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BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the

CONTINUED COSTING AND PRICING
OF UNBUNDLED NETWORK
ELEMENTS, TRANSPORT,
TERMINATION, AND RESALE

Docket No. UT-003013 (Part B)

QWEST’S RESPONSE TO STAFF’S
COMMENTS ON REMAINING ISSUES
FOR PART B COMPLIANCE

Qwest Corporation (“Qwest”), by and through its undersigned counsel, hereby responds to Staff’s February 6, 2003 comments on Qwest’s Part B compliance filing. As Staff has fairly characterized Qwest’s position on those certain issues discussed at pages 1-3 of Staff’s comments, Qwest will limit this response to addressing the three remaining issues, as set forth at page 4 of Staff’s comments.

I. The calculation of manual rates.

As Qwest explained to Staff during informal discussions regarding this compliance filing, Qwest believes that Commission references in previous orders to the six minute processing time in the Interconnect Service Center (“ISC”) reflected a determination that the six minutes represented the efficiencies Qwest would achieve in a mechanized environment. For example, at paragraph 120 of its 32nd Supplemental Order, in discussing whether to continue the application of six minutes of processing time to Qwest’s ISC, the Commission acknowledges that “Qwest has updated its NRC studies over time to reflect efficiencies that it has realized in the ISC through mechanized order processing. Those studies have significantly decreased the time estimate for processing the first order, but it remains substantially

1 more than the six minutes of ISC work time that Qwest is presently must use in its studies to process
2 orders.” In addition, Qwest has consistently argued that the six minutes reduces processing times in ways
3 that are not consistent with Qwest’s actual experience, and therefore reflect efficiencies in order
4 processing that have yet to be achieved. Thus, if as Qwest believes, the six minutes reflects the
5 efficiencies gained via mechanized processing of orders, then to comply with the Commission’s directive
6 to establish separate manual and mechanized rates, Qwest must determine appropriate times to reflect
7 manual order processing. Therein lies the problem. Because there are no other purely manual times
8 contained in the record, either in Docket No. UT-960369 or in Docket No. UT-003013, Qwest must
9 rely on its own originally proposed times to establish manual rates. To do otherwise would require Qwest
10 to introduce new time estimates into dockets that have been long over with and deny parties the
11 opportunity to fully examine the evidence. Qwest believes that its only recourse in this situation was to
12 use the six minutes ordered by the Commission to reflect mechanized processing and to rely on its original
13 time estimates to reflect manual processing.

14 **II. Qwest does not believe the Commission has ordered Qwest to include the six-minute**
15 **work time in developing NRCs for multiplexing and similar UNEs.**

16 The UNEs in question are ordered via Access Service Requests (“ASRs”) and are not
17 processed in the ISC. At the time that the Commission originally ordered Qwest to use the six minutes to
18 reflect order processing time, orders submitted by ASR were processed manually. Qwest’s initial focus
19 for mechanization was almost entirely on the ISC and Local Service Requests (“LSRs”) on which loops
20 were ordered. Qwest has never interpreted the six minutes to apply to UNEs other than those processed
21 in the ISC via LSR. Nor has Qwest submitted nonrecurring cost studies in subsequent phases of the
22 docket with the six minutes applied to anything other than ISC time. In fact, the Commission’s discussion
23 in the 32nd Supplemental Order regarding the six minute processing time implies that this is appropriate
24 because it is contained (beginning at paragraph 119) in section 4.a. entitled “Interconnect Service Center
25 (“ISC”) Order Processing Time.”¹ Nothing in the Commission’s discussion in that section suggests that

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¹ Qwest also directs the Commission’s attention to the 9th Supplemental Order in Docket No. UT-960369. At paragraph

1 the six minutes be extended to any other type of order processing. At paragraph 125 the Commission
2 states that its “prior determination of a six-minute order processing time for Qwest’s ISC will remain
3 unchanged.” Thus, Qwest believes that it has correctly interpreted the Commission’s prior orders on this
4 point and has appropriately applied the six minutes only to ISC work times.

5 **III. Qwest believes it is inappropriate to use the six-minute time when a flow-through
6 probability is already included in the determination of ISC work time.**

7 As Qwest discussed with Staff, Qwest believes that it is inappropriate to require its ISC time
8 estimates for certain UNEs to reflect both a six-minute time and a specified mechanization flow-through.
9 This application would, in effect, cause Qwest to first assume reduced processing time due to
10 mechanization at a higher rate than might actually be achieved and then reduce the time again due to flow-
11 through at a higher rate than might actually be achieved. However, as explained in section I. above,
12 mechanization and flow-through in Qwest’s nonrecurring cost studies are essentially one in the same.
13 When Qwest applies a flow-through percentage to its manual processing times, the effect is to assume no
14 cost for processing on orders that flow-through and only minimal cost for processing the remaining orders
15 that must be handled manually due to fall-out. This is evident in the processing time for UNE-P Existing
16 Service, which assumes that a manually processed order would take 15 minutes. Qwest reduces that
17 time to 0.75 minutes (or 45 seconds) to account for the 5% of orders that fall-out even during
18 mechanized processing. To require Qwest to begin with a mechanized processing time of six minutes and
19 then require it to assume 5% fall-out based on the reduced time is tantamount to requiring Qwest to
20 assume a 98% flow-through rate rather than the 95% flow-through that it committed to during the 271
21 workshops.

22 RESPECTFULLY SUBMITTED this 13th day of February, 2003.

23 QWEST
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26 29, the Commission stated “we affirm our prior finding of six minutes at the interconnect service center.” [emphasis added].

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