BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Review of Unbundled Loop and Switching Rates and Review of the Deaveraged Zone Structure.

NO. UT-023003

COMMISSION STAFF'S RESPONSE TO VERIZON'S MOTION TO SUSPEND SCHEDULE; AND IDENTIFICATION OF UT-003013 RATES FOR REVIEW IN THIS DOCKET

The Commission Staff (Staff) files the following in response to the Washington Utilities and Transportation Commission's (Commission) separate notices dated July 2, 2002 asking for a response to Verizon Northwest, Inc.'s (Verizon) motion to suspend the procedural schedule and asking the parties to identify the rates developed in Docket UT-003013 that should be reviewed in this docket.

I. STAFF'S RESPONSE TO MOTION TO SUSPEND PROCEDURAL SCHEDULE

Staff agrees in principle that the Commission should suspend the procedural schedule to

allow Verizon, and other parties, time to modify their cost studies in accordance with the

Commission's Part B order in Docket No. UT-003013.

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Staff does not agree with Verizon's suggested duration of the suspension. Verizon

STAFF'S RESPONSE TO VERIZON'S MOTION TO SUSPEND PRODECURAL SCHEDULE; IDENTIFICATION OF RATES FROM UT-003013 TO BE REVIEWED IN THIS DOCKET - 1 requests that the Commission wait until it issues an order on reconsideration and clarification of the Part B Order, followed by a five-day period of time in which Verizon will notify the Commission of the amount of time it needs to modify its cost studies. The Staff believes this suggestion is too open-ended.

The Commission issued the Part B order on June 21, 2002. Verizon has had since that day to begin modifications to its cost studies. Verizon need not wait until the Commission completes the reconsideration or clarification process of the Part B order before it can begin the necessary modifications.

If the Commission grants Verizon's motion to suspend the procedural schedule, Staff requests that the Commission establish a specific schedule and include its own Part B reconsideration/clarification order in the schedule. Staff appreciates that the Commission does not customarily set deadlines for its own orders, but in this instance doing so would be very helpful in establishing an orderly schedule for the next phase. A schedule that consists of intervals only (e.g., "direct testimony filed six weeks after reconsideration order") can easily lead to unexpected conflicts and permits little predictability as to the ultimate decision date.

If the Commission were to establish that a reconsideration order could be issued within six weeks of the date petitions were filed, i.e., August 13, 2002, Staff recommends that the schedule provide parties with six weeks in which to prepare and file direct testimony, i.e., September 27, 2002. Response testimony should be due on November 22, 2002 and rebuttal testimony on December 13, 2002, with hearings to begin in January 2003.

STAFF'S RESPONSE TO VERIZON'S MOTION TO SUSPEND PRODECURAL SCHEDULE; IDENTIFICATION OF RATES FROM UT-003013 TO BE REVIEWED IN THIS DOCKET - 2

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II. RATES FROM UT-003013 THAT SHOULD BE REVIEWED IN THIS DOCKET

Staff is not aware of any UNE rates, other than those already identified by the

Commission, that need to be reviewed in this proceeding.

Dated: July 10, 2002

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SHANNON E. SMITH Assistant Attorney General Counsel for Commission Staff

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