I. INTRODUCTION

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

My name is Linda Casey. My business address is 600 Hidden Ridge, Irving, Texas.

BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am employed as Manager–Costing for Verizon.

ARE YOU THE SAME LINDA CASEY WHO FILED PHASE A DIRECT TESTIMONY IN THIS PROCEEDING ON MAY 19, 2000?

Yes.

ON WHOSE BEHALF ARE YOU PRESENTING TESTIMONY IN THIS PROCEEDING?

I am presenting testimony on behalf of Verizon Northwest, Inc., which was formerly known as GTE Northwest Incorporated. The company recently changed its name after the closure of the merger between its parent company, GTE Corporation, and Bell Atlantic Corporation. The merged company is named Verizon Communications.

IN YOUR TESTIMONY HOW DO YOU USE THE TERMS "VERIZON NW" AND "GTE"?

My fellow witnesses and I use "Verizon NW" to refer to Verizon Northwest Inc., the company that is a party to this proceeding and on whose behalf we are testifying. I use "GTE" to refer to the former GTE companies, which are now part of the Verizon Communications companies along with the former Bell Atlantic companies. This will make clear that we are talking about cost studies and inputs that have been developed by and for the GTE telephone operating companies and about those companies' networks, operations, practices and procedures.

WHAT IS THE PURPOSE OF YOUR TESTIMONY?

The purpose of my testimony is to present Verizon NW's costs that support the non-recurring charges ("NRCs") associated with the FCC UNE Remand Order.[1] This order requires Verizon NW to provide Competitive Local Exchange Carriers ("CLECs") additional unbundled network elements ("UNEs") for which Verizon NW incurs costs that result in NRCs. Additionally, Verizon NW is submitting UNE costs that support NRCs that have not been previously adopted by the Commission in Docket No. UT-960369, *et al*, but that CLECs may order from Verizon NW on a wholesale basis. These items include dedicated transport and SS7 access service. I am also responding to comments made by NEXTLINK Witness Mr. Rex Knowles ~~on behalf of NEXTLINK~~ regarding Verizon NW's Loop Conditioning costs.[2]~~.~~

[1] *Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, CC Docket No. 96-98, Third Report and Order and Fourth Further Notice of Proposed Rulemaking released November 5, 1999 (UNE Remand Order).

[2] I previously addressed loop conditioning costs in my Phase A Direct Testimony filed on May 19, 2000. As a result of the Commission's Fourth Supplemental Order dated July 25, 2000 that moved this issue to Phase B of this proceeding, I am resubmitting the loop conditioning portion of my Phase A Direct Testimony in this testimony. I will not be resubmitting the loop conditioning portion of Exhibit LC-2C from my Phase A Direct

Please note that the costs presented in my testimony were developed to comply with the FCC-mandated total element long-run incremental cost ("TELRIC") methodology. However, as explained by Verizon NW Witness Dennis Trimble, the legality of the TELRIC methodology has been called into question by the U.S. Court of Appeals for the Eighth Circuit's decision in *Iowa Utilities Bd., et al. v. FCC and United States of America, No. 96-3321* (and consolidated cases) (8th Cir. July 18, 2000). In the event that the Commission denies Verizon NW's Motion to Stay Proceeding and decides to go forward despite the uncertainty of the appropriate cost methodology, my testimony presents Verizon NW's TELRIC study of the costs underlying Verizon NW's proposed NRCs for dark fiber, sub-loops, UNE platforms ("UNE-Ps"), enhanced extended links ("EELS"), dedicated transport, and SS7 access service. The costs associated with loop conditioning for line sharing are applicable to all xDSL services and were previously submitted as Exhibit LC-2C with my Phase A Direct testimony filed on May 19, 2000. Additionally, the costs for local loops (2-wire and 4-wire) and analog ports that support NRCs have been previously submitted in Docket No. UT-960369, et al. The Commission will set permanent rates based on those costs, as modified in Verizon NW's compliance filing on June 9, 2000. These costs should also be applicable to local loops (DS-1 and DS-3) and ports (ISDN BRI, DS-1, and ISDN PRI), respectively. Again, the costs submitted in Docket UT-

[1] Testimony. However, I will refer to the exhibit in this phase.

960369, et al. were based on the TELRIC methodology. Verizon NW reserves its right to propose new cost studies after the legal issue of the appropriate cost model methodology is resolved at the federal level.

Reciprocal compensation has no associated NRCs, so I will not be presenting any costs. Call related databases and SS7 query setup and query transport costs that support NRCs will be addressed on a bona fide request ("BFR") basis, and are therefore not addressed in this submission.

In my phase A direct testimony submitted on May 19, 2000, I explain that the costs associated with NRCs are those incurred in accepting, evaluating, and provisioning CLEC requests.[3] I described the basic characteristics of Verizon NW's cost studies. The same general observations I made at that time apply to the additional cost studies I am presenting here.

ARE YOU FILING AN UPDATED COST STUDY FOR UNE'S PREVIOUSLY ADDRESSED IN DOCKET NO. UT-960369, *ET AL*?

A. No. Verizon NW elected not to file updated studies for any previously filed UNEs at this time. HOWEVER, AS NOTED ABOVE, VERIZON NW RESERVES THE RIGHT TO DO SO ONCE THE LEGAL ISSUE OF THE APPROPRIATE COST

[3] Phase A Direct Testimony of Linda Casey, page 15, lines 17 – 21 and page 16, lines 1-8.

METHODOLOGY HAS BEEN RESOLVED.

II. COSTS FOR DARK FIBER

Q. WHAT KINDS OF COSTS THAT SUPPORT VERIZON NW'S PROPOSED NON-RECURRING CHARGES WILL VERIZON NW INCUR FOR PROCESSING CLEC REQUESTS FOR DARK FIBER?

A. Verizon NW will incur costs for pre-ordering, ordering, provisioning, central office and field installation activities associated with CLEC dark fiber requests. These costs may be found in Exhibit LC-2C, pages 7-WA 17 – 7-WA 18, filed in Phase B of this proceeding.

PLEASE DESCRIBE THE PRE-ORDERING ACTIVITIES FOR DARK FIBER.

In the pre-ordering stage, Verizon NW must determine whether dark fiber is available on the specific network segment requested by the CLEC. A CLEC's request for dark fiber will fall into one of four categories, according to the portion of Verizon NW's network in which the fiber may lie. These categories are 1) inter-office facilities ("IOF"); 2) unbundled loop; 3) sub-loop feeder; and 4) sub-loop distribution.

A pre-ordering request is sent via an Access Service Request ("ASR") form, which I will discuss in more detail later in my testimony. This form goes through GTE's National Access Contact Center ("NACC"), which is the single-point of contact for

access services in place today for processing inter-exchange carrier ("IXC") requests for interstate and intrastate access – both switched and special. I will describe the functions of the NACC in detail in the ordering section of my testimony.

The NACC reviews the pre-ordering request and forwards it to the Access Design and Network Design groups located in the Company's Engineering departments. These groups determine the feasibility and availability of dark fiber for a particular network segment/route requested by a CLEC by accessing inventory records and performing verification steps.

HOW WERE COSTS DEVELOPED FOR PRE-ORDERING ACTIVITIES COMPLETED BY THE NACC AND ENGINEERING GROUPS?

Subject matter experts ("SMEs") located in the NACC, Engineering groups located in Washington, and headquarters staff support located in Irving, Texas developed the work times associated with each of the activities performed for pre-ordering dark fiber. The work times were multiplied by the loaded labor rate ("LLR") for each work group involved to develop the costs.

PLEASE DESCRIBE ORDERING ACTIVITIES ASSOCIATED WITH DARK FIBER REQUESTS.

A. As previously discussed, the CLEC will place its order for dark fiber through the ASR process. This process is somewhat different than the ordering process I

described in my previously filed phase A direct testimony. For example, the CLEC would place its order for line sharing by means of a local service request ("LSR") submitted to GTE's National Open Market Center ("NOMC"). A dark fiber order, however, will be placed through the NACC and processed as an ASR. The NACC's processes and systems for IXCs are closely aligned with the ones that will be required for processing dark fiber requests. For example, dark fiber orders are generally associated with the CLECs infrastructure and facilities needed to support their network design for serving multiple customers, where line sharing and sub-loop unbundling are associated with the local loop for a CLEC end-user customer.

Q. PLEASE DESCRIBE THE NACC ORDERING PROCESS FOR DARK FIBER REQUESTS FROM CLECS.

A. The NACC is located in Durham, North Carolina, and staffed by Service Consultants who interface with customers either manually or electronically, based on how the CLEC submits the ASR. They are the same Service Consultants responsible for processing the IXC ASRs mentioned earlier. The NACC has been in existence for approximately 20 years and has a great deal of experience in processing IXC requests for both switched and special access services. Once the NACC receives the ASR, it is checked for completeness and accuracy. The NACC then releases the order into the Company's access order processing system, which routes it to the appropriate provisioning and central office/field installation groups involved with completing Washington orders.

HOW WERE THE COSTS DEVELOPED FOR ASR ORDERING ACTIVITIES FOR DARK FIBER?

In 1998, GTE, in conjunction with Arthur Andersen LLP, conducted time and motion studies of the activities performed by the Service Consultants in the NACC to establish the work time associated with the various types of orders handled there. Although dark fiber orders *per se* were not studied because the offering did not exist at that time, dark fiber orders are processed in the same manner as dedicated non-switched transport orders. To derive the costs associated with dark fiber ordering, Verizon NW has therefore multiplied the work time for the dedicated non-switched transport service order by the LLR for the NACC consultants.

WHAT ARE THE PROVISIONING ACTIVITIES ASSOCIATED WITH DARK FIBER REQUESTS?

A. Dark Fiber ASRs are provisioned through GTE's Business Response Provisioning Centers (BRPCs) located in Newbury Park and Upland, California. The BRPC has Plant Control Office ("PCO") and design/engineering responsibilities for dark fiber UNEs. The BRPC receives the order from the NACC, verifies that the order is entered into the facility administration system, which is called Telecom Business Solutions ("TBS"), checks for accuracy and completeness, and enters a distribution code into TBS to route the order to the required work groups. The BRPC must access facility records in its inventory database, change the records to identify the network configuration requested by the CLEC, and create updated circuit and design layout reports ("CLRs/DLRs").

HOW WERE COSTS DEVELOPED FOR PROVISIONING ACTIVITIES COMPLETED BY THE BRPC?

Cost managers used data from the TBS database to determine the number and type of orders or lines worked by each group in the BRPC. The BRPC productive hours were used to develop the time per ASR. This work time was multiplied by the LLR for the BRPC to develop the cost.

Q. PLEASE DISCUSS THE CENTRAL OFFICE AND FIELDWORK ACTIVITIES ASSOCIATED WITH DARK FIBER REQUESTS.

As discussed earlier, there are four types of requests processed via the ASR process that CLECs may submit for dark fiber. Following are the activities required for each type:

IOF – Central office jumper connection and disconnection work is required. No fieldwork is required.

Unbundled Loop – Central office jumper connection and disconnection work is required. An outside plant technician must be dispatched to complete the physical connection to the CLEC facility.

Sub-loop Feeder – Central office jumper connection and disconnection work is required. An outside plant technician must be dispatched to complete the physical connection to the CLEC facility.

Sub-loop Distribution – No central office work is required. An outside plant technician must be dispatched to complete the physical connection to the CLEC facility.

HOW WERE THE CENTRAL OFFICE AND FIELDWORK COSTS DEVELOPED FOR DARK FIBER?

For central office costs, "jumper-running" studies were conducted to develop the time to place or remove one jumper. The time per jumper was multiplied by the central office technician LLR to develop the cost per jumper activity. Costs are based on the number of jumpers required for each of the services discussed above.

Outside plant fieldwork time is based on SME estimates of the "drive time" required to reach the point of interconnection and place a fiber jumper. Costs were calculated by multiplying the time for the outside plant activity by the LLR for the outside plant technician.

III. COSTS FOR SUB-LOOP UNBUNDLING

Q. WHAT TYPES OF COSTS THAT SUPPORT VERIZON NW'S PROPOSED NON-RECURRING CHARGES WILL VERIZON NW INCUR FOR PROCESSING CLEC REQUESTS FOR SUBLOOP UNBUNDLING?

A. Verizon NW will incur costs for ordering, provisioning, and central office and field installation activities associated with CLEC sub-loop unbundling requests. These costs may be found in Exhibit LC-2C, pages 7-WA 14 – 7-WA 15, of my ~~filed~~ phase B direct testimony.

PLEASE DESCRIBE THE ORDERING ACTIVITIES ASSOCIATED WITH SUB-

LOOP REQUESTS.

Requests for sub-loops are submitted by CLECs to the NOMC by means of the LSR process I described in my phase A direct testimony[4]. The NOMC receives the LSR, checks it for accuracy, and applies all applicable NRCs and MRCs. The NOMC releases the order into the Company's order processing system, which then routes it to the appropriate provisioning and central office/field installation groups involved with completing Washington orders.

[4] Phase A Direct Testimony of Linda Casey, page 15, lines 14 – 22.

HOW DID VERIZON NW DEVELOP THE COSTS ASSOCIATED WITH ORDERING ACTIVITIES FOR SUB-LOOP UNBUNDLING?

To determine the costs for sub-loop ordering, Verizon NW relied upon the exchange-basic ordering process, which is initiated through an LSR. This process is described in my phase A direct testimony[5]. Use of the exchange-basic ordering process as a proxy for sub-loop ordering is appropriate because the two processes are similar.

Q. PLEASE DESCRIBE THE PROVISIONING ACTIVITIES ASSOCIATED WITH SUB-LOOP REQUESTS.

A. There are four categories of requests for sub-loops: 1) main distribution frame ("MDF") connection; 2) feeder connection; 3) distribution connection; and 4) serving terminal connection. These categories correspond to different portions of Verizon NWs network that CLECs can request, on an unbundled basis, from Verizon NW.

For each of these requests, GTE's Facility Assignment Center ("FAC") must access facility records in its inventory database and change the records to identify the network configuration requested by the CLEC.

[5]Phase A Direct Testimony of Linda Casey, page 16, lines 16 – 23, and page 17, lines 1 – 3.

HOW WERE COSTS DEVELOPED FOR PROVISIONING ACTIVITIES COMPLETED BY THE FAC?

Verizon NW tracks activities based on the number of times the FAC accesses an order to provision it. These activities are referred to as "touches", and the costs are based on the "touches" per order. This activity measure was collected by the cost managers from GTE's National Order Collection Vehicle ("NOCV") based on the number of "touches" for various order types. The total of productive minutes of the FAC for "service order touches" is divided by the total number of "touches" to create the "minutes per touch" calculation. The "cost per touch" is calculated by multiplying the "minutes per touch" by the loaded labor rate for the FAC.

PLEASE DISCUSS THE CENTRAL OFFICE AND FIELDWORK ACTIVITIES ASSOCIATED WITH SUB-LOOP REQUESTS.

As discussed earlier, there are four types of requests CLECs may submit for sub-loops. Central office and field work activities vary with the type of request. MDF and sub-loop feeder requests require central office jumper connection and disconnection. Sub-loop feeder and distribution requests require an outside plant technician to complete the physical connection to the CLEC facility. Fieldwork will also be required for some MDF requests. Serving terminal requests will always require an outside plant technician dispatch, but no central office work is required.

HOW WERE THE CENTRAL OFFICE AND FIELDWORK COSTS DEVELOPED FOR SUB-LOOP UNBUNDLING?

A. For central office costs, "jumper-running" studies were conducted to develop the

time to place or remove one jumper. The time per jumper was multiplied by the central office technician's LLR to develop the cost per jumper. Costs are based on the number of jumpers required for each of the service categories discussed above.

Outside plant fieldwork time was determined by a special sub-loop unbundling drive time and work activity study. Costs were calculated by multiplying the time for the outside plant activity by the LLR for the outside plant technician.

IV. COSTS FOR EELS

Q. WHAT KINDS OF COSTS THAT SUPPORT NON-RECURRING CHARGES WILL VERIZON NW INCUR FOR PROCESSING CLEC REQUESTS FOR EELS?

A. Verizon NW will incur costs for ordering, provisioning, central office and field installation activities associated with CLEC EEL requests. These costs may be found in Exhibit LC-2C, pages 7-WA 35 – 7-WA 36, of my phase B direct testimony.

HOW DID VERIZON NW DETERMINE THE ACTIVITIES AND RESULTING NON-RECURRING COSTS ASSOCIATED WITH PROCESSING EEL REQUESTS?

EEL requests are processed in the same manner as dark fiber requests. Therefore, my earlier discussion of activities and cost determination for dark fiber requests applies equally

to EEL requests.

V. COSTS FOR UNE-P

Q. WHAT KINDS OF COSTS THAT SUPPORT NON-RECURRING CHARGES WILL VERIZON NW INCUR FOR PROCESSING CLEC REQUESTS FOR UNE-P?

A. Verizon NW will incur costs for ordering, provisioning, central office and field installation activities. For services that are in place and are being "migrated" to UNE-P, central office or field installation activities are not required. These costs may be found in Exhibit LC-2C, pages 7-WA 20, 7-WA 21, 7-WA 23 and 7-WA 24 of my phase B direct testimony.

Q. PLEASE DESCRIBE ORDERING ACTIVITIES ASSOCIATED WITH UNE-P REQUESTS.

A. UNE-P ordering applies when the CLEC requests new service or conversion of existing services, retail or resale, to UNE-P. New orders will follow the "Resale New" process flow, while conversion orders will follow the "Resale Migration" process flow.

There are three types of "Migration" orders:

1) "Migration As Is" – This order type occurs when an existing end user customer changes service from Verizon NW to a CLEC, or from a CLEC to another CLEC, and the end user keeps the same service. This type of order requires only the ordering function and facility provisioning; it does not require central office or field installation activities. It is applicable only to Plain Old Telephone Service ("POTS").

2) "Migration As Is +/-" – This order type differs from a "Migration As Is" order only in that the end-user wants to add or delete a vertical feature from his existing service. The central office switch must be updated for the requested feature change.

3) "Migration As Specified" – This order type occurs when the end-user converts a portion of his Verizon NW retail services (at a single location) to UNEs provided by a CLEC. The CLEC specifies the services and service arrangements to be migrated.

The ordering activities are handled by the NOMC via the LSR process, as I have previously described in my testimony.

Q. HOW WERE COSTS DEVELOPED FOR ORDERING ACTIVITIES ASSOCIATED WITH UNE-P REQUESTS FROM CLECS?

A. Work time studies were conducted during August 1999 in the NOMC for resale new and "Migration" orders currently being processed in the NOMC, since these processes are the same as those that will be used for processing UNE-P requests. The work times were multiplied by the LLR for the NOMC to develop the costs.

Q. WHAT ARE THE PROVISIONING ACTIVITIES ASSOCIATED WITH UNE-P REQUESTS?

A. Provisioning activities include facility assignment and switch translations (if

required). As previously described in my phase A direct testimony[6], the FAC activities relate to "touches" required to process a CLEC request.

Q. HOW WERE COSTS DEVELOPED FOR PROVISIONING UNE-P REQUESTS?

A. As previously described in my phase A direct testimony[7], Verizon NW developed the minutes per occurrence based on the number of "touches" in the FAC. The probability of occurrence that an order would require provisioning work was applied, because not all UNE-P orders require provisioning activity. Many UNE-P orders can be provisioned mechanically from network components in inventory without human intervention. Additionally, simple "migration" orders from resale to UNE-P can be completed without human intervention. For example, a "Migration As Is" requires no switch translations, since there are no changes to the network features. Only a small percentage of these orders fall-out for manual order completion into the ordering system. However, more complex services, such as "Migration As Specified" orders, require more manual provisioning due to switch translations, routing instructions, and service arrangements.

[6] Phase A Direct Testimony of Linda Casey, page 17, lines 15 – 22.
[7] Phase A Direct Testimony of Linda Casey, page 18, lines 1 – 31.

The work time per touch was weighted by the probability of occurrence and multiplied by the LLR for the FAC to determine the costs associated with each type of migration order.

VI. COSTS FOR LOOP CONDITIONING

WHAT IS LOOP CONDITIONING?

Loop Conditioning is the removal of load coils and/or bridged taps from the local cable pairs. While load coils and bridged taps are an intregal part of the copper, voice grade communications network, they impede the transmission of digital signals. If the CLEC requires copper pairs without load coil(s) or bridged tap(s) for the digital service it offers its customers, then the CLEC has the option of ordering Loop Conditioning from Verizon NW.

WHAT ARE THE ACTIVITIES REQUIRED FOR LOAD COIL AND / OR BRIDGED TAP REMOVAL?

When the CLEC requests a conditioned loop for a customer and the cable pair is loaded or has bridged taps, a request is sent to the local engineering department to analyze the network and draft a work order for the pair(s) to be deloaded or for the bridged tap(s) to be removed. The Engineering group will create a work order that will be sent to the Outside Plant Construction forces outlining the work necessary to deload the cable pair or remove bridged tap(s). The Outside Plant Construction splicing group

will complete the work order and advise the engineering group upon the completion of the activity. The Engineering group will then advise the Verizon NW service center the order can be worked. All records are updated showing the change in the conditioning of the pair.

Q. HOW WERE COSTS DEVELOPED FOR LOOP CONDITIONING ACTIVITIES?

A. Noted below are the steps used for calculating costs for (1) Load Coil removal and (2) Bridged Tap removal. The summary of these costs can be found on pages 1-WA 10-11 of my Exhibit LC-2C that was filed with my Phase A Direct Testimony on May 19, 2000.

Load Coil Removal – The first criteria used in determining the cost of removal are the footages of aerial/buried and underground cable. This is because the amount of time for load coil removal differs based upon the type of cable. Washington-specific data was used to develop these costs.

The second criteria used are the number of load coils to be removed. Load coils are placed on copper voice grade loops based on their distance from the central office using engineering distances for maximum transmission results. Washington-specific inventory of cable length was used to calculate the average number of load coils to be removed.

Based on these two cost criteria, Verizon NW developed the average time per work order to remove load coils. This time was multiplied by the LLR for a Construction Cable Splicer. These costs are weighted by the ratio of aerial/buried to underground cable, and based upon 21 kilofeet or 27 kilofeet of cable.

(2) Bridged Tap Removal – The engineering activities for bridged tap removal are the same to determine the number and location of load coils on a cable pair. The Construction Cable Splicer time was developed by subject matter experts ("SMEs") in conjunction with field forces involved in bridged tap removal. Costs for removal are based on single and multiple occurrences of bridged taps per cable pair.

WHAT COSTS THAT SUPPORT THE NON-RECURRING CHARGES FOR LOOP CONDITIONING ARE BEING CONSIDERED IN THIS PROCEEDING?

As I indicated in the introduction to my testimony, Verizon NW has developed costs associated with conditioning xDSL loops. These costs, which were submitted in my Exhibit LC-2C in Phase A of this proceeding, apply to all xDSL loops. ~~These costs are described in my Phase A Direct Testimony on pages 20 – 22.~~

MR. KNOWLES MAKES THE ASSERTION IN HIS PHASE A RESPONSIVE DIRECT TESTIMONY THAT VERIZON CANNOT CREDIBLY CLAIM THAT IT COSTS MORE TO CONDITION AN EXISTING LOOP THAN TO BUILD A NEW ONE. HOW DO YOU RESPOND?

A. Mr. Knowles is making an "apples-to-oranges" comparison. The investment in the loop is based on the average loop costs to configure all loops and all cable pairs, regardless of the number of pairs in a given length of cable. The costs to remove bridged taps and load coils are based on removing these devices from one cable pair in order to make that individual loop DSL-capable. The FCC has determined that the costs to do this should be recovered from CLECs on a per occurrence basis, since this activity is performed only at the request of the CLEC. Mr. Knowles erroneously argues that there should be a relationship between these two entirely different sets of costs.

Q. MR. KNOWLES CLAIMS VERIZON NW'S LOOP CONDITIONING COSTS ARE EXCESSIVE BECAUSE THEY EXCEED THE RATES ADOPTED FOR QWEST AND VERIZON NW IN A PREVIOUS DOCKET. IS HIS CRITICISM VALID?

A. No. In addition the "apples-to-oranges" comparison made by Mr. Knowles, the rates adopted for Verizon NW in the previous docket not consider Verizon NW's costs. Verizon NW was ordered to assume Qwest's rates as interim. Verizon NW is entitled to present its own costs for consideration in this proceeding.

VII. COSTS FOR DEDICATED TRANSPORT AND SS7 ACCESS SERVICE

Q. WHAT KINDS OF COSTS THAT SUPPORT VERIZON NW'S PROPOSED NON-RECURRING CHARGES WILL VERIZON NW INCUR FOR PROCESSING CLEC REQUESTS FOR DEDICATED TRANSPORT AND SS7 ACCESS SERVICE?

A. Verizon NW will incur costs ordering, provisioning, central office and field installation activities associated with CLEC requests for these services. Costs for dedicated transport may be found in Exhibit LC-2C, pages 7-WA 26 – 7-WA 27, of my phase B direct testimony. Costs for SS7 access service may be found in Exhibit LC-2C, pages 7-WA 29, 7-WA 30, 7-WA 32 and 7-WA 33 filed in Phase B of this proceeding.

Q. HOW WERE COSTS DEVELOPED FOR THESE SERVICES?

A. Verizon NW has been provisioning these services for IXCs through the NACC for many years. Both the NACC ordering and the BRPC provisioning - the central office jumper work and the outside plant installation work - follow the same processes as previously described above in Section II for dark fiber. Verizon NW developed the work times associated with the activities for each of these services and developed costs based on the applicable LLRs as also described above in Section II for dark fiber.

VIII. CONCLUSION

PLEASE SUMMARIZE YOUR TESTIMONY.

Verizon NW has developed a comprehensive cost study that supports Verizon NW's proposed NRCs. This study conforms to the TELRIC economic principles and addresses all of the activities necessary to provide UNEs to CLECs. The Commission should approve these costs for use in setting NRCs for unbundled dark fiber, sub-loops, EELs, and the UNE-Ps, dedicated transport, and SS7 access services. The costs that support the loop conditioning NRCs submitted in Phase A of this proceeding are applicable to all xDSL loops and should be approved for setting rates for these services. In addition, the costs that support the NRCs for 2-wire and 4-wire loops and analog ports filed in Docket No. UT-960369, *et al* should also be applicable to local loops (DS-1 and DS-3) and ports (ISDN BRI, DS-1, and ISDN PRI), respectively, and should be approved for setting NCR's for these services.

DOES THAT CONCLUDE YOUR PHASE B DIRECT TESTIMONY?

Yes.

Exhibit No. _____ (LC-1T)
Docket No. UT-003013 – Phase B

BEFORE THE

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

IN THE MATTER OF THE CONTINUED	)	
COSTING AND PRICING OF UNBUNDLED	**)**	**DOCKET NO. UT-003013**
NETWORK ELEMENTS, TRANSPORT,	**)**	**PHASE B**
TERMINATION AND RESALE	)	

PHASE B DIRECT TESTIMONY OF

LINDA CASEY

COSTING MANAGER

ON BEHALF OF

VERIZON NORTHWEST, INC.

Formerly Known as GTE Northwest Incorporated

SUBJECT: COSTS THAT SUPPORT NRCS

AUGUST 4, 2000

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