

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the)
Continued Costing and Pricing of Unbundled) **Docket No. UT-003013 (Part B)**
Network Elements, Transport, Termination,)
and Resale)

**VERIZON NORTHWEST INC.'S REQUEST FOR AN EXTENSION OF
THE DEADLINE TO FILE NON-RECURRING COMPLIANCE FILING**

Verizon Northwest Inc. (“Verizon”), by counsel, hereby moves to extend to November 7, 2002 the deadline for making its non-recurring cost (“NRC”) and rate compliance filing on contested elements as required by the Commission’s Thirty-Eighth Supplemental Order.¹ Verizon does not request an extension of time to make its compliance filing on uncontested rate elements.

Verizon requests this extension because of the extensive work required to make the Commission’s ordered modifications of its NRC study and rates and to prepare the resulting tariff and compliance filing. Specifically, to comply with the Thirty-Second and Thirty-Eighth Supplemental Orders, Verizon must modify each and every cost in its NRC study. Verizon is making every effort to complete the changes and to prepare the compliance filing as quickly as possible. Nevertheless, Verizon’s process for completing those tasks cannot be completed in eight business days. Rather, the process, which has already begun, will take approximately six weeks to complete.

Following is a description of the process that Verizon will follow to prepare and review the tariff and compliance filing in this matter. The first step is to identify each item in its NRC study that must be modified.

¹ Verizon’s monthly recurring rates and compliance filing will be filed in accordance with the Thirty-Ninth Supplemental Order.

Second, Verizon must determine *how* each of the identified items must be modified. For example, the Thirty-Second and Thirty Eighth Supplemental Orders require changes to the work times associated with Access Service Requests (“ASR”) and Local Service Requests (“LSR”). Specifically, Verizon must change each work time to the “actual” work time observed in the Arthur Anderson study then make a 20% upward adjustment. All non-recurring costs include an ordering component – either LSR or ASR. Thus, each and every cost will require this modification, and possibly others,² before Verizon can re-run the study to determine the adjusted costs.

Third, Verizon must alter the NRC study itself to insure that the required changes produce the desired results. For example, the study currently applies a probability of occurrence factor to each work time. This factor should not be applied to the “actual” times ordered by the Commission. Thus, in addition to altering the times themselves, Verizon must modify the study by breaking the “link” that applies the probability of occurrence factor so that it is no longer applied. After each necessary change, the study must be reviewed to make sure the modified items are flowing through the study properly and result in accurate cost calculations.

Fourth, Verizon will run the study.

Fifth, as it does in the normal course of business after a study run is completed, Verizon’s cost personnel will manually verify each cost calculation. That is, they will go through each and every “source” and “destination” within the study to validate the result. Because every cost in the study will be changed, every single calculation underlying each of the cost results must be validated.

² For example, the Thirty-Second and Thirty-Eighth Supplemental Orders require additional modifications to the NRC study as it relates to EELs, high capacity loops, and loop conditioning.

Sixth, but on a parallel track, cost personnel will prepare the narrative compliance statement required by the Commission, which explains how Verizon's changes comply with the Commission's orders.

Seventh, after the cost group is satisfied that the study complies with the Commission's orders and its narrative accurately explains the changes it made, the cost study results and the narrative are handed-off to the product management group for review. No one product manager is responsible for all of the UNEs for which non-recurring costs and rates were determined in Part B. Thus, this step involves review by multiple individuals.

Eighth, when the product management review is complete (assuming there are no problems), the study results and narrative are handed-off to the regulatory group, which is responsible for preparing the tariff and compliance filing. Regulatory personnel work with the product management personnel in using the cost information to create the required tariff sections and compliance filing relating to the product(s) they manage. Regulatory personnel also work with costing personnel to create the compliance filing.

Ninth, the regulatory group collects all of the individually-created tariff sections and compiles them into the format required for filing in Washington.

Tenth, the resulting tariff(s) and compliance filing are concurrently distributed for review to the appropriate personnel in the legal, regulatory, and product management groups for final approval.

Eleventh, and lastly, Verizon must burn the necessary number of CD-ROMs and make the necessary number of hard-copies of the study, tariff(s) and compliance filing for distribution to the parties.

The Thirty-Eighth Supplemental Order requires Verizon to file its rate tariffs and supporting compliance filings on “contested” rate elements no later than eight business days after the service date of the order. The comprehensive changes to Verizon’s NRC study ordered by the Commission require not only manual changes to each and every cost in the study, but changes to the study itself to insure that Verizon complies with the Commission’s directives. The number and extent of the required changes, coupled with Verizon’s internal processes, make it impossible for Verizon to prepare the required compliance filing in eight business days. Balancing the need to complete the compliance filing as quickly as possible with the time to follow its procedures, which were designed to insure accurate, compliant and complete compliance filings, Verizon has determined that it will need five additional weeks, or until November 7, 2002 to prepare its filing. Therefore, Verizon respectfully requests that the Commission extend the deadline for filing its “contested” non-recurring cost and rate compliance filing until November 7, 2002.

Respectfully submitted,

VERIZON NORTHWEST INC.

By  _____

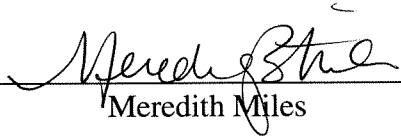
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Dated: September 30, 2002

CERTIFICATE OF SERVICE

I hereby certify an original and 19 copies of Verizon Northwest Inc.'s Verizon Northwest Inc.'s Request For An Extension Of The Deadline To File Non-Recurring Compliance Filing in Part B of UT-003013 were sent by overnight mail and one copy sent by electronic mail to Ms. Carole J. Washburn, Executive Secretary, Washington Utilities & Transportation Commission, 1300 S. Evergreen Park Drive SW, Post Office Box 47250, Olympia, WA 98504-7250 and to the parties below by regular and electronic mail:

DATED this 30th day of September 2002.


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