

1 BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
2 COMMISSION

3	WASHINGTON UTILITIES AND)	
	TRANSPORTATION COMMISSION,)	DOCKET NO. UT-950446
4)	Volume 2
	Complainant,)	Pages 69 - 123
5)	
	vs.)	
6)	
	U S WEST COMMUNICATIONS, INC.,)	
7)	
	Respondent.)	
8	-----)	

9 A hearing in the above matter was held
10 at 10:35 a.m. on May 10, 1995, at 1300 South Evergreen
11 Park Drive Southwest, Olympia, Washington before
12 Commissioner RICHARD HEMSTAD, Assitant Attorney
13 General STEVEN SMITH, and Senior Review Judge ROBERT
14 WALLIS.

15
16 The parties were present as follows:

17 U S WEST COMMUNICATIONS, by EDWARD SHAW,
18 Attorney at Law, P.O. Box 21225, Seattle, Washington
19 98111.

20 WASHINGTON UTILITIES AND TRANSPORTATION
21 COMMISSION STAFF, by GREGORY TRAUTMAN, Assistant
22 Attorney General, 1400 South Evergreen Park Drive
23 Southwest, Olympia, Washington 98504.

24 FOR THE PUBLIC, DONALD TROTTER, Assistant
25 Attorney General, 900 Fourth Avenue, Suite 2000,
Seattle, Washington 98164.

Cheryl Macdonald, CSR
Court Reporter

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APPEARANCES (Cont.)

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WITA, by RICHARD A. FINNIGAN, Attorney at
Law, 1201 Pacific Avenue, Suite 1900, Tacoma,
Washington 98402.

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GTE NW, Inc., by TIMOTHY O'CONNELL,
Attorney at Law, 1800 41st Street, Everett,
Washington.

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1 P R O C E E D I N G S

2 COMMISSIONER HEMSTAD: Good morning, ladies
3 and gentlemen. Like to call this proceeding to order.
4 For the record, I'm Commissioner Hemstad, and I will
5 be conducting this proceeding today with regard to a
6 continuation hearing of the emergency adjudication
7 proceeding we held, I believe, two weeks ago with
8 respect to the extension of the permissive dialing
9 period for 206 to 360. Unfortunately, Chairman Nelson
10 and Commissioner Gillis have been out of state and
11 would have been here today but were caught first with
12 an equipment failure of the airplane they were
13 supposed to be on to fly back here and subsequently
14 caught in thunderstorms that shut down much of the
15 Midwest airports, and consequently they will be here
16 sometime late this morning, but we felt because of the
17 other matters on our agenda today we had no choice but
18 to proceed with this hearing this morning without
19 their presence.

20 With me are Bob Wallis on my right, senior
21 review judge, and Steve Smith, assistant attorney
22 general, representing the commissioners in this
23 proceeding. First I would like to take -- determine
24 who is present and intending to participate in this
25 proceeding today.

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1 MR. SHAW: Thank you, Commissioner Hemstad.
2 Ed Shaw for U S WEST. The proposal that we had is
3 that we would just present an informal panel of
4 representatives of the local exchange companies to
5 describe the status of the company's plans, and so do
6 that rather informally rather than presenting sworn
7 testimony or that kind of sort of thing.

8 COMMISSIONER HEMSTAD: That's fine. Next.

9 MR. FINNIGAN: Rick Finnigan appearing for
10 the Washington Independent Telephone Association, and
11 I concur in Mr. Shaw's remarks. In fact if you would
12 like we could bring the panel forward now so that
13 they're sitting up here.

14 COMMISSIONER HEMSTAD: First let's see who
15 else intends to formally participate in the
16 proceeding. Anyone else? Yes, okay.

17 MR. TROTTER: Donald T. Trotter, assistant
18 attorney general for the public counsel section. We
19 intended to listen and keep up our interest in this
20 docket.

21 MR. TRAUTMAN: Greg Trautman, assistant
22 attorney general for Commission staff. Staff would
23 like to present responsive comments to the proposals
24 being made today.

25 COMMISSIONER HEMSTAD: Thank you. You will

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1 have an opportunity to hear from persons from the
2 public who may be interested. Any other formal
3 parties?

4 MR. O'CONNELL: Tim O'Connell, GTE.

5 COMMISSIONER HEMSTAD: Thank you, Mr.
6 O'Connell. With that perhaps, Mr. Shaw, you could
7 and, Mr. Finnigan, you can proceed.

8 MR. FINNIGAN: Commissioner Hemstad, Mr.
9 Vann will serve as moderator for the panel
10 presentation.

11 COMMISSIONER HEMSTAD: Fine. I might say,
12 for the benefit of the recording of this proceeding
13 and so that it can be effectively heard, if you will
14 speak into the microphones directly.

15 MR. VANN: Commissioner Hemstad, thank you
16 for this opportunity to speak to you today about the
17 360 conversion. We do have a package of information
18 that we'll be talking from, and I have a copy for you
19 and the other copies are on their way.

20 COMMISSIONER HEMSTAD: Okay.

21 MR. VANN: With me today are Theresa Jensen
22 who is with U S WEST and is their director of
23 Washington regulatory and public affairs; Stephanie
24 Pearson who is the general manager of the service
25 center for GTE Northwest; and Steve McMahon who is the

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1 present of Sprint United Telephone Company of the
2 Northwest.

3 COMMISSIONER HEMSTAD: Let's see. You
4 better give us your name for the record.

5 MR. VANN: My name is Terry Vann. I'm the
6 executive vice-president of the Washington Independent
7 Telephone Association. The past few days have been
8 quite hectic with coming together as an industry and
9 working on this concern of our customers and concern
10 of our companies. We think we have proactively come
11 together with a solution that will help folks get
12 through this process. We'll be talking about
13 advertising, communication and customer education and
14 we will be talking about some implementation issues
15 with vendors and with maybe some assistance on a
16 national level. Both of those presentations will be
17 focusing on the equipment issues with the PBXs, the
18 data modems, the faxes, the international concerns.
19 Then we'll be focusing on customer problems and
20 concerns. We'll be talking about how we're going to
21 be setting up some centers in some of our companies so
22 that customers have a direct contact that they can
23 make and work through the problems that they're
24 experiencing and maybe coming up with some solutions
25 that might help them.

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1 What we found in our analysis of the calls
2 that we have been receiving so far at the 800 center
3 in Denver is that about 80 percent of the calls that
4 are coming through are related to PBX, data modems,
5 faxes, equipment kinds of issues. We understand in
6 that 80 percent are also the international calls.

7 COMMISSIONER HEMSTAD: I'm sorry, what
8 percent?

9 MR. VANN: 80 percent.

10 COMMISSIONER HEMSTAD: Are international
11 calls?

12 MR. VANN: Equipment kinds of problems and
13 in the equipment kinds of problems are the PBXs, the
14 data modems, the faxes and international calling. On
15 the international calling situation we have been
16 working with the interexchange carriers on some
17 possible solutions there and we understand that they
18 will be coming forward with some information about
19 what they can do.

20 The other calls that we've been receiving
21 have been individual customers with specific concerns,
22 and what we're finding is that no one solution is
23 going to correct the problem, so what we're setting up
24 up is a situation where the customers have someone in
25 each company to talk to to work through the scenario,

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1 and then with the company and the customer making some
2 decisions about possible solutions that will help them
3 individually.

4 What we found is that we will have three
5 companies who will remain in the 206 area code. There
6 will be 16 companies who will be in the 360 area code.
7 So as an industry when some of the solutions that
8 we're working on involve people who are both in 206
9 and 360 and then some companies who will no longer
10 have any 206 area code in their company, so some of
11 our solutions will address that as well, so at this
12 point what I would like to do is go through our
13 presentation and, as I said, the first part that we'll
14 be talking about is the bulk of the concerns that
15 we've been receiving, the 80 percent identified with
16 the PBXs, the equipment and we'll have Theresa Jensen
17 talk about the advertising, the consumer education and
18 the communications.

19 MS. JENSEN: Thank you, Terry. What I
20 would like to do is qualify a little bit further what
21 Terry shared with respect to the 80 percent. 20
22 percent of the calls that have come to the trouble
23 resolution center deal with actual trouble. 80
24 percent are informational only. Of that 20 percent,
25 as Terry stated, 80 percent of those have been PBX

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1 equipment-related problems and the other 20 percent
2 are still problems but they're a variety of sources.

3 Our advertising program will address both
4 of those needs, the information need, which is
5 obviously the largest portion in terms of still a need
6 to communicate what is going on at a national and
7 local level and then also we have directed the
8 advertising to include that 20 percent element that
9 deals with actual trouble as well. With respect to
10 that what I would like to do is share with you what
11 work has occurred in all of the companies in this
12 state and what our efforts have been to date and then
13 as a result of the input that we received through
14 these processes and from our customers, some
15 additional efforts that we plan to do.

16 In your package there is a sheet -- and
17 this is just an example of what one company has done
18 but each of us have done the same types of things.
19 Starting in June of 1994 we started an extensive
20 advertising program for each of the local exchange
21 companies as well as I'm sure interexchange carriers
22 in the state of Washington. Those programs in June
23 started with educational aspects of this, advising
24 companies there would be a change, advising which
25 areas would be 360, which would be 206, informing them

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1 of the permissive dialing period as well as when that
2 would convert to mandatory dialing. In July of '94
3 there were national stories released and vendor
4 seminars held and that's important because for this
5 equipment problem the work actually started in July of
6 '94 and prior to that through mail notification, but
7 there were face-to-face seminars held with the vendors
8 as well to actually talk to them about the programming
9 and technical aspects of this change.

10 There's been a great deal of direct mail,
11 bill inserts, brochures, direct customer contact
12 visits that have occurred to our Washington customers,
13 and in fact we have found that in most cases our
14 Washington customers are maybe too well informed and
15 that they quickly followed the instructions we've
16 given them and of course none of us anticipated some
17 of the other areas having trouble actually working
18 with the new area code.

19 What we had planned is also noticed -- of
20 course around the time that we actually changed
21 permissive dialing which occurred in January there was
22 heavy advertising again through bill inserts, bill
23 lines, news media and so forth, and then we had
24 planned of course as we led up to the original
25 mandatory date to do a good deal of TV and radio going

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1 back to some of our earlier advertising that we found
2 to be very effective that dealt with attendant dialing
3 requirement. We were going to use that same format to
4 advise customers of the mandatory dialing for 360 as
5 that approach and we still plan to do that but now of
6 course that will be in August.

7 As a result of the additional input that we
8 received and the work that of course staff has done
9 with us on these issues, we felt there were major
10 needs now to do additional advertising that originally
11 hadn't been planned specifically around the equipment
12 problems that our customers were still facing, also to
13 deal with the issue of the fact that we do have
14 options that we can discuss with our customers and,
15 no, they're not the most ideal in every individual
16 situation. We believe that we can work with the
17 customers and try to help them through this change and
18 we're all committed to doing so.

19 In addition with the extension of the
20 permissive dialing there's a great deal of advertising
21 and notification that needs to occur at all levels
22 within the industry, and while that is something that
23 of course the number administrator and so forth will
24 do through the normal process, we also feel it's
25 important to do as local exchange companies. And so

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1 that's what I would like to really discuss with you
2 this morning is what our plans are in that effort and
3 I am speaking for all of the companies, not an
4 individual company.

5 Each company has put together a program
6 that will deal with local newspaper advertising in
7 their given serving area. Included in that message
8 will be the fact that there is a new mandatory date,
9 why that has been extended, and also that there may be
10 some possible solutions to help customers that are
11 experiencing difficulty. In addition we will continue
12 to provide some information with respect to a test
13 number of customers, for instance, at home aren't sure
14 if their fax machine is programmed correctly or they
15 have a modem and they're not certain if that's
16 programmed correctly. They will be provided with a
17 test number so they can validate that. We will also
18 again publicize the service lines that each of the
19 companies have established so if they're having
20 trouble they again know where to go with respect to
21 that, and we will again remind them that if they or
22 their clients are having trouble reaching them on a
23 360 number that they can get the operator to assist
24 them with that for no charge. We expect to do a media
25 buy roughly next week across the state and that is to

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1 do heavy advertising that our original mandatory date
2 that went out in the earlier releases will in fact not
3 happen as scheduled for a week from this weekend, for
4 Mother's Day basically.

5 In addition to that there will be customer
6 education package that will include the same elements,
7 and there's two aspects of that package. There's a
8 specific targeted mailing to PBX customers that will
9 occur where they can be identified that will include
10 the same information and remind them in terms of their
11 own equipment that they need to make some adjustments,
12 and there will also be a package sent to all business
13 customers that are served by U S WEST nationally, GTE
14 nationally and Sprint United nationally. That is not
15 to exclude potentially similar approach taken by
16 interexchange carriers and so forth, but they may be
17 best to speak to that issue. By just looking at U S
18 WEST, Sprint and United -- excuse me -- GTE, we will
19 reach approximately or over 17.6 million business
20 customers across the nation through our service areas,
21 so we feel that that will do a lot to help our
22 customers understand that they need to make sure their
23 equipment is functioning properly and to also educate
24 them if they're not able to reach a Washington
25 customer to utilize the operator.

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1 We have also confirmed that the
2 interexchange carrier operators will place these calls
3 through at no additional operator handling charge to
4 their customers in addition to each of our own local
5 exchange companies will not charge that operator
6 surcharge when the operator assists in this type of
7 call. In addition to the PBX targeted mailing and
8 equipment-related issues, again, we will also target
9 through additional pieces either bill inserts or
10 direct mails or both in most instances for all local
11 companies to our business customers again giving them
12 some helpful information as to how it might affect
13 their business, how it might affect their clients'
14 business and that we in fact have some solutions, the
15 test number and so forth available to that.

16 And then in addition to that we feel it's
17 important to not exclude our residence customers and
18 so we will also be doing a direct mail piece to our
19 residence customers with this same type of
20 information. Each of these are outlined in the
21 packages and exhibit that you have received or will
22 receive shortly.

23 With respect to regional advertising we are
24 working with each of our individual companies. We are
25 participating in that advertising expense to reach the

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1 largest and broadest market. We also have received
2 favorable information that the work we've been trying
3 to facilitate in the roll of the number administrator
4 on behalf of BellCorp is that BellCorp has now
5 received additional affirmative funding from other
6 RBOCs other than just U S WEST and that was not the
7 case a couple of weeks ago when we appeared before
8 you. Bell South has committed to buying into an
9 additional national advertising program covering these
10 same issues, and we believe the other companies will
11 join in and hopefully will be able to report within
12 the next week or two that there will be extensive
13 additional national advertising going on on behalf of
14 BellCorp.

15 In addition to the information that we are
16 distributing on an advertising or customer
17 communication basis, there have been some problems, as
18 our customers have expressed, with our own service
19 representatives, and so we also have targeted
20 communication efforts going on internally to each of
21 our companies to insure that these customers are
22 worked with, that the service representatives
23 understand there are solutions and issues of that
24 nature, and we'll talk about some of the details
25 behind that, but specifically we have issued employee

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1 bulletins. We have done additional training. GTE
2 specifically has created a videotape that they have
3 stated they're willing to share with the other
4 companies that we can run during business hours, for
5 instance, in elevator banks and so forth and basically
6 truly get the message out, and the message that we
7 want our employees to understand is that these
8 customers are very concerned and we want to address
9 those needs and we need to understand how serious this
10 is to them.

11 So in addition to that we are working with
12 public relations firms in terms of how to best
13 communicate this message and to communicate the
14 extension of the permissive dialing, and we are
15 working very closely with the press and will continue
16 to do that. That is kind of a very brief overview.
17 We can certainly provide you copies of the actual
18 advertising plans as they progress. We do anticipate
19 that all of this will commence within the next week to
20 two weeks in terms of very heavy active advertising.
21 And with that I would like to introduce Steve, and he
22 will discuss some of the key implementation issues
23 that we've been doing in addition to this program.

24 MR. McMAHON: Thank you, Theresa. As Terry
25 indicated, I'm the president of Sprint United

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1 Telephone not only here in Washington but in Oregon
2 where our sister state has similar issues coming
3 forward to them, and I also have the opportunity to be
4 the president of the Washington Independent Telephone
5 Association which Terry represents as the general
6 manager. What we have done in conjunction with the
7 rest of the industry is to insure that the advertising
8 that Theresa has mentioned has substance behind it and
9 that is through test numbers, the numbers that have
10 been presented to our customers not only here in the
11 state of Washington but throughout the United States
12 from what GTE and we will be doing on a national level
13 gives people the opportunity to dial in to see if
14 their equipment will transmit the second digit in the
15 new NPA. The way that will work is that if that digit
16 is not transmitted, the customer would receive a no
17 answer and they are instructed at that time to call
18 either the manufacturer of their equipment or call an
19 800 number which will be staffed by people who can
20 give them further assistance on what to do with that
21 equipment to make it compatible to the new 360.

22 One thing that we have done that Theresa
23 and I just want to emphasize is that our advertising
24 will mention and actually highlight and be underlined
25 that if your PBX equipment cannot dial the new 360 you

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1 may not be able to do business with your Washington
2 customer because the impetus here is to insure that
3 the calling party has the appropriate equipment, and
4 we need to make them understand they may have
5 difficulty doing business with us if they do not make
6 those modifications.

7 MR. VANN: Like to also highlight that that
8 test number will be a toll free test number so there
9 will be no charge for that.

10 MR. McMAHON: Thank you, Terry. We also as
11 an industry have gone through every one of our offices
12 and dialed through to make sure that they're
13 transmitting the 360 or the 6 in the 360. That has
14 been done in Washington, Oregon, Idaho, and northwest
15 California so we are sure that the switching equipment
16 that the public network owns today will transmit those
17 calls through. The emphasis again on customer contact
18 is with the business of end user customer and we have
19 worked with manufacturers of PBX and fax equipment to
20 insure that what is being sold to our customers has
21 the capability to transmit the second digit, and we've
22 also requested of them to make an economic upgrade
23 opportunity for our customer base so that some of the
24 strain that is being put on businessmen can be
25 relieved through possibly a lower rate for upgrades.

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1 We have been working not only with the
2 vendors and our own associate members here in the
3 state of Washington, but we have had several
4 conversations and support from USTA, which is the
5 United States Telephone Association, national
6 association. We have made presentations to the
7 national Independent Telephone Association's leaders,
8 and we'll be following through with a letter from the
9 leaders of the Independent Telephone Association to
10 their legislators to assist and request their
11 assistance in help relieving the issue that is in
12 front of us. Those people will be in the other 15
13 jurisdictions that have an NPA change coming forward
14 during this period and in 1996. We will also through
15 those contacts be working with the FCC requesting them
16 to have some sort of either customer notification at a
17 national level from the FCC's viewpoint and/or an
18 attempt to decertify or deregister equipment that
19 would not transmit the second digit of the INPA.
20 We've had these contacts with Washington
21 representatives at the federal and state level and
22 we've also had contacts with Oregon representatives at
23 the federal level to elicit their assistance in this
24 process. All of these efforts are a cohesive effort
25 by the industry. We're tying everything we're doing

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1 together so that the customers have as many
2 alternatives in front of them to relieve them of the
3 situation that they're in at this point in time.

4 With that, again, if there are any
5 questions from the panel I would be more than happy to
6 entertain them. If not, Stephanie Pearson from the
7 GTE will make the next section presentation.

8 MS. PEARSON: Thank you, Steve. I do think
9 that some additional copies are here. Did everyone
10 get those? Okay, great. I think the next step in the
11 progression in terms of this total comprehensive care
12 package really gets into the focus on the specific
13 customer needs, and once we've done extensive
14 communications and education, once we've also
15 refocused all the implementation issues, the next
16 piece in terms of our proposal really deals with
17 specific individual case-based solutions for our
18 customers, and I think it's important to note that as
19 the industry came together to put together this
20 proposal it was across the board that everyone was
21 interested in trying to find an individual solution
22 for the customers calling in from wherever they were
23 calling.

24 If you look at the proposal, this
25 particular piece of the package, you will see three

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1 very specific customer assistant centers referenced.
2 This is part 3. The first one that we want to talk
3 about is the U S WEST problem resolution call center
4 which Theresa mentioned earlier, and as the customers
5 are calling in here, the call center is committed to
6 making sure that those customers that reside in other
7 areas -- in other words, if it's a GTE customer or
8 United Sprint customer, if those customers get
9 referenced to the individual companies so that we in
10 turn then can deal with our respective customers and
11 give them a proactive call back to try to come up with
12 a resolution or solution to their problem.

13 In addition to that, in GTE we've also
14 established customer relations group. We've got a
15 dedicated resource that is familiar with the 360
16 issues and they will deal with the focus problems that
17 the customers call in with. The other thing to bear
18 in mind is that in every case what we've decided to do
19 this is to make sure that we've got individuals in
20 these centers who are management employees as opposed
21 to business reps who can deal with the customers as
22 they call in to provide an individual case-based
23 solution. Sprint United has also established in their
24 consumer affairs bureau resources available to deal
25 with the customers as they call in or as they're

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1 referred from the problem resolution call center.

2 COMMISSIONER HEMSTAD: If I can break in
3 there, you've referenced U S WEST, GTE Northwest and
4 Sprint United. What about the various other
5 companies? How will they be dealt with?

6 MS. PEARSON: All of the companies have
7 committed to having their business office and/or a
8 specific dedicated resource so we will also -- we are
9 not excluding customers from calling into the business
10 office, they can call there, but they can also be
11 referred to a specific call center.

12 MR. McMAHON: Commissioner Hemstad, I think
13 one key thing is some of our smaller companies don't
14 have the resources to have a separate center but they
15 have made the dedication that their business office
16 and employees will be handled to train those calls.

17 MS. PEARSON: That's pretty much the
18 summary of the assistance centers, dedicated resources
19 there to be able to help and provide whatever solution
20 to be able to get to the customer.

21 MS. JENSEN: With respect to the specific
22 solutions, I would like to qualify that we don't think
23 there's any particular ideal solution and so each
24 company is committed to working with each customer and
25 attempting to provide a solution that best addresses

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1 their need, but in addition to that we felt it was
2 important that customers had an understanding of what
3 the general offerings might be that would be available
4 to them that we feel are most targeted to meeting
5 their needs, and I would like to take a few moments to
6 address those.

7 We've done a lot of work in this area in
8 terms of trying to understand what would be most
9 transparent to 360 customers or clients that are
10 attempting to reach them in terms of a solution for
11 that customer. We felt it was very important from a
12 business perspective that the caller not necessarily
13 understand what was occurring but that they would in
14 fact feel they were reaching that business as they
15 would reach them today. And we felt that was
16 extremely important. We also understood your requests
17 that we needed to provide some discounted options, and
18 so we spent quite a bit of time in trying to come up
19 with what we felt was a reasonable offer in this area.

20 What we feel is probably the best solution
21 we have to put forward, though not necessarily the
22 most ideal, is a product that we have by different
23 names for each of the local exchange companies called
24 remote call forwarding. Basically what we will do is
25 give a 360 customer a 206 presence so for those

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1 customers that truly believe that they have a client
2 who will never be able to call 360 or perhaps will
3 choose not to call 360 for a few additional months
4 until the rest of the nation comes on board, we in
5 essence will be able to give them a 206 number. Now,
6 for most of the companies that will require the
7 customer to actually obtain a new 206 number which may
8 not be an ideal solution for them. And that would
9 primarily be in GTE, U S WEST and PTI. In the other
10 exchange companies we are still working through some
11 industry issues, but there may be an opportunity to
12 extend some 206 numbers for each company and they
13 would in essence have that capability through February
14 of 1996. We do not have total industry buy-off at
15 this time, but we believe that will be something that
16 we will be able to deliver by Tuesday by next week.

17 COMMISSIONER HEMSTAD: I didn't really
18 understand what you just said. What will occur until
19 November of 1996?

20 MS. JENSEN: What we are attempting to do
21 to help those customers that are served by local
22 exchange companies is enable the local exchange
23 company to meet that need as opposed to another local
24 exchange company on an interim basis, and so we are
25 looking through the number administration process to

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1 take an additional number of codes, roughly eight, in
2 addition to those that have already been set aside for
3 local exchange companies to extend permissive dialing
4 for those codes only through February of 1996. Now,
5 that would not be every 206 number that those
6 companies have, but they would have a bank of numbers
7 in essence available to help their customers that need
8 a 206 solution. And specifically, again, that
9 solution is for those customers' clients who cannot or
10 will not have the capability to dial a 360 for a few
11 additional months. Again, we need some confirmation
12 and basically affirmation from the routing guide
13 industry representatives that they can accommodate and
14 we've understood that we will have that response next
15 week.

16 What this solution will do, then, will
17 enable the customers who have that 206 presence our
18 discounted rate option, is that we will waive the
19 nonrecurring charges for those customers and in
20 addition to that the traditional tariff trade for that
21 service for the most part across all companies is \$16
22 a month and then the normal tariff charges would
23 apply, toll charges as well as local measure charges
24 for each call, and those vary but they can run
25 anywhere from a cent and a half to three cents per

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1 minute, and if the call-forwarded transaction is a
2 toll call, in other words, the call from the 206
3 number that was dialed to the 360 number is a toll
4 call, they would normally pay toll charges for that
5 service. What the companies have agreed to do during
6 this interim period which would be through February
7 1996 is waive all usage-related costs for a call that
8 is forwarded to 306 number. So the customer would in
9 essence pay a flat rate of \$16 or whatever the
10 appropriate rate is for that company but on average
11 it's \$16.

12 In addition the customer will have a
13 listing for that 206 number and the charge will be
14 waived for that. Again, the number assignment will be
15 at the discretion of the company dependent upon their
16 technical capability as well as their number
17 availability, and there may be some limitations
18 depending on the technology serving type that deals
19 with a number of simultaneous calls that can be
20 forwarded and so forth, and we will work through those
21 with each customer as they call in. That is what we
22 believe to be one solution.

23 An additional solution that may be feasible
24 is 800 service, and 800 service of course within the
25 state, we would be providing an intraLATA solution.

00096

1 We believe most customers that are having trouble with
2 the 360 number are actually going to need an interLATA
3 800 solution, but for those selected customers that
4 can in fact use an intraLATA solution, we will waive
5 the nonrecurring charges for that service as well and
6 in addition any directory listing associated with
7 that. We don't view this as a very feasible and
8 strong solution in that it does limit it to in state
9 calling. Our experience with these customers have
10 been that their problems aren't necessarily in state.

11 MR. McMAHON: Excuse me. We do want that
12 option. Just to take us on the interLATA calling
13 program we're also having conversations with the
14 interexchange carriers who offer that type of service
15 to see what type of relief they can provide us on an
16 interim basis for our customers. I'm supposed to have
17 a response to that by next week also, so we're trying
18 to not only include the intra but the inter.

19 MS. JENSEN: And as I mentioned previously,
20 our operator assistance we've been able to validate
21 for the most part not only within the state but
22 interstate calls will be available, operators will be
23 available for assistance at no charge. We have not
24 confirmed with every interexchange carrier but we will
25 attempt to close that within the next week as well.

00097

1 In addition to these solutions, while they
2 may not seem extensive, what we're really attempting
3 to do is to address customer needs so if there are
4 customer needs that cannot be met by these solutions,
5 each company is committed to work with that customer
6 as to any potential additional product solution that
7 that customer might feel is feasible, and we would
8 look at waiving the nonrecurring charges and whatever
9 is appropriate. Again, we want to be sensitive to the
10 customer need. We do not want to come across as
11 peddling our services but rather solving a problem.
12 And in essence we believe that we can meet that
13 through the special centers that Stephanie talked
14 about. Terry.

15 MR. VANN: Stephanie or Steve, did you have
16 anything to add to those specific company solutions
17 that your companies are going to be doing?.

18 MS. PEARSON: The only thing that I would
19 add is we do intend to go back proactively with the
20 customers that have specifically called and work with
21 them for a solution of this type.

22 COMMISSIONER HEMSTAD: So everyone who has
23 --

24 MS. PEARSON: Those that we know.

25 COMMISSIONER HEMSTAD: Have contacted you

00098

1 with a concern you're going to get back to?

2 MS. PEARSON: Right.

3 MR. VANN: In addition probably with the
4 advertising that we'll be doing and recontacting
5 customers with the new effective dates and have
6 offered that if they are experiencing problems to give
7 us a call and giving them numbers to call, we think
8 we'll probably hear from some additional customers as
9 well as those who have already contacted us.

10 MR. McMAHON: And we've worked with staff
11 and have opened up the lines of communication so
12 whatever calls staff receives will be immediately
13 forwarded to us so we can take action on a company by
14 company basis.

15 MR. VANN: Anything else?

16 We would like to thank you for this
17 opportunity to bring forth this proposal to you. When
18 we first began working on this and hearing from our
19 customers of the problems they were experiencing, we
20 were very concerned that the problems might be bigger
21 than we could get our hands around. We feel that we
22 have a good analysis now of the problems. We feel it
23 is a manageable program that we can work through. We
24 think the industry has proactively come together.
25 We've set out nationally to take a leadership role

00099

1 with some of the things that we're doing with our
2 national advertising, with our national programs and
3 with our congressional delegations. We want to
4 address the issues of both the PBX, which we think is
5 the predominant problem, the equipment kinds of
6 concerns as well as our individual customer concerns
7 and setting up the individual case basis to take care
8 of customers we think will really help them to come
9 through this, and we believe that we've come up with
10 plans that both the companies and the customers will
11 be able to afford. We're enthusiastic about this
12 program that we've presented to you today and we ask
13 that you approve it.

14 COMMISSIONER HEMSTAD: Well, I will just
15 make a general comment. I want to express my thanks
16 for the effort that has been put into this over the
17 last two weeks, and really this is a very short period
18 of time to deal with a rather complex set of issues,
19 but you obviously have spent a lot of time and effort
20 trying to make this come together.

21 In summary, I assume it is fair to say then
22 that when an individual customer has a particular
23 problem, the company serving that customer will do
24 whatever you have to do in order to, when they say
25 whatever you have to do, within the context of what is

00100

1 possible you can do what can be done to resolve that
2 customer's problems. Is that a fair statement?

3 MR. VANN: Yes, it is.

4 MR. McMAHON: Yes.

5 COMMISSIONER HEMSTAD: I'm also concerned
6 that in an environment where a lot of issues can be
7 raised by lots of customers that the company
8 understand this is the company's problem and not the
9 Commission's consumer affairs problem. That is to
10 say, we don't want to be a super appeals board for
11 lots and lots of particular calls. I assume you will
12 do everything you can to help us so that that does not
13 occur.

14 MR. McMAHON: That's definitely the intent
15 of the group of companies represented by WITA and U S
16 WEST is our goal is to make sure that our customers
17 are satisfied with our service and feel they can be
18 successful in our serving territories. It is not our
19 goal to have them go to the Commission.

20 COMMISSIONER HEMSTAD: As a practical
21 matter, of course our people can't fashion solutions
22 for a particular customer's circumstance. That's the
23 company's problem. Mr. Wallis or Mr. Smith, you have
24 any questions? This is a rather informal proceeding.
25 Does public counsel or staff have any questions of the

00101

1 panel?

2 MR. TROTTER: I just had one with respect
3 to the proposal on remote call forwarding. Would the
4 number that's given the customer be -- the 206 number
5 that's given the customer be their existing number or
6 would it be a different 206 number? We have had some
7 customers contacting us about the desirability of
8 having at least the right to buy their old number in
9 the 206 exchange so that their business calls can keep
10 coming through for those customers that still dial
11 206, and what's the feasibility of that?

12 MS. JENSEN: Technically that isn't
13 feasible, Don. It's not a capability that can be
14 provided. With respect to this interim solution
15 during this through February of '96, which would
16 basically add another six months to the permissive
17 dialing for selected prefixes, very few selected
18 prefixes, it will depend by company what the situation
19 will be. For the most part customers will require a
20 number change. They will get a new 206 number.
21 Within some of the independent companies there will be
22 an occasion where they may be able to keep their same
23 number but only through February of '96. So that
24 would not be the norm. That would be the occasional.
25 We will attempt to work with our customers that are in

00102

1 essence dealing with the new number, but beyond that
2 they won't be able to keep that 2 -- well, actually
3 beyond the permissive date for most customers they
4 will not be able to keep their 206 number or isn't
5 technically possible to enable them to do it on a
6 number by number basis.

7 MR. TROTTER: Then what happens when March
8 1 of '96, does that number just go away or can they
9 continue to buy that 206 number for \$16?

10 MS. JENSEN: The discounted offer will go
11 away and of course we will work with our customers.
12 We believe that at that point -- in fact early in the
13 process we will start offering a solution probably
14 within the next two weeks. We do have some
15 implementation issues and we wanted to hold it from
16 the Commission in terms of their reaction to our
17 proposals. However, they will know within the first
18 two to three months typically how many calls they
19 receive on that number. We would not encourage any
20 customer to use this as their primary business number.
21 It would be a very selective marketing effort to those
22 customers who can't dial 360 for whatever reason or
23 choose not to, and for that purpose your customers and
24 our customers will have a good feel as to whether they
25 want to sustain this number or not. Within United --

00103

1 excuse me, PTI, U S WEST and GTE, they will be able to
2 keep that 206 number on a going forward basis at the
3 current tariffed rates. Within the 360 area code,
4 however, they will not be able to keep a 206 number.
5 Now, we will of course work with those customers, but
6 each of the companies would like to come up with
7 potential solutions at that time for their customer,
8 and they will be able to look at the call data and
9 determine what's most appropriate.

10 COMMISSIONER HEMSTAD: Let's see. Mr.
11 Trotter was asking the question before. Would you
12 state your -- just for the record or whoever is next
13 who you are.

14 MR. TROTTER: I gave my appearance
15 initially but with the public counsel section of the
16 attorney general's office.

17 MS. THOMAS: Catherine Thomas. I'm the
18 assistant director for the telecommunications section
19 for the Washington Utilities and Transportation
20 Commission. I'm chief representative for Commission
21 staff on this issue. Just a couple of questions. I
22 take it from your remarks that these customer response
23 centers will be fully staffed and up and ready to go
24 in two weeks. Is that correct?.

25 MR. McMAHON: I can answer for our company

00104

1 Sprint United, yes, it is staffed and they are trained
2 as of today.

3 MS. THOMAS: And so they can respond today
4 if we were to or if the commissioners were to approve?.

5 MR. McMAHON: That's correct.

6 MS. THOMAS: What about GTE?.

7 MS. PEARSON: Same is true for GTE.

8 MS. THOMAS: And U S WEST?

9 MS. JENSEN: And U S WEST. They're just
10 waiting for a phone call.

11 MS. THOMAS: What about the rest of the
12 small companies? What time frame can customers expect
13 that they will be able to call those companies and
14 receive this kind of response?

15 MR. McMAHON: I would anticipate that I
16 would have to give them until Wednesday of next week
17 as a specific so we can communicate what was
18 authorized or approved today and they would be in a
19 position to go forward at that time.

20 MS. THOMAS: That's --

21 MR. VANN: From a practical standpoint they
22 are handling it today through their business offices
23 so they can handle the call today, but if there's
24 anything that comes out of this meeting that we need
25 to communicate to them, we probably need a little bit

00105

1 of time to get that to them, but they are handling
2 that today.

3 MS. JENSEN: Also we won't have an answer
4 on the 206 number until next week for them.

5 MS. THOMAS: I understand. We will be
6 providing you with of course the list of interested
7 parties in this docket as well as several of us in
8 staff have been fielding calls from various customers
9 at various companies, and to the extent that we have
10 not heretofore given you those numbers to follow up, I
11 will be giving you those today. We would hope that
12 the companies would take those lists and make the
13 personal contacts with those customers just as you
14 would be making those contacts for those customers
15 that have called you directly and the 1-800 line
16 directly rather than dealing with these on a mailing
17 basis.

18 One of staff's concerns here is that
19 customers have already been impacted by this change,
20 some of them financially and some of them critically,
21 and any delay in their receiving a solution and
22 beginning to implement it is only going to cause more
23 damage, and so we would encourage the companies to out
24 reach quickly to those customers that have already
25 been identified to you and as quickly as possible.

00106

1 That's all I have in the way of questions.
2 I would like the opportunity to respond if we are
3 taking other statements.

4 COMMISSIONER HEMSTAD: This may be a
5 question better addressed to Mr. Shaw and Mr.
6 Finnigan. Is it your contemplation that this would
7 involve a tariff filing to structure and implement
8 this care package?

9 MR. SHAW: Ed Shaw for U S WEST. Yes.
10 Certainly on behalf of U S WEST we would plan to make
11 a tariff filing, and we would be in the situation of
12 offering the same service to different groups of
13 customers at different rates, so we feel that we need
14 to do that pursuant to a tariff for essentially an
15 implicit finding by this Commission that there is no
16 undue or unreasonable discrimination.

17 COMMISSIONER HEMSTAD: Mr. O'Connell?

18 MR. O'CONNELL: Commissioner Hemstad, on
19 behalf of GTE, Tim O'Connell. Yes, we would also
20 anticipate tariff modifications on our existing
21 tariffs on the remote call forward and business 800
22 issues.

23 MR. FINNIGAN: Commissioner, as far as
24 the smaller independent companies are concerned, it's
25 going to be a matter of what happens in the next week

00107

1 as far as a reservation of 206 codes and then each of
2 those companies will look at their tariffs to
3 determine whether somebody will be needed or not.

4 COMMISSIONER HEMSTAD: Any other comments
5 from up here?

6 MR. WALLIS: I have one quick question, and
7 that is how the companies determined that February 29
8 would be the appropriate termination date.

9 MS. JENSEN: Our selection of that date is
10 based on the longest period of time that we believe
11 we'll be able to hold out those additional codes on a
12 permissive dialing state before we get into trouble.
13 In essence, those are codes that would typically be
14 assigned first because they have the largest number of
15 available currently unassigned telephone numbers.
16 Once we get into assigning duplicate numbers in 206
17 and 360, we believe there may be some customer
18 confusion, certainly some misdials and so forth
19 because customers will actually be getting used to
20 mandatory dialing. We can delay that for a period of
21 time by not assigning those numbers in both area
22 codes, but we believe after six months we will be into
23 the large offices and we will in fact be re-assigning
24 previous 206 numbers or current 360 numbers to 206 new
25 prefixes that are available as a result of this

00108

1 change.

2 MR. WALLIS: Thank you.

3 MS. JENSEN: I would also like to qualify,
4 there is one independent company that we will need a
5 nonlocal exchange company to provide a prefix back to
6 them. That has been assigned to them and so we're
7 still working through that issue and that could
8 potentially take longer than a week. Hopefully not.

9 COMMISSIONER HEMSTAD: Perhaps next we
10 should hear any comments or statements from staff.

11 MS. THOMAS: Staff is very appreciative of
12 what the industry has managed to create. We know that
13 you've been meeting on an almost daily basis.
14 Negotiations at times have been delicate, and we
15 appreciate your willingness to do this with all speed
16 and not even deliberate speed. We know it hasn't been
17 easy. It's taken a lot of hours and we appreciate
18 your putting all the goodwill that you have into it.
19 We think it's been an educational process for us about
20 this matter and we're sure that it's been an
21 educational process on your side as well, and we look
22 forward to more cooperation along these lines when
23 these kinds of issues arise and hopefully we'll do a
24 better job on our side and you on yours in
25 anticipating when these kinds of problems arise, and

00109

1 we can perhaps plan better so that we don't have to
2 deal with this in a crisis mode. Staff would like to
3 encourage customers who have been discouraged by and
4 in their previous contacts with their phone companies
5 when seeking help with the problems associated with
6 the new area code to once again call those companies
7 and this time they should be able to receive the kind
8 of help that they were seeking originally.

9 As I stated, I'm giving the companies the
10 lists of interested parties and so forth so that
11 people who have come before us and testified but
12 perhaps not contacted the companies directly will have
13 the opportunity to be contacted by the companies and
14 solutions sought for them. Staff does not want to be
15 the primary contact for these customers because, as
16 Mr. Hemstad has stated, we don't have the ability to
17 create the solutions, you guys do, and we feel it's
18 more appropriate for us to stand by and assist if
19 needed, but we hope and believe today that if the
20 companies are as committed to effecting these
21 solutions as they represent, staff's intervention
22 should be rare, rarely needed or requested.

23 As we understand the proposed solutions for
24 customers, most of them are intended to be temporary
25 to bridge the period of time between now and when the

00110

1 majority of PBX equipment nationwide have been
2 upgraded to read the new area codes, and customers
3 should not expect all aspects of these solutions to
4 continue indefinitely and should clearly understand
5 the parameters of what they are getting from the
6 companies. We therefore encourage the industry to
7 maintain the pressure on PBX owners to upgrade and/or
8 take advantage of dialing the operator to place calls
9 and hope the industry will report to us the progress
10 that you can detect in the manner and speed and
11 penetration with which PBXs are upgraded nationally as
12 we go forward, as that information becomes available,
13 so that we may have some idea of where we are as we go
14 forward and how effectively people will be able to
15 reach your customers at the end of the permissive
16 dialing period, and at the end of these solutions for
17 them and can communicate that back to them when they
18 ask.

19 Importantly, we urge customers to continue
20 reporting problems they find in either their own use
21 or that of others of the phone network in dialing area
22 code 360 so that hopefully every last switch and every
23 last PBX problem can be identified and dealt with as
24 quickly as possible. We are hopeful we understand
25 that we probably won't achieve 100 percent but we sure

00111

1 would like to try and we need customers' help to do
2 that. Finally, we hope that the public understands
3 that the industry now stands ready to respond. Thank
4 you.

5 COMMISSIONER HEMSTAD: We have various
6 people who have signed up here, two who have asked to
7 testify and the first is Beth McNeilly. Should come
8 up over here. Perhaps the panel can stay where they
9 are. There might be an opportunity to question.

10 Whereupon,

11 BETH McNEILLY,

12 having been first duly sworn, was called as a
13 witness herein and was examined and testified as follows:

14 THE WITNESS: I'm Beth McNeilly. I'm with
15 Management Recruiters of Olympia, Washington. I've
16 called U S WEST on several occasions the latest of
17 which was their 800 number on Friday. Also been in
18 touch with Sharon Nelson and the others here. The one
19 remedy that has not been addressed which might be the
20 easiest to implement and is known technologically is
21 that in several of the other states the new area codes
22 are being assigned to overlay the existing to the
23 cellulars, et cetera. I would like that to be
24 addressed. It seems to me to be a perfect remedy in
25 that those are the luxury phones, not our survival

00112

1 phones, and that was my comment.

2 COMMISSIONER HEMSTAD: Let's see. Any
3 questions of Ms. McNeilly by counsel?

4 MR. SHAW: No. We can make a statement of
5 why overlay is not possible if you like.

6 THE WITNESS: You're aware that they're
7 trying to do that in Chicago, Houston and southern
8 California?

9 MR. SHAW: Yes. Commissioner Hemstad, I
10 think as you are aware, the number administrator when
11 we knew that we had to do something in Western
12 Washington, that was one of the options that was
13 considered. It's been an option that's been
14 considered around the country. The FCC has taken the
15 position that that is anticompetitive and
16 discriminatory against the new carriers to put in an
17 overlay area code that just they use. It was debated
18 here at length among the industry both regulated and
19 unregulated. The number administrator obviously
20 cannot act unilaterally. It was the consensus of the
21 industry, and I believe the consensus of the
22 Commission staff that the best of the difficult
23 choices was the split that we did arrive at so an
24 overlay was very seriously considered and was rejected
25 by the industry and the regulators, at least at the

00113

1 national level.

2 MS. THOMAS: If I may, the other issues
3 associated with a service provider overlay such as you
4 suggest is that we would not have been able to
5 recapture enough codes to make that work for very long
6 at all. We would not have been able to avoid a split.
7 It would perhaps have delayed this split but not by
8 very long.

9 THE WITNESS: Well, I think maybe the point
10 is that it would be shared statewide instead of just
11 outside of Seattle, that new services would buy into a
12 limited service knowing what it is whereas my 206 here
13 in Olympia is my survival, and six months of an 800
14 number or something is probably not going to work.
15 We've got 600 offices nationwide some of whom are
16 going to have to get into this particular fray in
17 other states. There's got to start to be an answer.

18 Senator Sutherland's office indicated to me
19 that they were probably going back to the FCC relative
20 to this overlay discrimination, and I think that's
21 appropriate, but it might be something that we could
22 start discussions here since we're the first.
23 Discrimination now is those outside of Seattle versus
24 those in Seattle. Discrimination on the overlay to me
25 is the same sort of thing. Somebody has got to suffer

00114

1 somewhere but how can it be more equitable. It just
2 seems to me -- of course I have a prejudice here
3 because I need 206 -- that the nonprejudicial way
4 would be to take what you've got and then overlay what
5 you have to do in the future. That would be my
6 simplest, I guess.

7 MS. JENSEN: Ms. McNeilly, I would like to
8 clarify -- I'm with U S WEST -- is that in your
9 situation in Olympia this 206 number that we could
10 provide on an interim discounted basis would be
11 something you could continue forward with if you found
12 it worth your while?

13 MS McNEILLY: But that's not my number.

14 MS. JENSEN: Not your existing number,
15 right, but we will be glad to work with you. We can
16 talk after the meeting.

17 COMMISSIONER HEMSTAD: Thank you for your
18 testimony. The other person is Pat Boyer.
19 Whereupon,

20 PAT BOYER,
21 having been previously duly sworn, was called as a
22 witness herein and was examined and testified
23 further as follows:

24 COMMISSIONER HEMSTAD: I believe you
25 testified before so you're previously sworn so you can

00115

1 proceed.

2 THE WITNESS: My name is Pat Boyer. I am
3 part of a company called All Star Magnet in this
4 action in Vancouver, Washington. We're an electronic
5 distributorship. So far the full financial brunt has
6 been put on the back of the nonSeattle area phone
7 customers, the full brunt. The phone companies have
8 had some expense, but their market is expanding and
9 the costs can be attributed to the cost of new
10 business whereas when I get new business my costs go
11 up and that's part of business. The nonSeattle area
12 phone customers business is not expanding but
13 contracting because of the new area code and the costs
14 are increasing because of labor and dollars to notify
15 the customer and the supplier bases with the
16 advertising, the stationery and the phone calls, et
17 cetera.

18 It is discriminating to have the nonSeattle
19 customers bear the full financial burden of Seattle's
20 growth which is the majority reason why we have to
21 have new phone numbers. I think the point has been --
22 we've been missing the point, the problem today. It's
23 been focused on education. Education is just a small
24 piece of the puzzle. The main problem is the PBX
25 systems throughout the U.S. are not working with the

00116

1 360, so you can educate them as much as you want.
2 Unless they change it makes no difference. If the
3 phone companies really wanted to get the PBX system
4 switched over, they should have been changing the
5 Seattle, Denver and Phoenix, the big cities. If you
6 change the big cities, the PBX systems will switch
7 over not by changing the small cities in the rural
8 areas. Why should I have to get an 800 number for my
9 customers and suppliers to contact me? Why should my
10 customers and suppliers have to go to the operator to
11 place a call to me? And by me getting a 206 number in
12 the Seattle area won't accomplish anything from my
13 existing customers because what they'll find is after
14 the permissive dialing period they're going to get a
15 recording to call 360. They're going to try to call
16 360, they won't get past their PBX system. It will be
17 a Catch-22. They still won't be able to contact me.
18 They'll think I'm out of business.

19 The alternative overlap system is the best
20 alternative and the fairest for all concerned. And we
21 get to keep our numbers. The other alternative is to
22 go with permissive dialing for a lot longer for the
23 nonSeattle area. The permissive dialing you can peel
24 off the rural communities that aren't -- that don't
25 really have businesses that are going to get hurt,

00117

1 give those to Seattle and let the permissive dialing
2 last longer for the cities like Olympia and Vancouver
3 and places like that. The alternatives -- to be fair
4 you should have an alternative that is not a further
5 financial burden on us. The financial burden has been
6 quite hard already, and I don't think the people
7 really realize how bad it is. In other words, I think
8 the proposal should be rejected as has been presented
9 today, and you should have a proposal that will create
10 less financial burden on us. That's it. I will
11 answer any questions if you have any.

12 COMMISSIONER HEMSTAD: Again, we're
13 proceeding differently from normal. If the panel or
14 the staff or public counsel have any questions or
15 comments that would be appropriate to respond to Mr.
16 Boyer's concerns.

17 MR. McMAHON: Mr. Boyer, Steve McMahon
18 again. Part of the issue is working with the
19 manufacturers to see if there's a retrofit for those
20 people who do do business with you that do not have
21 the capability of dialing the new area code. We've
22 received some favorable comments from them, but we
23 don't have anything back concrete that would allow
24 people to change out their equipment.

25 One other avenue that we are pursuing with

00118

1 our state and federal -- well, basically it's our
2 federal legislation body -- is there some way we can
3 assist the small businesses in replacing their PBX or
4 key systems that do not have the ability to dial your
5 new number in Vancouver. That's an ongoing process
6 right now. We've been heard at one federal office.
7 It's been received well, and those conversations I
8 think will be taken forward to the FCC and see if we
9 can't get some cooperation at the federal level to
10 give some type of assistance to people who need to
11 change their PBX or key system. Not a final science
12 but that's one of the avenues we're pursuing.

13 THE WITNESS: On the PBX issue the problem
14 I have, I have too many customers. My customer base
15 is over a thousand. So there's no way we're going to
16 be able to contact all of those customers and get them
17 switched over by this August date that we have. Just
18 no possible way. We can educate them, but a lot of
19 them will not want to incur the financial burden of in
20 some cases swapping out their whole PBX system to be
21 able to call me. My competitors will pick up the
22 business. I've had to protect myself and I went with
23 800 numbers, and I went with other numbers that call
24 forward to my area because I cannot afford to lose my
25 customers, but is that fair that I have to do that

00119

1 when Seattle gets to keep their 206 number at no
2 expense to them and they're the reasons why we have to
3 do this anyway?

4 MR. McMAHON: One of the unique situations
5 to this -- I don't know if there is one obvious answer
6 for everyone, but I would be more than happy to give
7 you some of my thoughts on it. You're not my customer
8 but some ideas as far as your people that you do
9 business with.

10 MS. JENSEN: Mr. Boyer, I would make the
11 same offer to you that we would certainly be willing
12 to visit with you. For Vancouver there may be some
13 additional solutions, perhaps a 503 as opposed to a
14 206 number?

15 THE WITNESS: I got one.

16 MS. JENSEN: In addition to that you might
17 find it interesting to note that Vancouver has had
18 over twice the growth that Seattle has had in the last
19 few years for us. It's been quite a challenge to stay
20 up with the growth in Vancouver actually, but we
21 empathize with your situation, and we would like to
22 talk with you about some additional things we might be
23 able to do.

24 THE WITNESS: There is some unique problems
25 in growing in Vancouver versus Oregon. They have a

00120

1 B and O tax. They also have the tax on the equipment
2 and they also have the phone number that won't work
3 now. So we have some -- it may not grow as fast as it
4 has in the past.

5 COMMISSIONER HEMSTAD: Thank you for your
6 comments. We have some quite specific procedural
7 issues that need to be addressed. This proceeding was
8 commenced as an emergency adjudicative proceeding and
9 the Commission entered an emergency order. The normal
10 contemplation is that some more formalized proceeding
11 would follow on to that under the state statutes
12 controlling here, but we, I believe, really have dealt
13 with the issues that would be heard in a more formally
14 so-called complete follow-on proceeding, and so I
15 would ask counsel at this point, are the participants
16 satisfied that the overall result of the Commission's
17 order that it entered two weeks ago with respect to
18 the narrow -- the extension of the permissive dialing
19 period?

20 MR. SHAW: On behalf of U S WEST we are
21 satisfied. I think the thrust and the reason for the
22 Commission launching on an emergency adjudicative
23 proceeding was to be able to essentially enjoin the
24 end permissive dialing period if that appeared
25 appropriate and possible for the Commission to do, and

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1 so from from my perspective that was the final order.
2 The Commission did enjoin it and no party to this
3 proceeding has an objection to that injunction, so I
4 think that the proceeding has completed. We are going
5 to move forward with a proposal we outlined to you
6 today as a company. It doesn't require any further
7 Commission proceeding except to file a tariff and of
8 course the Commission will have the opportunity to see
9 that tariff, and so I would suggest to you
10 procedurally that this matter, it is ended, and could
11 be terminated by a summary Commission order to that
12 effect.

13 MR. O'CONNELL: Commissioner Hemstad, on
14 behalf of GTE, as we review the order that the
15 Commission issued, the proceeding should be closed
16 upon completion of this presentation on behalf of the
17 industry, so we believe an appropriate closing order
18 could issue at this point.

19 MR. FINNIGAN: I concur in the statement of
20 counsel.

21 COMMISSIONER HEMSTAD: Public counsel?

22 MR. TROTTER: We have no objection to the
23 process to date and think their statements are
24 acceptable.

25 MR. TRAUTMAN: And Commission staff also

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1 concurs.

2 COMMISSIONER HEMSTAD: For the record, I
3 take it that all counsel would agree, then, that
4 they're willing to waive any additional process under
5 RCW 34.05.479?

6 MR. SHAW: Yes as to U S WEST.

7 MR. FINNIGAN: Yes as to Washington
8 Independent Telephone Association.

9 MR. O'CONNELL: And on behalf of GTE yes as
10 well.

11 MR. TROTTER: Yes.

12 MR. TRAUTMAN: Yes.

13 COMMISSIONER HEMSTAD: Does any other local
14 exchange company believe that any further hearings are
15 needed to address the extension issue? Mr. Finnigan,
16 I guess you're representing all of them here
17 collectively.

18 MR. FINNIGAN: I'm representing the
19 association as a body, not individual member companies
20 but the association.

21 COMMISSIONER HEMSTAD: Are there any other
22 issues that any of the participants here today feel
23 need to be addressed? If not then it would seem
24 appropriate that the Commission will probably enter an
25 order closing the emergency adjudicative proceeding,

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1 and any further follow-on activities would be pursued
2 under the filings or whatever would be the appropriate
3 process required, but it would not be part of this
4 emergency proceeding. Do any of my respective
5 attorneys here have any further comments about the
6 process?.

7 MR. WALLIS: No. I believe everything has
8 been covered.

9 COMMISSIONER HEMSTAD: If no one has any
10 further questions or comments the Commission will take
11 this under advisement and enter an appropriate order
12 quite promptly. With that the meeting is adjourned.
13 Thank you for all for coming.

14 (Hearing adjourned at 11:45 a.m.)

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