

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

**In the Matter of the Joint Application of Verizon)
Communications Inc. and Frontier)
Communications Corporation For An Order) Docket No. UT-090842
Declining to Assert Jurisdiction Over, or, in the)
Alternative, Approving the Indirect Transfer of)
Control of Verizon Northwest Inc.)**

**REBUTTAL TESTIMONY OF TIMOTHY McCALLION
ON BEHALF OF VERIZON**

REVISED NOVEMBER 30, 2009

REDACTED VERSION

1 **Q. But Dr. Roycroft points to out-of-service (“OOS”) trouble reports to support his**
2 **claim that outside plant conditions are deficient (Roycroft Direct at 76-78.) Is his**
3 **conclusion accurate?**

4 A. No. In fact, the threshold errors inherent in Dr. Roycroft’s calculations at pages 76-78
5 lead to questions about the overall accuracy of the OOS trouble report analysis.
6 Although a revised version of Dr. Roycroft’s testimony was filed on November 13 to
7 correct errors related to this data, significant errors remain. For example, it appears that
8 the table on page 76 comparing OOS trouble reports in Spinco with the rest of Verizon
9 incorrectly includes: (i) Virginia in the Spinco, rather than Verizon, data and (ii) West
10 Virginia in the Verizon, rather than Spinco, data. These apparent errors alone have a
11 marked effect on the Spinco and non-Spinco OOS totals, and significantly overstate the
12 trend and amount of Spinco OOS total compared to non-Spinco areas, which appears to
13 be the purpose of Dr. Roycroft’s comparison.¹ Also, the same table uses access line
14 counts at the end of each year instead of taking into account the line loss that occurs over
15 the course of the year. As a result, the table significantly overstates the rate of increase of
16 troubles per line.

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18 Moreover, the table on page 76 is not focused on Washington; as shown in Figure 5 in
19 Dr. Roycroft’s testimony on page 77, Verizon’s Washington Initial OOS trouble report
20 data show a much lower number than Spinco as a whole. And, in fact, the trend in

¹ Dr. Roycroft also fails to include any ~~part~~ of Verizon’s California lines in the Spinco calculation, ~~even though the vast majority of California lines are not part of Spinco, and does not include any lines from Verizon West Coast Inc. in Spinco, even though those lines represent the bulk of the lines in California that are part of the transaction.~~ This mistake does not meaningfully alter the end results, but is indicative of the limited analysis done in this calculation.