

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION

WASHINGTON UTILITIES AND)
TRANSPORTATION COMMISSION,) Docket No. UT-950200
Complainant,)

vs.)

U S WEST COMMUNICATIONS, INC.,)
Respondent.)

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WASHINGTON UTILITIES AND) DOCKET NO. UT-970766
TRANSPORTATION COMMISSION,)
Complainant,)

vs.)

U S WEST COMMUNICATIONS, INC.,)
Respondent.)

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A post-hearing conference in the above matters was held on January
30, 1998 at 9:10 a.m. at 1300 South Evergreen Park Drive Southwest, Olympia,
Washington, before Administrative Law Judge C. ROBERT WALLIS.

The parties were present as follows:

U S WEST COMMUNICATIONS, INC. by Lisa Anderl, Attorney at Law, 1600
7th Avenue, Room 3206, Seattle, Washington 98191.

MCI TELECOMMUNICATIONS CORPORATION and MCIMETRO by CLYDE MACIVER,
Attorney at Law, 4400 Two Union Square, 601 Union Street, Seattle, Washington
98101.

Cheryl Macdonald, CSR
Court Reporter

APPEARANCES (Cont'd.)

FOR THE PUBLIC, ROBERT MANIFOLD, Assistant Attorney General, 900
Fourth Avenue, Suite 2000, Seattle, Washington 98164.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION STAFF, BY GREGORY
TRAUTMAN, Assistant Attorney General, 1400 South Evergreen Park Drive
Southwest, Olympia, Washington 98054.

TRACER, by ARTHUR BUTLER, Attorney at Law, 5450 Two Union Square,
601 Union Street, Seattle, Washington 98101.

NORTHWEST PAYPHONE ASSOCIATION and METRONET
SERVICES CORPORATION, by BROOKS HARLOW, Attorney at Law, 4400 Two Union
Square, 601 Union Street, Seattle, Washington 98101.

FRONTIER TELEMAGEMENT, INC., by SARA SIEGLER MILLER, Attorney at
Law, 2000 NE 42nd Street, Suite 154, Portland, Oregon 97213.

P R O C E E D I N G S

JUDGE WALLIS: Let's be on the record, please. This is a post hearing conference in the matter of docket Nos. UT-950200 and 970766 involving general rate cases of U S WEST Communications, Inc. The conference is being held in Olympia, Washington on January 30, 1998 and my name is Bob Wallis, and I'm the presiding administrative law judge. The purpose for today's conference is to review the parties' concerns about the tariff filings in these matters and pave the way to entry of an order that approves those filings.

I would like to call for appearances at this time. I would like to begin with the company, then move to Commission staff and on around the table. For the company.

MS. ANDERL: Thank you, Your Honor. Lisa Anderl appearing on behalf of U S WEST Communications, Inc., 1600 7th Avenue, Room 3206, Seattle, 98191.

MR. TRAUTMAN: Greg Trautman representing Commission staff.

MR. MANIFOLD: Rob Manifold for public counsel.

MR. HARLOW: Brooks Harlow for Northwest Payphone Association and Metronet Services Corporation.

MR. BUTLER: Art Butler for TRACER.

MR. MACIVER: Clyde MacIver for MCI and MCIMETRO.

MS. MILLER: Sara Siegler Miller for Frontier Telemanagement, Inc.

JUDGE WALLIS: Are there any other appearances to be made? Let the record show that there is no response. I did ask parties to indicate at the outset if they had any objections to Commission proceeding to implement tariffs resulting from those two orders, and no objection was stated. I would like to make it clear on the record that we've offered the opportunity and I want to make it clear that there is no objection to that. Is that the case?

MR. BUTLER: I just want to clarify that by not objecting to proceeding to implement the tariffs we do not intend to waive any argument that we have about the proper jurisdiction to resolve issues relating to refunds.

JUDGE WALLIS: The Commission has indicated that it will not proceed to address any matter involving refunds including the amount of any refunds and including the interest rate to be applied to refunds unless or until it has jurisdiction from the judicial system to do so, so proceeding today does not in the Commission's mind affect the question of refunds except insofar as the level of tariffs that are established may relate later to the question of refunds. Is that consistent with your --

MR. BUTLER: That's fine.

JUDGE WALLIS: -- understanding, Mr. Butler?

MR. BUTLER: Yes, that's fine.

MR. MACIVER: I had one other I guess more in the line of a question rather than an objection.

JUDGE WALLIS: Mr. MacIver.

MR. MACIVER: In that due to the shortage of time I know that my client has had some difficulty in the time frame of addressing the compliance filings and satisfying itself that it has no difficulty with them. I'm not aware that they do, but is there going to be some indication that these tariffs that are being filed so if they go into effect in a matter of a day or two will be provisional in nature so that there will be an opportunity to address any issues if they come up?

JUDGE WALLIS: Does anyone else wish to address this question?

MR. TRAUTMAN: I believe staff in its comments indicated that it had reviewed a great deal of the compliance filing but still had, in particular I believe on the access tariff, had not completed its analysis, and I believe we asked that the tariffs also be on a provisional basis.

MR. HARLOW: Your Honor, we received I guess mixed signals from the company, but the latest word is that some form of substitution sheets are going to be filed with regard to Centrex service, and we weren't told when those would be filed, but obviously we're kind of pursuing a moving target here. Our concerns may or may not be resolved, so I think it would be appropriate to allow the parties time to try to resolve those, that anything done in the next day or two be provisional as well. Obviously if we don't

have our issues resolved by the company's substitute sheets then we would have a reasonable amount of time to comment and have further proceedings if necessary.

JUDGE WALLIS: What time frame would be required for the parties to satisfy themselves that they have discovered any concerns that they have and have had the opportunity to address those to the Commission? Would two weeks be sufficient?

MR. HARLOW: I think we would need two weeks from the filing of any substitute sheets from our standpoint.

MS. ANDERL: Your Honor?

MR. TRAUTMAN: Staff would need two weeks for the access tariff and then maybe three or four days from the filing of any subsequent sheets.

JUDGE WALLIS: Ms. Anderl.

MS. ANDERL: May Ms. Jensen address the issue of the provisional effectiveness of the tariffs as opposed to having me do it?

JUDGE WALLIS: Yes.

MS. ANDERL: And I don't think these are on so we're not going to use them.

JUDGE WALLIS: At some point it was my intention to go off the record for an informal discussion. Are we at that point yet or do we need to have Ms. Jensen's comments on the record? Perhaps it would be helpful to have those on the record.

MS. JENSEN: Thank you.

JUDGE WALLIS: Apologize for not having the amplifier working today so speak up and we'll all be able to hear you.

MS. JENSEN: Thank you. Your Honor, we've received comments from two parties with respect to compliance issues for the tariff, and the parties are Metronet, Northwest Payphone Association, I should add, and the Commission staff. I'm not aware of any other formal comments that have been filed.

JUDGE WALLIS: That exhausts my list as well.

MS. JENSEN: Good, thank you. With respect to the list of issues

that are raised, we concur that there are a number of additional services that need to be relooked at for, in essence, rate rebalancing to occur based on the changes that were required in UT-950200. However, those services, those additional ancillary services, with one exception, were not addressed in UT-950200. They were not part of the Commission's order, but they are services with rates that are based on the rates that were addressed, so we would like to address those services. We did not include them in the compliance filing, since they were not included in the Commission's order, and therefore felt it appropriate to do or address those issues under a normal tariff filing, and that is what we planned to file, and I would hope that we could make that filing by February 6.

Now, there is one issue that was addressed in the Commission's 17th supplemental order in UT-950200 and that deals with the issue of the NAR substitute. Now, our request this morning would be that we also address that in this second tariff filing because it was not reflected in the Commission's decisions on rate spread, and there is a significant or may potentially be a significant revenue effect associated with the directive in the 17th supplemental order.

In that order the Commission directs the company to price the NAR substitute so that the NAR plus the NAC are equivalent to the rates for similar service, and the company is prepared to do so in the one to 50 station line rates for that service, but there are some rates for 50 and greater stations that the company would like the opportunity to address before the Commission because of the significance in the revenue effect associated with those services. So we would propose that we address the NAR substitute as well as the other products, related products, that the other parties, primarily staff, has raised questions on in this subsequent filing.

We are also willing -- staff has raised some issues with the distance-sensitive stabilized complex rates.

JUDGE WALLIS: I was going to ask if that is the same basic issue as the NAR substitute.

MS. JENSEN: It is, and there is a relationship between the two,

and so we would like to withdraw those pages and address both at the same time, and also address that relationship of the service.

JUDGE WALLIS: What is the tariff effect for customers withdrawing those pages?

MS. JENSEN: Well, we have no customers at this time for the rates stabilized complex lines, and we are willing to make these changes effective too once we have resolution to the issues around them so no customers should be harmed by the activity that needs to occur.

The staff also raised issues, just so you have a sense of what other services are included with a two-way four-wire trunks and the In-only analog DID trunks, and we agree that those rates need to be revised. I believe for the most part that addresses the issue of rates.

There was also a sheet in the compliance filing that was included in error that we would like to withdraw, and that is section 5, sheet 150 on joint user service that we would pull from the compliance filing as well.

JUDGE WALLIS: Have you talked about this suggestion with staff before right now?

MS. JENSEN: Just very briefly, Your Honor.

JUDGE WALLIS: Are you proposing to make a new filing in the context of these dockets or under a separate original filing?

MS. JENSEN: Under a separate original filing would be our preference, but as I mentioned we are willing to make them effective on a retroactive basis in terms of addressing the rates if need be.

JUDGE WALLIS: That is a word that has some emotional context.

MS. JENSEN: I hesitated when I said it. Again, these were not included in the Commission's order so I don't know that that need exists, Your Honor, and with the only exception being this NAR substitute which came in a later order.

JUDGE WALLIS: But still in that docket.

MS. JENSEN: Yes.

JUDGE WALLIS: For responses would the company's proposal meet the interests of the parties? Let's start off with staff.

MR. SPINKS: This is Tom Spinks for Commission staff. The company's proposals are acceptable to us.

JUDGE WALLIS: Public counsel.

MR. MANIFOLD: No comments.

JUDGE WALLIS: Mr. Harlow.

MR. HARLOW: I think Metronet feels it's important that the company comply with the orders in this docket as part of its compliance filings, and I think we would agree with the company that the 17th supplemental order directive affects really only the one through 50 lines, and so we certainly wouldn't object to the company only adjusting those rates in the compliance filings in this docket, and then the company is free to file at any time a separate filing to make adjustments in the 51 and over lines, but we do think it's important that those -- that the compliance portion be done in this docket.

JUDGE WALLIS: Why do you assign importance to that, Mr. Harlow?

MR. HARLOW: I haven't thought through all the procedural ramifications potentially under the APA, but I'm sure there are a lot of them. Oftentimes we look back and say, gee, why didn't we just go by the book, it would have made things a lot simpler, but certainly we're looking at a probable rate reduction, and so it's important to get that implemented immediately even though it might be subject to true-up later. It's difficult to go out and compete when you don't know what your underlying rate is.

JUDGE WALLIS: Mr. Butler.

MR. BUTLER: I don't have any particular comment.

JUDGE WALLIS: Mr. MacIver.

MR. MACIVER: No comment.

MS. MILLER: No comment.

MS. JENSEN: Your Honor, the only concern that the company has, again, is that the revenue implications associated with that change were not addressed in the original order. I have some substitute sheets available that reduce the one to 50 line rates to \$14, which I believe is what Metronet believes they should be, and the company has no difference in that opinion.

However, what we have done to make the effect revenue neutral, since it was not included in the \$91.5 million, is make a minimal increase to the rate for stations 50 lines and above to offset the revenues associated with the decrease to the one to 50, and so we are prepared to file that today as a substitute sheet in the filing. However, the parties really have not had an opportunity to look at the supporting data included with that, and that's why I suggested a separate filing.

JUDGE WALLIS: Let's be off the record at this point.

(Discussion off the record.)

JUDGE WALLIS: Let's be back on the record, please. We have engaged in some discussions. I'm asking the company to state the results of those discussions and the commitments that the company has made regarding the withdrawal of tariff pages and the filing of substitute or ensuing tariff changes.

MS. JENSEN: Thank you, Your Honor. What the company has committed to do is to withdraw the tariff sheets that -- tariff sheet section 5, sheet 150 that contain terms and conditions for joint user service, to withdraw tariff sheet section 5, sheets 51 through 69 that addressed distance-sensitive rate stabilized complex line rates. The company will also withdraw preferential hunting service since there are no existing customers which is on sheet 77 in section 5.

The company will make a subsequent clean-up filing to address those products that were not initially in the Commission list of services at page 129 in the 15th supplemental order in docket UT-950200, which include two-way four-wire trunks and In-only analog DID trunks at section 5, sheet 87 as well as the Centrex usage rate element that is equivalent to the NAR product, the Centrex NAR product or network access register which is in section 9, sheet 14.5. The toll access trunk rate revision is included in the current compliance filing.

The company has addressed a rate for the access line portion of the smart PAL service at section 5, sheet 147, and that would be included with the compliance tariff to be effective 2-1-98. The company has not phased in

any rates including the reduction to switched access services. All rates reflect the Commission's decision, again, in the 15th supplemental order in UT-950200.

JUDGE WALLIS: Thank you. Did you address the results of the discussion with Mr. Harlow?

MS. JENSEN: Yes. Your Honor, the company has agreed to in a subsequent filing adjust the rates that were not originally addressed in the Commission's order to reflect the revision to the business basic exchange rates and has also agreed to adjust the Centrex usage -- NAR usage equivalent rate, and what the company would propose is that the one to 50 line rate be adjusted to \$14 and the rate for 50 or more stations be adjusted to in essence accomplish a revenue neutral effect of -- so it would be increased from 3.50 to 6.67. The company understands that the parties need to review this proposal with their clients and will have some comments.

JUDGE WALLIS: Very well. Is there anything else from the company?

MS. ANDERL: Yes. The compliance or the clean-up filing the company has committed to file on February 6, 1998 and the switched access charge clean-up filing would be made no later than February 20, 1998.

JUDGE WALLIS: Mr. Harlow, does that satisfy your concerns?

MR. HARLOW: I simply want to note that Metronet is agreeing to the company's proposed procedure. We expect that we will have objection to the specific prices that Ms. Jensen read into the record, and procedurally, I assume, since they are going to be done as a separate filing, that they will be subject to the normal 30-day notice period, open hearing and possible suspension.

JUDGE WALLIS: That's my understanding, yes. Company agrees to that?

MS. JENSEN: Yes.

JUDGE WALLIS: And to the extent any specific rates or levels were mentioned, it is understood that those will be in a subsequent filing and will -- the Commission in authorizing the process does not preapprove any rate

level.

MR. MACIVER: And is it my understanding that the clean-up filing on the switched access to be filed no later than February 20 would have no bearing on rates or conditions but clean-up of semantics?

MS. JENSEN: That is correct.

JUDGE WALLIS: Commission staff.

MR. TRAUTMAN: Staff concurs with the company.

JUDGE WALLIS: Public counsel.

MR. MANIFOLD: No comment.

MR. HARLOW: Your Honor, there was one other thing. I believe the company committed, and I don't remember if it was on record or off the record, that the Centrex NAR substitute reductions would be made retroactive. Is that still part of the plan?

MS. JENSEN: Yes. The company did agree to make those adjustments retroactive to February 1. The concern is that there may be increases in conjunction with decreases, so I'm not sure that that's something that we can realistically achieve.

JUDGE WALLIS: I'm not sure that I can commit the Commission to accepting retroactive rates, and I would encourage Mr. Harlow and Ms. Anderl to discuss with Mr. Trautman and public counsel, if Mr. Manifold wishes to participate, the manner in which these can be structured to accomplish the result that the parties desire and yet be lawful.

MR. TRAUTMAN: Your Honor, staff just wanted to mention that we would be responding to the access tariff within two weeks.

JUDGE WALLIS: Yes. That's understood, and is it necessary still to provide leeway for substitute pages that have not been mentioned and provide it an opportunity for response to those?

MS. JENSEN: I don't believe so, Your Honor. I think that any substitute pages that haven't provided there's been no comment.

JUDGE WALLIS: Very well. Is there anything further that the parties wish to bring up regarding the tariff filing? Just one moment, please.

MS. ANDERL: Your Honor, this is just a comment on the service guarantee tariff provisions.

JUDGE WALLIS: That was going to be my next question. There are some questions, I believe it was, let me see. There were some questions that had been raised in the petitions for clarification and/or reconsideration, and I was going to ask whether any of those will require the Commission's attention in the compliance order.

MS. ANDERL: Well, and maybe since there's been some difficulty with service in these matters or getting things in a timely way, could you tell me whether the Commission has received petitions for reconsideration or clarification in 970200 from anyone other than U S WEST and Commission staff?

MR. MANIFOLD: 0200?

MS. ANDERL: 766. I'm sorry if I misspoke.

JUDGE WALLIS: The only ones that I have received are those of Commission staff and the company.

MS. ANDERL: Me too. Given that both of those petitions focus pretty narrowly on the service guaranteed programs and there are some questions raised, at least in terms of what the Commission's final decision on that might be, if any of the suggestions or requests raised by the parties are granted or considered, U S WEST would like to suggest it might be appropriate to stay the effectiveness of the implementation of that particular tariff provision at least until the Commission rules on the petitions for reconsideration. Particularly given that these are not simply rate matters but are things that require the company to develop methods and procedures and to train its people on, it might be better to let us know what it is we have to do with certainty than to get going down one path only to have us change 30 or 45 days down the road.

MR. TRAUTMAN: Well, not having had a chance to think through that in great detail, I would not be inclined to stay the service requirement. Now, are you asking at this point whether we would need to respond to the petition?

JUDGE WALLIS: It's not my intention to address the merits of any of these, but, number one, to find out what we need to do in the compliance order to preserve the parties' opportunity to work things out, and the Commission's opportunity to rule on it, and also to find out whether we need to call for answers to petitions.

MR. TRAUTMAN: On the second point Commission staff would like to file an answer. We would like two weeks, partly because part of what the company is suggesting is, it appears, a new service. I'm not sure if it's a service quality index or service standards, and there are several numbers and percentages that are being bandied about, and I think staff has to have a chance to look at that to determine whether it even thinks it's appropriate to address this in this docket. So we would like two weeks to file an answer.

JUDGE WALLIS: Very well.

MS. ANDERL: We would also like to file an answer to Commission staff's, and I think I guess what I was just trying to do here is to maybe suggest that we would suggest in our answer that it might be appropriate to -- for the Commission to just continue the prior service guarantee program during the pendency of consideration for the petitions for reconsideration, as I said, to avoid the position of implementing one program that subsequently gets changed or modified on reconsideration.

JUDGE WALLIS: I have a hearing problem, and I am not sure whether you said "discontinue" or "just continue" the prior program.

MS. ANDERL: Just continue.

MR. TRAUTMAN: Well, Your Honor, in response to that, the new program makes substantive changes, for instance, in the cellular loan from 30 days to five days. All staff has requested is that customers be given notice in a particular manner, and likewise, the \$50 credit that was implemented by the Commission in the new program, staff has only asked that customers be notified of it. So I see no reason why the program itself should not go into effect.

JUDGE WALLIS: The company, on the other hand, has asked for clarification, at least according to my notes, on several aspects including

how broadly the credit should be applied, how broadly the cellular loan should be applied, and it can be difficult for the company to effect compliance until those questions are answered.

MS. JENSEN: Your Honor, if I might, I think I can address staff's concern in that there will be a bill insert going out starting February 1 that will explain the service guaranteed program, the new modifications to that as well as the current program. And the company is prepared to address the cellular loaner program within the five business days as orders come in after February 1.

The missed commitment program is truly new to the business, and so if a customer calls us during that interim period the company is prepared to give the customer that commitment or meet that commitment. What we don't have in place is a process where that's automatic yet because it was fairly new. So I believe that the majority of the customer concerns will be addressed but we're still working very aggressively to implement the second piece of it, but customers definitely will be aware of the program.

JUDGE WALLIS: Does that satisfy some of your concerns, Mr. Trautman?

MR. TRAUTMAN: Well, when you mentioned the bill insert, is that going to include reference to the \$50 credit?

MS. JENSEN: Yes, it does, and that was reviewed with the Commission before the finals.

MR. TRAUTMAN: With the staff?

MS. JENSEN: Yes.

MR. TRAUTMAN: That would probably address most concerns. I'm just concerned that this not get delayed indefinitely.

MS. JENSEN: We do have a copy with us this morning of the bill inserts as well if you would like to review it.

JUDGE WALLIS: Mr. Manifold, did you wish to speak to this?

MR. MANIFOLD: Yes. First of all, I didn't know these issues were going to be discussed this morning since they weren't in the original notice regarding this proceeding, and I understand an order went out last night but I

did not in fact see a copy.

JUDGE WALLIS: Again, the only reason for discussing them today is to preserve matters for resolution in the compliance order.

MR. MANIFOLD: I understand you're not seeking anything on the merits. Regarding whether or not answers would be needed, if they're to be considered I will want to file an answer, and there are several different points raised by both of the parties who filed for reconsideration, and some of those may be easily resolved, and some I can guarantee will not be, at least from our perspective. How they needed to be treated in a compliance filing or order is not clear to me. It seems to me that there -- I think the company makes a good point in suggesting that there are aspects of it which they wish to change from the Commission's order, and so depending on how that's subsequently handled, that will change what subsequently the company needs to do. And it is not as easy as applying a different rate to a bill that goes out later. So I don't know how that can be ordered until the Commission decides whether it's going to change its mind on those things or not.

On issues that seek what properly may be called clarification, nuances that weren't really dealt with before and are really probably matters of first impression for some subset of those issues, those might more easily be resolved relatively soon. For my own part, I have had no discussions with either staff or the company regarding these awaiting an order from the Commission as to whether or not it wanted to hear answers on reconsideration, and my understanding is there haven't been any other discussions between staff and the company either, so I don't think sitting here today we can say which ones might be easily resolved. It does strike me that there is a minimum level upon which there is no disagreement, for instance, regarding the \$50 missed appointment credit. The questions are about things beyond that, so there at a minimum is a minimum level upon which the company is not seeking clarification or reconsideration, and those could presumably be in a compliance order.

JUDGE WALLIS: I believe that the company has stated a commitment

to undertake those steps. Is my understanding correct?

MS. JENSEN: That's correct, Your Honor. We just have this interim period where we need the customer's help until it's automated.

MR. MANIFOLD: I didn't understand the company's commitment that was made a little while ago because I don't know how it speaks to the question of, for instance, does the commitment apply to a particular situation which is being raised in the reconsideration petition. I don't know how you do that -- you either do that or don't do it pending some further clarification, like if it's a third residential line, it either applies or doesn't apply until the Commission clarifies or rules on it. So I just am not clear how you resolve those.

JUDGE WALLIS: What I'm going to suggest is that we go off the record again and take this opportunity for the company to distribute its copies of the documents that it has so that everyone can take a look at those, and if you have no problems with the statements in those and don't wish to participate in the ensuing discussions about the customer service program, then you are free to leave. If you wish to stay and participate, of course you may. While we are off the record that would give an opportunity for the company, public counsel and staff to talk about exactly what the company's commitment will be and how it will be implemented, and my preference would be that the parties also talk about either making plans, specific appointments to get together to talk about some of these issues preferably before the answers are filed so that the answers then address only the remaining issues, and also to, on the customer service program, to include the Commission's public affairs staff in those discussions as well. So would that be acceptable to the parties?

MS. ANDERL: Yes.

JUDGE WALLIS: Let's be off the record for at least 15 minutes. We'll check back in 15 minutes and see where we are. I'm going to ask the company to distribute the documents. Again, any counsel who believes that their concerns are satisfied at this point are free to leave and those who wish to remain may do so.

(Discussion off the record.)

JUDGE WALLIS: Let's be on the record, please, and get a summary of the discussions, the results of the discussions that parties have been engaging in. When we left the record, the company was to pass out some documents for the parties to take a look at. The company has done so; is that correct?

MR. MANIFOLD: Yes.

JUDGE WALLIS: Very well. And I would like to ask whether there is any concern, any inaccuracy, any problems with the documents that have been distributed. Let the record show that there is no --

MR. MANIFOLD: Well, we just got one of them, so I can say I got it but no more than that. Can we go on to the other item and let somebody look at this one?

JUDGE WALLIS: Very well. We did have a request to make things snappy when we got back on the record so we were doing our best to do that. Let's proceed. Mr. Manifold.

MR. MANIFOLD: I think I can report from the discussions amongst the company, staff and public counsel regarding a reconsideration, clarification issues. What we did was attempt to break them into the functionalized or classify them into the specific issues and then figure out whether the order that you're going to be filing has to deal with them or not, and then what period of time within which we wanted an opportunity to respond and what would happen in the meantime.

On the \$50 missed appointment credit, all of the issues concerning that, our recommendation/agreement is that the status quo would continue, i.e., there is no such program for no more than 30 days. Staff and public counsel would file responses to the motion by February 6, a week from today. On the cellular loaner program, the same thing.

MS. ANDERL: Your Honor, and Rob, if I might just interject, when you say "same thing," just to make that perfectly clear that means the status quo existing from 950200 would remain in place.

MR. MANIFOLD: Yes, yes. Thank you. Regarding the staff's motions

regarding the cellular program and the type of notices, same thing in that responses would be filed by the 6th, primarily by the company.

Regarding the company's petition or motion regarding service quality issues, that does not implicate the compliance order in this case and therefore doesn't need to be on the same time frame. We've agreed that other parties would have three weeks within which to respond, assuming the Commission wants responses, obviously.

Regarding the directory assistance, that also does not require any change in the compliance order and we would recommend having responses filed three weeks, I guess we're talking three weeks from today when we say these dates.

JUDGE WALLIS: Very well.

MS. ANDERL: And Your Honor, by bifurcating the answers we were hoping that by providing the Commission with the parties' positions on the issues that affect the compliance filing that an order could be issued prior to the 30 days that we're allowing and that the other matter, of course, could be on a separate time frame and a second order on reconsideration could issue addressing those.

JUDGE WALLIS: That will be acceptable to the Commission.

MR. MANIFOLD: And obviously sooner than the 30 days would be good for those things that require the company to do training and instruction of its employees.

In addition, the company made a commitment to work with customers who come to its attention who would qualify under the things that the Commission ordered but are not going to be because the tariffs won't have been filed yet and to reach reasonable accommodations with them consistent with the order even though that isn't in the tariff yet. Is that a fair statement?

MS. ANDERL: Yes. And so, Your Honor, I guess the only thing we need to then decide is what you do with advise No. 2914T, which is the service guarantee tariff filing, and because it's a tariff filing that's in compliance with Commission order, I think if you just don't approve it, it

doesn't become effective under the Commission's rules. Alternatively, we could withdraw it. I mean, there are a lot of ways to handle it but we just don't want it inadvertently approved.

JUDGE WALLIS: My preference procedurally is that we will specifically note that it is not approved, and we will note that it is subject to the petition and that the parties are discussing the issues and that the Commission will be calling probably today for answers.

There's no provision for replies in the schedule. Do parties want the opportunity to reply and should it be done on an abbreviated schedule?

MS. ANDERL: We would like to see, of course, what the staff and public counsel say, and so we would like to reserve the opportunity for a reply. If we're served by fax by the 6th I'm sure that we could turn a reply around in just a couple of working days and file it on Wednesday the following week the 11th.

JUDGE WALLIS: If the company chooses not to respond, can you advise the Commission of that as soon as you make that decision so that we're not waiting for something -- for a ship that doesn't come in?

MS. ANDERL: Yes. And we'll be filing answers also on the 6th, so I would guess that staff and public counsel would have an opportunity to reply in the same way.

JUDGE WALLIS: Same terms.

MR. TRAUTMAN: By the 11th, okay.

MR. MANIFOLD: And all of these dates are receipt dates.

JUDGE WALLIS: Yes. I have one last question that's been called to my attention. In the service guarantee tariff which will not go into effect, the question is whether the language in paragraph 2.2.A, second paragraph, is inconsistent with the Commission's obligation to serve order, and I do not know the answer to that question. If the parties wish to address it in their filings on the 6th they may do so.

MS. ANDERL: Your Honor, I believe that's existing language.

JUDGE WALLIS: That was my suspicion.

MS. ANDERL: So it's not a change.

JUDGE WALLIS: Then that need not be addressed.

MR. MANIFOLD: 2.2.A second paragraph?

JUDGE WALLIS: Yes. Is there anything further to come before the Commission? Let me ask whether the parties are going to be getting together to continue informal discussions before the 6th.

MR. MANIFOLD: I'm sorry, I didn't hear what you said. I'm sorry.

JUDGE WALLIS: Are you going to keep talking?

MR. MANIFOLD: Yes, yes.

JUDGE WALLIS: The Commission would certainly support that, and also thank you for including the public affairs staff and please continue including that staff in these discussions.

MR. MANIFOLD: Certainly. Mr. Trautman just raised a good point and that is we will certainly make certain the people, all the parties present in the hearing right now, receive their copies on the dates indicated.

MR. TRAUTMAN: But as to other parties I assume we can do it on a mailing or get them --

JUDGE WALLIS: It appears that there are no further matters to come before the Commission. As I have indicated it's the Commission's intention to enter an order today consistent with these discussions. I have, because of the number of filings and the technical nature, I have made arrangements for the company to verify the accuracy of the order, provisions of the order, and will offer that to staff as well if staff would like to take a look at it for technical accuracy before it's served.

MR. TRAUTMAN: All right.

JUDGE WALLIS: And public counsel declines the opportunity, very well. Is there anything further to come before the Commission? It appears not. I want to thank you all for attending today and thank you for the spirit of cooperation that has been evidenced in these discussions.

(Hearing adjourned at 11:15 a.m.)