

0001

1                   BEFORE THE WASHINGTON UTILITIES AND  
2                   TRANSPORTATION COMMISSION

3  
4     In the Matter of the Petition )  
5                   of:                    )  
6     VERIZON NORTHWEST, INC.,         )DOCKET NO. UT-061298  
7     For Waiver of                    )  
8     WAC 480-120-071(2)(a)            )  
9     \_\_\_\_\_ )  
10    In the Matter of the Petition )  
11                   of:                    )DOCKET NO. UT-061464  
12    VERIZON NORTHWEST, INC.,         )  
13    For Waiver of                    )  
14    WAC 480-120-071(2)(a)            )  
15    \_\_\_\_\_ )  
16    In the Matter of the Petition )  
17                   of:                    )DOCKET NO. UT-061821  
18    VERIZON NORTHWEST, INC.,         )Volume I  
19    For Waiver of                    )Pages 1 - 14  
20    WAC 480-120-071(2)(a)            )  
21    \_\_\_\_\_ )

22  
23                   A hearing in the above matter was held on  
24     January 26, 2007, at 9:30 a.m., at 1300 South  
25     Evergreen Park Drive Southwest, Room 206, Olympia,  
26     Washington, before Administrative Law Judge DENNIS  
27     MOSS.

28                   The parties were present as follows:  
29  
30                   WASHINGTON UTILITIES AND TRANSPORTATION  
31     COMMISSION, by JENNIFER CAMERON-RULKOWSKI, Assistant  
32     Attorney General, 1400 South Evergreen Park Drive,  
33     Southwest, Post Office Box 40128, Olympia, Washington  
34     98504-0128, Telephone (360) 664-1186, and  
35     (360) 586-5522, fax, E-mail, jcameron@wutc.wa.gov.  
36  
37     Deborah L. Cook, RPR, CSR  
38  
39     Court Reporter

0002

1 VERIZON NORTHWEST, INC., by THOMAS F. DIXON,  
2 (via Bridgeline), Assistant General Counsel, 707 17th  
3 Street, No. 4200, Denver, Colorado 80202, Telephone  
4 (303) 390-6206, and (888) 475-7218, extension 3. Fax,  
5 (303) 390-6333, e-mail, thomas.f.dixon@verizon.com.

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

0003

1

PROCEEDINGS

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

JUDGE MOSS: Let's be on the record. Good morning, everyone. We are convened today in what I believe is our first prehearing conference in three dockets that I believe are not consolidated at this juncture, although we can talk about the advisability of that later.

These are petitions, each of these involves petitions by Verizon Northwest, Inc. for waiver of Washington Administrative Code Section 480-120-071 (2)(a.) Our docket numbers are UT061298, UT061464, and UT061821.

As to one of these, that would be the 061821, there is pending a motion to withdraw which we will take up momentarily.

Our first order of business, however, with that preliminary out of the way, is to take the appearances of counsel. And, Mr. Dixon, your client is the applicant, so I will start with you.

This is our first prehearing so we'll ask you to give your full name, spelling your last name for the court reporter's benefit, your title, your client, your address, street address, and your phone number, fax number, and e-mail.

0004

1           MR. DIXON: Thank you, Your Honor. I am  
2 Thomas F. Dixon, D-i-x-o-n. I am the assistant  
3 general counsel for the Northwest Region for  
4 Verizon. I represent Verizon Northwest, Inc. I am  
5 located at 707 17th Street, that's 1-7 Street,  
6 No. 4200, Denver, Colorado 80202. My telephone  
7 number is (303) 390-6206. My fax number is (303)  
8 390-6333. My toll-free number is (888) 475-7218,  
9 extension 3. And my e-mail address is  
10 thomas.f.dixon@verizon.com.

11           JUDGE MOSS: Thank you, Mr. Dixon.

12           MR. DIXON: You are welcome.

13           JUDGE MOSS: Ms. Cameron-Rulkowski.

14           MS. CAMERON-RULKOWSKI: Jennifer  
15 Cameron-Rulkowski, Assistant Attorney General. The  
16 address is 1400 South Evergreen Park Drive,  
17 Southwest, Olympia, Washington 98504-0128.  
18 Telephone is (360) 664-1186. Fax is  
19 (360) 586-5522. And my e-mail is  
20 jcameron@wutc.wa.gov.

21           JUDGE MOSS: Thank you. I think in terms of  
22 our order of business, the most logical thing to do  
23 would be to take up first the motion to withdraw.  
24 I have looked at the papers in my file. One  
25 perhaps significant piece that I don't get is that

0005

1 I understand there was a Staff briefing memo to the  
2 Commission for purposes of the open meeting that  
3 may include some data that would answer my  
4 questions. I haven't seen that, so I will ask my  
5 questions.

6 And specifically in connection with the  
7 motion to withdraw the application, or petition for  
8 waiver in UT 061821, I want to clarify for my  
9 benefit before I rule, or decide to hold the matter  
10 in abeyance for further discussions internally,  
11 that this petition concerns -- is it four  
12 customers, Mr. Dixon?

13 MR. DIXON: That's correct, Your Honor.

14 JUDGE MOSS: And I was reading through the  
15 application and its various amendments, and it  
16 appears to me that the end story is that for these  
17 four, we would be looking at a cost -- or Verizon  
18 would be facing a cost of approximately \$57,000.

19 MR. DIXON: That would be the total cost  
20 with the reinforcement and everything that would be  
21 involved for these four customers. And I want to  
22 make it clear, the original petition, of course,  
23 included the Bush property. And when the  
24 Commission bifurcated these cases, we're down to  
25 these four customers in this particular docket.

0006

1           So for that group of customers the cost is  
2 about \$57,000 now.

3           JUDGE MOSS: Yes, I will confess I became  
4 confused with the \$163,000 figure, so I figured  
5 that one out. So I appreciate your clarification.  
6 And that is a point that is of some significance  
7 here. Working out, I believe if I did the math  
8 correctly, to \$14,250 on average per customer.

9           MR. DIXON: That's my recollection as well,  
10 Your Honor.

11           JUDGE MOSS: I want to put the question to  
12 Staff, whether this is an amount that falls  
13 reasonably within the range of what has previously  
14 been allowed by this Commission in terms of these  
15 line extensions.

16           MS. CAMERON-RULKOWSKI: Staff answers yes.

17           JUDGE MOSS: Thank you.

18           Mr. Dixon, do you have anything further you  
19 would like to present before I rule?

20           MR. DIXON: No, Your Honor.

21           JUDGE MOSS: Ms. Cameron-Rulkowski, do you  
22 have anything further to present?

23           MS. CAMERON-RULKOWSKI: No, Your Honor,  
24 Staff has no objection to the withdrawal.

25           JUDGE MOSS: Thank you for that. I will

0007

1 grant the withdrawal, and I will make that part of  
2 my prehearing order.

3 MR. DIXON: Thank you, Your Honor. And  
4 I will notify our people so we can do what is  
5 necessary to ensure that the line extensions are  
6 constructed.

7 JUDGE MOSS: Very good. With that disposed  
8 of, I think our next matter of business will be the  
9 schedule for the remaining requests. And I  
10 received on the 24th from Ms. Cameron-Rulkowski the  
11 apparently agreed schedule that you have all  
12 arrived at through your discussions.

13 And I would like to say, first of all, I  
14 think this is an excellent practice, one that I  
15 heartily endorse, and would like to see more of in  
16 future cases. I have looked at my calendar and I  
17 am going to confirm, once again, that the hearing,  
18 May 22nd and 23rd -- I knew there was a point I  
19 wanted to raise. There was a reason I wanted to  
20 look at that.

21 The 23rd is an open meeting day, so that  
22 does not preclude us from having the hearing on  
23 that day; it just means this room is unavailable.  
24 I gather -- and I haven't asked, but my sense of  
25 things is there's no one else on the telephone line

0008

1 that wishes to intervene in this proceeding?

2 (No response.)

3 JUDGE MOSS: Apparently not.

4 MR. DIXON: This is Tom Dixon. We have  
5 received no pleadings so indicating.

6 JUDGE MOSS: So I have no pleadings, so I  
7 wanted to bring that to your attention. It's not  
8 an issue. We can have the hearing in room 108,  
9 given the small number of players. So if those are  
10 the dates you prefer, I can do that.

11 MR. DIXON: Thank you, Your Honor. We have  
12 selected two days to give ourselves time in the  
13 event we ran over. Our goal would be to finish in  
14 one day.

15 JUDGE MOSS: I also think it's wise to have  
16 an extra half day or day reserve. The other  
17 matters on the procedural schedule don't  
18 necessarily involve my involvement, and so I don't  
19 see anything here that conflicts with my calendar.  
20 And I would be willing to adopt the procedural  
21 schedule that the parties have proposed. If there  
22 are any changes, you should let me know now.

23 MS. CAMERON-RULKOWSKI: No changes, Your  
24 Honor, on behalf of Staff.

25 MR. DIXON: Not on behalf of Verizon, Your

0009

1 Honor.

2 JUDGE MOSS: Very good. I will publish that  
3 schedule as part of my prehearing order.

4 MS. CAMERON-RULKOWSKI: Thank you, Your  
5 Honor.

6 JUDGE MOSS: Yes, thank you. Is there any  
7 other business we need to take up today?

8 MR. DIXON: This is Tom Dixon. I don't know  
9 of anything else at this point that I have. We  
10 have talked -- Jennifer and I spoke briefly about a  
11 protective order. And should that be needed,  
12 we will request one, and request a standard  
13 protective order from the Commission at that time.  
14 But that will depend on whatever discovery goes on.

15 We will certainly cooperate in getting a  
16 protective order, so to the extent there is any  
17 confidential information requested, that it would  
18 get expedited getting that to the parties, or the  
19 parties can share that type of data.

20 JUDGE MOSS: Okay. And, Mr. Dixon, you  
21 don't appear here on a regular basis, but I do want  
22 to say, we do use surnames in the hearing room  
23 because of the transcript. It's necessary to do  
24 that to have a clear transcript.

25 MR. DIXON: I apologize. I stumbled for a

0010

1 minute because I didn't have my paper with  
2 Ms. Cameron-Rulkowski's name in front of me, her  
3 last name, so I apologize.

4 JUDGE MOSS: That's quite all right.

5 MS. CAMERON-RULKOWSKI: Your Honor, Staff  
6 would like to invoke the standard discovery.

7 JUDGE MOSS: I have a slightly different  
8 view of that whole process than some others, but  
9 that's no problem. You can proceed with discovery  
10 in accordance with the Commission's rules.

11 MS. CAMERON-RULKOWSKI: Thank you.

12 JUDGE MOSS: Is there anything else? I  
13 should tell you on formal filings, you do need to  
14 file through the Records Center, addressing your  
15 papers to the Secretary, Records Center. I  
16 unfortunately did not check with the Records Center  
17 before coming in today as to the requisite number  
18 of copies that we need. I will do that and include  
19 that information in the prehearing order.

20 The default number, I think, is 12, but we  
21 can sometimes make that fewer, and in rare cases we  
22 have to expand that. But I will see if I can cut  
23 that down for you.

24 And the pace of things is such that --  
25 I will just put it out there and we can get it

0011

1 resolved. In terms of briefs, we sometimes have  
2 requests to file briefs electronically followed by  
3 paper service the next day, paper filing and  
4 service the next day. Which is, under our rules  
5 and indeed under our statute, we have to receive  
6 the paper for it to be an official filing.

7 Do you all want the opportunity -- do you  
8 want these days for briefs to be dates for  
9 electronic submission, or do you want them to be  
10 the dates in which we receive the paper?

11 MS. CAMERON-RULKOWSKI: Electronic  
12 submission would be fine for Staff.

13 MR. DIXON: That's also fine for Verizon,  
14 Your Honor.

15 JUDGE MOSS: It's often convenient for  
16 parties whose counsel is remote. So let's do that.  
17 We will make the dates the 22nd of June and 13th of  
18 July will be dates for electronic submission, and  
19 then the paper will need to be received the next  
20 day, next business day. I haven't checked whether  
21 these are Fridays or not.

22 MS. CAMERON-RULKOWSKI: One more question,  
23 Your Honor, if I may. We had discussed  
24 consolidating these two petitions, Bush and Lively.  
25 Is that contemplated now?

0012

1 JUDGE MOSS: We can do that.

2 MR. DIXON: Your Honor, I forgot to bring  
3 that up. I apologize.

4 JUDGE MOSS: I forgot about it, too, so  
5 we're all in the same boat. Is that something the  
6 parties see some affirmative benefit to?

7 MR. DIXON: Verizon would request they be  
8 consolidated. They are similar in terms of the  
9 issues, similar in terms of the amounts at issue,  
10 in the terms of the line extensions as Verizon has  
11 alleged them to be.

12 They also involve the same witnesses for  
13 Verizon who are in the field normally. They are  
14 not professional witnesses, so to speak. They are,  
15 indeed, working on line extensions as part of their  
16 job in the company. So we would like to keep them  
17 on line extension activities, and less in the  
18 courtroom. So we would recommend consolidation so  
19 they can come in and address both cases at the same  
20 time, thereby putting them back in the field as  
21 soon as possible.

22 MS. CAMERON-RULKOWSKI: Staff has no  
23 objection to consolidating.

24 JUDGE MOSS: We will consolidate these  
25 matters. And if there's some reason to enter

0013

1 separate orders, we have the freedom to do that.  
2 If there should be occasion at some point in the  
3 future to separate the dockets, we can always do  
4 that. So we have a lot of flexibility in this  
5 connection, but I will include in the order  
6 consolidation. And we will consider them on the  
7 same schedule for the convenience of the witnesses,  
8 and, indeed, for the judicial economy of the  
9 Commission.

10 So I do appreciate you bringing that point  
11 up. I would have walked out of here regretting  
12 having let it slip my own mind.

13 MR. DIXON: Thank you, and to  
14 Ms. Cameron-Rulkowski for reminding me, because I  
15 actually had it on my piece of paper.

16 JUDGE MOSS: Well, that does, indeed, bring  
17 our business to a close. If you have any  
18 questions, procedural questions along the way, you  
19 can contact me at the Commission. And my direct  
20 phone number is (360) 664-1164. And, of course,  
21 you are all familiar with the ex-parte rules and  
22 understand we can only discuss procedural matters.  
23 But I do like to be able to give you that  
24 opportunity should the need arise.

25 I am also happy to receive e-mails raising

0014

1 such questions. My e-mail address is  
2 dmoss@wutc.wa.gov. And with that, there being  
3 nothing further --

4 MR. DIXON: I have nothing further on behalf  
5 of Verizon, Your Honor. Thank you.

6 MS. CAMERON-RULKOWSKI: Nothing further from  
7 Staff, Your Honor.

8 JUDGE MOSS: Then our prehearing conference  
9 will be adjourned. Thank you very much.

10 MS. CAMERON-RULKOWSKI: Thank you.

11 ENDING TIME: 9:45 A.M.

12

13

14

15

16

17

18

19

20

21

22

23

24

25