April 29, 2003

Carole J. Washburn, Secretary Washington Utilities and Transportation Commission 1300 S. Evergreen Park Dr. SW P. O. Box 47250 Olympia, Washington 98504-7250

Re: *AT&T v. Verizon,* Docket No. UT-020406 Commission Staff's Answer to Verizon's Second Motion for Reconsideration

Dear Ms. Washburn:

On April 28, 2003, Verizon filed a Motion for Reconsideration of the Commission's *Ninth Supplemental Order* in this case to allow Verizon to file the surrebuttal testimony of Heuring, Trimble, and Simmons on the issue of earnings. By letter dated April 28, 2003, Verizon amended its Motion to include certain portions of the testimony of Fulp. The Commission should find that the *Ninth Supplemental Order*, like the *Seventh Supplemental Order*, needs no clarification and decline to reconsider its decision.

The Commission struck the surrebuttal testimony in question in its *Seventh Supplemental Order* because that testimony was not "directed toward specific rebuttal testimony that has demonstrably raised new matter in the hearing." *Id.* at ¶ 43; *see also Ninth Supp. Order* at ¶ 14. This was the basis on which the Commission struck virtually all surrebuttal testimony. The Commission specifically identified portions of the proposed surrebuttal testimony of Danner and Dye that were proper surrebuttal, and only those specific portions were allowed. All other proposed surrebuttal was stricken,

Carole J. Washburn April 29, 2003 Page 2

without regard to whether it related to access costs or "merely earnings." Verizon's second Motion for Reconsideration should be denied as without merit.

Very truly yours,

SALLY G. JOHNSTON Senior Assistant Attorney General (360) 664-1193

SGJ: kll cc: All Parties