

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of)	DOCKET NO. UT-000883
)	
U S WEST COMMUNICATIONS, INC.)	ORDER SETTING PETITION FOR
)	HEARING AND NOTICE OF
for Competitive Classification of Business)	PREHEARING CONFERENCE
Services in Specified Wirecenters.)	(July 21, 2000)
.....)	
..		

I. BACKGROUND

1 On June 7, 2000, U S WEST Communications, Inc. (U S WEST), filed with the Commission a Request for Competitive Classification of Business Services in Specified Wirecenters in Washington. The petition for classification covers the geographical areas serviced by the following wirecenters: Bellevue Glencourt, Bellevue Sherwood, Issaquah, Kent O’Brien, Auburn, Renton, Seattle Atwater, Seattle Campus, Seattle Cherry, Seattle Duwamish, Seattle East, Seattle Elliott, Seattle Emerson, Seattle Lakeview, Seattle Main, Seattle Sunset, Seattle West, Spokane Chestnut, Spokane Fairfax, Spokane Hudson, Spokane Keystone, Spokane Moran, Spokane Riverside, Spokane Walnut, Spokane Whitworth, Tacoma Fawcett, Tacoma Greenfield, Tacoma Juniper, Tacoma Waverley, Vancouver Orchards, and Vancouver Oxford. U S WEST contends that these business services, which include Basic Business Local Exchange Service, Centrex Services, Private Branch Exchange Trunks, and Basic Business Features, are offered by other competing providers and that U S WEST no longer has a captive customer base. The petition came before the Commission at its regularly scheduled open public meeting on July 12, 2000.

II. MEMORANDUM

2 Pursuant to RCW 80.36.330, the Commission is authorized to “classify a telecommunications service provided by a telecommunications company as a competitive telecommunications service” if it finds that the service is “subject to effective competition.” The statute defines “effective competition” to mean that “customers of the service have reasonably available alternatives and that the service is not provided to a significant captive customer base.”

3 In determining whether a particular service is a competitive service, the Commission should consider, among other factors, the following:

- 4 (1) the number and size of alternative providers of services;
5 (2) the extent to which services are available from alternative providers in the relevant
market;
6 (3) the ability of alternative providers to make functionally equivalent or substitute
services readily available at competitive rates, terms, and conditions; and
7 (4) other indicators of market power, which may include market share, growth in
market share, ease of entry, and the affiliation of providers of services.

8 In its petition U S WEST identified 31 companies offering local exchange service to
business customers in Washington. The petition includes various confidential exhibits
providing information on the number of competitors with collocation space, switches,
ported telephone numbers, and resale service in each of the wirecenters that U S
WEST seeks to be declared competitive. Commission Staff does not believe that the
petition demonstrates that there is no significant captive customer base for business
exchange services in these areas. Staff has requested additional information from U S
WEST and the companies identified by U S WEST, but to date has not received all of
the requested information from the companies. Staff recommends the Commission set
the petition for hearing to investigate these concerns.

9 U S WEST has notified its business customers of its petition. To date, the
Commission has received 45 comments from customers regarding the issues raised by
U S WEST's petition. The Telecommunications Ratepayers Association for Cost-
based and Equitable Rates (TRACER) "does not believe that effective competition
exists for the business services covered by the USWC petition and, therefore, urges
the Commission to suspend the petition and set it for hearing or for formal
investigation and fact-finding." Public Counsel, Nextlink, MetroNet Services
Corporation and other companies have similarly urged the Commission to suspend the
petition and set it for hearing.

III. COMMISSION DISCUSSION AND DECISION

10 The Commission finds insufficient basis in the support for U S WEST's petition to
grant competitive classification of services as requested by the Company. The petition
requests competitive classification of business services in the above listed areas, but its
supporting documentation fails to demonstrate that effective competition for its
business services exists in the areas covered by the petition.

11 The documentation U S WEST has provided supporting its petition is inadequate on
the most significant of the issues the Commission is required by law to address.
Further, the business customers of the services for which competitive classification is
sought urge the Commission to investigate the petition. Therefore, the Commission

concludes that the petition in this matter should be set for hearing and investigation.

IV. ORDER

- 12 THE COMMISSION ORDERS That the U S WEST petition for competitive classification of business services in specified wirecenters in this matter is set for hearing, and that U S WEST notify its wholesale and retail customers of its filing of the petition and this Order setting the matter for hearing.

V. NOTICE OF PREHEARING CONFERENCE

- 13 Hearing in this matter is being held pursuant to Part IV of chapter 34.05 RCW pertaining to adjudicative proceedings, including but not limited to RCW 34.05.413, RCW 34.05.431, RCW 34.05.440, RCW 34.05.449, and RCW 34.05.452. The Commission has jurisdiction over this matter under Title 80 RCW, having legal authority to regulate the rates, services, and practices of telecommunications companies providing service within the state of Washington. In addition to the foregoing, statutes and rules involved include those within chapter 80.36 RCW, chapters 480-09 and 480-120 WAC.
- 14 **NOTICE IS HEREBY GIVEN That a prehearing conference in this matter will be held at 9:30 a.m. on Friday, July 21, 2000, in Room 108, Chandler Plaza Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington.**
- 15 Those present at the prehearing conference will be required to consider formulating any other issues in the proceeding and to determine other matters to aid in the disposition, as specified in WAC 480-09-460. Petitions to intervene should be made in writing prior to the prehearing conference or made orally at that time. Appearances will be taken. The time and place for any additional hearing will be set at the prehearing conference or by later written notice.
- 16 NOTICE IS FURTHER GIVEN That, in accordance with WAC 480-09-700(1)(a), the Commission has determined that good cause exists for this matter to be heard upon shortened notice.
- 17 If any party or witness needs an interpreter or other assistance, please fill out the form attached to this notice and return it to the Commission.
- 18 NOTICE IS FURTHER GIVEN THAT ANY PARTY WHO FAILS TO ATTEND OR PARTICIPATE IN THE HEARING SET BY THIS NOTICE, OR ANY OTHER STAGE OF THIS PROCEEDING, MAY BE HELD IN DEFAULT IN ACCORDANCE WITH RCW 34.05.440. THE PARTIES ARE FURTHER ADVISED THAT THE SANCTION PROVISIONS OF WAC 480-09-700(4) ARE SPECIFICALLY INVOKED.

19 The names and mailing addresses of all parties and their known representatives are as follows:

Petitioner: U S WEST Communications, Inc.
1600 Seventh Avenue
Seattle, Washington 98191

Representative: Lisa A. Anderl
Senior Attorney
1600 7th Avenue, Room 3206
Seattle, Washington 98191
(206) 345-1574

Commission: Washington Utilities and
Transportation Commission
1300 S. Evergreen Park Drive S.W.
Olympia, WA 98504-7250
(360) 664-1160

Representative: Sally G. Johnston
Assistant Attorney General
1400 S. Evergreen Park Drive S.W.
Olympia, WA 98504-0128
(360) 664-1193

Public Counsel: Simon ffitch
Public Counsel Section
Office of Attorney General
900 Fourth Avenue, Suite 2000
Seattle, WA 98164-1012
(206) 464-7744

20 Karen Caille has been appointed as the Administrative Law Judge from the Utilities and Transportation Commission's Administrative Law Division, 1300 S. Evergreen Park Drive S.W., Olympia, Washington 98504-7250 and will preside at the prehearing conference.

21 The Commission will provide at its offices in Olympia, Washington, current records of the hearing for the use of those who may wish to review them. The Public Counsel section of the Office of the Attorney General has been designated by the Attorney General to represent the public. The address of the Commission, shown below, may be used for inquiries of Public Counsel, or Public Counsel may be contacted directly

by writing or calling the address or telephone number listed below.

- 22 Notice of any other procedural phase will be given in writing or on the record as the Commission may deem appropriate during the course of this proceeding.

DATED at Olympia, Washington, and effective this day of July, 2000.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARILYN SHOWALTER, Chairwoman

RICHARD HEMSTAD, Commissioner

WILLIAM R. GILLIS, Commissioner

Inquiries may be addressed to:

Secretary
Washington Utilities and
Transportation Commission
Chandler Plaza Building
1300 S. Evergreen Park Drive S.W.
P.O. Box 47250
Olympia, WA 98504-7250
(360) 664-1160

-or-

Public Counsel Section
Office of Attorney General
900 Fourth Avenue, Suite 2000
Seattle, WA 98164-1012
(206) 464-7744

NOTICE

PLEASE BE ADVISED that the hearing facilities are accessible to interested persons with disabilities; that smoking is prohibited; and that if limited English-speaking or hearing impaired parties or witnesses are involved in a hearing and need an interpreter, a qualified interpreter will be appointed at no cost to the party or witness.

The information needed to provide an appropriate interpreter or other assistance should be designated below and returned to Washington Utilities and Transportation Commission, Attention: Carole J. Washburn, Executive Secretary, 1300 S. Evergreen Park Drive S.W., P.O. Box 47250, Olympia, WA 98504-7250. (PLEASE SUPPLY ALL REQUESTED INFORMATION).

Docket No.: _____

Case Name: _____

Hearing Date: _____ Hearing Location: _____

Primary Language: _____

Hearing Impaired (Yes) _____ (No) _____

Do you need a certified sign language interpreter?:

Visual _____ Tactile _____

Other type of assistance needed: _____

English-speaking person who can be contacted if there are questions:

Name: _____

Address: _____

Phone No.: (____) _____