF'S PROPOSED LOOP RATE DEAVERAGING**
19 **AND ITS IMPACTS ON OTHER COSTS.**

20

21

22 **Q. PLEASE EXPLAIN YOUR CONCERNS.**

1 A. I am particularly concerned that Mr. Spinks ignores the administrative and systems
2 requirements and costs of his proposal. His proposal fails to even consider the
3 processes, systems, and databases for GTE's OSS and procedural requirements,
4 or those of the industry as a whole. Likewise, he has elected to propose a
5 "standard" measure that is not a standard at all.

6

7 **Q. HOW DOES STAFF'S PROPOSAL IMPACT GTE?**

8 A. Under Mr. Spinks' proposal, GTE will be required to modify its facility inventory
9 system to accommodate the loop length for each existing and/or changed end user
10 service arrangement. Additionally, procedures will have to be developed so that any
11 new customer could be "inventoried" for the new service arrangement at or prior to
12 service establishment, as that particular loop length could not have been pre-
13 determined prior to the service request. New linkages will be required between the
14 inventory OSS and billing OSS to assure accurate and timely billing of services.

15

16

17 Without industry review and agreements and a Commission decision, it is difficult,
18 if not impossible, to determine the total scope of the modifications and associated
19 costs. In order for this Commission and others to assess the local competition costs
20 and cost recovery, the deaveraging decision must incorporate these administrative

1 costs.

2

3 **Q. WHAT ARE THE INDUSTRY ISSUES INVOLVED WITH STAFF'S PROPOSAL?**

4 A. There are a number of existing and ongoing industry issues involving operational
5 support systems and procedural processes. The industry has a long-established
6 platform, consisting of several forums, to address the needs and to establish
7 standards for ILEC to CLEC interfaces. The introduction of new requirements must
8 follow this systematic process in order for the industry to establish standard
9 communications, both content and rules. Without an industry approach to the OSS
10 requirements, there will certainly be problems with pre-ordering, ordering and billing
11 functions, as well as, billing disputes. These problems will affect, not only GTE, but
12 other parties, as well.

13

14 Staff's proposal does not address any aspects of the industry standardization
15 processes or protocol, or even acknowledge the industry implications.

16

17 **Q. WHAT IS THE PROBLEM WITH THE STANDARD PROPOSED BY STAFF?**

18 A. Mr. Spinks proposes the census block as the "standard" for determining distance-
19 sensitive loop-lengths. According to Mr. Spinks, estimating the loop length can be
20 accomplished by associating "...each customer with a census block and know how

1 far each census block is from the customer's wire center..." [at page 7]. He further
2 states that "[d]ata bases already exist which can locate a census block for a given
3 address..." [at page 7].

4
5 There are two significant facts that must be taken into account. First, loop length is
6 measured in feet or kilofeet, and technical and cost parameters are determined on
7 those bases. Second, census blocks are not uniform in size, that is, they do not
8 have dimensions that are measured in feet or kilofeet but rather conform to a
9 population density. Even if the census block did have uniform dimensions, loop
10 length would not necessarily conform as the facilities follow streets, roads, etc. and
11 would result in varying measurements within a census block. Immediately there is
12 an obvious mismatch between the industry dimensions (technical and cost) and the
13 census block dimensions (population).

14
15
16 Thus, the proposal by Mr. Spinks is so flawed that it is impractical and not useable.
17 Even if Mr. Spinks proposal had merit, his argument that the data exist to locate the
18 census block for every address is short-sighted in that he again ignores the costs
19 and administrative requirements to verify data, modify systems and populate the
20 facility inventory systems. Likewise, he does not acknowledge the ongoing

1 administrative requirements to adjust and update databases for census block
2 changes and new service addresses.

3

4 **Q. WHAT ARE GTE'S RECOMMENDATIONS?**

5 A. The proposal by Mr. Spinks contains so many flaws and omissions as to render it
6 completely impractical and unmanageable. The Commission should discount this
7 approach for this and other reasons as detailed by GTE witnesses Dye and Tucek.

8

9 This Commission must recognize that GTE, US WEST and other ILECs will incur
10 system and administrative costs to support any deaveraging loop rate proposal, but
11 those costs can be minimized by adopting a rate plan that is administratively
12 manageable. GTE's wire center zone proposal presents such an administratively
13 manageable approach.

14

15 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

16 A. Yes.