

BEFORE THE WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Review of
Unbundled Loop and Switching Rates
and Review of the Deaveraged Zone
Structure

NO. UT-023003

JOINT COMMISSION STAFF,
VERIZON SUPPLEMENTAL
COMMENTS ON
COMPLIANCE FILING
(ADVICE NO. 3160)

- 1 On September 27, 2005, Verizon Northwest Inc. (Verizon) filed Advice No. 3160 in compliance with the Commission's 24th, 27th and 28th Supplemental Orders in this proceeding. On October 5, 2005 Commission Staff (Staff) filed comments raising six concerns with the filing. Verizon and Staff have conferred on Staff's concerns and now submit the following joint supplemental comments.
- 2 A. Staff commented that Verizon did not file a tariff sheet showing the wire center assignments to density zones for unbundled loops. Verizon has agreed to make a supplemental filing of such a tariff sheet.
- 3 B. Staff commented that Verizon did not file DS-1 loop rates for the five density zones, but noted that in its orders the Commission has not provided necessary data from its run of the HAI model. If the Commission provides such data, Verizon has agreed to make a supplemental filing with the DS-1 loop rates by density zone.

- 4 C. Staff commented that Verizon has applied a 3.14% markup to non-loop UNE rate elements. While Verizon believes that its approach was appropriate, it has agreed to rerun the calculations having deleted the markup from non-loop components, and file replacement sheets.
- 5 D. Staff commented that Verizon filed subloop feeder and dark fiber rates that were removed from the docket in the 21st Supplemental Order. Verizon (a) did not file new rates for these elements (the rates in the tariff sheets accompanying its compliance filing are the pre-existing rates) and (b) did not believe it was proper to use the compliance filing to make the housekeeping change of deleting those rate elements. Staff concurs, and Verizon will make such housekeeping changes in a tariff filing after the compliance tariff process is concluded.
- 6 E. Staff commented that Verizon's feeder and distribution subloop rates do not add up to the loop cost. The reason they do not add up is that the feeder rates in the tariff were unchanged, while the distribution subloop rates in the tariff are new rates based on the subloop rates calculated in the VzCost model. If the Commission wants the distribution subloop rates to be weighted, HAI distribution subloop rates will need to be provided to Verizon.
- 7 F. Staff commented that Verizon did not file sufficient supporting workpapers and documentation to permit Staff to fully review the compliance filing –

specifically, regarding local switching, subloops and reciprocal compensation.

Verizon inadvertently omitted one worksheet, which contains calculations for local switching and reciprocal compensation, and is willing to provide it as a supplemental filing. The subloop rate elements are a moot point, for the reasons discussed above.

8 Verizon will make the agreed filings after the Commission issues its order on the compliance filing.

Dated this 19th day of October, 2005.

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