

Exhibit No. ___ (KMF-12)
Docket No. UT-040788
Witness: Kathleen M. Folsom

BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

VERIZON NORTHWEST INC.,

Respondent.

DOCKET NO. UT-040788

EXHIBIT TO TESTIMONY
(INTERIM CASE)
OF
Kathleen M. Folsom

STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

Supplemental Response to Data Request No. 39

July 14, 2004

Data Request No. 39:

Verizon's response to Staff Data Request No. 7 stated in part:

"Gross Additions from Verizon Northwest – Washington Operations for each year since 1998 and Budgeted Gross Additions for 2004 were provided in Schedule C-3 of the General Rate Case Workpapers. This schedule is attached herewith as Attachment 7a. See Attachment 7b for selected planned construction projects in the state of Washington for 2004. The amount represented on Attachment 7b is the budget for the entire project and not just for 2004, since some are multi-year projects."

As a follow-up to this response:

- a. For each year and account shown on Attachment 7a, please provide the dollar amount of the gross additions that was booked to Washington non-regulated operations; the amounts booked to the Washington intrastate jurisdiction, and the amount allocated to Washington interstate operations.
- b. For each project shown on Attachment 7b, please provide the percent of the project's dollar amount that is allocated to Washington non-regulated operations; Washington intrastate operations, and Washington interstate operations. For multi-year projects, please provide the number of years that project involves.

RESPONSE:

- a. Both Part 64 (allocation of costs between regulated and nonregulated activities) and Part 36 (jurisdictional separations) procedures are performed on plant account balances, making no distinction between the allocation of prior period balances, plant additions, plant retirements, or other adjustments. Factors reflecting the total nonregulated apportionment of plant account balances are attached herein as Attachment 39c. Factors reflecting the nonregulated apportionment of plant balances for the test period can be found in Book 2 of 6, Tab 6, Schedule A4. Factors reflecting the intrastate apportionment of regulated category plant balances for 1998 through 2002 and the test period are provided herewith in Attachment 39a. Nonregulated and intrastate factors underlying 2004 data presented in the Company's direct case are shown in Book 2 of 6, Tab 6, Schedule A3 – Part 36 Separation Factors and Schedule A4 – CAM Factor.
- b. Nonregulated/Regulated and intrastate/interstate allocations are performed on total plant balances; as such there is no data available for allocations by projects as identified in attachment 7b. Please see Attachment 39b for the multi-year projects.

Docket No. UT-040788
WUTC Staff Data Requests to Verizon Nos. 35-41
June 9, 2004

Prepared By: Duane Simmons, Doug Becker and Jane Lee
Date: June 8, 2004
Witness: Nancy Heuring or another SME to be identified at a later date

Verizon Response to WUTC Staff Interim Data Request No. 39
UT-040788

Attachment 39b

Location	Description	Years Cover
MT. VERNON MAIN (CONTEL)	ESTABLISH SWITCH SYSTEM ATM BU 17540 (MOUNT VERNON MAIN)	2003-2004
EVERETT CASINO (LOCAL)	ESTB TELLABS TITAN 5500 DACS - CASINO	2002-2004
CHENNAULT BEACH	ESTABLISH SWITCH SYSTEM RSU (RSU#2)	2002-2005
EVERGREEN HOSPITAL	WA03R03_JUNT-EVGRN: SWCH (ORM) ADDN, AT EVERGREEN HOSPITAL	2003-2004
MT VERNON (LOCAL)	PLACE UG FCA CABLE ON LAVENTURE (MOUNT VERNON MAIN 2002-2003)	2002-2004
MT VERNON (LOCAL)	PLACE UG FCA AND CROSS CONN DIVISION(MOUNT VERNON MAIN 2002-2003)	2003-2004
MT. VERNON MAIN (CONTEL)	DSL WIRE CENTER MOVE MTRWAXF FUJITSU 1472/1472 32 DS1	2003-2004
KENNEWICK HIGHLANDS	PROV DACS IV - REUSE	2002-2004
MARYSVILLE (LOCAL)	STATE AVE AER. TO UG. CONVERSION. 6TH STREET TO GROVE STREET	2003-2004
JUANITA	CABLE RELOCATION 124TH AVE NE KING COUNTY ROAD IMPROVEMENT	2003-2004
PRIMARY CENTER 5ESS	PROVIDE TELLABS STS-1 & DS-3 BAY EVERETT PC	2003-2004
EVERETT CASINO (LOCAL)	SITE PREP/CUTOVER ASSOCIATED-2003	2003-2004
MT VERNON (LOCAL)	PCM TO EXPAND HICKOX REMOTE SERVING AREA-2002	2002-2004
PRIMARY CENTER 5ESS	ADD JUNIPER ERX 1440 ROUTER IP/VPN	2002-2004
MARYSVILLE (LOCAL)	ESTABLISH NEW DC POWER & BATT PLANT	2003-2004
HALLS LAKE	220TH ST SW 9TH AVE W TO 84TH AVE W - ROAD IMPROVEMENT	2002-2004
MCLEAN ESA	ESTB DLC CUE W/1920 E/1568 LNS MCLEAN ESA 2004	2002-2005
CO WENATCHEE 100 S	WENATCHEE CO- Replace Roof	2003-2004
LARIMER RIDGE ESA	ESTB PRGN ACCESS MAX-875 LNS LARIMER RIDGE-2004	2003-2004