

May 13, 2003

Carole Washburn, Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, WA 98504

Re: Continued Costing and Pricing Proceeding
Docket No. UT-003013 *Part B*

Dear Ms. Washburn:

On March 14, 2003, the Commission issued the Forty-Ninth Supplemental Order, rejecting Advice 3364T which Qwest had filed to comply with the Commission's Thirty-Eighth and Fortieth Supplemental Orders. The Forty-Ninth Supplemental Order authorized Qwest to refile its tariff within ten business days. Qwest subsequently requested and received an extension of time from the Commission to allow its filing to be made by April 18, 2003.

On April 18, 2003, Qwest filed Advice No. 3397T, in compliance with the Commission's Thirty-Eighth, Fortieth and Forty-Ninth Supplemental Orders in Docket UT-003013. The Commission order required staff to comment in writing within 10 business days after Qwest filed its tariff on whether the filing complies with the orders in the proceeding. Commission staff requested an extension of time to May 14, 2003, file its comments. The request for extension was granted by Notice dated May 1, 2003.

Staff has reviewed the supporting cost calculations and additional information provided by Qwest, and believes that the filing is substantially in compliance with the Commission's orders.

In Paragraph 11 of the Forty-Ninth Supplemental Order, the Commission requires that Qwest recalculate nonrecurring rates for its UNEs by utilizing Verizon's ratios for manual to electronic work time so that the ratios are equal to Verizon's ratios in Part B for comparable UNEs. Qwest utilized Verizon's ratios to the extent that they were available. Since some of the UNE rate elements are processed via ASR in Verizon's cost studies, Qwest, after consulting with the Commission Staff, used the most comparable ratios for those UNES. In some cases, Qwest's use of the Verizon ratio resulted in a higher manual

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work time and resulting cost. In those cases Qwest chose to use its original lower manual processing time, therefore resulting in lower rates.

Staff recommends that the Commission allow Advice 3397T to become effective as filed.

Very truly yours,

MARY M. TENNYSON
Sr. Assistant Attorney General

MMT:tjj

cc: ALD
All Parties