

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION

In the Matter of the Investigation Into)
U S WEST Communications, Inc.'s) Docket No. UT-003022
Compliance With Section 271 of the)
Telecommunications Act of 1996)
_____)

In the Matter of U S WEST Communications) Docket No. UT-003040
Inc.'s Statement of Generally Available)
Terms Pursuant to Section 252(f) of the)
Telecommunications Act of 1996)

WORLDCOM RESPONSES TO COMMISSION QUESTIONS

WorldCom, Inc., on behalf of its regulated subsidiaries, (collectively "WorldCom") hereby responds to the questions of the Washington Transportation and Utilities Commission (the "Commission") contained in its October 24, 2001 Notice of Opportunity to File Comments (the "Notice"). WorldCom responds as follows:

- 1. WAC 480-120-560 establishes standards and CLEC payments for collocation in Washington. The QPAP provides for different collocation standards and payments. How should the commission address the differences in collocation standards and payments between the QPAP and Washington rules? What changes, if any, should be made to the QPAP to address the differences?**

Generally, if the Performance Indicator Definitions ("PIDs") contained in the QPAP and the Commission rules differ, the Commission should adopt the more stringent standards. The Commission rules should be the minimum level of performance that a wholesale customer receives. If, on the other hand, the QPAP offers CLECs improved performance and payment opportunities over the Commission's standards, the Commission should leave the current QPAP collocation standards unchanged.

WAC 480-120-560 states that the ILEC has 25 days from the receipt of an order to provide a quote. The CLEC then has 7 days to accept the quote and submit payment of one half of the nonrecurring charges. For forecasted collocations, the ILEC has 45 days to complete a collocation after receiving the CLEC acceptance and payment of one-half of the nonrecurring charges. That equates to up to 77 days depending on how quickly the CLEC accepts the quote and submits payment of the nonrecurring charges. 77 days is a significantly shorter time frame than the PID standard of 90 days for forecasted collocations.

WorldCom requests that the Commission modify the QPAP to incorporate this Washington rule.

2. The 36% cap in the QPAP is based upon 1999 ARMIS revenue. Should the Commission amend the QPAP to base the cap on more recent ARMIS data?

Any procedural cap imposed by the Commission should be based on the Qwest's ARMIS data for the year 2000. The Report finds that it should be based on 1999 ARMIS data. At page 22, Mr. Antonuk comments on the parties' recommendation that more recent ARMIS data be used, stating, "(t)his argument appears to rest upon the implicit premise that net intrastate operating revenue will continue to increase despite growth in competition for local exchange business. This premise is quite speculative." WorldCom is unaware of any evidence provided by Qwest as to the appropriateness of relying on 1999 ARMIS data. In addition, WorldCom's research confirms that Qwest's 2000 ARMIS data shows that its total net return in Washington is approximately \$23 million higher than it was in 1999.¹

¹ See Exhibit B to WorldCom's Comments on Liberty Consulting's Report on Qwest's PAP dated November 20, 2001.

At the hearing, Qwest's witness Mr. Inouye agreed to update this information, using the 2000 data.²

6 Q Good afternoon, Mr. Inouye. I'm Tom

7 Spinks from the Washington Utility Commission

8 Advisory Staff.

9 A Good afternoon.

10 Q Just a few questions, I promise. Is Qwest

11 willing to update its Exhibit K 1999 ARMIS revenue

12 data to year 2000 data?

13 A Yes, I would be willing to do that.

3. Are the provisions of the QPAP as amended by the Report, consistent with existing Washington SGAT and ICA provisions? If not, how should the QPAP be amended?

WorldCom is in the process of reviewing the SGAT to determine if any provisions of the QPAP, as modified by the Report, are inconsistent with terms of the SGAT. It cannot state at this time whether the two documents are entirely consistent. WorldCom will attempt to complete its review and evaluation by the time of the December 12 prehearing conference in this matter.

In general, throughout the Section 271 Workshop process, the parties attempted to incorporate agreements reached in the workshops into the process for developing the PIDs. Since the completion of the workshops, the parties have continued to define terms and standards in the Change Management Process and the Regional Oversight Committee (ROC) Operational Support Services (OSS) process. Parties are continuing to attempt to

² See, the Multi-State Transcript, 08/16/01, p.187, lines 6-13.

maintain consistency with between the SGAT and the QPAP, including the PIDs. The Auditing and Dispute Resolution Process provisions in the SGAT differ, however, from those contained in the QPAP. The parties intended to vary those provisions, drafting language in the QPAP that applies uniquely to the QPAP.

The QPAP and the interconnection agreements between Qwest and WorldCom's regulated subsidiaries in Washington differ substantially. The interconnection agreements do not contain the same level of detail on service performance and payments as that contained in the QPAP. Rather than amending the QPAP to conform to the current interconnection agreements, WorldCom suggests that after the Commission approves a QPAP, the Commission adopt a policy allowing CLECs to replace current interconnection agreement terms and conditions on service quality with the Washington specific QPAP.

4. Page 42 of the Report recommends language regarding payment of Tier II funds “for any purpose allowed to it by state law.” For what purposes should the Commission consider Tier II payments?

WorldCom supports using Tier II funds for administrative costs of the plan and for Commission audits. The use of Tier II state funds should in no case benefit Qwest. Rather, the uses should be competitively neutral, not allowing Qwest to benefit directly or indirectly and should not be restricted to purposes relating to the Qwest service territory.

5. Does the QPAP require modification to address any of the terms and conditions contained in the Qwest merger settlement agreement?

Generally, the performance standards contained in the Commission-approved Stipulation on wholesale service quality in the Qwest/U S WEST merger docket should

