Exhibit T-\_\_\_ (TLS-9T ) Docket No. UT-043007 Witness: Thomas L. Spinks

## BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Second Six Month Review)of Qwest Corporation's Performance)Assurance Plan)

DOCKET NO. UT-043007

## TESTIMONY OF

## THOMAS L. SPINKS

## WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION STAFF

November 8, 2004

1	Q.	Please state your name and business address.
2	A.	My name is Thomas Spinks. My business address is 1300 South Evergreen
3		Park Drive Southwest, P.O. Box 47250, Olympia, Washington 98504. My e-
4		mail address is tspinks@wutc.wa.gov.
5		
6	Q.	By whom are you employed and in what capacity?
7	А.	I am employed by the Washington Utilities and Transportation Commission
8		as a Regulatory Consultant.
9		
10	Q.	Have you previously filed testimony in this proceeding?
11	А.	Yes, I filed direct testimony on October 5, 2004.
12		
13	Q.	What is the purpose of your testimony?
14	А.	The purpose of my testimony is to reply to the response testimony of Qwest
15		witness Mr. Mark Reynolds.
16		
17	Q.	On page 4, line 11 through page 5 line 18, Mr. Reynolds states that Qwest
18		and the CLECs had agreed to a Tier I payment designation, the CLECs
19		agreed not to pursue a Tier II designation, and that point is important
20		because it means that the CLECs believe the lack of a Tier II payment
21		designation would not hamper their ability to compete. Do you agree?

1	А.	No. I believe the CLECs did not consider the question of a Tier II payment
2		designation to be "their" issue to advocate for or against in the context of the
3		settlement discussions.
4		
5	Q.	What support does Staff rely upon for that opinion?
6	А.	During the prehearing conference on the settlement, Ms. Clausen, on behalf
7		of Eschelon, stated in regard to the PO-20 issue that Tier II payments were
8		"still an open issue." (Tr. 115, lines 6-8.) Clearly the CLECs themselves did
9		not see the settlement as including any disposition of the PO-20 Tier II issue.
10		
11	Q.	On page 13, lines 17 - 19, Mr. Reynolds states that "The CLECs should be
12		
12		presumed to know best as between themselves and Staff, how to represent
12		their interests before the Commission on what QPAP payment
13	A.	their interests before the Commission on what QPAP payment
13 14	А.	their interests before the Commission on what QPAP payment opportunities are necessary for them to compete." Please comment.
13 14 15	А.	their interests before the Commission on what QPAP payment opportunities are necessary for them to compete." Please comment. Staff does not believe that the three CLECs that were parties to the settlement
13 14 15 16	А.	<ul> <li>their interests before the Commission on what QPAP payment</li> <li>opportunities are necessary for them to compete." Please comment.</li> <li>Staff does not believe that the three CLECs that were parties to the settlement</li> <li>intended for themselves to represent the 137 CLECs registered in the state of</li> </ul>
13 14 15 16 17	А.	<ul> <li>their interests before the Commission on what QPAP payment</li> <li>opportunities are necessary for them to compete." Please comment.</li> <li>Staff does not believe that the three CLECs that were parties to the settlement</li> <li>intended for themselves to represent the 137 CLECs registered in the state of</li> <li>Washington. Rather, staff believes that each CLEC that was a party to the</li> </ul>
<ol> <li>13</li> <li>14</li> <li>15</li> <li>16</li> <li>17</li> <li>18</li> </ol>	А.	their interests before the Commission on what QPAP payment opportunities are necessary for them to compete." Please comment. Staff does not believe that the three CLECs that were parties to the settlement intended for themselves to represent the 137 CLECs registered in the state of Washington. Rather, staff believes that each CLEC that was a party to the settlement was acting in its own self-interest. CLECs receive no direct benefit
<ol> <li>13</li> <li>14</li> <li>15</li> <li>16</li> <li>17</li> <li>18</li> <li>19</li> </ol>	A.	their interests before the Commission on what QPAP payment opportunities are necessary for them to compete." Please comment. Staff does not believe that the three CLECs that were parties to the settlement intended for themselves to represent the 137 CLECs registered in the state of Washington. Rather, staff believes that each CLEC that was a party to the settlement was acting in its own self-interest. CLECs receive no direct benefit from Tier II payments and obviously did not believe that issue needed to be

1		interests in ensuring that there are performance monitoring and enforcement
2		mechanisms in place that would, in combination with other factors, provide
3		strong assurance that the local market will remain open after the BOC
4		receives section 271 authorization. (See Thirtieth Supplemental Order at $\P 6$ .)
5		
6	Q.	On page 7, line 14 through page 9, line 8, Mr. Reynolds discusses the
7		Department of Justice quote from your direct testimony and states that the
8		DOJ's comments provide no support for Mr. Spinks' advocacy in the case.
9		Please comment.
10	А.	The DOJ's comments on Qwest's first 271 application, as they regard manual
11		service order accuracy, were included in my testimony to provide support
12		for the proposition manual service order accuracy is important to a CLEC's
13		ability to compete. The DOJ looked at many factors assessing RBOC 271
14		applications and did not weigh in on many issues. Rather, it brought to the
15		attention of the FCC most important areas where it believed a RBOC fell
16		short. When the DOJ stated in its comments that "The lack of regularly
17		reported commercial data on manual accuracy renders the record
18		incomplete", staff believes the DOJ was expressing a concern regarding the
19		ability to detect and sanction poor performance as it occurred, one of the
20		criteria articulated by the FCC in assessing RBOC 271 applications. The
21		development of PO-20 addressed the ability to detect poor performance and

1		its inclusion in the QPAP as a Tier II measure addressed the sanctioning of
2		poor performance.
3		
4	Q.	On page 5, line 19 through page 6, line 5, Mr. Reynolds states that none of
5		your testimony or exhibits provides any supporting documentation or
6		rationale regarding any type of payment designation for PO-20 –
7		Expanded. Do you agree?
8	А.	No. I believe my testimony clearly establishes that manual service order
9		accuracy is important to a CLEC's ability to compete and that conclusion is
10		not based on my opinion but rather the statements and actions of the test
11		vendors, Department of Justice, CLECs themselves, the FCC and this
12		Commission during the Qwest 271 proceeding. The selection of measures
13		for inclusion in Tier II is a subjective process. The initial Tier II measures
14		were essentially arrived at through a consensus process. In the Thirtieth
15		Supplemental order the Commission found that the PO-2B - Electronic Flow
16		Through measure should also be included in the QPAP as a Tier II measure
17		because of its perceived importance on a CLECs ability to compete. In this
18		instance, the history of the development of this measure shown in my direct
19		testimony and the LTPA discussions by CLECs regarding their perception of
20		the impact of manual service order errors on their ability to conduct business
21		lead staff to conclude that PO-20 also rises to the level of importance
22		sufficient to have it included in the QPAP as a Tier II measure.

2	Q.	On page 9, lines 3 – 19, Mr. Reynolds states that Staff omitted important
3		material regarding Eschelon's discussion of UNE-P errors that is
4		significant to a CLEC's ability to compete. Please comment.
5	А.	Mr. Reynold's discusses Eschelon's pre-order review process and notes that
6		it prevents Qwest errors from having an impact on a customer's service. To
7		Staff's knowledge, Eschelon is the only CLEC in Washington that has such a
8		process. More importantly, his comment raises the question of whether the
9		way to address errors made by Qwest is for all 137 CLECs operating in
10		Washington to incur the added cost of creating such a pre-order review
11		process or whether Qwest should be given sufficient incentive to minimize
12		errors through the operation of a QPAP that acts as a strong and effective
13		deterrent to the benefit of all CLECs operating in Washington.
14	Q.	Mr. Reynold's concludes his testimony by saying that Qwest is likely to be
15		reticent to try to reach agreements with the CLECs on issues if it is
16		concerned that it will need to later litigate the same issues with Staff.
17		Please comment.
18	А.	Staff was invited to participate in the settlement discussion but could not
19		meet on the proposed date due to a prior commitment. The parties went
20		ahead with the discussion on that date and reached a settlement. Staff fully
21		supported that agreement. Although Qwest says that the settlement
22		included resolution of the Tier II payment designation for PO-20, the CLECs

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1		believe the issue was not addressed in the settlement and was "still an open
2		issue." Staff has no direct knowledge of the matter since it was not a party to
3		the discussion. Staff does not believe that our advocacy on the Tier
4		designation for PO-20 is inappropriate or represents an issue that had been
5		settled by Qwest and the CLECs.
6		
7	Q.	Does this conclude your testimony?

8 A. Yes.