

August 24, 2004

OUTLINE FOR BRIEFS

RE: *Washington Utilities and Transportation Commission v.
Verizon, Northwest, Inc., Docket No. UT-040788*

TO ALL PARTIES OF RECORD:

The Commission accepts the parties' suggested outline for briefs, with the slight modifications shown.

Thank you for your efforts.

Sincerely,

C. ROBERT WALLIS
Administrative Law Judge

Attachment

Outline for Briefs
Docket No. UT-040788 (Interim)
Verizon Northwest

- I. Introduction
- II. Legal and Policy Issues
 - A. What are the proper factors for interim rate relief?
 - B. Order No. 05
 - C. Precedent on interim relief from other jurisdictions
- III. Has Verizon Satisfied the Appropriate Interim Rate Relief Factors?
 - A. Consideration of factors: to what degree, if any, should the following factors bear on the Commission's decision?
 - 1. Factor No. 1
 - 2. Factor No. 2
 - a. Is there an actual emergency?
 - b. Is there gross hardship?
 - c. Is there gross inequity?
 - d. Will interim rate relief resolve any emergency or prevent any gross hardship or gross inequity?
 - 3. Factor No. 3
 - 4. Factor No. 4
 - a. Adjustments to consider
 - 1) Access reduction
 - 2) Directory imputation
 - 3) Verizon's restating adjustments
 - 4) Employee separation program
 - 5) Other
 - b. Levels and trends in financial results

- c. Rate of return/capital structure
 - d. Interest coverage
 - e. Intermediate and short term financing demands
 - f. Effect of the grant of interim relief on financing demands
 - 5. Factor No. 5
 - 6. Factor No. 6
 - B. Should this request, seeking rebalancing for reductions in revenue that the Commission ordered, be considered as different in character from other requests for interim relief?
 - 1. What precedent, if any, exists at the Commission regarding rebalancing of the sort requested?
 - 2. What policy factors should bear on determining whether this request differs from other requests for interim relief?
 - C. Other
- IV. Rate Design
- A. Introduction
 - B. Equal percentage increase proposal
 - C. Equal dollar increase proposal
 - D. Services subject to a surcharge (includes the WTAP issue)
 - E. Mechanics of calculating a surcharge, if one is authorized
- V. Deferral Account Proposal

VI. Refund Issue

A. Whether and how to apply refunds

B. Other issues

VII. Conclusion (with specific recommendations)