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1 BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
2 COMMISSION

3 WASHINGTON UTILITIES AND)
TRANSPORTATION COMMISSION,) DOCKET NO. UT-950200
4)
Complainant,) VOLUME 13
5)
vs.) Pages 855 - 875
6)
U S WEST COMMUNICATIONS, INC.,)
7)
Respondent.)
8 -----)

9 A hearing in the above matter was held at
10 8:15 a.m. on January 8, 1996, at 1300 South Evergreen
11 Park Drive Southwest, Olympia, Washington
12 before Chairman SHARON L. NELSON, Commissioners
13 RICHARD HEMSTAD, WILLIAM R. GILLIS and Administrative
14 Law Judge C. ROBERT WALLIS.

15

16 The parties were present as follows:

17 U S WEST COMMUNICATIONS, by EDWARD SHAW,
18 Attorney at Law, 1600 Bell Plaza, Seattle, Washington
98191.

19 WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION STAFF, by STEVEN W. SMITH and GREGORY
20 TRAUTMAN, Assistant Attorneys General, 1400 South
Evergreen Park Drive Southwest, Olympia, Washington
21 98504.

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

24 Cheryl Macdonald, CSR

25 Court Reporter

1 APPEARANCES (CONT.)

2 AT&T, by DANIEL WAGGONER, Attorney at Law,
3 1501 Fourth Avenue, Suite 2600, Seattle, Washington
4 98101 and SUSAN PROCTOR, Attorney at Law, 1875
5 Lawrence Street, Denver, Colorado 80202.

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

9 TRACER, by ARTHUR A. BUTLER, Attorney at
10 Law, 601 Union Street, Suite 5450, Seattle, Washington
11 98101-2327.

12 ENHANCED TELEMAGEMENT, INC., by SARA
13 SIEGLER MILLER, Attorney at Law, 2000 NE 42nd Street,
14 Suite 154, Portland, Oregon 97213.

15 MCI, by CLYDE MACIVER, Attorney at Law,
16 4400 Two Union Square, 601 Union Street, Seattle,
17 Washington and ROBERT NICHOLS, Attorney at law, 2060
18 Broadway, Suite 200, Boulder, Colorado 80302.

19 SPRINT, by LESLA LEHTONEN, Attorney at Law,
20 1850 Gateway Drive, 7th Floor, San Mateo, California
21 94404-2467.

22 DEPARTMENT OF INFORMATION SERVICES, by
23 ROSELYN MARCUS, Assistant Attorney General, 1125
24 Washington Street Southeast, PO Box 40100, Olympia,
25 Washington 98504.

AMERICAN ASSOCIATION OF RETIRED PERSONS, by
RONALD L. ROSEMAN, Attorney at Law, 401 Second Avenue
South, Suite 401, Seattle, Washington 98104.

INTEL CORPORATION, by DHRUV KHANNA, Senior
Attorney, HF3-03, 5200 NE Elam Young Parkway,
Hillsboro, Oregon 97124.

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

2 JUDGE WALLIS: Let's be on the record,
3 please, for a pre-hearing conference in the matter of
4 Washington Utilities and Transportation Commission
5 versus U S WEST Communications, Inc, docket No.
6 UT-950200. Our purpose for this morning's pre-hearing
7 conference is to get our exhibits lined up, and to get
8 prepared to begin our main proceeding at 9:00 or as
9 soon thereof as we're ready. We do intend to talk
10 about some of the administrative details of the
11 proceeding and then to identify exhibits that parties
12 intend to introduce on cross. I would like to begin if
13 we can by just asking each counsel to identify him or
14 herself and the party that you represent and I would
15 like to begin with Mr. Shaw.

16 MR. SHAW: Thank you. Ed Shaw for US West
17 Communications.

18 MR. ROSEMAN: Ronald Roseman for the
19 American Association of Retired Persons.

20 MR. FINNIGAN: Rick Finnigan for the
21 Washington Independent Telephone Association.

22 MS. MARCUS: Roselyn Marcus, assistant
23 attorney general for Department of Information
24 Services.

25 MR. BUTLER: Art Butler for TRACER.

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1 MR. WAGGONER: Daniel Waggoner and Susan
2 Proctor for AT&T Communications.

3 MR. MACIVER: Clyde MacIver and Robert
4 Nichols for MCI Telecommunications Corporation.

5 MS. LEHTONEN: Lesla Lehtonen on behalf of
6 Sprint Communications Company LP.

7 MR. TROTTER: Donald T. Trotter, assistant
8 attorney general, public counsel section.

9 MR. TRAUTMAN: Gregory J. Trautman and
10 Steven W. Smith, assistant attorneys general for
11 Commission staff.

12 JUDGE WALLIS: I have distributed a list of
13 witnesses and an exhibit list earlier this morning, and
14 again if anyone does not have a copy of either of those
15 documents, they are -- by anyone I mean an attorney
16 representing a party whose job it is to keep track of
17 exhibits -- there are extra copies at the end of the
18 bench and I invite you to take one. I know that there
19 remains some glitches in that unfortunately, for
20 example, on Friday I finished taking the last stray
21 code out of the document so it would look nice and then
22 there was a fire drill and somehow afterwards the codes
23 were still in the document that I printed. Apologies
24 for that. But if there are exhibits missing from any
25 of your witnesses, please let me know by the end of the

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1 day and we'll see that that's corrected.

2 Today's witnesses, we are going to begin
3 with the staff witnesses on service quality as a
4 panel. We'll take up with the company panel. Then we
5 will proceed to witness Okamoto, Porter and Wright, so
6 for this morning I would like us to take a look at
7 exhibits relating to those witnesses. We do have a
8 number of bench requests that have been returned, and
9 I would like to ask the parties' preferences on
10 handling those documents in terms of identifying them
11 and receiving them. Let me begin with Mr. Shaw to see
12 what your suggestions are.

13 MR. SHAW: The assumption is that the
14 Commission wants them in the record. The company has
15 no objection to that, so however you want to number
16 them and deem them admitted is fine with me.

17 JUDGE WALLIS: Commission staff.

18 MR. TRAUTMAN: That would be the same with
19 staff.

20 JUDGE WALLIS: And public counsel.

21 MR. TROTTER: That's fine.

22 JUDGE WALLIS: Any other party? Do all
23 parties have copies of the material? I hear no one
24 saying that they do not. I do have a question for
25 staff. Along with the return of bench request No. 7

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1 through 10 there was what appeared to be prepared
2 testimony and exhibits, and I'm wondering whether it's
3 staff's intention to have the witness sponsor those
4 documents at the time the witness appears or whether
5 it's intended that those be received as responses to
6 the bench request.

7 MR. TRAUTMAN: Are you referring
8 specifically to No. 8?

9 JUDGE WALLIS: Yes; Mr. Twitchell.

10 MR. TRAUTMAN: I think he could sponsor
11 them when he takes the stand. I'm not sure that -- I
12 don't know that it matters either way.

13 JUDGE WALLIS: Mr. Shaw, does that make a
14 difference to you?

15 MR. SHAW: Let me make sure I understand
16 you. The A through F listed in response No. 8 which
17 reference certain exhibits, am I to understand that
18 those exhibits are already prefiled in the case?

19 MR. TRAUTMAN: No.

20 JUDGE WALLIS: Let's be off the record for
21 just a moment.

22 (Recess.)

23 JUDGE WALLIS: I understand that witness
24 Easton and Vanston may have some evidence to present
25 that was not excluded by the Commission ruling or that

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1 the company may wish to make an offer of proof. I'm
2 going to ask Mr. Shaw what your intentions are
3 regarding those witnesses now.

4 MR. SHAW: Yes. I've had discussions with
5 Mr. Smith, and it appears if we can get a little time
6 together that we might be able to agree what portions
7 of those two witnesses's testimony should be admitted
8 into the record, and then the company would intend to
9 make an offer of proof of the remainder that is deemed
10 excluded by the Commission's ruling on pre-hearing
11 motions. We would like to avoid calling the witnesses
12 and Mr. Smith has indicated that he does not have any
13 cross so I would like the bench to ascertain whether
14 anybody would have any cross of those two witnesses.

15 JUDGE WALLIS: Let me ask now. Would
16 anyone have cross-examination for witnesses Easton or
17 Vanston.

18 MR. TROTTER: We may be able to resolve it
19 by just putting in some responses to data requests. I
20 can discuss that with Mr. Shaw.

21 JUDGE WALLIS: Very well. When would you
22 expect to have those discussions completed?

23 MR. SHAW: Just briefly discussed it this
24 morning that we would try to talk sometime today. I
25 would like to get it resolved by tomorrow so that I

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1 can give the witnesses instructions on when they need
2 to be here.

3 JUDGE WALLIS: Very well.

4 MR. SHAW: If they do.

5 JUDGE WALLIS: I am going to ask all
6 counsel -- we are on the bridge line today, and we've
7 discovered that among the idiosyncracies of modern
8 technology is that any whispered aside is picked up
9 wonderfully and broadcast to anyone on the bridge
10 line, but if you are asking questions of the witnesses
11 they can't be heard unless you have the microphone
12 right in front of your mouth, so if you would be
13 conscious of that and as we talked this morning and
14 then again as we proceed through the hearing if you
15 could pull the microphone right up to your mouth and
16 boom out your comments and your questions, that would
17 help us in the hearing room and those who are on the
18 bridge line listening.

19 MR. WAGGONER: Your Honor, on a related
20 point as to witnesses and testimony that may have been
21 stricken, and I haven't had a chance to discuss with
22 this Mr. Shaw yet, I just wanted to raise it. I
23 believe Mr. Cummings of U S WEST has a significant
24 part of his testimony which is designated as rebuttal
25 to the testimony of Diane Toomey for AT&T whose

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1 testimony was stricken. I would assume that that
2 testimony will not be offered; is that correct?

3 MR. SHAW: That's correct. There would be
4 no need to offer it at that point.

5 JUDGE WALLIS: Very well. Let me jump
6 ahead on my list of things and ask what is the status
7 of the data requests of AT&T?

8 MR. WAGGONER: They should be available
9 either this afternoon or first thing tomorrow morning.

10 JUDGE WALLIS: Very well. As to witness
11 King for Department of Defense, what's the status of
12 that witness?

13 MR. SHAW: Company would continue its offer
14 that it requires no cross of Mr. King, as far as
15 company is concerned he doesn't have to appear.

16 JUDGE WALLIS: Has any agreement been
17 worked out with Department of Defense yet regarding
18 Mr. King's testimony?

19 MR. SMITH: No. I have not spoken with
20 DOD. We are not prepared to waive cross at this time.
21 We are certainly willing to have cross by
22 teleconference if necessary.

23 JUDGE WALLIS: Very well. I will put that
24 down as a continuing question mark. One of the more
25 intriguing exercises in a proceeding like this is

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1 estimating time on cross-examination, and in order to
2 assist counsel in doing that I have prepared a list of
3 witnesses with time and I'm going to ask if staff
4 could pass that out, and I would ask you to return
5 that to me by the end of the day. I will be asking
6 for estimates of time on the panels and Mr. Okamoto
7 and Mr. Porter, certainly today. I understand that
8 Ms. Wright's testimony may be subject to rather
9 extensive cross, but I will also either today or first
10 thing tomorrow be asking for estimates as to Ms.
11 Wright as well.

12 On your exhibit list on numbered page 2,
13 exhibits 134, 5 and 6 were inadvertently omitted under
14 Mr. Okamoto's testimony, so you can add 134, 135 and
15 136. We do have additional pages, blank pages up here
16 if you would like that. We also have some small
17 notebooks if you could use one of those. Three ring
18 binders.

19 MR. TROTTER: Okamoto is also Exhibit T-1
20 or 1T.

21 JUDGE WALLIS: Yes, and that was not
22 received in evidence, so I have that shown on what is
23 page 8. All right. Are we prepared to take a look at
24 exhibits on cross-examination for the witnesses? Do
25 we have any documents that the parties intend to offer

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1 on cross of the staff?

2 MR. SHAW: One point of clarification, Your
3 Honor. I understood from our discussions earlier that
4 the company panel was going to go first thing this
5 morning. That's how we had arranged the travel
6 arrangements of our witnesses, and I understood you to
7 say that the staff was going to go first. Is that the
8 intent?

9 JUDGE WALLIS: I think our preference would
10 be to have the staff first if that's workable for you,
11 Mr. Shaw.

12 MR. SHAW: My only concern is timing to
13 catch airplanes.

14 JUDGE WALLIS: Yes. What is the extent of
15 cross-examination that you may have for staff?

16 MR. SHAW: I would estimate very roughly
17 about half an hour to 45 minutes apiece.

18 JUDGE WALLIS: For each of the three?

19 MR. SHAW: Yes.

20 JUDGE WALLIS: And other parties? Does any
21 other party have cross-examination for staff? It
22 appears not. If that arrangement would be workable it
23 would be preferable to the commissioners to handle it
24 that way, Mr. Shaw.

25 MR. SHAW: Very well. As to any of the

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1 remainder of the service quality case, are there any
2 exhibits to be offered on cross?

3 MR. TROTTER: I have one. Do you want it
4 now?

5 JUDGE WALLIS: Yes, please.

6 MR. TROTTER: I would offer this of the
7 company panel.

8 JUDGE WALLIS: I'm going to begin marking
9 with Exhibit 150 today and call this Exhibit 150 for
10 identification. And I'm going to put this under Mr.
11 Okamoto.

12 MR. TROTTER: I was going to put it under
13 the company service quality panel.

14 JUDGE WALLIS: Yes. And you notice on page
15 2 of the list Mr. Okamoto is listed and I understand
16 that just for placement purposes I would like to put
17 it there, and I understand that the company may be
18 asking Mr. Okamoto to join the panel; is that correct?

19 MR. SHAW: That would be our preference. I
20 think that would work smoother.

21 MR. SMITH: I'm sorry, Mr. Okamoto is going
22 to join the quality of service panel?

23 MR. SHAW: Yes. The intent of the company
24 would present him with the other three officers that
25 the Commission has requested to appear because he is

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1 responsible for the policy of the company in
2 Washington and it will be necessary most likely for
3 the three network vice-presidents to refer questions
4 to him, and I think it will work a lot smoother if
5 he's available right there.

6 MR. SMITH: That's fine, but Mr. Okamoto
7 would then appear separately for his direct testimony?

8 JUDGE WALLIS: Yes.

9 MR. SMITH: That's fine.

10 JUDGE WALLIS: Now, as to Mr. Okamoto's
11 testimony involving Exhibit 1-T, Exhibit 1-T for
12 identification is the direct testimony of witness
13 Dennis Okamoto. Is there any document that a party
14 intends to introduce on cross of this witness?

15 MR. SMITH: Yes, I have two.

16 JUDGE WALLIS: Marking as Exhibit 151 for
17 identification a multi-page document entitled fourth
18 supplemental order in docket No. U-89-2698F.

19 Marking as 152 for identification multi-page
20 document entitled petition for clarification docket No.
21 U-89-3524AT.

22 Any other document, Mr. Smith?

23 MR. SMITH: No.

24 JUDGE WALLIS: Mr. Trotter.

25 MR. TROTTER: No.

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1 JUDGE WALLIS: Other parties? As to
2 witness Dwight Porter, marking as Exhibit 33-T the
3 multi-page document consisting of the direct testimony
4 of Dwight A. Porter. Marking as Exhibit 153-T a
5 multi-page document consisting of the rebuttal
6 testimony of Dwight A. Porter. Are there any exhibits
7 to be introduced on cross-examination?

8 MR. TRAUTMAN: No.

9 JUDGE WALLIS: None for staff. Mr.
10 Trotter.

11 MR. TROTTER: No.

12 JUDGE WALLIS: For any other party? Moving
13 on to witness Margaret J. Wright, I'm marking as
14 Exhibit 154-T a multi-page document consisting of the
15 rebuttal testimony of Margaret J. Wright, Exhibit T-2
16 is the direct testimony of Margaret J. Wright.
17 Exhibit 3 is a document designated MJW-1, Exhibit 4 a
18 document designated MJW-2. Exhibit 5 for
19 identification is a document designated MJW-3. Exhibit
20 155 for identification is a document designated MJW-1
21 Washington intrastate operations, 156 a document
22 designated MJW-2 Washington intrastate operations. 157
23 is a document designated MJW-3 U S WEST total
24 operations. Exhibit 158 for identification is a
25 document designated MJW-4 explanation of system. 159

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1 for identification a document designated MJW-5
2 represcription rates, and 160 for identification is a
3 document designated -- let me say 160-C for
4 identification is a document designated MJW C-6
5 Washington promotional results.

6 Now, documents on cross-examination -- is
7 there supplemental testimony for this witness?

8 MR. SHAW: One moment. Sorry for the
9 delay. I'm just blanking on whether there is. There's
10 so much here. I believe there was. Yes, Your Honor,
11 July 28 there's some supplemental testimony making
12 some corrections in certain exhibits.

13 JUDGE WALLIS: Marking as Exhibit 161-T the
14 supplemental testimony of Margaret J. Wright. Were
15 there individual exhibits?

16 MR. SHAW: Yes, there are. There's an
17 Exhibit 3 which is a spreadsheet entitled revenue
18 requirement consisting of -- there's been a suggestion
19 these are revised exhibits, updated exhibit, and so we
20 probably need to substitute them.

21 JUDGE WALLIS: What I am going to suggest I
22 think at this point is rather than engage in
23 discussions right now, it appears we won't get to Ms.
24 Wright at least until this afternoon. Perhaps on a
25 break you can identify the current status of the

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1 testimony and the exhibits. Indicate whether you
2 would like to withdraw the earlier filed documents and
3 substitute the revisions or offer the earlier and the
4 revisions, and then we'll take a few minutes this
5 afternoon to go through those documents. Would that be
6 acceptable?

7 MR. SHAW: Yes, thank you for that
8 opportunity. I can consult with my witness and make
9 sure I've got it correct.

10 JUDGE WALLIS: I understand that staff has
11 a number of documents to be introduced through witness
12 Wright.

13 MR. TRAUTMAN: Yes. I think we have on my
14 count 28 and maybe two more.

15 JUDGE WALLIS: I'm wondering if those
16 documents could be prepared in packages to distribute.
17 There are already? Wonderful. We will take those up
18 for marking after we've dealt with the company's
19 exhibits. Would you prefer to distribute them now or
20 wait until later?.

21 MR. TRAUTMAN: We can wait until later if
22 you want.

23 JUDGE WALLIS: Okay. That would be
24 preferable to me only for the fact that more paper is
25 something else to keep track of.

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1 Does anyone else have documents to
2 introduce through witness Wright on cross?

3 MR. TROTTER: We will have a couple.

4 JUDGE WALLIS: And any other parties? Very
5 well. Let's plan on taking those at least tentatively
6 after our lunch break and before we start the
7 afternoon session if that's acceptable.

8 All right. I do want to thank everyone.
9 We're trying a couple of procedures here that are new,
10 and I want to say that I welcome feedback both
11 positive and negative, and if this works we'll try it
12 again and if it doesn't then we'll not.

13 MR. SHAW: Your Honor, in terms of
14 premarking exhibits, the company has no prefiled
15 direct of the three network vice-presidents but we do
16 have some visual aids which they will be referring to
17 consisting of four photographs which could be marked
18 now if the Commission will entertain them in the
19 record for illustrative purposes. They're just going
20 to be aids so that the witnesses can explain some
21 physical facilities of the company.

22 JUDGE WALLIS: Do you have copies for the
23 parties?

24 MR. SHAW: Yes. I have xeroxed copies of
25 the color photographs.

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1 JUDGE WALLIS: Could those be distributed
2 now. May we have one more copy at the bench, please.
3 Would you like these marked together? Let's take them
4 individually. I think they will be easier to keep
5 track of that way. I'm going to begin with Exhibit
6 No. 140 for the first, and, Mr. Shaw, would you
7 describe the document, please.

8 MR. SHAW: First picture, which is a
9 picture of a computer screen with a man facing it -- I
10 will hold up the original so you can see it. And that
11 is a picture of Jerry Davidson in the central office
12 equipment facilities management system.

13 JUDGE WALLIS: Photograph as described is
14 marked as Exhibit 140 for identification.

15 MR. SHAW: Second photograph is a picture
16 of a woman by a computer screen holding a schematic.
17 That is a picture of Sherry Maxwell working the screen
18 in the capacity provisioning organization.

19 JUDGE WALLIS: Document as described is
20 marked as 141 for identification.

21 MR. SHAW: Picture of the big room that
22 panorama of the big room with multiple work stations
23 is a picture of the network reliability center.

24 JUDGE WALLIS: Photograph is marked as
25 Exhibit 142 for identification.

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1 MR. SHAW: And the last photograph, a
2 picture of two individuals in front of a computer
3 screen with some screens overhead is the picture of
4 the service assurance room in the network management
5 center.

6 JUDGE WALLIS: The photo is marked as 143
7 for identification.

8 Are there any other documents? Very well.
9 Do any of the parties intend to voice objection to any
10 of the prefiled exhibits for the staff panel? For
11 witness Okamoto or witness Porter? Are there any
12 questions regarding scheduling? We do have two pending
13 petitions for intervention, and Commission has those
14 under advisement. Commission has asked for responses
15 to be filed no later than this morning. Is there any
16 party who intends to respond who has not yet filed an
17 answer to the petition?

18 MR. SHAW: Your Honor, U S WEST has not
19 filed its responsive pleading which I am prepared to
20 distribute at this time.

21 JUDGE WALLIS: Very well.

22 MR. TROTTER: Your Honor, we filed ours
23 today -- excuse me, we faxed them around on Friday and
24 filed them today, and I will hand those out as well.

25 JUDGE WALLIS: Thank you.

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1 (Recess.)

2 JUDGE WALLIS: So there have been
3 distributed this morning copies of USWC opposition to
4 motions of Intel and CIX. Copy of Mr. Trotter's
5 response to the petitions to intervention and a
6 document entitled Consumer Project On Technologies
7 limited intervention to respond to Intel's motion for
8 continuance deferral of U S WEST's ISDN rating
9 proposal. Let me ask who it was that distributed that
10 last document. Could you state your name and your
11 affiliation for the record, please.

12 MR. KHANNA: Good morning, Your Honor. I'm
13 Dhruv Khanna, senior attorney for Intel corporation. I
14 circulated these as a courtesy for the counsel for
15 Consumer Project and Technology.

16 JUDGE WALLIS: I will acknowledge that the
17 Commission did receive a copy of that, I believe, on
18 Friday.

19 Very well. The Commission does have these
20 under advisement, and we'll be indicating later today
21 whether the Commission wishes oral argument and we will
22 be ruling at the earliest time consistent with the
23 study of the issues. Mr. Khanna.

24 MR. KHANNA: I would request an opportunity
25 to respond and perhaps orally argue the motion.

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1 JUDGE WALLIS: Your request is noted. Are
2 there any other matters that we need to take up this
3 morning?? It appears that there are not so let's go
4 off the record of our prehearing conference, please.

5 (End of prehearing conference.)

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