

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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

**COMMISSION STAFF’S REQUEST FOR CLARIFICATION
OF THE TWENTY-FOURTH SUPPLEMENTAL ORDER**

Commission Staff respectfully requests clarification of the Commission’s Twenty-Fourth Supplemental Order in this proceeding on May 4, 2000. In that order, the Commission has established deaveraged wholesale rates for the state of Washington for GTE Northwest, Inc. (“GTE”) and U S WEST Communications, Inc. (U S WEST”) by establishing five rate zones for each company based on wire center costs. First, Staff requests the Commission clarify the line

counts it used to calculate deaveraged rates for GTE, and correct an apparent error in Appendix B of the Twenty Fourth Supplemental Order. Second, Staff requests the Commission more clearly explain its calculations for developing deaveraged rates for U S WEST, and identify its justification for placing certain wire centers out of their cost-based wire center grouping.

A. Deaveraged Rates for GTE:

In paragraph 91 of the Order, the Commission states that it uses the line counts established in the Eighth Supplemental Order for *U S WEST* “for purposes of calculating the proper rate per line and in defining the boundaries between zones.” However, the Commission does not specify whether it uses current line counts, national line counts, or line counts from the Eighth Supplemental Order for purposes of calculating deaveraged rates for GTE. During the hearing, Dr. Gabel asked AT&T’s witness, Mr. Denney, whether he used national line counts or line counts from Phase I of the hearing. Tr Vol. 10, at 2255, lines 1-7. Mr. Denney responded that he used GTE’s specific wire center line counts in Exhibit 4-T. *Id.*, lines 8-13. In reviewing the Commission’s Order and Appendix B to the Order, it appears that the Commission used current line counts, rather than line counts from the Eighth Supplemental Order. Staff requests the Commission specifically identify the line counts it used in calculating deaveraged rates for GTE.

In addition, the Commission appears to have omitted four wire centers from the Appendix B lists on pages 30 to 35 of the Twenty-Fourth Supplemental Order. While the Commission appears to have included the Malden, Thorton, Loomis, and Fairfield wire centers in its calculations for GTE’s deaveraged rates, the wire centers are not listed in *Appendix B- GTE Wire*

Centers Listed Alphabetically, at pages 33-35, nor are they included in *Appendix B - GTE Wire Centers Grouped by Zone*, at pages 30-32.

Thus, Staff requests the Commission correct this apparent error in the Order, and identify the line counts used in calculating GTE's deaveraged rates, as the Order does not clearly state whether the Commission intended to use Phase I or current line counts when calculating rates for GTE.

B. Deaveraged Rates for U S WEST:

Staff requests that the Commission more clearly explain how it established deaveraged rates for U S WEST and the basis for grouping wire centers into specific zones. Staff requests the Commission explain its calculations, or make its work papers available for review.

In establishing deaveraged rates for U S WEST, the Commission adopts the "concept" of the five zone proposal submitted by AT&T/MCI, other CLECs and TRACER. See Order, at para. 67. That proposal also provided that wire centers be grouped by cost. The Commission established such a cost-based proposal for GTE, but appears not to have done so for U S WEST. Although the Commission states that it has "used input data from the Eighth Supplemental Order to generate wire-center estimates," Staff cannot replicate the Commission's calculations using HM 3.1 inputs from the Eighth Supplemental Order.

In addition, some U S WEST wire centers do not appear to belong in the zones set by the Commission. For example, the average cost of the loops in the Tacoma Fort Lewis wire center is greater than the average cost of the loops in the Tacoma Fawcett wire center and other wire centers included in Zone 2. Under a proposal to group wire centers by cost, the Tacoma Fort Lewis wire center more appropriately falls within Zone 5. The Commission places the Tacoma

Greenfield wire center in Zone 4, when the average cost of the loops in the wire center indicate it should be placed in Zone 3.

Aside from stating that the Commission has used input data from the Eighth Supplemental Order, the Commission does not otherwise explain how it categorized wire centers within zones for U S WEST, or how it calculated the rates. Staff requests that the Commission more clearly explain its analysis for deaveraging rates for U S WEST.

C. Conclusion

For the reasons set forth above, Staff respectfully requests the Commission clarify the calculations in its Twenty-Fourth Supplemental Order deaveraging rates for U S WEST and GTE.

DATED this 15th day of May, 2000.

CHRISTINE O. GREGOIRE
Attorney General

ANN E. RENDAHL
Assistant Attorney General
Counsel for Commission Staff