

August 24, 2001

Carole Washburn, Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, WA 98504

Re: Continued Costing and Pricing Proceeding
Docket No. UT-003013 *Part A*

Dear Ms. Washburn:

On August 9, 2001, the Commission directed Staff to comment on the Qwest compliance filing by August 24, 2001. Staff provides comment as follows:

Staff has identified at least three concerns with the compliance filing.

First, Qwest filed 1st Revised Sheet 15 and 1st Revised Sheet 16 to add USOCs to certain rate elements that were previously approved in the Part A compliance filing. The Commission did not direct Qwest to add the USOCs and the proposed USOC additions should not be made as part of a compliance filing.

Second, in the Thirteenth Supplemental Order in this docket, the Commission ordered that Qwest adopt Verizon's rates for collocation cage enclosures. (See pp. 349) On 2nd Revised Sheet 18 of the compliance filing, Qwest proposes different rates than the rates in effect for Verizon collocation cage enclosures.

Third, the proposed rates for DC power cable shown on 2nd Revised Sheet 19 do not correspond to the rates shown in the supporting cost study provided by Qwest.

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Staff and Qwest have agreed to meet to discuss these concerns and review the cost study supporting the filing. The meeting is tentatively scheduled for the first week of September. Staff will provide the Commission with specific recommendations shortly after that meeting takes place.

Very truly yours,

GREGORY J. TRAUTMAN
Assistant Attorney General

GJT:kl

cc: All Parties