



Davis Wright Tremaine LLP

ANCHORAGE BELLEVUE LOS ANGELES NEW YORK PORTLAND SAN FRANCISCO SEATTLE WASHINGTON, D.C. SHANGHAI, CHINA

GREGORY J. KOPTA
Direct (206) 628-7692
gregkopta@dwt.com

2600 CENTURY SQUARE
1501 FOURTH AVENUE
SEATTLE, WA 98101-1688

TEL (206) 622-3150
FAX (206) 628-7699
www.dwt.com

December 23, 2004

By E-Mail and Federal Express

Ms. Carole J. Washburn
Washington Utilities & Transportation Commission
1300 S. Evergreen Park Drive SW
Olympia, WA 98504

Re: Generic Cost Proceeding, Docket No. UT-023003; Bench Request Nos. 23 & 24

Dear Ms. Washburn:

By Notice dated December 3, 2004 ("Notice"), the Commission propounded Bench Request No. 23 to AT&T and Verizon in the above-referenced proceeding. AT&T is able to, and will, respond to that request as stated in the Notice, which requires only that AT&T cooperate with Verizon to provide Dr. Gabel and Mr. Burns with access to the tables that Mr. Turner modified in the VzLoop model runs on which his testimony is based.

At the December 8, 2004 Status Conference, however, the Commission, through Judge Mace and Dr. Gable articulated a new version of Bench Request No. 23 that would require AT&T to create a new study that currently does not exist to explain where and how Mr. Turner modified the tables in the VzLoop model and to also create a linkage to issues Mr. Turner raised in his testimony. Mr. Turner explained during the Conference that he made changes to thousands of table entries and that creating the newly requested information would entail substantial time and effort. Such an effort thus would require AT&T to expend significant resources – resources that AT&T does not have. The Commission also propounded Bench Request No. 24 to AT&T seeking comparable information with respect to the HAI Model. Again, AT&T no longer has the resources to provide a substantive response to that request.

AT&T has withdrawn from other regulatory proceedings in Washington (and in other states) because of its limited resources in light of recent events. AT&T, therefore, is unable to create and provide information in response to the expanded version of Bench Request No. 23 beyond the information originally requested in the Notice or in response to Bench Request No. 24.

Ms. Carole J. Washburn
December 23, 2004
Page 2

AT&T nevertheless desires to do what it can to facilitate the Commission's ability to make full use of the record compiled in this docket. Accordingly, AT&T is willing to make a limited waiver of the work product and other privileges that attach to Mr. Turner's work for AT&T in this docket and make Mr. Turner available at the Commission's expense to consult with Dr. Gabel and Mr. Burns specific to the information requested for the new study. AT&T, however, cannot compensate Mr. Turner for his time to consult with Dr. Gabel and Mr. Burns. In addition, this waiver would apply only to the new study requested by Dr. Gable and Judge Mace at the Status Conference. With respect to the HAI Model, AT&T understands that Commission Staff witness Thomas Spinks is sufficiently familiar with that model and should be able to provide information that would assist the Commission in understanding how that model works.

Please contact me if you have any questions about AT&T's position and proposal.

Very truly yours,

Davis Wright Tremaine LLP

Gregory J. Kopta

cc: Service List