1 2 3 4 5 6 7 8 9 10 11 BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION 12 13 In the Matter of the Investigation into Docket No. UT-003022 U S WEST Communications, Inc.'s 14 Compliance with § 271 of those Telecommunications Act of 1996 15 16 In the Matter of U S WEST Communications, Docket No. UT-003040 Inc.'s Statement of Generally Available Terms Pursuant to Section 252(f) of the 17 **QWEST'S REQUEST FOR CLARIFICATION** Telecommunications Act of 1996 REGARDING QPAP COMPLIANCE FILING 18 19 Pursuant to the Commission's direction in the 37th Supplemental Order in this case, dated June 20 20, 2002, Qwest will be filing a compliance SGAT and QPAP tomorrow, June 25, 2002. Upon 21 22

reviewing the 37th Order to prepare the compliance filing, Owest has discovered two areas that require clarification from the Commission. Qwest is filing this request for clarification in order to bring the issues to the Commission's attention as soon as possible. Qwest will make a compliance filing tomorrow in accordance with its understanding of the 37th Order, as set forth herein.

Modification of OPAP High Value Services Payment Table 2A

In its compliance QPAP, Qwest will implement ¶ 44 of the 37th Supplemental Order by deleting

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the 'low-value' services from payment Table 2A. This will have the effect of returning the base value of QPAP payments for residential and business resale, and UBL-2 wire/analog loops to the level they were previously at. For most, but not all measures, this will be \$150 for those services. In other words, this methodology for compliance returns these services to the payment values they would have had if Qwest had only implemented the high value payments from Exhibit 1205.

In the 30th Order, at ¶ 135, the Commission had initially directed Qwest to "amend the QPAP to include the payment table for high-value services proposed in Exhibit 1205 at page 12." Prior to Qwest's May 28, 2002 QPAP Compliance Filing, only Table 2 addressed payments to CLECs, and Table 2A did not exist. Table 2 is not product specific. Exhibit 1205 did include a Qwest proposal to increase the payment levels for high-value services and also to *decrease* the payment levels for low-value services. Consequently, Qwest mistakenly believed that the Commission had directed it to implement its entire high value services proposal that included modifications to payment levels for both high-value and low-value services. Qwest reflected the high value services payment proposal as Table 2A in its compliance QPAP filed on May 28, 2002.

Based on the Joint Comments and the Commission's 37th Order, it is now clear to Qwest that the Commission only intended for Qwest to modify the payment levels for high-value services, and not low-value services. However, the language in the Commission's order appears to go beyond that, perhaps based on an overly generalized discussion of this issue during oral argument. Qwest asks the Commission to clarify that the 37th Order merely intended to return the payment levels for these services to their levels prior to introduction of the high-value Table 2A.

The Commission states that "Qwest must modify Table 2A to increase the base value of QPAP payments for residential and business resale, and UBL-2 wire/analog loops to \$150" (37th Order, ¶ 44). The Commission also states that its intent in doing so "is as the Joint CLECs assert, to increase the payments for high-value services, but not to lower payments for low-value services." (Id.) This is consistent with the CLECs' Joint Comments, where they note that "the Commission's order only directed Qwest to amend the QPAP for high value services." (Ex. 1689, page 20). Unfortunately, the

Commission has ordered Qwest to do something different than return the "low-value" services to their previous payments levels, apparently based on the following discussion:

The concern that the joint CLECs have is the Commission in paragraph 135 and 346 of its supplemental order indicated that the higher payment levels for high value services create a more appropriate incentive for Qwest to provide non-discriminatory service because they most closely correlate with one another and that Qwest should amend the QPAP to include the payment table for high value services proposed in Exhibit 1205 at page 12. And what Qwest did is they did that, but then they also reduced payments for other services as a balance, and they argued that there should be a balance, and I think the Commission was – indicated to change the high value services. It didn't indicate to change any other services to lower values. For example, UBL 2-wire or 4-wire analog, which is loop, was originally, and this is on page 6 of the Qwest compliance filing, which is Exhibit . . . 1681."

Tr. 7960

Of the actual QPAP, that's right, page 6. Go down to UBL 2-wire analog, that now reads 75, it used to read 150. Residence resale reads 25, that used to read 150. Business resale 75, it used to read 150. And UNE-P is still 150."

Tr. 7961

Based on this discussion, one would expect to find a draft of the QPAP that previously contained a Table 2A that had payment levels for UBL, residence resale, business resale, and UNE-P of \$150. This is not the case. The only payment table in previous drafts of the QPAP is Table 2. A majority of the performance measurements listed in Attachment 1 (specifically the OP and MR measures) for residential and business resale and UBL-2 wire/analog loops, are categorized at the high payment level, which is \$150. For some measures (specifically the PO measures), however, these services would have been categorized at the low payment level. Leaving these services in Table 2A at \$150 as required in the 37th Supplemental Order would have the effect of changing the pre-existing payment levels for some measures associated with those services. This particular issue was never addressed at the oral argument, and there is no record support for such action. In fact, to the contrary, the Commission had previously accepted the payment levels for these services through adoption of that portion of the multi-state proceeding which found the payment levels acceptable.

Consequently, Owest believes (and seeks clarification from the Commission) that the Commission

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intended for Qwest to only modify payment levels for the high-value services and to return the payment levels for the services categorized as "low-value" to their pre-existing payment levels. Qwest will implement this in its Compliance QPAP by simply deleting the low value services from Table 2A such that they will be subject to the Table 2 payment levels in the same manner as before the introduction of Table 2A.

Adding the Line Sharing Measure to Attachment 1

Paragraph 40 of the 37th Order explicitly instructs Qwest to include the line sharing measure in Attachment 1. Qwest believes it understands what the Commission has ordered on this issue, and that is that Qwest must include line sharing as one of the services to which payments apply. Qwest will do so. However, this cannot be accomplished by including line sharing in Attachment 1, and Qwest seeks clarification that its method of implementing this requirement is acceptable. Attachment 1 to the QPAP contains the performance measures and the accompanying payment weightings for those measures that are subject to the QPAP Tier 1 and Tier 2 per occurrence payments. No specific services or submeasurements at the service level are listed on Attachment 1 to the QPAP. Line sharing will be subject to the standards associated with the performance measurements listed in Attachment 1 as it moves from the diagnostic stage to having standards in the PIDs. This 'movement' is reflected in the PIDs in Exhibit B to the SGAT. Exhibit B is cross-referenced to the QPAP through section 20 of the SGAT. As ordered by the Commission, line sharing will be subject to any performance measurements for which its has standards in accordance with the PIDs in Exhibit B. By reference through SGAT section 20 line sharing will be subject to QPAP payments. Consequently, line sharing is not explicitly listed in Attachment 1, but is listed along with all the other products being measured in the actual PIDs contained in Exhibit B.

Dated this 24th day of June, 2002.

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