

Exhibit No. ___ (PMS-18)

Docket No. UT-040788

Witness: Paula M. Strain

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

VERIZON NORTHWEST INC.,

Respondent.

DOCKET NO. UT-040788

**EXHIBIT TO TESTIMONY
OF
PAULA M. STRAIN
REGARDING REVENUE REQUIREMENTS**

**STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

Verizon NW Response to Staff Data Request No. 448

November 22, 2004

Before the

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Docket No. UT-040788

VERIZON NORTHWEST INC.

RESPONSE TO STAFF DATA REQUEST NOS. 448-449

**INCLUDES CONFIDENTIAL MATERIAL
Per Protective Order**

November 8, 2004

October 4, 2004

DATA REQUEST NO. 448:

- a. Please list by Part 32 account number and basic property record description the types of plant in service that were directly assigned to either the interstate jurisdiction or the intrastate jurisdiction, in the State of Washington, during the test year.
- b. For each type of plant directly assigned in the State of Washington, please provide the following information in columnar form for each of the years 2000 through 2003, for year to date 2004, and for the test year:
 1. Plant description
 2. Part 32 account number
 3. Units directly assigned to the intrastate jurisdiction (specify unit type – lines, trunks, minutes)
 4. Dollars directly assigned to the intrastate jurisdiction.
 5. Units directly assigned to the interstate jurisdiction (specify unit type – lines, trunks, minutes)
 6. Dollars directly assigned to the intrastate jurisdiction.
- c. For each type of plant directly assigned, please provide all documentation, including but not limited to analyses, studies, memos, and e-mails, discussing the annual updates of direct assignment of private line service costs and other direct assignments as discussed in 47 CFR 36.3(a).
- d. If Verizon Northwest does not update annually its direct assignment of plant as discussed in 47 CFR 36.3(a), please provide an explanation of the reasons such updates are not made and provide all documents supporting the Company's explanation.

RESPONSE: *(Filed October 4, 2004)*

- a. Part 36 requires the categorization of Part 32 summary account level (Class B) data. Direct assignment of plant in Part 36 does not utilize basic property records. Direct assignment is based on categorization of plant accounts into Part 36 categories and subcategories. Prior to the separations freeze, categorization was based on special facilities studies. The separations freeze eliminated the use of these special studies. The amounts in direct assigned categories under the freeze are determined based on frozen category and subcategory factors updated for amounts that are directly identifiable via accounting records.
- b. Please see Attachment 448.b.
- c. Please see Attachment 448c.1 and Confidential Attachments 448c.2 through 448c.16. Note that for letters provided in Confidential Attachments 448c.2, 448c.3, and 448c.5, none of the attachments referred to in the letters relate to Verizon Northwest, and are, therefore, not included with this response. For the letter from the FCC labeled as

October 4, 2004

Confidential Attachment 448c.4, only the attachments related to Washington are included with this response.

- d. The plant investment that Verizon direct assigns, other than the amounts identified through the frozen categories and subcategories as specified in 448(a), is the cost of DSLAM investment. The DSLAM investment is being directly assigned to the COE 4.13 private line interstate category.

Prepared By: Duane Simmons

Date: September 29, 2004

Witness: TBD

SUPPLEMENTAL RESPONSE:

- c. The attached Confidential Attachment 448.17 is an email sent to the FCC on October 8, 2004, with a file attached that outlines an alternative methodology for direct assigning DSLAM to the interstate jurisdiction.

Prepared By: Duane Simmons

Date: November 5, 2004

Witness: TBD