

Exhibit No. ___-T (TWZ-1T)
Docket No. UT-051291
Witness: Timothy W. Zawislak

BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the)
)
Request of Sprint Nextel Corporation)
for an Order Declining to Assert) DOCKET NO. UT-051291
Jurisdiction over or, in the Alternative,)
Application of Sprint Nextel)
Corporation for Approval of the)
Transfer of Control of United)
Telephone Company of the Northwest)
and Sprint Long Distance, Inc. from)
Sprint Nextel Corporation to LTD)
Holding Company.)
_____)

ERRATA TO TESTIMONY

OF

TIMOTHY W. ZAWISLAK

STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

November 30, 2005

Revised December 9, 2005

1 VI. UNITED'S TERMINATING ACCESS CHARGES

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3 **Q. What are United's intrastate terminating switched access charges?**

4 A. Exhibit No. ___ (TWZ-3) also provides the relevant rates for this category along
5 with a comparison to Commission authorized Verizon rates as well as United's
6 current comparable interstate rates for the state of Washington.

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8 **Q. What does Staff recommend with regard to United's intrastate terminating**
9 **switched access charges?**

10 A. Staff recommends that United's intrastate interim terminating access charge
11 (ITAC) be reduced from \$0.064851 down to approximately ~~\$0.031779~~ \$0.022616.

12 This reduction is associated with the restructuring of United's local and switched
13 access rates, and in conjunction with the Directory Revenue Payment. Staff's
14 intent is to keep United's intrastate revenue neutral, in the context of this case.

15 The estimated ITAC above is based on data from the twelve months
16 ended December 31, 2004. However, the Commission should order United to file
17 an updated rate (calculated in the same way) based on data from the twelve
18 months ended December 31, 2005, which should be available by the time the
19 transaction closes.

1 With an ITAC of approximately ~~\$0.031779~~ \$0.022616 per minute I estimate that
2 United can still support universal service without charging excessive intrastate
3 access charges to its competitors.

4

5 **Q. Why should United reduce its ITAC as Staff recommends, when the result is**
6 **an increase in local rates for some of United's customers?**

7 A. The ITAC should be reduced because today a portion of the ITAC revenues are
8 being used to keep rates for some local customers of United lower than is
9 necessary or reasonable.

10 The sole purpose of the ITAC is to maintain rates in rural and high-cost
11 areas that are affordable and reasonably comparable (i.e. universal service). This
12 is a worthwhile goal, consistent with state and national policy, but United's
13 current rate structure overshoots the mark. Rather than maintain rates in rural
14 and high-cost areas that are equal to its rates elsewhere, United actually charges
15 these areas lower rates. Customers in Poulsbo and Sunnyside pay \$16.40
16 (residence) to \$32.10 (business), compared to rates in Stevenson of \$8.90
17 (residence) to \$17.85 (business). In short, the universal service objectives can be
18 met with a lower ITAC than United's tariff currently mandates.

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VIII. TABLE OF ESTIMATED REVENUE IMPACTS

Q. Please summarize the estimated revenue impacts for Staff’s recommendations.

A. See the table inserted below for this summary:

(a)	(b)	(c) Current Price	(d) Proposed Price	(e) Annual Revenue Impact (000's)
1.a. Originating Local Switching		\$0.020740	\$0.015172	
1.b. Originating Carrier Common Line-P		\$0.010000	\$0.000000	
1.c. Originating Carrier Common Line-NP		\$0.005000	\$0.000000	
2. Terminating Interim USF Rate		\$0.064851	\$0.022616	
3.a. Local Exchange Rates - RES (avg)			\$16.40	
3.b. Local Exchange Rates - BUS (avg)			\$32.10	
4. Directory Revenue Payment Residual				
GRAND TOTAL				\$0

Exhibit No. ___HC (TWZ-5HC) also includes the table above populated with the confidential (yellow) and highly confidential (blue) revenue information.

The annual revenue impact estimates above are based on data from the twelve months ended December 31, 2004. However, the Commission should order United to file based on data from the twelve months ended