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BEFORE THE WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

In the Matter of the Petition of) Docket No. UT-011439
VERIZON NORTHWEST INC.,)
For Waiver of WAC 480-120-071(2)(a)) RESPONSE OF VERIZON NORTHWEST
INC. TO COMMISSION STAFF'S MOTION
TO COMPEL RESPONSES BY VERIZON

I. INTRODUCTION

Commission Staff seeks information about a line extension made by Verizon Northwest Inc. (“Verizon”) in the Sultan exchange in 2001. This line extension project, known as the Cedar Ponds Line Extension Project, was initiated by customer requests in 1999, over a year before the effective date of the new line extension rule, WAC 480-120-071, which took effect January 15, 2001. Staff claims that the information is relevant because it was a very costly project for a relatively small number of customers. Staff claims this undercuts Verizon’s argument in this docket that the Taylor and Timm Ranch projects are too costly and should not be built. The Cedar Ponds project is not relevant to the current case, however. It was built under the prior tariff and for similar reasons as the Pontiac Ridge Project, which has been described in the testimony prefiled by Staff witness Bob Shirley and by Verizon witness Kay Ruosch. Moreover, Staff has had full knowledge of the Cedar Ponds Line Extension Project.

1 **II. BACKGROUND**

2 As has been described in the prefiled testimony in this case, in 1998-1999 the Staff became
3 involved in dealing with customer line extension requests, including one in north central Washington
4 known as the Pontiac Ridge Project. At the time Verizon (then GTE Northwest Inc.) had a line
5 extension tariff that provided one-half mile of free construction and a charge of \$440 per one-tenth mile
6 thereafter, measured from the nearest facilities. Verizon did not interpret its tariff to require “a pooling”
7 of the free half mile of construction allowed when more than one applicant asked for service in the same
8 area at the same time. The Staff, on the other hand, did interpret GTE’s tariff in this manner and
9 threatened to bring a formal complaint and request fines against Verizon if it did not construct the
10 Pontiac Ridge Line Extension Project under a “pooling” interpretation, which resulted in the applicants
11 not having to pay any line extension charges. See page 8 of Appendix 1 to testimony of Robert B.
12 Shirley dated April 17, 2002. Given these threats and for the other reasons explained in Ms. Ruosch’s
13 prefiled testimony, Verizon agreed to construct the Pontiac Ridge line extension under the pooling
14 approach.

15 In the same time period Verizon residents in the Cedar Ponds area were seeking service under
16 the old line extension tariff. Given the Pontiac Ridge precedent, Verizon felt it had no choice but to
17 construct the Cedar Ponds project under the same pooling approach, initiated under its old line
18 extension project.

19 Thus, the Cedar Ponds Project, like the Pontiac Ridge Project involved a unique set of
20 circumstances not relevant to the line extensions undertaken by Verizon once the new rule took effect.

21 **III. ARGUMENT**

22 1. **The Information Staff Seeks Is Not Relevant.**

23 The issue before the Commission in this docket is whether the new line extension rule’s waiver
24 provisions allow Verizon to be relieved of the obligation to construct line extensions to the Taylor and
25 Timm Ranch locations. The Cedar Ponds Line Extension Project is not relevant to this question
26 because it was instituted at a time prior to the new line extension rule, and was the result of a unique set

1 of circumstances that clearly distinguish it from the line extension projects Verizon has accepted since
2 January 15, 2001. Given this unique set of circumstances the Cedar Ponds Line Extension Project
3 cannot be said to stand for the proposition that this represents a line extension project the company
4 would undertake today, without seeking to ask for a waiver just like with respect to the Timm and
5 Taylor Ranch locations.

6 The Cedar Ponds Project is similar to the Pontiac Ridge Project, which Staff witness Shirley
7 described in his testimony only as historical background for the development of the new line extension
8 rule. The underlying tariff interpretation controversy at issue in the Pontiac Ridge and Cedar Ponds Line
9 Extension Projects is absent in this case.¹ In sum, a pre-line extension rule project, committed to by
10 Verizon's to avoid a threatened complaint or fines from the WUTC, has no bearing on whether the line
11 extension rule warrants a waiver of the Taylor and Timm Ranch extensions.

12 2. Staff Had Knowledge Of The Sultan Exchange And Does Not Need The Information
13 Requested In Its Data Request.

14 Commission Staff's Motion (footnote 2) suggests that the Staff first learned of the Cedar Ponds
15 Line Exchange Project on March 26, 2002. This is surprising given Staff's early ongoing and continuing
16 involvement with this project. See Affidavit of Joan Gage. Mr. Shirley of the Commission Staff knew
17 of the customers initiating the request for service and worked with the Company to get the job done.
18 Therefore, Staff is equally as knowledgeable of the information called for by Staff Data Request No. 91
19 as is Verizon. Furthermore, it appears that Staff already has significant cost information from the
20 material provided by Verizon to the Commission in conjunction with Advice No. 3036, in Docket UT-
21 020557. Given this level of information, there is no need for Verizon to provide additional information
22 about a subject with no relevance in this proceeding. Finally, with respect to Data Request Nos. 96

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25 ¹ The Staff, obviously recognizing the unique situation surrounding the Pontiac Ridge Line Extension Project did not
26 submit data requests on Pontiac Ridge like those for the Sultan exchange. The Staff does not view the costs
associated with the Pontiac Ridge Project to be relevant to its arguments. It should not be allowed to view the Cedar
Ponds costs as relevant either.

1 through 99 Verizon will answer these data requests with a one word response to each one. That word
2 is "none".

3 **IV. SUMMARY**

4 Given the marginal - - at best - - relevancy and Staff's ability to obtain the information it needs
5 which is either in its possession or available at the Commission, there is no need to grant Staff's Motion
6 to Compel Responses by Verizon.

7
8 RESPECTFULLY SUBMITTED this _____ day of July, 2002.

9 GRAHAM & DUNN PC

10
11 By _____
12 Judith A. Endejan
13 WSBA# 11016
14 Attorneys for Verizon Northwest Inc.