

00001

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

BEFORE THE WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

In the Matter of the Petition of VERIZON NORTHWEST, INC., for Waiver of WAC 480-120-071(2)(a).)Docket No. UT-011439)Volume I)Pages 1-29)

A hearing in the above matter was held on January 22, 2002, at 1:39 p.m., at 1300 Evergreen Park Drive Southwest, Olympia, Washington, before Administrative Law Judge MARJORIE R. SCHAER.

The parties were present as follows:

VERIZON NORTHWEST, INC., by Judith Endejan, Attorney at Law, Graham & Dunn, 1420 Fifth Avenue, 33rd Floor, Seattle, Washington 98101.

THE COMMISSION, by Gregory Trautman, Assistant Attorney General, 1400 Evergreen Park Drive, S.W., P.O. Box 40128, Olympia, Washington 98504-0128.

Barbara L. Nelson, CSR
Court Reporter

00002

1 JUDGE SCHAER: Let's be on the record.
2 We're here this afternoon for a hearing in Docket
3 Number UT-011439. This is a petition by Verizon
4 Northwest, Incorporated, seeking waiver of or an
5 exemption from WAC 480-70-071 regarding extending
6 service to two separate locations in Verizon's
7 Bridgeport exchange in Okanogan and Douglas Counties.

8 We are in the Commission's Hearing Room 206
9 in the Commission headquarters building in Olympia,
10 Washington. Today is January 22nd, 2002. I'm
11 Marjorie Schaer, and I'm the Administrative Law Judge
12 assigned by the Commission to this proceeding. I'd
13 like to start by taking appearances from all of the
14 parties. Please state for the record your name, whom
15 you represent, your address, telephone, fax and
16 e-mail, if you use one. Let's start with you,
17 please, Ms. Endejan.

18 MS. ENDEJAN: Yes, thank you, Your Honor.
19 My name is Judith Endejan, and I'm with the firm of
20 Graham and Dunn. I'm representing Verizon Northwest,
21 Inc. in this proceeding. My business address is 1420
22 Fifth Avenue, 33rd Floor, Seattle, Washington,
23 98101-2390. My telephone is area code 206-340-9694;
24 my fax number is 206-340-9599; my e-mail is
25 jendejan@grahamdunn.com.

00003

1 JUDGE SCHAER: Thank you. And for
2 Commission Staff.

3 MR. TRAUTMAN: Gregory J. Trautman,
4 Assistant Attorney General, representing Commission
5 Staff. My address is 1400 South Evergreen Park
6 Drive, S.W., Post Office Box 40128, Olympia,
7 Washington, 98504-0128. My telephone number is area
8 code 360-664-1187; my fax number is area code
9 360-586-5522; and my e-mail address is
10 gtrautma@wutc.wa.gov.

11 JUDGE SCHAER: Thank you. I note that
12 there's no one here from Public Counsel. Has anyone
13 in the room had discussions with them or know whether
14 or not they planned to be involved in this
15 proceeding?

16 MR. TRAUTMAN: I do not believe they
17 planned to participate, Your Honor.

18 JUDGE SCHAER: Thank you, Mr. Trautman.

19 MS. ENDEJAN: I've had no discussions with
20 Public Counsel.

21 JUDGE SCHAER: Thank you, Ms. Endejan.
22 Well, this afternoon, what we're going to need to do
23 is review the issues presented and develop a schedule
24 for resolving the issues that are framed by the
25 notice of hearing. Before I begin on that, are there

00004

1 any preliminary matters to come before the Commission
2 at this time?

3 MS. ENDEJAN: No. Your Honor, Mr.
4 Trautman, Mr. Shirley and Ms. Gage and myself, we met
5 over the lunch hour to try to talk about some issues
6 that might make this case go more smoothly, and I
7 don't know if you want to have perhaps some off the
8 record discussion about what we discussed and
9 generally agreed upon or if you want to proceed with
10 what you had on your schedule.

11 JUDGE SCHAER: Well, at this point, I was
12 going to call on you and Mr. Trautman to give me an
13 idea what you think the issues framed are. So why
14 don't you just go ahead and start that discussion. I
15 don't see any reason for that to be off the record,
16 unless there's something particular you'd prefer to
17 have off the record.

18 MS. ENDEJAN: No, it's up to you.

19 JUDGE SCHAER: All right. Well, then, Mr.
20 Trautman.

21 MR. TRAUTMAN: Well, at this point, are we
22 discussing issues or are we discussing timelines or
23 what exactly are you envisioning?

24 JUDGE SCHAER: Right now, I'm envisioning
25 that we're discussing issues and then I would next

00005

1 probably be moving on to a schedule. But for right
2 now, I just would like to have the parties tell me
3 what issues you see framed and have a little bit of
4 an idea beyond the pleadings of what this case is
5 going to be about.

6 MS. ENDEJAN: Okay. Let me take a crack at
7 that.

8 JUDGE SCHAER: All right. Go ahead,
9 please.

10 MS. ENDEJAN: The issues raised by this
11 petition deal with the requests from two individuals
12 who live in remote areas of Washington State for an
13 extension of service. And in order to accommodate
14 these requests, and they're in two different
15 locations, Verizon would have to spend approximately
16 \$1.2 million in order to satisfy those line extension
17 requests.

18 The first requester was Ms. Kay Taylor, and
19 she lives outside of Bridgeport, and the amount at
20 issue there involves quite a bit of reenforcement
21 costs, which Verizon would not be able to recover in
22 terms of increasing its terminating access charge to
23 otherwise recover it under the line extension rule.

24 The second request involves essentially
25 extending the line for approximately 23 miles down a

00006

1 relatively primitive road. It is a road, but it is a
2 difficult road, and that cost is approximately -- or
3 exceeds \$800,000. Most of that would be recoverable
4 from increasing the terminating access charge.

5 However, in Verizon's view, Mr. Nelson's
6 request raises some pretty significant public policy
7 issues as to whether or not there are some customers
8 in some circumstances that do not -- that rise to the
9 level of denying a request for phone service.

10 The rule lists several factors, which we
11 intend to elaborate on in the testimony we will file
12 for our witnesses. I think at issue here is also --
13 well, I think that that's how we see the issues.

14 JUDGE SCHAER: Okay. Mr. Trautman, did you
15 have anything to add to that?

16 MR. TRAUTMAN: Well, I might have something
17 to add and I might have something to subtract, in the
18 sense that there were -- I agree that at issue is the
19 application of the Commission's line extension rule
20 and whether waivers to that rule are appropriate
21 under the criteria set forth in the rule.

22 As far as the factual representations
23 pertaining to each of the extensions, Staff, at this
24 point, is not prepared to agree or disagree with the
25 various facts. We need -- those are things that

00007

1 would need to be brought out through the hearing or
2 perhaps, in some cases, through stipulation. But we
3 agree that the issue is one of whether these cases
4 would be appropriate for waiver under the rule.

5 Another issue, though, that may arise in
6 one or perhaps both of the extensions is whether the
7 Commission would need or should exercise its
8 authority under RCW 80.36.230 and 240. Those are the
9 statutes granting the Commission authority to
10 prescribe exchange boundaries and also to alter those
11 boundaries in appropriate circumstances.

12 The Commission recently, in Docket
13 UT-991878, which was In The Matter of The Petition of
14 Neil Thompson, held that the Commission does have the
15 authority to do that, but that whether it should do
16 so is a factual question to be decided in the
17 particular circumstances.

18 So for that particular issue, there may be
19 a need for Commission -- for the Staff to perhaps
20 make a motion to join an additional party or parties
21 if we believe that another party may be better able
22 and perhaps should be required to provide service in
23 one of the cases.

24 Other than that, again, the issue is simply
25 whether the two extensions are appropriate for a

00008

1 waiver under the circumstances.

2 JUDGE SCHAER: Okay. Well, you're
3 confirming the issue that I was concerned about, just
4 reviewing what's in the file already. And I noted
5 that in paragraph five of the notice, there is
6 language about whether the Commission might wish to
7 exercise its authority to prescribe exchange area
8 boundaries, and in reading through the factual
9 assertions in the petition, I've read that CenturyTel
10 facilities are closer to one of the locations and
11 Qwest facilities closer to another of the locations.
12 And I note that the notice record for this proceeding
13 doesn't show that notice was served on either of
14 those companies, nor do they appear to be here today,
15 so --

16 MR. TRAUTMAN: It was my understanding, at
17 least in the case of Qwest, that notice would
18 formally be given. Now, maybe that has not been
19 done. I believe that we actually asked -- we being
20 Commission Staff and our paralegal, I believe we
21 asked that -- specifically that Qwest be put on the
22 notice list or be given notice. And I know that I
23 believe they have received actual notice of it. I
24 informed their attorney of this. But it may be that
25 we need to file a motion to add them as a party and

00009

1 serve them with the documents.

2 JUDGE SCHAER: Well, I have in the hearing
3 room, if you'd like to look at it or if you would
4 like to look at it, Ms. Endejan, the Commission's
5 official file for this proceeding, and it includes
6 the service list. And from what I have reviewed, it
7 does not appear that any company other than Verizon
8 was given notice of this proceeding.

9 If you'd like to review the file, I'll let
10 you do so at this point, because then I think we do
11 need to talk about what comes next if it is going to
12 be Staff's request --

13 MS. JENSEN: Your Honor, this is Teresa
14 Jensen, with Qwest. We were not formally served, and
15 that's why we're not formally in appearance today.
16 I'm just curious, so calling in to see what happens
17 next.

18 JUDGE SCHAER: Thank you, Ms. Jensen. Did
19 you get that? Okay. The court reporter has noted
20 those comments. I think we'll go off the record for
21 a moment to allow the parties to look at the official
22 file and then go back on the record and continue to
23 discuss how the issues are to be framed and who, if
24 anyone else, needs to be in this hearing room while
25 we do that. We're off the record.

00010

1 (Recess taken.)

2 JUDGE SCHAER: Let's be back on the record.

3 While we were off the record, we had an extensive
4 discussion of whether or not other companies are
5 going to be made a part of this proceeding and what
6 that does to the shape of this proceeding and how it
7 goes forward, and I think, Mr. Trautman, that you
8 were going to discuss what Staff has in mind at this
9 point about perhaps including another company or
10 companies, so go ahead, please.

11 MR. TRAUTMAN: Thank you, Your Honor. Yes,
12 I believe Staff would anticipate filing a motion to
13 include or to join Qwest as a party in this matter
14 regarding the Nelson extension, and in particular
15 asking whether the Commission should exercise its
16 authority under RCW 80.36.230, which authorizes the
17 Commission to prescribe exchange boundaries and which
18 the Commission has also interpreted as granting it
19 authority to alter exchange boundaries.

20 The Commission has already made the
21 determination in a prior case, Docket UT-991878, In
22 re: The Matter of the Petition of Mr. and Mrs. Neil
23 Thompson for a Boundary Change and Designation of a
24 Telecommunications Common Carrier.

25 JUDGE SCHAER: Okay. Mr. Trautman, you

00011

1 mentioned while we were off the record that this was
2 a case that had been settled; is that correct?

3 MR. TRAUTMAN: I believe the case
4 eventually settled, but, nevertheless, the order --
5 an order was entered by the Commission on June 19th,
6 2000. I believe the case was settled, but this order
7 was entered nevertheless and it is still a valid
8 order and it directly addresses the issue of whether
9 the Commission has authority to invoke the statute
10 under appropriate circumstances, and so I believe
11 it's a legal matter. That matter's been resolved.
12 This is what we would argue in the motion.

13 Whether it should be applied, of course, in
14 a particular case would be a question of applying the
15 particular facts of the case, but we anticipate that
16 we would move to join Qwest on the basis of this
17 statute, and then to apply the facts to this case.

18 JUDGE SCHAER: And Ms. Endejan.

19 MS. ENDEJAN: Thank you, Your Honor. Of
20 course, Staff is, you know, obviously entitled to
21 bring whatever motion it deems appropriate. I do
22 think that there is a policy issue that is raised by
23 moving to join another company to this proceeding for
24 purposes of making them assume obligations associated
25 with an exchange boundary.

00012

1 I would request that the Commission serve
2 notice on all local incumbent local exchange
3 companies in the state that such a motion has been
4 made and will be heard, and advise the companies that
5 this is a pending issue before the Commission, and if
6 they feel that it is in their best interests to do
7 so, to intervene, they would then be given an
8 opportunity to present argument to the Commission as
9 to why their interests are being affected and come
10 forward.

11 If they choose not to come forward, well,
12 they'll at least have been given notice. And I think
13 that because this case has the likelihood of
14 establishing Commission policy and precedent in a new
15 area, as you acknowledged yourself, Your Honor, I
16 think that it would be appropriate if the Staff is
17 going to try to join one company, that all other
18 companies who may be affected by such a policy
19 decision be advised.

20 JUDGE SCHAER: So tell me, in practical
21 terms, what you would see. Staff has indicated it
22 would like to file a motion to join Qwest as a party
23 in the proceeding. Would you then want notice of
24 that to go to other companies or would you want
25 Staff's motion expanded to everybody or --

00013

1 MS. ENDEJAN: I don't think Staff wants to
2 expand it to include other companies. I think that
3 an appropriate thing for the Commission to do would
4 be to send a notice to all incumbent local exchange
5 companies who have exchange maps on file with this
6 Commission that this proceeding is pending and that
7 Staff has moved to join Qwest as a party for the
8 purpose of resolving the issue of whether the
9 Commission, on its own motion, may alter the local
10 exchange boundaries of another company pursuant to
11 RCW 80.36.230 or 80.36.240.

12 And that would advise the companies this
13 issue is pending before the Commission in the form of
14 this motion raised by Staff, and if they are
15 interested, they would then have an opportunity, I
16 guess, to make a petition for late filed intervention
17 in this, which, you know, you would have to decide
18 whether they presented sufficient grounds to
19 intervene given the interests that they might raise.

20 So that's how I would proceed. It doesn't
21 hurt, I think, anybody to give these companies notice
22 that there's a major policy issue pending in an open
23 docket before the Commission that may or may not
24 affect them. And you know, I think it would be
25 unfair to, you know, deprive them of that

00014

1 opportunity.

2 JUDGE SCHAER: Ms. Endejan, you filed a
3 nice, clean, straightforward petition, and it seems
4 to be taking on a life of its own, and I don't know
5 if that --

6 MS. ENDEJAN: That wasn't our intention,
7 Your Honor.

8 JUDGE SCHAER: -- is a burden we are
9 accepting or if I should wait to see your answer to
10 Staff's motion, but --

11 MS. ENDEJAN: Your Honor, it was not our
12 intention to raise the issue of the Commission
13 altering another local exchange company's boundary.
14 That wasn't part and parcel of our petition. That's
15 something that's raised by Staff and, unfortunately,
16 by raising that, it's now taken on a life of its own.

17 I want to have this proceeding handled in a
18 controlled, expeditious manner because of the time
19 constraints associated with it. So I don't want it
20 dragged out, but I don't want someone coming in at
21 the last minute saying, Wait a minute, what are you
22 people doing, you didn't give me notice that you
23 were, you know, doing something that's going to
24 affect my livelihood down the road. I don't want
25 that to derail the proceeding, either, so I'm trying

00015

1 to anticipate at the front end how can we proceed so
2 that we don't have that problem later on.

3 JUDGE SCHAER: Okay. Mr. Trautman.

4 MR. TRAUTMAN: Well, Staff's response would
5 be that it -- and this will be filed with our motion
6 -- is that it would not be appropriate to join every
7 other company in Washington or to notify them so that
8 they could intervene in this matter for the simple
9 reason that, in Staff's opinion, the Commission has
10 already decided the legal issue. It's an issue that
11 was decided by the -- in the order, it is a
12 prehearing conference order, but it directly
13 addresses, in Staff's view, the issue. And if it
14 were a new issue that had never been addressed, that
15 might be a different matter, but it's already been
16 addressed. And so the only question would then be
17 whether that statute should be applied to the
18 particular facts. And the facts of this case, the
19 Nelson extension could only apply to Verizon or
20 Qwest. It couldn't apply to any other company. And
21 so it's not -- they would have nothing that they
22 could add factually, the legal matter having been
23 decided.

24 MS. ENDEJAN: Your Honor, that's precisely
25 the point I was trying to make. I've never heard of

00016

1 this Neil Thompson order in Docket UT-991878. Mr.
2 Trautman is just telling me that the Commission has
3 already decided a matter of great legal import to my
4 client, and I've never heard of it, I've never had a
5 chance to be heard on that point, and I haven't read
6 the order. So I don't know whether or not that, in
7 fact, is the case.

8 JUDGE SCHAER: Ms. Endejan, I'm sure that
9 at some point soon you and I are both going to be
10 studying that order very carefully and the rest of
11 what happened in that case.

12 MS. ENDEJAN: Right.

13 JUDGE SCHAER: But -- because as I
14 understand what is planned, there will be a motion
15 made and answer by you, answer by whoever the motion
16 is made to include, and then a decision to be made.
17 So I assure you that you will have your opportunity
18 to be heard on that issue before it's decided.

19 I'm kind of at the more practical -- I'm in
20 the left side of my brain right now, just trying to
21 figure out how this works and how we should set this
22 up to work, and so I guess what I'd like to hear from
23 Staff at this point is how do you -- when do you
24 contemplate making the motion, how do you contemplate
25 serving Qwest or any other party that you believe

00017

1 should be served, and it seems to me that we may need
2 to figure out whether or not this issue and that
3 party are included before we can build a schedule.
4 Or, on the other hand, we could build a schedule and
5 then see if we could maintain it.

6 MR. TRAUTMAN: Well, I would anticipate we
7 could file the motion by perhaps the end of next
8 week. This week is very, very busy for me, but
9 perhaps -- the end of next week would be February the
10 1st, today being January 22nd. And we would
11 anticipate, then, serving it on Qwest and on Verizon.

12 JUDGE SCHAER: Would you assume that they
13 would have the normal 20 days to answer or are you
14 asking for a different time or how --

15 MR. TRAUTMAN: I leave that to the
16 discretion of the Bench.

17 MS. ENDEJAN: I guess the answer to that
18 depends on whether the Commission wants to provide
19 notice that this issue is to be heard to other
20 potentially impacted companies or not.

21 JUDGE SCHAER: I would contemplate that you
22 would have to make an argument for that in your
23 response before that issue would be further
24 considered.

25 MS. ENDEJAN: Okay. Well, two things,

00018

1 then. Obviously, we could respond expeditiously. I
2 think that the party most impacted will be Qwest, and
3 I realize that they're not officially here, but from
4 a practical standpoint, I don't know what's going on
5 in the life of Qwest attorneys. And with leave of
6 Your Honor, perhaps Ms. Jensen might give us some
7 idea about a time frame that they can live with. I'm
8 flexible. I can live with a quick turnaround time, I
9 can get a response back in a week to ten days, if I
10 have to. So Qwest is going to be the one most
11 impacted.

12 JUDGE SCHAER: What day of the week is the
13 21st, Mr. Trautman?

14 MR. TRAUTMAN: What day of the week is the
15 21st of --

16 JUDGE SCHAER: Of February.

17 MR. TRAUTMAN: That is a Thursday.

18 MS. ENDEJAN: Thursday.

19 JUDGE SCHAER: I think perhaps it would be
20 appropriate, since another party who's had nothing to
21 do with this at this point is being pulled in, that
22 we gave them the 20 days included in the procedural
23 rules. So assuming that your document is served on
24 the 1st, then probably I would say the 22nd, because
25 that would, I think, under the counting rules -- we

00019

1 have a counting rule in the procedural rules, that
2 you don't count the first day and you do count the
3 last day.

4 And I think the next thing I'd like to have
5 the parties discuss, then, is scheduling for the
6 remainder of the proceeding. And what we can do now,
7 it would appear to me that the first round of filing
8 would be by the moving party, and that if another
9 party is brought in, I'm not sure we would even file
10 until after Staff had filed, so it might be that we
11 could get some work done during these days.

12 So I think it might be a good idea if we
13 took our afternoon recess at this time and let the
14 parties talk about scheduling and see if you can come
15 up with some ideas for an agreed schedule or
16 something close to that. Is there any concern about
17 doing that at this point, Ms. Endejan?

18 MS. ENDEJAN: Your Honor, I do have a
19 question --

20 JUDGE SCHAER: Certainly.

21 MS. ENDEJAN: -- and a concern. My client
22 very much wants to have its testimony heard with the
23 Commissioners present. I understand how very
24 difficult that might be, given the schedule this year
25 at the Commission and all of the energy matters that

00020

1 are before the Commission.

2 However -- and I don't know if I need to
3 make a formal motion or not, but if I have to,
4 Verizon will move to have a hearing date scheduled
5 when the Commissioners can be present. We don't
6 anticipate there being more than one or two days
7 involved with hearing this matter.

8 Verizon anticipates three to four
9 witnesses. I don't know to what extent
10 cross-examination -- that Staff will want to engage
11 in cross-examination, but because that is the
12 company's desire, a lot of how we set our schedule in
13 segments will be determined by when and if we can get
14 the Commissioners for a day, given their schedule
15 this year.

16 JUDGE SCHAER: Now, are you contemplating
17 having more than one hearing or just a hearing at the
18 end of all filings?

19 MS. ENDEJAN: Just one hearing in total at
20 the end of all filings.

21 JUDGE SCHAER: Okay. Well, I think, then,
22 perhaps it would be useful to talk about prefiling
23 dates and what could be done, about discovery
24 concerns and time turnarounds and all those more
25 pedestrian items.

00021

1 It's my understanding at this point that
2 the Commissioners do not contemplate sitting on the
3 hearings, but I will see if there's anything more I
4 can find out about that during the recess. And
5 otherwise, I would think that we're probably far
6 enough out that it may be that it would not make a
7 lot -- what days are available that far out may not
8 make a lot of difference to at least the initial
9 shape of the schedule.

10 MS. ENDEJAN: Okay.

11 JUDGE SCHAER: So is there anything else we
12 need to discuss before we go off the record?

13 MR. TRAUTMAN: No.

14 JUDGE SCHAER: We'll take our afternoon
15 recess at this time. Please be back by 25 till 3:00,
16 by the clock in the room. We're off the record.

17 (Recess taken.)

18 JUDGE SCHAER: Let's be back on the record
19 after our afternoon recess. While we were off the
20 record, the parties had time to discuss possible
21 outlines of a schedule for this proceeding. And I
22 was able to do some checking on Commissioner time and
23 provide a calendar showing what their availability
24 might be, although if the parties do want to have the
25 Commissioners sit on this hearing, rather than just

00022

1 an Administrative Law Judge, you are going to have to
2 make a motion for that and justify that.

3 So I don't want you to think that my
4 providing information meant that that request had
5 been granted at this point. So I guess, with the
6 report back, then it was going to be your turn to go
7 first, Ms. Endejan, or Mr. Trautman, were you going
8 to start with that or --

9 MR. TRAUTMAN: I think we pretty much have
10 an agreed schedule, so I think Ms. Endejan -- or
11 agreed proposed schedule, so we can have Ms. Endejan
12 go through that.

13 MS. ENDEJAN: Thank you. I'd be happy to
14 do that.

15 JUDGE SCHAER: Thank you.

16 MS. ENDEJAN: The first date, Staff will
17 file a motion to add Qwest as a party by February
18 1st. A response to that motion will be due on
19 February 22nd, 2002. Verizon will file its opening
20 round of testimony on March 6th. On April 17th,
21 Staff will file a response to Verizon's opening.

22 JUDGE SCHAER: You're going a little bit
23 faster than I can write.

24 MS. ENDEJAN: Okay.

25 JUDGE SCHAER: So Verizon's direct case is

00023

1 coming on what day in March, please?

2 MS. ENDEJAN: March 6th.

3 JUDGE SCHAER: Thank you. And Staff's
4 direct case is?

5 MS. ENDEJAN: April 17th.

6 JUDGE SCHAER: Thank you.

7 MS. ENDEJAN: That would also be the same
8 date for Qwest to file any testimony if the
9 Commission decides to add Qwest as a party.

10 JUDGE SCHAER: Okay. And of course, we'll
11 have to review that with Qwest if they become a
12 party, but I have some concern just now that they
13 might need to see what Staff is proposing in terms of
14 boundary line changes before they were to respond,
15 but -- just kind of give you the heads up on that.

16 MS. ENDEJAN: We're trying to anticipate
17 the same amount of rounds of testimony in the
18 schedule.

19 JUDGE SCHAER: Okay.

20 MS. ENDEJAN: Verizon's reply would be due
21 on May 15th. Staff's reply to Qwest would also be
22 due on May 15th. Then Qwest's final round of
23 testimony or its reply to Staff's response would be
24 June 15th. A hearing with the Commissioners, should
25 the motion be granted, would be scheduled for July

00024

1 2nd. Briefs in the matter would be due July 31st.

2 And at some point after the prehearing
3 order's issued in this case, Verizon will probably
4 bring a motion to extend the 18-month deadline of the
5 rule for good cause pending a determination of the
6 Commission on the petitions of Qwest. And we've
7 discussed that matter with Staff, and I think we can
8 -- I think we need to make the motion and it would be
9 conditioned on obviously Verizon acting as
10 expeditiously as feasible depending upon the date
11 that the Commission's decision comes down.

12 So for instance, the decision comes out in
13 September, and if it's possible to do it this year,
14 Verizon will try. That would probably be unlikely,
15 given the window that they need, but Verizon would
16 put these orders at the top of the queue and they
17 would be the first ones installed the next
18 construction season, in 2002.

19 MR. TRAUTMAN: Three.

20 MS. ENDEJAN: Three, excuse me, three.

21 JUDGE SCHAER: And you agree with that
22 schedule, Mr. Trautman?

23 MR. TRAUTMAN: Staff would agree to that
24 schedule, with that condition.

25 JUDGE SCHAER: Okay.

00025

1 MR. TRAUTMAN: And it's Staff's
2 understanding that the engineering portion of the
3 project could be done over the winter, so that they
4 could immediately begin construction --

5 MS. ENDEJAN: Right.

6 MR. TRAUTMAN: -- at the beginning of the
7 next construction season.

8 JUDGE SCHAER: Thank you. The other thing
9 I had asked you to discuss when you were discussing
10 scheduling was discovery and discovery turnaround
11 times and whether there was going to need to be a
12 change of any kind in the discovery turnaround times
13 to allow you to meet the schedule you proposed. Did
14 you have that discussion yet?

15 MS. ENDEJAN: We haven't had that
16 discussion, but I believe, and correct me if I'm
17 wrong, Mr. Trautman, that we would follow the -- we
18 would request that the discovery rule be invoked and
19 that the normal timelines associated with the
20 discovery would apply here.

21 JUDGE SCHAER: Is that also what you would
22 like?

23 MR. TRAUTMAN: Yes, I think that would
24 work.

25 JUDGE SCHAER: Okay. Then I am going to

00026

1 trigger the applicability of 480-09-480, and let the
2 parties follow timelines set out in that rule. I
3 will encourage the parties, to the extent that you
4 can, to cooperate informally on exchange of
5 information, to make that as smooth and simple as
6 you're able to do. If, for some reason, you run into
7 problems and there are discovery disputes, then I
8 would be available for telephone conference or any
9 other kind of means that you need of resolving those
10 quickly, but I really, with this professional
11 counsel, don't expect that that would be a concern.
12 I just encourage you to get along and get things
13 moving, if you could.

14 The next thing, after the schedule and the
15 discovery, is the question of whether anyone in the
16 case sees the need for a protective order.

17 MS. ENDEJAN: We did discuss that, Your
18 Honor, and we're not certain. And I think that it's
19 the desire of both parties to have one entered in
20 this case in the likelihood that there are
21 confidential materials disclosed from the company. I
22 think that that's a correct statement of Staff's
23 position.

24 MR. TRAUTMAN: Yeah, Staff agrees that that
25 would be appropriate.

00027

1 JUDGE SCHAER: Okay. I will have that
2 done, as well. I think it's much better to have that
3 in place if you need it than it is to run into
4 problems and discover that you don't have it and have
5 other systems not function as they should.

6 Okay. Attached to the prehearing
7 conference order will be information about how to
8 file with the Commission, and I would like to stress
9 that the Commission, and particularly this
10 Administrative Law Judge, would request that, as much
11 as possible, you file things electronically, as well
12 as in hard copy. I have checked the distribution
13 list for this case, and the Commission will need an
14 original plus 13 copies of items that you file, so
15 you don't need to file 20 copies. You can file 13
16 copies.

17 A prehearing conference order will be
18 entered, and any objections to the provisions of the
19 order must be filed within ten days of entry of the
20 order. Absent such objections, the prehearing
21 conference order will control further proceedings in
22 this matter, subject to Commission review.

23 Are there any other matters that we need to
24 discuss while we're here together today?

25 MS. ENDEJAN: Your Honor, I have a

00028

1 question. For purposes of filing things
2 electronically and for your convenience, would you
3 want to be e-mailed directly a copy of pleadings and
4 testimony or would you want it to go through the
5 records office?

6 JUDGE SCHAER: I would like such things to
7 go through the records center. You can do it by
8 e-mail or you can do it by sending a disk with hard
9 copies. But in either case, the records center will
10 post them on the online library, and they will be
11 available not just to me, but to anyone in the
12 Commission who needs to work with them, and many of
13 them are posted to our Web site so that others who
14 are working on the case can have access to it, as
15 well. We find that that works very nicely for people
16 who need to telecommute or do other things of that
17 nature.

18 Any other questions while we're here today?
19 Thank you for your time and look forward to hearing
20 from you. I believe we're going to have a motion
21 from Mr. Trautman regarding Qwest and we may be
22 receiving a motion from Verizon regarding having the
23 Commissioners sit. Any other issues that are still
24 pending at this point?

25 MS. ENDEJAN: Thank you, Your Honor.

00029

1 JUDGE SCHAER: Thank you. We're off the
2 record.
3 (Proceedings adjourned at 2:57 p.m.)
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

