

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Second Six-Month)	DOCKET NO. UT-043007
Review of Qwest Corporation's)	
Performance Assurance Plan)	ORDER NO. 09
)	
)	PREHEARING CONFERENCE
)	ORDER; MODIFYING
)	PROCEDURAL SCHEDULE
)	(Hearing set for
)	November 18, 2004 at 9:30 a.m.);
)	DEFERRING THIRD SIX-MONTH
)	REVIEW UNTIL JANUARY 2005
.....)	

1 **NATURE OF THE PROCEEDING.** In Docket No. UT-043007, the Washington Utilities and Transportation Commission (Commission) conducts its second six-month review of Qwest Corporation's (Qwest) Performance Assurance Plan, or QPAP. The Commission conducts a review of performance measures and performance indicator definitions (PIDs) in the QPAP every six months following the December 23, 2002, approval by the Federal Communications Commission (FCC) of Qwest's Section 271 application for the state of Washington.

2 **PREHEARING CONFERENCE.** The Commission convened a prehearing conference in this docket at Olympia, Washington on September 8, 2004, before Administrative Law Judge Ann E. Rendahl.

3 **APPEARANCES.** Douglas N. Owens, attorney, Seattle, Washington, represents Qwest. Karen Shoresman Frame, Senior Counsel, Denver, Colorado, represents Covad Communications Company (Covad). Karen Clauson, attorney, Minneapolis, Minnesota, and Ray Smith of Eschelon Telecom Inc., represent Eschelon Telecom, Inc. (Eschelon). Michel Singer Nelson, Senior Regulatory Attorney, Denver, Colorado, represents WorldCom, Inc., d/b/a MCI, Inc. (MCI).

Gregory J. Trautman, Assistant Attorney General, Olympia, Washington, represents Commission Staff.

4 **SETTLEMENT.** On August 27, 2004, Qwest, MCI, Eschelon, and Covad filed with the Commission a settlement agreement that resolves all issues in this proceeding between the settling parties. Narrative summaries of the settlement filed separately by Qwest and MCI, Eschelon, and Covad, and a statement of position by Staff indicate that Staff does not object to the settlement and that there is one issue remaining between Staff and Qwest. The remaining issue is whether the Commission should require Tier 2 payments for PID PO-20.

5 During the conference, the Administrative Law Judge advised the parties that the Commission did not require a hearing on the settlement agreement and that an order on the settlement agreement would be entered promptly.

6 **QWEST'S PETITION TO MODIFY SGAT EXHIBITS B, B1, AND K.** Also on August 27, 2004, Qwest filed with the Commission a notice of modifications to SGAT Exhibits B, B1, and K to the SGAT to accomplish the terms of the settlement agreement. During the conference, Eschelon raised three concerns with the proposed modifications to Exhibit K, in particular, language concerning Tier 2 payments for PID PO-20, the absence of specific language providing for aggregate reporting, and language in a footnote concerning when Qwest need not make payments during the burn-in period for PID PO-20. Qwest and Staff responded to Eschelon's concerns. These issues will be resolved by separate order on Qwest's notice of modifications to the SGAT.

7 **PROCEDURAL SCHEDULE.** The parties agreed to a revised procedural schedule during the conference to address the remaining issue concerning Tier 2 payments for PID PO-20. The Commission adopts this procedural schedule, which is attached to this Order as Appendix A, and incorporated into the body of this Order by this reference.

8 **NOTICE OF HEARING.** The Commission convenes a hearing in this matter to address the remaining issue of whether Tier 2 payments should be required under PID PO-20. **The hearing will be held on Thursday, November 18, 2004 at 9:30 a.m. in the Commission's Main Hearing Room, Room 206 of the Commission's Offices, Chandler Plaza Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington.**

9 **THIRD SIX-MONTH REVIEW PROCEEDING.** Pursuant to the QPAP, the Commission conducts a review of performance measures and PIDs in the QPAP every six months following the December 23, 2002, approval by the FCC of Qwest's Section 271 application for the state of Washington. The Commission's third six-month review proceeding should have begun in July 2004. Based on the agreement of the parties during the conference, the Commission will defer the next six-month review proceeding until January 2005. Parties may seek Commission review prior to January 2005, should issues arise that require prompt review by the Commission.

10 **NOTICE TO PARTIES: Any objection to the provisions of this Order must be filed within ten (10) days after the service date of this Order, pursuant to WAC 480-07-430 and WAC 480-07-810. Absent such objection, this Order will control further proceedings in this matter, subject to Commission review.**

Dated at Olympia, Washington, and effective this 14th day of September, 2004.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

ANN E. RENDAHL
Administrative Law Judge

APPENDIX A
PROCEDURAL SCHEDULE
DOCKET NO. UT-043007

EVENT	DATE
Direct Testimony on Tier 2 Issue	October 5, 2004
Responsive Testimony on Tier 2 Issue	October 26, 2004
Reply Testimony on Tier 2 Issue	November 8, 2004
Hearing on Tier 2 Issue (if Necessary)	November 18, 2004
Initial Briefs	December 7, 2004
Responsive Briefs	December 17, 2004