

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Joint Application of)	
Verizon Communications Inc. and)	
Frontier Communications Corporation)	
For An Order Declining to Assert)	Docket No. UT-090842
Jurisdiction Over, or, in the Alternative,)	
Approving the Indirect Transfer of)	
Control of Verizon Northwest Inc.)	

ANSWER TO IBEW PETITION FOR INTERLOCUTORY REVIEW

1 Pursuant to WAC 480-07-810(3), Verizon Communications Inc. (“Verizon”) and Frontier Communications Corporation (“Frontier”) (collectively, “Applicants”) hereby answer the Petition for Interlocutory Review filed by the International Brotherhood of Electrical Workers, Local 89 on August 6, 2009 (“Petition”). The denial of IBEW’s intervention petition in Order 02 issued on July 28, 2009 (“Prehearing Conference Order” or “Order”) was decided correctly, and should not be disturbed by the Commission.

2 The Prehearing Conference Order found that: (i) IBEW failed to demonstrate a substantial interest in this docket related to its purpose as an organization and (ii) the Commission has no reason to think IBEW’s participation will be in the public interest given its recent conduct in the CenturyTel/Embarq matter. Prehearing Conference Order at 4-5. The Order was correct on both findings, although either would be sufficient under WAC 480-07-355(4) to provide the Commission the grounds to deny an intervention.

1. The IBEW did not demonstrate a substantial interest in this docket.

3 The Prehearing Conference Order was correct to find that the IBEW lacks a substantial interest in this proceeding. As the Order noted, the IBEW’s focus on labor relations means that it cannot show that its “interests are within the scope of what the Commission will consider in this proceeding.” Prehearing Conference Order at 4. And as the Applicants explained in a Joint Response Opposing IBEW’s Petition to Intervene dated June 30, 2009 (“Joint Response”), the IBEW has not shown that any interest it may have in this proceeding is not adequately represented by other participants in the docket. In particular, as the Prehearing Conference Order found (at 4), the notion that the IBEW represents a particular group of customers is fanciful.

4 In its Petition, the IBEW continues to present the Commission with arguments that the Commission has described as “substantially disingenuous” (Order 05, Docket UT-082119, at 22), “baffling” (*Id.*), “facile” (Prehearing Conference Order at 4) and representing “simple sophistry” (Order 05, Docket UT-082119, at 23) about the nature of its interest in a proceeding such as this one. For example, IBEW “readily acknowledges that its interest is to protect its members who are employees of Verizon.” Petition at 2. Such “protection,” and the potential impact on the employees’ “rights” (Petition at 3), are exactly the types of subjects that are outside the scope of Commission jurisdiction.

5 Yet IBEW then goes on to somehow claim that these interests must be considered by the Commission in analyzing the impact of the proposed transaction on “the broader public.” Petition at 3. To make this argument, IBEW cobbles together “support” from unlikely places, including:

- energy cases more than ten years old (one of which, UE-981627, appears to have involved an intervention by a labor organization that – unlike here – was unopposed) notwithstanding more recent energy cases, such as the Puget

Sound Energy docket (Docket U-072375), in which the Commission rejected the intervention of a labor organization (Petition at 2);¹

- decisions from other states on a subject that is particularly state-specific and that the Administrative Law Judge expressly noted were not germane or persuasive (Petition at 5-7);² and
- even the subjects of data requests propounded on the Applicants by other parties (Petition at 4), which obviously do not dictate the jurisdiction of the Commission.

6 These citations raise more questions than they answer, and seem to be as spurious as the legal arguments proffered by IBEW previously in this docket and in the CenturyTel/Embarq matter. They also seem designed to divert attention from the most germane and timely consideration: IBEW’s conduct in the recent CenturyTel/Embarq docket.

2. IBEW’s conduct in the CenturyTel/Embarq docket shows that IBEW’s participation would not be in the public interest.

7 In a school of red herrings, IBEW devotes entirely two sentences to its conduct in the recent CenturyTel/Embarq docket, noting that it “respectfully disagrees with the Commission’s characterization of IBEW’s conduct in that case.” Petition at 3. That disagreement was obvious in the IBEW’s previous filing in this docket (“The Proposed Reply of IBEW to Answer Frontier and Verizon” or “IBEW Reply,” dated July 2, 2009), in which IBEW described what transpired in that docket as follows:

- the Commission rulings were “not supported by any citation to the record” (IBEW Reply at 7);

¹ In Docket U-072375, the Commission found that “the Union failed to establish that it has a substantial interest in the proceeding or that its participation would be in the public interest” and that the “Union established no nexus between itself as an organization and any potential issue in this proceeding.” Order 01, Docket U-072375 at 2.

² Tr. 22:10-15.

- the “Commission’s reasoning does not fully appreciate the role of a private litigant in a proceeding before a utility commission” (IBEW Reply at 7);
- IBEW’s conduct in the matter was “neither unusual nor pernicious” (IBEW Reply at 8);
- the “Commission tried to characterize [IBEW’s conduct] as some type of misuse of the regulatory process – with no record support” (IBEW Reply at 8);
- the “Commission chose to discount counsel’s representations and unjustly impugn the integrity of counsel – all with no evidentiary record” (IBEW Reply at 8); and
- the Commission’s decision was “an anomaly that is at odds with nearly every public utility commission in the United States, and with the Commission’s own history of allowing labor unions to be active participants in merger proceedings” (IBEW Reply at 9).

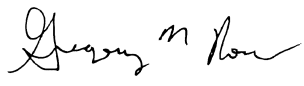
8 IBEW’s continuing quarrel with the Commission on these issues is directly relevant because IBEW makes the same type of representations here as it did to improperly obtain intervention in the CenturyTel/Embarq docket. For example, the Commission granted IBEW’s petition to intervene over CenturyTel/Embarq’s objection based on IBEW’s representations and assurances that it would “focus on issues such as financial and managerial fitness, and the potential impact on competition of the proposed merger.” Order 01, Docket UT-082119, at 2. However, in direct contravention of those assurances, the Commission found later that the IBEW ultimately used its participation in the docket to improperly “extract labor concessions from the Applicants” in the form of a “side-agreement” that prompted IBEW to request withdrawal from the case. Order 05, Docket UT-082119 at 23. Given the IBEW’s continued view (as evidenced by filings made here) that it acted properly in the CenturyTel/Embarq docket, IBEW’s representations of conduct in this docket cannot be relied upon to find that its participation would be in the public interest.

9 Thus, in light of IBEW’s continued lack of understanding of its misconduct in the CenturyTel/Embarq matter and its ongoing dispute with the Commission on its associated findings, IBEW’s representations that it will, for example, “not raise labor relations matters” in this docket cannot be taken at face value. Indeed, as the Prehearing Conference Order found, “the Commission has no reason to think IBEW’s participation will be in the public interest.” Order at 4-5. That finding was correct, and should not be disturbed.

10 Wherefore, for all the reasons in the Order and in the Joint Response, the Commission was right to reject IBEW’s intervention either because IBEW lacked a substantial interest in the proceeding or its participation would not be in the public interest, or both. Accordingly, the Prehearing Conference Order should not be altered as requested by the IBEW Petition.

Respectfully submitted this 14th day of August, 2009,

VERIZON COMMUNICATIONS INC.

By:  _____
Gregory M. Romano, WSBA # 38544
General Counsel – Northwest Region
Verizon
1800 41st Street, WA0105GC
Everett, Washington 98201
Tel: 425-261-5460
Fax: 425-252-4913
gregory.m.romano@verizon.com

FRONTIER COMMUNICATIONS CORPORATION



By: _____

Charles L. Best, WSBA # 31943

Attorney at Law

1631 NE Broadway # 538

Portland, Oregon 97232-1425

Tel: 503-287-7160

Fax: 503-287-7160

chuck@charleslbest.com