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**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION  
COMMISSION**

**In the Matter of the**

**Docket No. UT-003013  
(Part B)**

CONTINUED COSTING AND PRICING OF  
UNBUNDLED NETWORK ELEMENTS,  
TRANSPORT, TERMINATION, AND RESALE

ANSWER TO STAFF'S MOTION FOR  
CLARIFICATION ON PERMISSIBLE USE OF  
TESTIMONY PART B

In accordance with the Commission's October 10, 2000 Notice, Qwest Corporation ("Qwest") hereby submits its answer to Staff's Motion for an order clarifying the permissible use of testimony in this proceeding. Staff requests an order stating that the evidence submitted by Qwest and Verizon is not admissible for the purpose of challenging the Commission's earlier "acceptance" of the Hatfield 3.1 model, nor admissible for a redetermination of the cost of the unbundled loop.

First, Qwest would like to be clear that it agrees with Staff that loop costs are not at issue in Part B. Qwest has not introduced or relied on its new cost studies for the purpose of redetermining or relitigating the loop cost estimates and prices established in Docket Nos. UT

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2 -960369 et al. However, sub-loop costs and prices clearly are at issue. As such, costs must  
3 be estimated for the feeder portion of the loop and the distribution portion of the loop. As  
4 Staff correctly notes, loop cost investment is relevant to estimating percentages of sub-loop  
5 costs that could then be applied to the loop costs determined earlier. (Motion at page 2). That  
6 is precisely what Qwest seeks to do in this case.<sup>1</sup>

7 Thus, Qwest does not object to a clarification by the Commission that no party may seek to  
8 redetermine Qwest's loop costs in this proceeding.

9 Although Qwest does not generally oppose Staff's motion, there are two points raised  
10 in that motion that bear comment. First, Staff clearly overstates the relevance and importance  
11 of Hatfield 3.1. Hatfield 3.1 was used only to determine the loop costs for wire centers in  
12 order to group those wire centers for purposes of deaveraging. Hatfield 3.1 was not  
13 "accepted" by the Commission for purposes of costing the loop anymore than RLCAP and  
14 BCPM were accepted. Each model provided guidance for the Commission in its cost  
15 determinations. Whether the Commission used Hatfield 3.1 for deaveraging is essentially  
16 irrelevant for purposes of determining sub-loop costs.

17 Second, Qwest objects to suggestion in Staff's motion that Qwest has operated with  
18 improper motives, and the innuendo in Staff's motion that Qwest is somehow trying to "sneak  
19 in" its new cost studies. If Staff had asked Qwest prior to filing its motion, Qwest would have  
20 stipulated that its loop cost model was submitted only for purposes of determining sub-loop  
21 costs. Qwest has not made a "subtle assault" on the Commission's earlier use of cost models

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23 <sup>1</sup> Indeed, if that is what Staff seeks to do as well, using Hatfield 3.1, it would appear that Staff should have filed that proposal in direct testimony on August 4, 2000. Qwest will address the issue of whether such a proposal is properly filed as responsive testimony after it has reviewed Staff's October 20 filing.

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(Motion at fn. 2) and does not seek to “legitimize” (Motion at p. 2) its cost models so that it may later claim that the Commission’s earlier cost determinations should be overturned. If Qwest decides that the unbundled loop prices should be revisited, it will raise the issue clearly and openly, in a manner that allows proper response by all parties.

DATED this 13th day of October, 2000.

QWEST CORPORATION

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Lisa A. Anderl , WSBA # 13236