

BEFORE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Review of: Unbundled Loop and Switching Rates; the Deaveraged Zone Rate Structure; and Unbundled Network Elements, Transport, and Termination	Docket No. UT-023003
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PETITION OF VERIZON NORTHWEST INC. FOR CLARIFICATION

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March 10, 2005

PETITION FOR CLARIFICATION

Pursuant to Washington Administrative Code (“WAC”) 480-07-850 and the Commission’s 25th Supplemental Order, Verizon Northwest Inc. (“Verizon NW”) hereby seeks clarification of the Commission’s Twenty-Fourth Supplemental Order, issued on February 9, 2005 (the “*Order*”) in the following respects.¹

Verizon NW requests clarification of the following issues raised by the Commission’s ordering clauses regarding loop UNE studies.

1. Paragraph 312 of the *Order* provides for an increase in loop rates of 3.1% to reflect a line-count reduction. However, the ordering clause regarding this issue (§ 578) states that “the VzCost output shall be adjusted upward by a factor of 1.03149%” Verizon NW seeks clarification that although this clause says “1.03149%” it should read “3.149%,” consistent with the discussion at Part VIII, Section A.2.f. of the *Order*.²
2. Appendix A of the *Order* states that the “Commission adjustments required the use of aerial and buried cables in excess of 1200 pairs and underground cable in excess of 2100 pairs.” Verizon NW requests clarification from the Commission that the additional cable sizes Verizon NW should add to the VzCost Material

¹ Verizon NW submitted requests for clarification about switching on February 22, 2005, in accordance with the 25th Supplemental Order. Originally, requests for clarification concerning three items -- switching, high capacity loops, and interoffice transport -- were due on this date, but the Commission then extended the filing deadline for clarification on all items. The requests for clarification submitted in this Petition supplement those that Verizon NW submitted on February 22, which are incorporated by reference to the extent required.

² Verizon NW notes that it has challenged the automatic application of 3.1% rate increase in its Petition for Reconsideration, because (contrary to the Commission’s assumption in paragraph 312) VzCost can produce its own estimate of the rate increase that would result from a 5% line reduction instead of simply adopting that of the HM 5.3 model. If the Commission accepts this aspect of Verizon NW’s Petition for Reconsideration, then clarification of this item will not be necessary.

table are 1800 and 2400 pairs for aerial cable; 1800, 2400, 3000, 3600 and 4200 pairs for buried cable; and 2400, 3000, 3600 and 4200 pairs for underground cable.

3. Appendix A of the *Order* also states that “[t]he cost of [the] materials [for the added cable sizes] was estimated based on a regression of Verizon’s existing cable data and added to the Materials table.” Verizon NW requests that the Commission clarify the *Order* to specify the regression function and the resultant prices for the added cable sizes, so that Verizon NW can assure that it is implementing the Commission’s adjustments correctly in its compliance run.
4. Verizon NW requests clarification that, in its compliance run of VzCost, it should perform Step 2 of the “VzLoop / VzCost Loop Study Checklist”³ so that it properly applies the economic crossover analysis for DLCs that lie within the 12,000 ft copper/fiber breakpoint distance from the central office. The *Order* endorsed that copper/fiber breakpoint distance (at ¶ 443) but did not address Verizon NW’s routine for applying the economic crossover analysis (as set forth in Step 2) to DLCs within that distance.
5. Assuming the Commission does confirm that Verizon NW should apply Step 2 of the “VzLoop / VzCost Loop Study Checklist” in its compliance run, Verizon NW requests clarification that the economic crossover values should be populated for both labor groups LR1 and LR2 in the Placement table.
6. Verizon NW requests that the Commission clarify its *Order* by identifying the specific value of the investment per line for the 2-wire loop that corresponded to

³ This checklist was provided at a Workshop in Boston on December 16, 2004 and was updated in response to Bench Request No. 30. It is also referenced in Appendix A.

the \$18.86 cost the Commission derived from VzCost. The investments per line by account can be found in the “2 Wire Analog Loop (includes NID)” Cost Study that was generated, and specifically in the section with the Formula Name “Total 2 Wire Analog Loop Investment.”

7. Verizon NW requests clarification that no other adjustments should be made to any of Verizon NW’s input tables, or to Verizon NW’s EFI loadings, BC families, Cost Templates and Constants files (e.g., IDLC/UDLC mix), apart from those specifically identified or referenced in the Commission’s ordering clauses.⁴
8. Verizon NW requests clarification with respect to the \$3.55 2-wire loop cost reported in Appendix A of the *Order* for Lake Goodwin (LKGWWAXA). While the costs reported in Appendix A are generally less than those proposed by Verizon NW, the \$3.55 reported for Lake Goodwin represents a reduction of more than 90 percent – a far greater reduction than for any other wire center. This discrepancy suggests that the \$3.55 may be the result of a typographical or other error.

Respectfully submitted,



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⁴ With respect to any such adjustments unspecified in the *Order*, Verizon NW reserves the right to seek reconsideration of such inputs.

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