BEFORE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Review of: Unbundled Loop and Switching Rates; the Deaveraged Zone Rate Structure; and Unbundled Network Elements, Transport, and Termination	Docket No. UT-023003

DECLARATION OF GERALD D. HARRIS

1. I am employed by Verizon as Director of Service Costs Systems in the Finance Department of Telecom Operations. My responsibilities include the development, management, and enhancement of Verizon's cost models, including VzCost. I have held the same or similar responsibilities since February 1997, with Verizon or its predecessor GTE.

Verizon Security Policy

2. In order to prevent unauthorized access to the work product of any external user of VzCost, Verizon protects each account with an encrypted password. Once the external users reset their initial passwords, no one at Verizon has the ability to see or retrieve their passwords.

3. The only Service Costs personnel who have access to the VzCost databases are three System Administrators. None has any responsibility for or experience in the conduct of UNE pricing studies. Each of these System Administrators has as his or her sole responsibility the maintenance of databases for VzCost and VCOST. They do not

need to review or access any specific runs in order to perform this function. Rather, their functions consist primarily of assigning passwords, assisting users with the technical processes of uploading and downloading information from databases, and performing maintenance functions on the Oracle databases. Long before the filing of AT&T/MCI's motion to strike VzCost on September 12, 2003, each of those System Administrators signed a certification, agreeing to comply with the VzCost Security Policy that Verizon had developed in order to ensure that external users could use VzCost without access to their runs by others. The VzCost Security Policy and the Certification pages for each of these individuals are attached to this declaration.

4. A System Administrator that violates any of these policies is subject to termination pursuant to Verizon's Code of Business Conduct, which is also attached. In addition, Verizon has committed to quarterly independent audits of the work of its database administrators.

5. Verizon's VzCost training staff conducted an informal presentation for all the parties on July 8, 2003. At that presentation, Verizon explained the password system and some features of VzCost.

Verizon Help Desk and System Upgrades

6. Attached hereto are true and correct copies of the summaries prepared in the regular course of business of all calls to the VzCost "help desk" with respect to use of the model in Washington. The summaries show that the help desk has received only one call from an AT&T/MCI expert.

7. Maintenance during the evening of September 10, 2003, caused a different error that was discovered the next day. It was corrected a few days later on September 15. Again, no party ever complained about this error.

8. I am aware that the AT&T/MCI expert that called the VzCost help desk asked about the exceptions log. The exceptions log notifies users when inputs are missing from a model run. The user may then determine if these inputs were intentionally omitted. Thus, the log acts as a checklist so that the user may determine if he or she has populated the appropriate inputs. I understand that AT&T/MCI's model HM 5.3 does not have a similar tool to detect missing inputs.

Alleged Problems with Verizon's Studies

9. I understand that AT&T/MCI have stated in their Motion to Strike that the VzLoop model is difficult to understand in part because the model was written in the Pascal computer language. This is virtually the same computer language used to program the FCC's Universal Service cost model.

10. I have read that AT&T/MCI allege that the "Verizon has not provided the source code for VzLoop," making it "impossible to determine from the compiled code whether the logic inside the model matches the documentation provided by Verizon." Verizon's initial filing contained the source code used by VzLoop for loop investment calculations. I am not aware of AT&T/MCI requesting this or any other source code through discovery. When Verizon experts did not understand AT&T/MCI's deaveraging optimizer program, they asked for an explanation.

11. A user may modify all of the formulae that VzCost applies to the initial investment elements. I understand that, in the HM 5.3, however, a user may not modify

many of the critical assumptions, because of the way that the model configures the network.

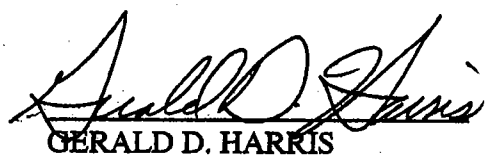
12. Many assumptions in the VzLoop model are based on real-world constraints that impact Verizon NW's network. In contrast, the HM 5.3 model ignores real-world constraints such as geographic features and obstructions, so its hypothetical network could never be built.

13. I am aware that AT&T/MCI have stated that a VzCost model run may take 7 to 8 hours. This is a result of the model's complexity. But it is not always the case with every model run. The model allows users to modify a large number of variables, including depreciation and the cost of capital, and conduct those runs in substantially less time. Instead of conducting separate runs, a user also may conduct sensitivity analyses with the "What If" and "Sensitivity" tools that are available on the VzCost main menu. For changes to inputs that require re-running all the VzCost modules, a user can conduct multiple cost runs simultaneously rather than waiting for each run to finish before moving to the next one.

14. I have reviewed the foregoing "Opposition to the Motion to Strike Cost Model." The statements made therein with respect to the operation of VzCost, the VzCost Security Policy, and the VzCost "help desk" are true and correct to the best of my knowledge, information, and belief.

I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

Signed this 18th day of September, 2003, at Irving, Texas.



GERALD D. HARRIS