

Gregory M. Romano
General Counsel - Northwest Region



1800 41st St., WA0105GC
Everett, WA 98201

Phone 425 261-5460
Fax 425 252-4913
Gregory.M.Romano@verizon.com

July 8, 2008

Via Electronic Mail

Mr. David W. Danner, Executive Director & Secretary
Washington Utilities & Transportation Commission
1300 S. Evergreen Park Drive SW
P.O. Box 47250
Olympia, WA 98504-7250

Re: Docket A-072162 -- Rulemaking to Consider Possible Corrections and Changes to Selected Rules in WAC 480-07, Relating to Procedural Rules

Dear Mr. Danner:

On June 6, 2008, the Commission issued a Notice of Opportunity to Submit Written Comments on the proposed revisions to selected procedural rules in WAC 480-07. Verizon Northwest Inc. ("Verizon NW") offers comments on only one proposal: proposed WAC 480-07-904(l).

That proposed rule would delegate to the executive secretary certain requests for authorization of transfers of property by telecommunications companies. Earlier drafts of the proposed rule, however, were much preferable to the changes in the latest version, which appear to have been drafted based on comments submitted by Public Counsel. Specific problems in the latest version include: (i) its omission from the list of delegated items of applications for Commission determination under WAC 480-143-180 that property is not necessary or useful; (ii) the unnecessary imposition of a monetary limit on the transaction size to be delegated; and (iii) its apparently inadvertent delegation of larger – not smaller – transactions.

Determinations that Property is Not Necessary or Useful.

Previous drafts of the proposed rule appropriately delegated an application by a company for a Commission determination under WAC 480-143-180 that property is not necessary or useful. That rule requires that a company make a filing with the Commission for *any* transaction of a relatively small size, even if it has nothing to do with the company's regulated business. The purpose of the filing is to – in essence – obtain Commission concurrence that the transaction does not require Commission approval under RCW 80.12.020. The rule imposes a cumbersome and unnecessary requirement that can have the effect of delaying transactions wholly unrelated to a company's regulated business. Yet as long as WAC 480-143-180 is in place, it would make

Mr. David W. Danner, Executive Director & Secretary

July 8, 2008

Page 2

sense to allow certain such filings to be delegated to the executive secretary, who may have more flexibility and available time to act so as not to delay completion of transactions over which the Commission has no jurisdiction. For that reason, Verizon NW respectfully requests that applications for Commission determination that property is not necessary or useful pursuant to WAC 480-143-180 be added back to the proposed rule WAC 480-07-904(1).

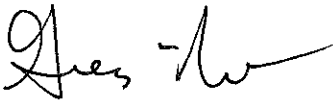
Monetary Limits.

The monetary limits added to the delegation in the last version of the proposed rule are unnecessary for the reasons stated in the Commission's comments included in a previous draft of the rules dated March 21, 2008. Namely, that earlier versions of the proposed rule provided flexibility in determining whether a property transfer should be considered as an open meeting agenda or delegated item. The specific facts of each proposed transfer, including monetary value, would determine how the request is ultimately treated. Thus, inserting an arbitrary monetary limit into the delegation of property transfer requests is wholly unnecessary and overly restrictive.

If the Commission nonetheless proceeds with monetary limitations for such delegations, the wording in the proposed rule needs to be changed. As currently written, proposed rule WAC 480-07-904(1) limits delegation to "applications for the disposal of property that has a market value that exceeds either one percent of the company's rate base, last established by Commission order, or two hundred thousand dollars, whichever is greater." Thus, the proposed rule seems to delegate applications for transactions larger than the threshold to the executive secretary, while retaining applications for small transactions for consideration by the Commission. That is not the likely intent of the proposed limits. One way to remedy the wording would be to simply replace the word "exceeds" with the phrase "does not exceed."

Thank you for providing the opportunity to comment on the proposed changes to the rules.

Sincerely,



Gregory M. Romano

GMR:pl