## BEFORE THE WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Joint Application of	)	DOCKET UT-082119
	)	
EMBARQ CORPORATION AND	)	
CENTURYTEL, INC.	)	
	)	ORDER 01
For Approval of Transfer of Control of	)	
United Telephone Company of the	)	PREHEARING CONFERENCE
Northwest d/b/a Embarg and Embarg	)	ORDER
Communications, Inc.	)	
	)	
	)	
	,	

- PROCEEDINGS: On November 24, 2008, Embarq Corporation (Embarq) and CenturyTel, Inc. (CenturyTel) filed a joint application with the Washington Utilities and Transportation Commission (Commission) for expedited approval of an indirect transfer of control of Embarq's regulated Washington State operating subsidiaries to CenturyTel.
- 2 **CONFERENCE/PRESIDING OFFICER.** The Commission convened a prehearing conference in this proceeding at Olympia, Washington on January 5, 2009, before Administrative Law Judge Dennis J. Moss.
- PARTY REPRESENTATIVES: William E. Hendricks III, Embarq in-house counsel, Hood River, Oregon, represents his employer. Charles L. Best, Attorney at Law, Portland, Oregon, represents CenturyTel.
- Arthur A. Butler, Ater Wynne LLP, Seattle, Washington, represents Comcast Phone of Washington, LLC, d/b/a Comcast Digital Phone (Comcast). Gregory L. Rogers, Senior Corporate Counsel, Broomfield, Colorado, represents Level 3 Communications, LLC. Scott J. Rubin, attorney, Bloomsburg, Pennsylvania, represents the International Brotherhood of Electrical Workers Local 89.
- Sarah Shifley, Assistant Attorney General, Seattle, Washington, represents the Public Counsel Section of the Washington Office of Attorney General (Public Counsel).

Jonathon Thompson, Assistant Attorney General, Olympia, Washington, represents the Commission's regulatory staff (Commission Staff or Staff).<sup>1</sup>

- 6 **PETITION TO INTERVENE.** Comcast Phone of Washington, LLC, Level 3 Communications, LLC, and The International Brotherhood of Electrical Workers Local 89 filed petitions to intervene. Embarq and CenturyTel stated general objections expressing concern that these petitioners should be permitted to intervene only if they acknowledged no intention on their parts to broaden the issues beyond those pertinent to the Commission's review of the application considering controlling statutes, rules and precedent. The petitioners did offer such assurances and committed themselves to focus on issues such as financial and managerial fitness, and the potential impact on competition of the proposed merger.
- Inasmuch as no one stated a specific objection to intervention by any of these petitioners, and on finding each petitioner established a sufficient interest to warrant participation, the Commission grants the three petitions to intervene. Giving these petitioners party status is subject to the caveat that they will not be permitted to broaden the issues beyond those appropriate to consideration in this case under RCW 80.12, WAC 480-143.
- PROTECTIVE ORDER. The applicants request a protective order. The Commission will enter its standard form of protective order including provisions for the designation of information as "Confidential" or "Highly Confidential."
- 9 **DISCOVERY.** Parties are required to follow the Commission's discovery rules to the extent any formal discovery is required.
- PROCEDURAL SCHEDULE. The parties agreed to the procedural schedule set forth in Appendix A to this Order and the Commission adopts the agreed schedule for purposes of this proceeding. Public Counsel's request for two public comment hearings in Embarq's service territory is taken under advisement pending determination whether there is sufficient public interest in this matter to warrant the

<sup>&</sup>lt;sup>1</sup> In formal proceedings, such as this, the Commission's regulatory staff functions as an independent party with the same rights, privileges, and responsibilities as other parties to the proceeding. There is an "*ex parte* wall" separating the Commissioners, the presiding ALJ, and the Commissioners' policy and accounting advisors from all parties, including Staff. *RCW* 34.05.455.

expense of holding one or more public comment hearings apart from the scheduled evidentiary hearings in Olympia.

- NOTICE OF HEARING. The Commission schedules a hearing in this matter, to commence on Wednesday, April 15, 2009, at 9:30 a.m., in Room 206, the Richard Hemstad Building, 1300 S. Evergreen Park Drive SW, Olympia, Washington. The hearing shall continue, if necessary, and conclude on Thursday, April 16, 2009, in the same location.
- DOCUMENT PREPARATION AND FILING REQUIREMENTS. Parties must file the original plus 12 copies of the unredacted versions of all pleadings, motions, briefs, and other prefiled materials. Parties must also file the original and one copy of any redacted version(s). These materials must conform to the format and publication guidelines in WAC 480-07-395 and WAC 480-07-460. The Commission prefers that materials be three-hole punched with *oversized* holes to allow easy handling. The Commission may require a party to refile any document that fails to conform to these standards.
- All filings must be mailed or delivered to the Executive Director and Secretary, Washington Utilities and Transportation Commission, P.O. Box 47250, 1300 S. Evergreen Park Drive, S.W. Olympia, Washington 98504-7250. Both the post office box and street address are required to expedite deliveries by the U.S. Postal Service.
- An electronic copy of all filings must be provided through the Commission's Web Portal (www.wutc.wa.gov/e-filing) or by e-mail delivery to <<u>records@utc.wa.gov</u>>. Alternatively, parties may furnish an electronic copy by delivering with each filing a 3.5-inch IBM-formatted high-density diskette or CD including the filed document(s). Parties must furnish electronic copies in MS Word 6.0 (or later) supplemented by a separate file in .pdf (Adobe Acrobat) format. Parties must follow WAC 480-07-140(5) in organizing and identifying electronic files.
- 15 **ELECTRONIC SUBMISSION OF DOCUMENTS.** Parties may submit documents electronically to the Commission on the filing deadline to expedite the filing process, but must file an original, plus 12 paper copies, of the documents with the Commission by 12:00 noon on the first business day following the filing deadline established in the procedural schedule. *WAC 480-07-145(6)*. Parties may submit

documents electronically through the Commission's Web Portal (www.utc.wa.gov/e-filing) or by e-mail to <a href="mailto:records@utc.wa.gov">records@utc.wa.gov</a>. Finally, to perfect filing, parties must simultaneously provide e-mail courtesy copies of filings to the presiding administrative law judge and advisory staff as well as to the parties to the proceeding. A full service list will be provided under separate cover.

- ALTERNATE DISPUTE RESOLUTION. The Commission supports the informal settlement of matters before it. Parties are encouraged to consider means of resolving disputes informally. The Commission does have limited ability to provide dispute resolution services; if you wish to explore those services, please call the Director, Administrative Law Division, at 360-664-1144.
- NOTICE TO PARTIES: A party who objects to any portion of this Order must file a written objection within ten (10) calendar days after the service date of this Order, pursuant to WAC 480-07-430 and WAC 480-07-810. The service date appears on the first page of the order in the upper right-hand corner. Absent such objection, this Order will control further proceedings in this matter, subject to Commission review.

Dated at Olympia, Washington, and effective January 6, 2009.

WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

DENNIS J. MOSS Administrative Law Judge

## APPENDIX A PROCEDURAL SCHEDULE DOCKET UT-082119

2 0 0				
EVENT	DATE	INTERVAL (Days)		
Applicants' Prefiled Direct	January 2, 2009			
Testimony	,			
Public Counsel Report on Customer Notice	February 17, 2009			
Settlement Conference (parties only)	February 17, 2009			
Customer Notice in Bills	March billing cycle			
Staff, Public Counsel and		57		
<b>Intervenors' Response Testimony</b>	March 4, 2009			
Applicants' Rebuttal Testimony and		14		
any Cross-Answering Testimony*	March 18, 2009			
Evidentiary Hearings	April 15-16, 2009	28		
Simultaneous Briefs	May 8, 2009	22		

<sup>\*</sup>After March 18, 2009, parties will respond to discovery requests within five days following receipt.