

Exhibit ____ (MMT-5)
Docket No. UT-990946
Witness: Mary M. Taylor

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND)	
TRANSPORTATION COMMISSION,)	
)	
Complainant,)	
)	DOCKET NO. UT-990946
)	
1-800 RECONEX, INC.,)	
)	
Respondent.)	
_____)	

TESTIMONY

OF

MARY M. TAYLOR

STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

March 8, 2001

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Mary M. Taylor. My business address is 1300 South Evergreen Park Drive Southwest, Olympia, Washington, 98504.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am employed by the Washington Utilities and Transportation Commission (WUTC) as a Policy Specialist II.

Q. HOW LONG HAVE YOU BEEN EMPLOYED BY THE COMMISSION?

A. I've been employed by the Commission for 16 years.

Q. IN WHAT CAPACITIES?

A. In addition to the Policy Specialist position, I have held the following positions with the Commission: Service Examiner I, Service Examiner II, Service Examiner III, and Consumer Program Specialist III.

Q. CAN YOU BRIEFLY DESCRIBE YOUR CURRENT JOB DUTIES.

A. My primary duties involve coordination of formal complaints and acting as the consumer rules subject matter expert in the current rule making review of chapter 480-120 WAC in Docket No. UT-990146.

DIRECT TESTIMONY OF MARY M. TAYLOR

Exhibit ____ (MMT-T1)
Docket No. UT-990946
Page 1

Q. CAN YOU EXPLAIN WHAT IS INVOLVED IN COORDINATING FORMAL COMPLAINTS?

A. Yes. When any document titled “formal” complaint is received by the Commission it is forwarded to me for review. I review the document to see if it meets the standards set out by Commission rule. Documents that do not meet the Commission’s criteria are rejected; those that do meet the criteria are docketed and set for hearing. When a complaint is docketed, I determine which staff, if any, need to be assigned and whether staff will act in an advisory role or participate as a party in the case.

Q. CAN YOU DESCRIBE YOUR ROLE IN DOCKET NO. UT-990146?

A. Yes. The Commission opened a rulemaking to review its telecommunications rules in response to the Governor’s executive order which required state agencies to review all of their existing rules. The basic goals of the review is to eliminate obsolete rules, put the rules into clear language, and update rules to reflect current policies and practices. Staff determined the rules should be addressed in three separate categories: accounting rules, technical rules and consumer rules. I have the primary responsibility for drafting the consumer rules as well as providing input on technical rules.

Q. HAVE YOU PREVIOUSLY PRESENTED TESTIMONY BEFORE THE COMMISSION?

A. Yes.

Q. CAN YOU PROVIDE A FEW OF THE DOCKET NUMBERS ON THESE CASES?

A. Yes. Two involved US WEST Minimum Point of Presence issues, Docket Nos. UT-920440 and UT-940990. Three involved US WEST maintenance and repair issues, Docket Nos. UT-960832, UT-961341, and UT-961342.

Q. CAN YOU BRIEFLY DESCRIBE THE PURPOSE OF YOUR TESTIMONY IN THIS DOCKET.

A. The Commission, in its First Supplemental Order in this docket dated December 30, 2000, suspended payment of \$45,000 pending the outcome of a Staff audit to be conducted in September 2000. The order indicated that payment of the \$45,000 would be required if the company exceeded more than two benchmarks contained in the stipulated agreement. My testimony and exhibits outline my findings during the course of the September audit and will demonstrate that 1-800 RECONEX failed to meet six of the benchmarks and, therefore, is liable for payment of \$45,000.

Q. HOW DO YOU PLAN TO DEMONSTRATE THAT THE COMPANY FAILED TO MEET SIX OF THE BENCHMARKS?

A. Exhibit MMT-2 summarizes my audit of the Company's overall performance in complying with all the terms of the Commission's order. Contained within MMT-2, Appendix A is a summary of each benchmark contained in the settlement, a discussion of my audit findings, and a conclusion indicating whether the Company met the benchmark or not.

Q. EXHIBIT MMT-2 CONTAINS ADDITIONAL APPENDICES B THROUGH D. CAN YOU BRIEFLY EXPLAIN WHAT EACH OF THESE REPRESENT?

A. Yes. Appendix B represents the total number of instances identified during the review of the 50 customer account records in which the Company failed to meet one of the requirements for which the benchmarks were set. The spreadsheet in Appendix B provides the detailed data by customer account and the corresponding benchmark contained in the settlement agreement that the company violated. Appendix C identifies the date each violation occurred. Appendix D contains billing data and, where applicable, notes for each of the 50 accounts reviewed.

Q. WHAT INFORMATION FORMED THE FOUNDATION FOR YOUR FINDINGS?

A. The information supplied directly by the Company in response to my request, as represented in Appendix D.

Q. ARE THE RECORDS CONTAINED IN APPENDIX D THE ACTUAL RECORDS PROVIDED BY THE COMPANY IN RESPONSE TO YOUR REQUEST?

A. No. Appendix D is my compilation of the information set out in the actual records provided by the Company.

Q. WHY DID YOU RE-COMPILE THE INFORMATION IN THE ACTUAL COMPANY RECORDS?

A. There were two reasons, both dealing with clarity. First, the records provided by the Company ran in reverse chronological order (i.e., most recent to oldest), which makes verifying compliance very difficult since many of the benchmarks require, at certain points in time, the running account balance. Second, the records provided by the Company contained many notations and entries that had no impact on the audit findings. In other words, the information either dealt with a non-benchmark item or did not nullify or change the outcome of an alleged violation.

Q. HOW WERE THE RECORDS DEVELOPED THAT APPEAR IN APPENDIX D? DID YOU MANUALLY COPY AND TYPE THE RECORDS?

A. No. Commission support staff scanned the records provided by 1-800 RECONEX into Word Perfect format. Then I cut and pasted the records in chronological order using the dates contained in the Company's records.

Q. DID YOU RETAIN THE ORIGINAL RECORDS PROVIDED BY THE COMPANY?

A. Yes, as represented by Exhibit MMT-3.

Q. LOOKING AT APPENDIX D, WHY DON'T ALL THE ACCOUNTS REFLECT BILLS FROM JANUARY THROUGH AUGUST?

A. The records reflect all bills generated by the Company for each listed customer during the audit period January through August. However, not every customer had account activity for each of those months. For example, Customer #1 had service in January but disconnected service in May 2000, so the summary reflects bills for this period.

Q. CAN YOU PLEASE EXPLAIN THE PROCESS AND ANALYSIS THAT WENT INTO THE CONCLUSIONS YOU DRAW IN APPENDIX A?

A. Yes. After scanning the records into Word Perfect, I cut and pasted each account into chronological order, including narrative entries and billing entries. Then I reviewed each narrative entry along with the running account balance and eliminated those narratives that were not pertinent to the audit. I then reviewed the remaining information for compliance with each benchmark and highlighted all entries that violated the requirements for which the Commission had set compliance benchmarks. I then transferred the violation information to the spreadsheet identified as Appendix C.

Q. SO YOU WERE ABLE TO INTERPRET THE COMPANY'S RECORDS ENTIRELY ON YOUR OWN?

A. No, not entirely. In reviewing the records I identified a number of issues that required clarification, either because the records did not contain enough information to make a compliance determination, because my assumptions indicated a violation of a bench mark, or because I didn't understand the purpose of a Company process.

Q. HOW DID YOU GET THE CLARIFICATION THAT YOU NEEDED TO COMPLETE YOUR AUDIT?

A. I contacted Bill Braun, Counsel for 1-800 RECONEX, to determine where I should

direct my questions. Mr. Braun referred me to Sandra Elliott, Project Manager, for assistance. Beginning on October 3, 2000, I dealt with Ms. Elliott through voice mail, fax, e-mail and by letter.

Q. DO YOU HAVE RECORD OF THE INFORMATION EXCHANGED BETWEEN YOURSELF AND MS. ELLIOTT?

A. Yes, copies of the information are attached as Exhibit MMT-4.

Q. SO WOULD YOU SAY YOU ARE CONFIDENT THAT YOU HAVE INTERPRETED THE ACCOUNT RECORDS PROPERLY AND THAT THE VIOLATIONS THAT YOU CITE IN APPENDIX A AND B ARE CORRECT?

A. Yes.

Q. SO FAR YOU HAVE BEEN DESCRIBING THE PROCESS FOR DETERMINING IF THE COMPANY SHOULD BE REQUIRED TO PAY THE \$45,000 SUSPENDED PENALTIES FOR FAILING TO MEET THE COMPLIANCE BENCHMARKS SET OUT IN THE COMMISSION'S ORDER. WHAT IS STAFF'S VIEW CONCERNING THE PART OF THE COMMISSION'S ORDER THAT REQUIRED THE COMPANY TO SPEND \$121,000 ON SYSTEM IMPROVEMENTS BEFORE STAFF'S SEPTEMBER AUDIT?

A. The Commission's order was very clear: spend the \$121,000 by the date of the Staff's September audit or become liable immediately for payment of the \$121,000 to the public service revolving fund. On September 28, 2000, 1-800 RECONEX submitted its monthly report, my Exhibit MMT-5, which indicated that the Company had spent only \$89,574.40 of the system improvement money. Based on this it is Staff's conclusion that under the Commission's order the Company is liable for payment of the \$121,000.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.