

BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

IN THE MATTER OF)	Docket No. UT-003013
)	PART A
THE CONTINUED COSTING AND PRICING)	
OF UNBUNDLED NETWORK ELEMENTS)	REPLY BRIEF OF TRACER
AND TRANSPORT AND TERMINATION)	
_____)	

1. TRACER hereby submits its Reply Brief in the above-captioned matter. TRACER concurs with the positions and arguments regarding HUNE pricing articulated in the Part A Post Hearing Reply Brief of Covad Communications Company and Rhythms Links Inc. TRACER believes that the analysis set forth in that brief, together with its own analysis contained in TRACER's opening brief, form a sound basis on which this Commission can conclude that setting a zero price for the HUNE comports with good public policy and the applicable law. In particular, TRACER agrees with the analysis contained in the Rhythms and Covad reply brief in which the companies argue that a zero HUNE price does not violate Section 254(k) of the Telecommunications Act of 1996.

2. In addition, TRACER again urges this Commission to take into account the interstate nature of DSL services when setting a price for the HUNE. As explained in its opening brief, under the FCC's jurisdictional separations process, only 25% of loop costs are to be recovered from services under interstate jurisdiction. Therefore, assuming that there *are* loop costs which are joint and common between voice and DSL services, then a *maximum* of 25% of the joint and common costs of the loop can be recovered from DSL services.

3. TRACER does not believe that *any* loop costs are joint and common to DSL services. However, to the extent that the Commission may disagree, and further, to the extent that the Commission may wish to allocate a reasonable amount of joint and common loop costs to the HUNE, then an appropriate inquiry into whether the HUNE is bearing its fair share of such joint loop costs would focus on whether the HUNE was bearing a reasonable share of the 25% of loop costs allocated to interstate services.

4. Public Counsel's suggestion that a positive price for the HUNE should be adopted and that a reasonable price would fall between 50% of the common costs included in the UNE loop cost and 50% of the entire loop cost adopted by the Commission fails to consider the jurisdictional allocation process. Any allocation of loop costs to the HUNE would necessarily be based on some fraction of 25% of the loop cost, and not based on a fraction of the entire loop cost. For that reason alone, Public Counsel's reasoning is flawed and should be rejected.

5. For the above-stated reasons, TRACER continues to urge the Commission to set the price for the HUNE at zero.

DATED this 23rd day of October, 2000.

ATER WYNNE LLP

By: _____
Lisa F. Rackner, WSBA #87384
Attorneys for TRACER

CERTIFICATE OF SERVICE

***IN THE MATTER OF THE CONTINUED COSTING AND PRICE OF UNBUNDLED
NETWORK ELEMENTS, TRANSPORT AND TERMINATION***

WUTC DOCKET NO. UT-003013

PART A

I hereby certify that I have this day served the **REPLY BRIEF OF TRACER** upon all the parties of record in this proceeding, by first-class mail, except where otherwise noted. Please see attached list.

DATED at Seattle, Washington this 23rd day of October 2000.

GRETCHEN ELIZABETH EOFF
PARALEGAL

VIA FEDEX PRIORITY OVERNIGHT

Carole J. Washburn, Executive Secretary
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
1300 S. Evergreen Park Drive S.W.
Olympia, WA 98504-7250

Susan Proctor
Michael Singer Nelson
AT&T LAW DEPARTMENT
1875 Lawrence Street, Suite 1575
Denver, CO 80202

Kathryn L. Thomas
ADVANCED TELCOM GROUP, INC.
100 Stony Point Road, Suite 130
Santa Rosa, CA 95401

Ron Gayman
AT&T LAW & GOVERNMENT AFFAIRS
1501 South Capitol Way, Suite 204
Olympia, WA 98501-2200

Sarah Bradley
COVAD COMMUNICATIONS COMPANY
2330 Central Expressway
Santa Clara, CA 95050

Jennifer L. McClellan
HUNTON & WILLIAMS
951 East Byrd Street
Richmond, VA 23219

Robert McMillin
NEW EDGE NETWORKS, INC.
P.O. Box 5159
Vancouver, WA 98668

Nancy L. Judy
SPRINT COMMUNICATIONS
902 Wasco Street, M.S. A0412
Hood River, OR 97031

Lisa Anderl
QWEST CORPORATION
1600 – 7th Ave., Room 3206
Seattle, WA 98290

Theresa Jensen
Director – Regulatory Affairs
QWEST CORPORATION
1600 – 7th Ave., Room 3206
Seattle, WA 98191

Gregory J. Kopta
DAVIS WRIGHT TREMAINE LLP
1501 Fourth Ave., Suite 2600
Seattle, WA 98101-1688

Michel Singer Nelson, Esq.
AT&T LAW AND GOVERNMENT AFFAIRS
1875 Lawrence Street, Suite 1405
Denver, CO 80202

Joan M. Gage
VERIZON NW
1800 – 41st Street
Everett, WA 98201

Ann E. Hopfenbeck
WorldCm, Inc.
WESTERN PUBLIC POLICY
707 – 17th Street, Suite 3600
Denver, CO 80202

Christine Mailloux
NORTHPOINT COMMUNICATIONS, INC.
303 Second Street
San Francisco, CA 94107

Eric S. Heath
SPRINT COMMUNICATIONS
330 S. Valley View Blvd., NVLSVB0110
Las Vegas, NV 89152

Rose Schiavone
TCG-SEATTLE
1215 Fourth Avenue, 3rd Flr.
Staten Island, NY 10311

Robert Brown
GST TELECOM WASHINGTON
4001 Main Street
Vancouver, WA 98663

Richard A. Finnigan
Attorney at Law
2405 Evergreen Park Drive S.W., Suite B-3
Olympia, WA 98502

Mark P. Trincherro
DAVIS WRIGHT TREMAINE LLP
1300 S.W. Fifth Avenue, Suite 2300
Portland, OR 97201

Brooks E. Harlow
MILLER NASH LLP
601 Union Street, Suite 4400
Seattle, WA 98101

Barbara Young
ELECTRIC LIGHTWAVE, INC.
Government and Industry Affairs
4400 N.E. 77th Avenue
Vancouver, WA 98662

Gregory J. Kopta, Esq.
DAVIS WRIGHT TREMAINE LLP
1501 Fourth Ave., Suite 2600
Seattle, WA 98101-1688

Rick Heatter
MPOWER
171 Sully's Trail, Suite 202
Pittsford, NY 14534

Andrew O. Isar
TELECOMMUNICATIONS RESELLERS ASSOCIATION
3220 Uddenberg Lane, Suite 4
Gig Harbor, WA 98335

WASHINGTON INDEPENDENT TELEPHONE ASSN.
P.O. Box 2473
Olympia, WA 98507

Simon J. ffitich
Public Counsel Section
OFFICE OF ATTORNEY GENERAL
900 Fourth Avenue, Suite 2000
Seattle, WA 98164-1012

Rich Lipman
MCLEODUSA TELECOMMUNICATIONS SERVICES, INC.
6400 C Street S.W.
Cedar Rapids, IA 52406

Kaylene Anderson
NEXTLINK WASHINGTON, L.L.C.
1000 Denny Way, Suite 2000
Seattle, WA 98109

Richard Rindler
Morton J. Posner
SWIDLER & BERLIN
3000 "K" Street N.W., Suite 300
Washington, DC 20007

Donna Mozina
ICG TELECOM GROUP, INC.
161 Inverness Drive West
Englewood, CO 80112

FRONTIER TELEMAGEMENT, INC.
1221 Nicollet Mall, Suite 300
Minneapolis, MN 55403

Shannon Smith
WUTC Staff Section
ATTORNEY GENERAL OF WASHINGTON
1400 S. Evergreen Park Dr. SW
P.O. Box 40128
Olympia, WA 98504-0128

Michael B. Hazzard
KELLEY DRYE & WARREN, LLP
1200 Nineteenth Street, NW, Fifth Floor
Washington, DC 20036