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BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

<p>In the Matter of the Investigation into U S WEST Communications, Inc.'s Compliance with § 271 of the Telecommunications Act of 1996</p>	<p>Docket No. UT-003022</p>
<p>In the Matter of U S WEST Communications, Inc.'s Statement of Generally Available Terms Pursuant to Section 252(f) of the Telecommunications Act of 1996</p>	<p>Docket No. UT-003040</p> <p>QWEST CORPORATION'S NOTICE OF UPDATED EXHIBIT A TO ITS STATEMENT OF GENERALLY AVAILABLE TERMS AND CONDITIONS</p>

Qwest Corporation, formerly known as U S WEST Communications, Inc. ("Qwest"), submits this notice of its updated Exhibit A to its Statement of Generally Available Terms and Conditions ("SGAT") in the State of Washington. This Second Amended Exhibit A is attached.¹ Qwest respectfully requests that the Commission allow this version of Exhibit A, and specifically those revised rates reflected in Exhibit A, to go into effect pursuant to 47 U.S.C. § 252(f)(3)(B), and acknowledge that the rates reflected on Exhibit A will become effective on a retroactive basis as of July 10, 2002.

¹ For the convenience of the Commission, Qwest has identified the new, lower rates in Exhibit A with a "##" sign. These revised rates are consistent with Qwest's rate reductions proposed in its tariff filing that is also being filed today. Apart from the Exhibit A rate revisions, Qwest did not change any terms and conditions set forth in the SGAT itself.

1 **DISCUSSION**

2 On June 25, 2002, Qwest filed a revised SGAT with the Commission pursuant to Section 252(f)
3 of the Telecommunications Act of 1996 (“Act”) that included, among other things, new, lower rates for
4 certain Unbundled Network Elements (“UNEs”). Although Qwest believed that the prior rates
5 established by the Commission complied with the Act and the Federal Communications Commission’s
6 (“FCC”) pricing rules, Qwest filed the revised, lower rates to eliminate any question in connection with
7 Qwest’s 271 application for Washington that the effective rates satisfied the relevant provisions of the
8 competitive checklist. Qwest also filed a First Amended Exhibit A on July 2, 2002, which reflected
9 certain Commission-ordered rates from the cost docket, UT-003013.

10 Qwest filed its 271 application with the FCC on July 12, 2002. As a result of comments filed by
11 the DOJ and CLECs concerning the Washington prices in the application, Qwest has agreed to make
12 changes in the following areas in its reply comments in the 271 application. These changes are the result
13 of issues raised by CLECs in comments they have made in opposition to the Washington application.

14 1. Integra alleged that Qwest improperly calculated its benchmarking of the unbundled loop
15 to a cost adjusted Colorado rate because Qwest did not properly consider the cost of IDLC grooming in
16 the Washington rates. Qwest denied that it had done the benchmarking improperly but agreed to adjust
17 the Washington rates to put the grooming charge, (implicit in the higher Washington loop rates), on a
18 comparable basis as the Colorado grooming charge. That adjustment was made in Nebraska and North
19 Dakota in the first 271 application and Qwest is extending that adjustment to Washington. The effect of
20 the adjustment is to reduce the difference in the two loop rates that is now \$0.55 to \$0.19. For example,
21 the zone one rate for the loop purchased without the port was \$6.41, and is now reduced to \$6.05. The
22 loop with a port is unchanged at \$5.86. Thus, the differential between the two rates is now \$0.19.

23 2. AT&T alleged that the analog port rate in Colorado improperly recovered costs of
24 vertical features more than once. Qwest agreed to reduce the Colorado analog port rate. Because this
25 rate is part of the overall switching cost that is used to benchmark Washington’s switching rates to
26 Colorado, this reduction in Colorado’s rate caused the benchmark rates to be lower for Washington.

1 This causes Washington's Local switching rate to be reduced to \$0.001178 and the tandem switching
2 rate to be reduced to \$.000690. The Shared Transport rate which was shown in the SGAT Exhibit A at
3 \$0.001219 would be reduced to \$0.00111.²

4 3. New Edge alleged that Qwest had refused in all states to offer a reduced Quote
5 Preparation Fee ("QPF") for collocation augments in states other than Colorado. New Edge alleged that
6 Qwest was required to offer this lower rate for collocation changes by the Colorado Commission but had
7 not volunteered to offer it in other states. Qwest agreed to offer this lower rate QPF in its other states.

8 4. Covad complained about a positive Line Sharing rate for the loop. Qwest agreed to
9 deaverage the Line Sharing rate in a manner consistent with the deaveraging of the loop in its states,
10 except that it would not increase the rate over the average rate set by the state commission.

11 Qwest requests that the submitted rates become effective on the same date as when the revised
12 rates were made effective, July 10, 2002. Qwest will incorporate these new rates into its interconnection
13 agreements. Where a rate in Exhibit A is lower than the rate currently in a CLEC's interconnection
14 agreement, the lower rate will be effective retroactive to July 10, 2002. The net effect of this action will
15 be to maintain or reduce wholesale rates in Washington. In no case will Qwest increase rates to our
16 CLEC customers.

17 Qwest intends that these new, lower rates remain in effect for its CLEC
18 customers until one of the following occurs: the Commission establishes a
19 different rate in a cost docket; Qwest files with and receives approval
20 from the Commission for a different rate; or a change in applicable law
takes place triggering a rate change pursuant to any "change in law"
provision of an applicable interconnection agreement.

21 **CONCLUSION**

22 For the foregoing reasons, Qwest respectfully requests that the Commission allow this version of
23 Exhibit A to the SGAT to go into effect on a retroactive basis as of July 10, 2002 pursuant to 47 U.S.C.
§ 252(f)(3).

24 DATED this 30th day of August, 2002.

25 ² Shared transport has a different structure in the tariff than in the SGAT for this rate, so this change would only affect
26 the Exhibit A.

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QWEST

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