



STATE OF WASHINGTON

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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October 26, 1998

Timothy J. McCallion
Regulatory and Governmental Affairs
Vice President – West
GTE Service Corporation
One GTE Place, CA500GA
Thousand Oaks, CA 91362-3811

Dear Mr. McCallion:

This is to acknowledge receipt of your letter dated October 2, 1998, regarding the proposed merger of GTE and Bell Atlantic. Because your letter was not intended to initiate a formal Commission proceeding, we are treating it as a request for a Commission Staff interpretation.

In your letter you state that, under current Washington law, Commission approval is not required for the merger. Based on the factual representations contained in your letter, the Staff of the Commission concurs, providing the merger does not result in a disposition of GTE Northwest, Incorporated's (GTE Northwest) assets under RCW 80.12.020. Such a transfer would require Commission approval.

It is Staff's understanding that Bell Atlantic, as the parent of GTE, will acquire control of the GTE regulated subsidiaries, including GTE Northwest. This will not affect the Commission's jurisdiction or authority over GTE Northwest. In fact, as you state in your letter at pages 2-3, "GTE Northwest, Incorporated, will continue to meet all its obligations and commitments under the Commission's rules, regulations and decisions," and "will continue to provide service in Washington as [it] did prior to the merger under the established tariff rates, terms, and conditions, and GTE Northwest, Incorporated will remain as one of the certificated providers of telecommunications services in Washington."

Commission Staff trusts that the proposed merger will serve to advance the several important public policy objectives identified in your letter.

Very truly yours,

CAROLE J. WASHBURN
Secretary

