

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

Complainant,

v.

VERIZON NORTHWEST INC.,

Respondent.

DOCKET NO. UT-040788

SECOND DECLARATION OF
PAULA M. STRAIN

1 I, Paula M. Strain, provide the following declaration in support of Staff's
Response to the "Petition of Verizon Northwest Inc. for Commission Review of
Interlocutory Ruling Compelling VZNW to Respond to Commission Staff's Data
Requests Pursuant to WAC 480-07-810 and 480-07-425" (October 7, 2004). The
following statements are true and correct to the best of my knowledge and belief,
and are based on my personal knowledge.

2 I am employed by the Washington Utilities and Transportation Commission
as a Telecommunications Expert.

3 Staff Data Request No. 418 asked Verizon to provide "an explanation and
documentation for the year-end 2002 and year-end 2003 journal entries requested
by Paula Strain during the on-site audit visit. Please include dollar amounts

associated with each expense-related journal entry made in December 2002 and 2003.”

4 Staff received Verizon’s response to this request on September 27, 2004. It included copies of 23 journal entries. For 19 of those journal entries, amounts pertaining to other states and to other Verizon companies and the total dollar amount of those entries were redacted.

5 For 11 of the 23 journal entries, either the total dollar amount of the journal entry was provided, or the entry pertained to Washington only.

6 For the remaining 12 journal entries, the total dollar amount of each journal entry was redacted. The back-up materials the Company provided showing Verizon Northwest totals did not contain sufficient information to allow them to be reconciled with the Washington journal entry amounts shown on the journal entry sheets, such as account numbers, account names, or explanations of the basis for the amount charged or credited to Washington.

7 I have read the Declaration of Nancy Heuring dated September 22, 2004, Attachment B to Verizon NW’s September 23, 2004, Response to Staff’s Motion to Compel. I acknowledge that some of the journal entries’ amounts for Washington may not have been based on allocations. Ms. Heuring’s declaration did not identify which journal entries were or were not based on allocations and the Company did not provide the explanations Staff requested about how the dollar

amounts for the Washington study areas were determined for each of the journal entries.

8 Based on the Company's inadequate response to Staff Data Request No. 418, I am unable to verify 12 of these journal entries by amount. For none of the journal entries has the Company provided a complete explanation, as requested in Staff Data Request No. 418, so I cannot verify the propriety of any of the journal entries or how the Washington amounts were determined. Finally, because the Company has redacted amounts on Verizon NW's books that allegedly are attributable to other states, I cannot determine whether the amount recorded for Washington is reasonable by comparing the amounts booked to Verizon NW that are attributable to other states.

Signed this 15th day of October, 2004, at Olympia, Washington.

Paula M. Strain