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1 VERIZON, by RICHARD E. POTTER (via bridge),  
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3 1800 41st Street, WA 0105 RA, Everett, Washington  
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5 COVAD COMMUNICATIONS COMPANY; XO  
6 COMMUNICATIONS SERVICES, INC.; INTEGRA TELECOM OF  
7 WASHINGTON, TIME WARNER TELECOM OF WASHINGTON, by  
8 GREGORY J. KOPTA (via bridge), Attorney at Law, Davis  
9 Wright Tremaine, 1501 Fourth Avenue, Suite 2600,  
10 Seattle, Washington 98101; telephone, (206) 628-7692.

11 NORTHWEST PUBLIC COMMUNICATIONS COUNCIL, by  
12 DAVID L. RICE (via bridge), Attorney at Law, Miller  
13 Nash, 601 Union Street, Suite 4400, Seattle, Washington  
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1 P R O C E E D I N G S

2 JUDGE WALLIS: This prehearing conference  
3 will please come to order. This is a conference in the  
4 matter of Commission Docket UT-061625, which is a  
5 petition of Qwest Corporation to be regulated under an  
6 alternative form of regulation, also called AFOR,  
7 pursuant to RCW 80.36.135. This conference is being  
8 held at Olympia, Washington, on November 8th of the  
9 year 2006. My name is Robert Wallis, and I'm the  
10 presiding administrative law judge for this proceeding.

11 Let's begin by taking appearances, please,  
12 and begin with the Company.

13 MS. ANDERL: Thank you, Your Honor, Lisa  
14 Anderl, in-house counsel representing Qwest  
15 Corporation. My business address is 1600 Seventh  
16 Avenue, Room 3206, Seattle, Washington, 98191. My  
17 telephone is (206) 345-1574. My fax is (206) 343-4040,  
18 and my e-mail is lisa.anderl@qwest.com.

19 JUDGE WALLIS: For Public Counsel?

20 MR. FFITCH: Simon ffitich, assistant attorney  
21 general, Public Counsel, Washington State Attorney  
22 General's office, 800 Fifth Avenue, Seattle,  
23 Washington, 98104. The phone number is (206) 389-2055.  
24 The fax number is (206) 389-2079, and the e-mail  
25 address is simonf@atg.wa.gov.

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1 JUDGE WALLIS: Commission staff?

2 MR. TRAUTMAN: For Commission staff, Gregory  
3 J. Trautman, assistant attorney general. My address is  
4 1400 South Evergreen Park Drive Southwest, Post Office  
5 Box 40128, Olympia, Washington, 98504. My telephone  
6 number is (360) 664-1187. My fax number is (360)  
7 586-5522, and my e-mail address is  
8 gtrautma@wutc.wa.gov.

9 JUDGE WALLIS: Is there any other person in  
10 the hearing room that desires to participate in this  
11 proceeding on behalf of a party? Mr. Butler?

12 MR. BUTLER: Arthur A. Butler from Ater  
13 Wynne, LLP, on behalf of WebTEC. My address is 601  
14 Union Street, Suite 5450, Seattle, Washington,  
15 98101-2327; telephone, (206) 623-4711. Fax is (206)  
16 467-8406. E-mail is aab@aterwynn.com.

17 JUDGE WALLIS: Let's turn to the bridge line.  
18 On behalf of four clients petitioning for intervention?

19 MR. KOPTA: Gregory J. Kopta of the law firm  
20 Davis Wright Tremaine, LLP, 2600 Century Square, 1501  
21 Fourth Avenue, Seattle, 98101; telephone, (206)  
22 628-7692; fax, (206) 628-7699. E-mail is  
23 gregkopta@dwt.com, and I'm appearing on behalf of  
24 Integra Telecom of Washington, Time Warner Telecom of  
25 Washington, Covad Communications Company, and XO

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1 Communications Services.

2 JUDGE WALLIS: Thank you. On behalf of  
3 Northwest Public Communications Council.

4 MR. RICE: This is David Rice with Miller  
5 Nash, LLP. My address is 4400 Two Union Square, 601  
6 Union Street, Seattle, 98101. My telephone number is  
7 (206) 777-7424. My fax is (206) 622-7485. My e-mail  
8 address is david.rice@millernash.com. NPCC did not  
9 file a written intervention, and we were planning on  
10 intervening orally. I don't know if we will be taking  
11 that up.

12 JUDGE WALLIS: We understand that. Could you  
13 state for the record the name of the organization that  
14 you are representing?

15 MR. RICE: It's the Northwest Public  
16 Communications Council. Do you need their contact  
17 information and address?

18 JUDGE WALLIS: We will eventually. If you  
19 could e-mail that to us, we would very much appreciate  
20 it. There was also earlier an indication of the  
21 presence on the bridge line of a person representing a  
22 party that wished to be an interested person with  
23 reference to this docket. Mr. Potter, are you still on  
24 the line?

25 MR. POTTER: Yes, Your Honor. My name is

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1 Richard E. Potter, Director of Public Affairs Policy  
2 and Communications, for Verizon. The Company does  
3 request to have the status of interested person as  
4 described in WAC 480-07-340.

5 JUDGE WALLIS: For contact purposes, could  
6 you state your information on the record, please?

7 MR. POTTER: The mailing address is 1800 41st  
8 Street, WA 0105 RA. That is in Everett, Washington,  
9 98201. My phone number is (425) 261-5006. My fax is  
10 (425) 261-5262, and my e-mail is  
11 richard.potter@verizon.com.

12 JUDGE WALLIS: Thank you. I mentioned  
13 earlier off the record that I received a communication  
14 from Mr. Melnikoff this morning, who is counsel for the  
15 Department of Defense and Federal Executive Agencies.  
16 He indicated an interest in petitioning to intervene in  
17 this docket, and I told him that I would acknowledge  
18 his interest on the record at this proceeding.

19 Let me ask, Mr. Kopta, if you would briefly  
20 explain the interest of the clients that you represent  
21 in this proceeding and what is the purpose of the  
22 intervention that you seek?

23 MR. KOPTA: All four clients of mine that I  
24 represent for this purpose have filed comments in a  
25 related docket seeking Commission review of certain

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1 special access rates that Qwest charges, and Qwest  
2 currently has competitive classification for those  
3 services, but in the event that the Commission were to  
4 determine that the competitive classification should no  
5 longer be applicable to those services, the proposal  
6 that Qwest has made for their alternative form of  
7 regulation would include those services, and therefore,  
8 potentially make it more difficult for the Commission  
9 at best to address the issues that my folks have raised  
10 in that docket.

11 So our purpose in intervening in this  
12 proceeding is to opine or refer to the Commission to  
13 limit the scope of the AFOR to a minimum to exclude  
14 those special access services should they no longer be  
15 competitively classified.

16 JUDGE WALLIS: Thank you. Is there any  
17 objection to the petitions on behalf of Integra, Time  
18 Warner, Covad, and XO?

19 MS. ANDERL: I spoke with Mr. Kopta yesterday  
20 and told him we would not object to the interventions  
21 by his clients. I would like to say that that lack of  
22 objection is without waiver of any position we may take  
23 on the appropriateness of the issues that they seek to  
24 raise or the proper outcome, but we don't object.

25 JUDGE WALLIS: We understand that

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1 reservation, and the petitions for intervention are  
2 granted. Mr. Butler?

3 MR. BUTLER: Do you want a recitation of what  
4 is in the petition?

5 JUDGE WALLIS: No. If you would briefly  
6 state for the record the basic nature of the clientele  
7 you represent and their interests in the procedure.

8 MR. BUTLER: Yes. WeBTEC is an association  
9 of large business consumers of telecommunications  
10 services, and our customers are Qwest Corporation of  
11 Washington State, and as customers of those services.

12 Very briefly, most if not all of those  
13 services have been competitively classified in the past  
14 in our view, a significant portion, if not the entire  
15 portion of justification for that, so it was the  
16 presence in the market of cost-based unbundled network  
17 elements, and our concern is what happens if the  
18 Commission should conclude in some future proceeding  
19 that that type of competition no longer exists for some  
20 or all of the services purchased by our members. Our  
21 interest would be in seeing the modification of the  
22 plan to insure an appropriate mechanism that would  
23 guarantee reasonableness of the rates for services  
24 purchased by our members.

25 JUDGE WALLIS: Thank you. Ms. Anderl, is



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1 there objection?

2 MS. ANDERL: To the extent that the basis  
3 stated by Mr. Butler really parallels the basis stated  
4 by Mr. Kopta on behalf of his clients and with the same  
5 caveats, no objection.

6 JUDGE WALLIS: The petition is granted. For  
7 the Northwest Public Communications Council, Mr. Rice.

8 MR. RICE: Thank you, Your Honor. NPCC is an  
9 association of pay phone service providers in the  
10 Northwest, including in Washington, and NPCC's members  
11 purchase public access lines from Qwest, and the  
12 purpose of NPCC's intervention in this proceeding is to  
13 monitor the proceeding impact on the house service and  
14 to respond as appropriate.

15 JUDGE WALLIS: Thank you. Ms. Anderl?

16 MS. ANDERL: Your Honor, I guess I don't  
17 understand that the petition by NPCC really states an  
18 interest that kind of arises above the general customer  
19 interest that's otherwise represented by Public Counsel  
20 and Staff as they seek to protect consumer interests  
21 and present a balanced evaluation.

22 I did not hear any special interest stated by  
23 NPCC nor did I understand a particular position that  
24 they would be taking in this or what they would be  
25 contributing to the Commission's further understanding

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1 or evaluation of the AFOR, and on that basis, we don't  
2 believe they have a basis to intervene.

3 JUDGE WALLIS: Are you objecting?

4 MS. ANDERL: Yes.

5 JUDGE WALLIS: Mr. Rice, do you have a brief  
6 response?

7 MR. RICE: Yes. The NPCC's members as PAL  
8 customers uniquely understand the needs of such  
9 customers, and my understanding is that the AFOR  
10 proposal will potentially have a large impact on PAL  
11 service and regulation, and it may turn out to be  
12 that's not the case, but we don't know that yet, and so  
13 it would be premature to say that NPCC has nothing to  
14 contribute to this, and in fact, it seems to me like it  
15 would be important to get the input of NPCC on the AFOR  
16 because they are purchasers of this service.

17 JUDGE WALLIS: Very well. I am going to  
18 grant the petition for intervention. I believe that it  
19 may indeed be helpful to the Commission to have the  
20 unique perspectives of individual consumers or consumer  
21 groups participating as parties with the focus on  
22 specialized services, so I therefore deny the objection  
23 voiced by Qwest.

24 In anticipation of a petition to intervene on  
25 behalf of the Federal Executive Agencies and Department

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1 of Defense, Ms. Anderl, are you prepared to state  
2 whether you would object to such a petition?

3 MS. ANDERL: Well, in light of the contact  
4 made today by Mr. Melnikoff, we would not object on the  
5 basis that it will be late filed. We would, however,  
6 like to wait and see what the stated basis for the  
7 intervention is prior to opining about what our  
8 position might be on the merits.

9 JUDGE WALLIS: Very well. We will reserve  
10 ruling on that petition if and when it is received  
11 following the opportunity for response.

12 MS. ANDERL: Your Honor, and maybe we can  
13 talk about this when we are scheduling things, but it  
14 might be helpful for both the Bench and us to  
15 understand whether DOD had a deadline for filing such a  
16 petition.

17 JUDGE WALLIS: Mr. Melnikoff pledged that he  
18 would respond promptly when he was able to return to  
19 his office and attend to this. He did not state a  
20 limit, and we would expect within 14 days of today  
21 would be ample time and would look for a filing within  
22 that period.

23 Now, because he's not here, it's difficult  
24 for me to impose a date, but we trust that he will live  
25 up to his representation and file promptly.

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1 MS. ANDERL: Thank you.

2 JUDGE WALLIS: Mr. Potter, you are here  
3 seeking interested person status in this docket. In  
4 reviewing the Commission rules related to interested  
5 persons and discussing that status with you, it is my  
6 understanding that you do not wish to participate  
7 actively as a party in this docket; is that correct?

8 MR. POTTER: That is correct.

9 JUDGE WALLIS: The Commission rules provide  
10 that upon granting interested person status, the  
11 interested person will then receive copies of filings  
12 that are made with the Commission. In prior  
13 proceedings, the parties to the proceeding have  
14 volunteered to provide those materials to the  
15 interested person. Let me ask if the parties to this  
16 proceeding are willing to add Mr. Potter and his  
17 employer, Verizon Northwest, to the filing list and the  
18 service list for process. This would, of course,  
19 exclude any confidential information that might be  
20 subject to a protective order to which Mr. Potter and  
21 his firm are not party.

22 MS. ANDERL: Yes. We will, of course, add  
23 him on behalf of Qwest.

24 JUDGE WALLIS: Mr. Butler?

25 MR. BUTLER: That's fine from my standpoint.

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1 MR. FFITCH: No objection.

2 MR. TRAUTMAN: No objection.

3 MR. KOPTA: No objection from my parties.

4 MR. RICE: No objection.

5 JUDGE WALLIS: Very well. So we will note  
6 that in the prehearing conference order.

7 MR. FFITCH: Your Honor?

8 JUDGE WALLIS: Mr. ffitch?

9 MR. FFITCH: With regard to service list  
10 matters, I wanted to request that the Bench accept  
11 names from parties to be added to the e-mail service  
12 list that the Commission puts together for the purpose  
13 of ease of internal office administration of electronic  
14 materials that we have typically provided from our  
15 office, for example, the legal assistant and the  
16 analyst working on the case in addition to the lawyer  
17 so that when the mail comes in electronically, it can  
18 be handled more expeditiously, and I believe it has  
19 been done in prior cases. We would ask that the Bench  
20 entertain submissions of that nature.

21 JUDGE WALLIS: Let me request that each of  
22 the parties provide that information to the Commission  
23 via electronic mail before the end of the day tomorrow.  
24 That is, up to two persons to have contact information,  
25 that those persons will receive copies of material that

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1 is distributed.

2 Mr. Rice, in addition, if you would please  
3 provide the name of a principle of your client who  
4 would be designated to receive service on its behalf,  
5 that's information that would be important to us.

6 MR. RICE: Certainly, Your Honor. Should I  
7 send that e-mail to you?

8 JUDGE WALLIS: Please send it to the records  
9 center with the docket number on it and then I will  
10 receive a copy in the ordinary course, and please copy  
11 other parties.

12 MR. RICE: Certainly.

13 JUDGE WALLIS: Do the parties wish to conduct  
14 any discovery in this docket?

15 MR. TRAUTMAN: Yes, Your Honor.

16 JUDGE WALLIS: Is there any objection to the  
17 implementation of the discovery rules?

18 MS. ANDERL: No, Your Honor.

19 JUDGE WALLIS: Are there any special time  
20 frames the parties propose be applied?

21 MS. ANDERL: At this point, we have not  
22 agreed to anything other than the normal intervals.

23 MR. TRAUTMAN: We may need to make an  
24 exception for that after the filing of Staff testimony  
25 and certainly after the filing of Qwest rebuttal

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1 because we are anticipating relatively short intervals.

2 JUDGE WALLIS: Let's take that up when we get  
3 to scheduling, and the same as to discovery cutoffs.

4 Is there desire for a protective order.

5 MS. ANDERL: Yes, Your Honor.

6 JUDGE WALLIS: Is there any necessity for  
7 highly protective protection?

8 MS. ANDERL: We don't see the need for that  
9 at this time. We will make a special request for an  
10 additional level of protection if we believe we are  
11 going to be required to produce information that would  
12 require that.

13 JUDGE WALLIS: Very well. We will enter a  
14 protective order.

15 Now, I think we are down to the question of  
16 procedural schedule unless there is any other matter  
17 that parties would like to raise before we get to that  
18 point.

19 MR. FFITCH: Your Honor, I will just state  
20 for the record that before we get into the procedural  
21 discussion, we are anticipating raising the issue of  
22 consolidation of this docket pending Qwest's petition  
23 for competitive classification of its bundled services  
24 statewide, and we would expect to file a motion to put  
25 that issue before the Commission.

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1           Obviously, that motion has not yet been filed  
2 or ruled on, so we need to proceed with the scheduling  
3 in this matter, but I wanted to let you know that we  
4 are going to be proceeding down that path.

5           JUDGE WALLIS: That is not yet an  
6 adjudication; is that correct?

7           MR. FFITCH: That is correct, Your Honor. We  
8 will also be asking that it be set for hearing as an  
9 adjudication.

10          JUDGE WALLIS: Very well.

11          MS. ANDERL: Your Honor, we will object to  
12 that, just so the issue is framed.

13          JUDGE WALLIS: Very well. We would see the  
14 petition, and we trust that other parties who have an  
15 interest in it will respond.

16          Is it safe to stay on the record for the  
17 discussion of scheduling, or will we have some time to  
18 spend before we get down to the nitty-gritty?

19          MR. FFITCH: I prefer we stay on the record.

20          MS. ANDERL: I think we should stay on the  
21 record.

22          JUDGE WALLIS: Who's first; Ms. Anderl?

23          MS. ANDERL: Your Honor, Staff came into the  
24 hearing room with a proposed schedule. Qwest came in  
25 with a proposed schedule. We spent some time with the



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1 parties in the room and on the bridge trying to hammer  
2 out a compromise. Not surprisingly, Staff's schedule  
3 was more protracted and Qwest's schedule was more  
4 aggressive than the other side wanted. I thought we  
5 had substantial agreement on a modification.

6 I understand from talking to Mr. ffitch that  
7 he would like to advocate separately for a schedule  
8 that's more acceptable to Public Counsel, and so I  
9 guess I'm not sure how to proceed. I could put on the  
10 record now a set of compromised dates that some or all  
11 parties might be willing to agree to and that are  
12 acceptable to Qwest, and maybe we can take that as a  
13 springboard to go from.

14 JUDGE WALLIS: Very well. Let's proceed.

15 MS. ANDERL: Qwest has filed its testimony  
16 and did so with its AFOR petition on October 20th. So  
17 we would propose that responsive testimony by Staff,  
18 Public Counsel, and any Intervenors be due on January  
19 26, 2007. Because Qwest is eager to see this matter  
20 heard sooner rather than later, Qwest would submit to  
21 file its rebuttal three weeks later on February 16th,  
22 2007. We would like to propose that hearings be held  
23 during the week of March 12th. The parties were unable  
24 to agree with any certainty how many days we would  
25 need.

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1 JUDGE WALLIS: Do we have an estimate?

2 MS. ANDERL: Three or four, and the 14th is a  
3 Commission open meeting. We would then like to propose  
4 that briefs be filed on April 4th, 2007, and reply  
5 briefs April 13th.

6 One of the things that Public Counsel brought  
7 up is that there are PacifiCorp hearings scheduled  
8 during the last week in March, and Public Counsel  
9 raised a concern that the April 4th brief date was just  
10 too proximate to make, and what I proposed in response  
11 to that concern was that we set the schedule as I have  
12 read it into the record but that if the PacifiCorp case  
13 unfolded as it is currently scheduled and there were  
14 full hearings and no settlement and Public Counsel were  
15 pressed, we would not object to a reasonable  
16 continuance of the opening brief in this matter to the  
17 11th or 13th of April, if that would meet Public  
18 Counsel's needs. The reason I suggest we establish the  
19 schedule in the way of proposing is schedules never get  
20 contracted once they have been set, but they can get  
21 expanded, so we would like to keep the more optimistic  
22 dates.

23 JUDGE WALLIS: With the understanding that we  
24 could depress Public Counsel from the business of the  
25 PacifiCorp hearing.

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1 MS. ANDERL: Exactly. This represents a  
2 compromise from what Qwest would like to see in terms  
3 of the schedule, but it is something that we are  
4 prepared to accept. The Commission deadline for a  
5 decision in this matter is July 20th. Briefing date on  
6 April 13th with closing briefs on the 13th would enable  
7 the Commission to have quite a bit of time. We would  
8 earnestly ask that if this schedule is adhered to and  
9 we go to full hearings in this matter that the  
10 Commission endeavor to enter an order prior to the July  
11 20th deadline.

12 JUDGE WALLIS: I can represent on behalf of  
13 the Commission that it will endeavor to enter an order  
14 at the earliest time consistent with a close review and  
15 careful consideration of all of the issues that are  
16 raised.

17 MS. ANDERL: Thank you, Your Honor. We had  
18 also talked about a date for an initial settlement  
19 conference, and the earliest date that appeared to work  
20 for most if not all parties was December 8th. We would  
21 propose that the Commission establish that as the date  
22 for the initial settlement conference as we are  
23 somewhat proscribed in terms of our ability to talk to  
24 Staff until that happens, and we would like to have  
25 that happen sooner rather than later.

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1           I think that pretty much covers what we  
2 talked about. There was a discussion among Staff and  
3 Public Counsel and Qwest about the need for and timing  
4 of public hearings and public notice. I think I'll let  
5 Mr. Ffitch talk about the public hearings, and I would  
6 like to just have an opportunity to respond.

7           With regard to public notice, we understand  
8 that the Commission may ask Qwest to do a public notice  
9 to its customers of the pendency of this April  
10 petition, and we are willing to work with public  
11 affairs staff to create such a notice.

12           JUDGE WALLIS: Very well.

13           MR. FFITCH: Your Honor, would you like me to  
14 address the public hearing?

15           JUDGE WALLIS: Let me ask if any other party  
16 has any objections to the schedule that's been  
17 proposed.

18           MR. TRAUTMAN: Your Honor, and Public Counsel  
19 may also have this slight concern, we don't have a  
20 concern with the December 8th date for the settlement  
21 hearing, except that both Public Counsel and Staff are  
22 involved in the Avista decoupling, which has a hearing  
23 date of December 4th and 5th, and there was a question  
24 of when a posthearing brief might be due, and if that  
25 were on a very expedited schedule, then the December

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1 8th date could be a problem, and I don't know that we  
2 have a definite briefing date established in the other  
3 docket, so I just wanted to raise that for the Bench's  
4 attention.

5 JUDGE WALLIS: Yes. There has been some  
6 concern about the availability of dates during December  
7 and some questions raised with regard to scheduling in  
8 that docket, and we will be responding to those.

9 The long and short of it is that I have no  
10 answer for you at the present time. If we schedule a  
11 settlement conference for December 8th and it proves to  
12 be infeasible for the reason mentioned by Mr. Trautman,  
13 are the parties willing to work together to establish  
14 another date and advise the Bench of that date?

15 MS. ANDERL: Sure.

16 MR. FFITCH: Yes. I can't speak for other  
17 counsel. We had actually discussed the week of  
18 December 18th. That's difficult for Mr. Butler, but I  
19 think there were dates available that week. I don't  
20 know if we want to provide those now as a fallback to  
21 the Bench or not.

22 JUDGE WALLIS: It might be helpful to reserve  
23 a date knowing as we do how these things tend to fill  
24 up as time goes on. Let's be off the record for a  
25 brief discussion.

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1 (Discussion off the record.)

2 JUDGE WALLIS: The parties have agreed that  
3 December 12th will be an alternate for a settlement  
4 conference in the event that other matters preclude use  
5 of December 8th.

6 MR. FFITCH: Your Honor?

7 JUDGE WALLIS: Mr. ffitch?

8 MR. FFITCH: You had asked whether there were  
9 any objections to the proposed schedule that Ms. Anderl  
10 set out.

11 JUDGE WALLIS: Yes. I understand that you  
12 have some concerns, and I asked other parties first,  
13 and now I believe they've had their say and it's your  
14 turn.

15 MR. FFITCH: Thank you, Your Honor. We did  
16 participate in the discussions about the schedule that  
17 Ms. Anderl ran through. What we would like to do, Your  
18 Honor, is recommend the Staff's original proposed  
19 schedule. I have a copy of it -- Mr. Trautman was kind  
20 enough to type it up -- which I can present to you.  
21 The schedule that Staff originally proposed for  
22 discussion is significantly preferable from our  
23 perspective due to the press of many other cases that  
24 are before the Commission between now and early 2007.

25 The schedule that the parties have worked

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1 through that Ms. Anderl just presented is from our  
2 perspective theoretically possible but a significant  
3 challenge given the pendency of a number of energy  
4 cases. So therefore, in the interest of sanity,  
5 perhaps, Your Honor, I do want to request that the  
6 Commission consider the Staff proposal for an  
7 alternative schedule, which is a little bit more  
8 measured.

9 In support of this, I would point out that it  
10 does still give the final brief to the Commission 60  
11 days before the end of the statutory period, and I  
12 would also point out that the Company has been in  
13 control of the filing, the timing of the filing of this  
14 matter. They have been discussing and framing this  
15 matter for a number of months prior to filing and could  
16 have, in our view, filed this request much earlier with  
17 the Commission. So any sense of urgency that they are  
18 currently feeling I think they have essentially brought  
19 on themselves.

20 I think that's a factor to be considered in  
21 whether it's necessary to expedite this matter any  
22 further than even the Staff's proposal does. Staff's  
23 proposal is actually fairly expedited given the  
24 nine-month schedule. So I'll just stop there, other  
25 than to address the public notice and public hearing

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1 matters.

2 JUDGE WALLIS: Before you stop, however,  
3 would you mind sharing the dates that are on Staff's  
4 schedule? Could you read them into the record?

5 MR. FFITCH: Certainly, Your Honor. The  
6 Staff, Public Counsel, Intervenor testimony would be  
7 filed January 31st. The Qwest rebuttal testimony would  
8 be due March 7th. Hearings would be April 16th through  
9 18th; opening briefs, May 16th; reply briefs, May 25th,  
10 and in proposing this, Your Honor, we would still be  
11 willing to go along with the settlement conference  
12 dates that were just discussed earlier.

13 JUDGE WALLIS: Very well.

14 MR. BUTLER: Your Honor, could I just add  
15 that I do have a conflict on April 16th and 17th?

16 JUDGE WALLIS: Thank you.

17 MR. TRAUTMAN: Your Honor, I would just like  
18 to say obviously, Staff would not object to these dates  
19 because these were our original proposal, but we are  
20 also willing to go with the compromised proposal that  
21 was presented by Ms. Anderl earlier.

22 JUDGE WALLIS: Mr. ffitich, let me ask a  
23 couple of questions about this proposal. The  
24 responsive testimony due date would be extended only a  
25 few days, five days, I believe, under this proposal



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1 from the schedule Ms. Anderl identified. Is there a  
2 reason that those five days are critical or very  
3 important?

4 MR. FFITCH: We do have a settlement  
5 conferences in the PacifiCorp general rate case the  
6 week of the 16th, Your Honor, so that made having it  
7 right at the end of the month more attractive.  
8 Otherwise, the preparation of testimony will be  
9 overlapping, as a practical matter, with those  
10 meetings.

11 The other parts of the schedule, frankly,  
12 were even more, I think, appealing to us in terms of  
13 other matters that we have pending. The PacifiCorp  
14 general rate case is scheduled for the end of March, so  
15 the current hearing dates that are proposed, which I  
16 believe are March 12th, requires us to conduct this  
17 hearing and then the following week finalize  
18 preparations and cross-examination exhibits and so on  
19 for the PacifiCorp general case, which then starts the  
20 week of the 26th. That's a very tight time line, and  
21 then the briefing schedule, as Ms. Anderl pointed out,  
22 puts the opening brief only really three business days  
23 after the end of the PacifiCorp case.

24 So I do appreciate the fact that the Company  
25 has been willing to be flexible on that if that case

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1 doesn't settle. They've indicated a willingness to not  
2 object to a continuance. I appreciate that. But by  
3 the fact that one of the major appealing factors to the  
4 Staff proposal is that the hearing itself doesn't  
5 happen until mid April after we are out of the  
6 immediate zone of the PacifiCorp hearing. We have  
7 briefs due in PacifiCorp on the 23rd of April, which  
8 comes not long after Staff's proposed hearing dates,  
9 but we are willing to work around that. That's  
10 workable for us.

11 JUDGE WALLIS: Would advancing the filing of  
12 rebuttal, which is the Company's responsibility, and  
13 the date of the hearing to the week of March 5th assist  
14 you?

15 MR. FFITCH: I'm sorry. Moving the hearing  
16 up to the week of March 5th?

17 JUDGE WALLIS: Yes.

18 MR. FFITCH: I guess the problem is if we do  
19 that, we are really making the time for preparation for  
20 the hearing much tighter in terms of us responding to  
21 any Company rebuttal and doing discovery, and then  
22 knowing stages before that become compressed.

23 I think one of the reasons for me making this  
24 motion is while as I said, theoretically, the proposal  
25 that the parties have put forward as read by Ms. Anderl

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1 is theoretically possible, the demands of all these  
2 overlapping cases are quite imposing, and you know,  
3 again, the Company really has not stated any reason for  
4 expediting this matter other than the general desire to  
5 always get things done quicker, but in terms of any  
6 specific statutory deadline or dates certain type of  
7 business requirement, there is not a particular reason  
8 for the parties or the Commission to be shaving off  
9 days and weeks and making work more difficult to  
10 accomplish, and that's part of the reason, Your Honor,  
11 why we are asking for this and one of the reasons why  
12 moving the hearing up really doesn't address that  
13 problem. I appreciate your suggestion of trying to  
14 come up with some other ideas, however.

15 JUDGE WALLIS: Let's be off the record for a  
16 brief scheduling discuss.

17 (Discussion off the record.)

18 JUDGE WALLIS: We have engaged in some  
19 further brief scheduling discussions in which it was  
20 discovered we were replowing ground that had already  
21 been adequately tilled by the parties.

22 Given the choices that the parties present,  
23 it is my decision that we will proceed on the proposed  
24 schedule voiced by Ms. Anderl, and because all of us  
25 are in the same general situation, very conscious of

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1 the demands of other overlapping case schedules, if  
2 there is a reason as time goes on to alter the schedule  
3 because of events in other proceedings or other events  
4 affecting the parties, then we certainly will listen to  
5 concerns the parties have and be sympathetic to the  
6 demands, because we recognize this is a possible  
7 schedule, but we also recognize that the Commission  
8 does want to have an adequate record and parties to  
9 have an adequate time for preparation.

10 On its face, it appears that this proposal  
11 does meet the test of adequacy, and we will proceed  
12 with it. Are there other matters to come before the  
13 Commission at this time?

14 MR. FFITCH: I just wanted to address the  
15 public hearings and public notice if I might and  
16 appreciate Ms. Anderl's invitation to do so. As far as  
17 public hearings are concerned, we would request that  
18 the Commission hold at least two public hearings in  
19 this matter to take comments from the general public,  
20 and we would ask that the Commission give us a date  
21 certain for reporting back to the Bench.

22 We would intend to work with the Company and  
23 any other interested parties and with Commission's  
24 public affairs staff, who were here earlier, and we had  
25 a brief discussion about specific dates, times and

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1 places. In general, we talked about at least two, one  
2 of which perhaps would be during the week of the  
3 hearings here in Olympia. Another would be in perhaps  
4 the Spokane area or Eastern Washington and another,  
5 perhaps a third up north in the metropolitan area.

6 I don't want to speak for the Company. My  
7 understanding was that although I believe it's their  
8 view it's not clearly required by the statute, I think  
9 they were comfortable with this approach of us  
10 confirming and proposing dates and times.

11 JUDGE WALLIS: Ms. Anderl?

12 MS. ANDERL: I certainly do not object to a  
13 time carved out of the March hearings for public  
14 comments in Olympia. To the extent that a more  
15 expanded proposal will be made, we would like to  
16 reserve comment on that until we see what that is. If  
17 it would require extensive travel, unduly extended  
18 schedule or other factors that we think would add more  
19 work than it would produce benefit, we would like an  
20 opportunity to comment on that.

21 JUDGE WALLIS: Certainly. We did hear  
22 Mr. ffitich saying that he would be very willing to work  
23 with the Company to attempt to achieve mutual goals,  
24 and with that, we are very optimistic that there will  
25 be a proposal that all of the parties can support, and,

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1 of course, Qwest has the right in this proceeding to  
2 voice an objection to scheduling matters that it does  
3 not agree with.

4 MR. FFITCH: Your Honor, if I may just add a  
5 couple of things. One of the issues that comes up in  
6 scheduling these hearings is commissioner availability,  
7 so should our group that's working on this contact the  
8 hearings division for information on that?

9 JUDGE WALLIS: Yes. Please make contact with  
10 Ms. Walker.

11 MR. FFITCH: A related matter, Your Honor, is  
12 notice to the public, and I believe Ms. Anderl  
13 indicated the Company's willingness to do that. We  
14 would request that it be in the form of a bill stuffer,  
15 and our hope would be that in the interest of  
16 efficiency, we would be able to have dates for the  
17 locations for the hearings so that the people would get  
18 notice of that in the same piece of paper, and again,  
19 we would be willing to work with the Company. I know  
20 they are going to want to propose a format and language  
21 for the notice, so typically, that's been a  
22 conversation between the Company and the Public Counsel  
23 and the consumers affairs folks as well.

24 I think if you want to set a report-back date  
25 on both of these matters, the public notice and the

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1 public hearings, we can try to get all of that wrapped  
2 up in a 30-day time frame.

3 JUDGE WALLIS: Ms. Anderl, any comments?

4 MS. ANDERL: Yes, Your Honor. I guess we  
5 would like, of course, to know sooner rather than later  
6 what either the requirements for public notice will be  
7 or what the parties will be able to agree on for public  
8 notice. Ordinarily if we do a bill stuffer, it's a  
9 full 30-day billing cycle, and we want the people at  
10 the end of the billing cycle to get as full notice as  
11 the people at the beginning, so the latest we could do  
12 this, I would suggest, would be the January billing  
13 cycle. If we go with February, it puts things awfully  
14 close to the start of hearings in March.

15 JUDGE WALLIS: What would be your deadline  
16 for the January billing cycle?

17 MS. ANDERL: That's one of the things we need  
18 to consult on internally, so perhaps we could -- may I  
19 have just a moment with my client?

20 JUDGE WALLIS: Yes.

21 (Discussion off the record.)

22 MS. ANDERL: Thank, Your Honor.

23 JUDGE WALLIS: Yes.

24 MS. ANDERL: We believe that we would have to  
25 have agreement on language and content by the first

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1 full week in December, the week of the 4th. Maybe we  
2 could go to the week of the 11th, but at this point, I  
3 can't make that commitment in order to make the January  
4 bill cycle, so that gives us almost four full weeks  
5 leaving the holiday aside, of course, to work with  
6 Staff, Public Counsel, and the consumer affairs group,  
7 and we will endeavor to do that, and if we look like we  
8 are running into problems along the way, we'll come  
9 back to you sooner.

10 JUDGE WALLIS: I would like to ask the  
11 parties to aim for having those matters resolved by  
12 Friday, December 1st, and that gives us a little bit of  
13 a cushion in the unlikely event that issues arise to  
14 get them worked out.

15 MR. FFITCH: Thank you, Your Honor.

16 MS. ANDERL: Your Honor, I think the sticking  
17 point that we may have at this point, just so you  
18 understand, is if we haven't yet agreed with Public  
19 Counsel upon frequency and location of the public  
20 hearings, it may be that a solution there would be for  
21 Qwest's public notice not to contain that information  
22 but rather to contain, as it will in any event, the  
23 contact information for the Commission, and persons, of  
24 course, can then subsequently get date and location  
25 information on the public hearings if those are



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1 established past the deadline that we have for the bill  
2 stuffer.

3 JUDGE WALLIS: My preference would be that  
4 the parties have some definite suggestions no later  
5 than December 1st and that the matter be put to the  
6 commissioners' foray decision as to the locations and  
7 timing of the public hearings based on the  
8 recommendations of the parties and that the ultimate  
9 decision of the Commission as to the schedule be  
10 included in the publication.

11 MR. FFITCH: Your Honor, keeping our fingers  
12 crossed, we may be able to do it sooner than that if  
13 through working through Ms. Walker find out when the  
14 commissioners are available, and if we have an agreed  
15 recommendation, maybe we will.

16 JUDGE WALLIS: We understand that, and we  
17 would welcome a proposal at an earlier time. I'm just  
18 saying that if it gets into that last week in November  
19 and the parties are not agreeing that my preference  
20 would be for you to please firm up your proposals and  
21 submit them for a decision, and again, we would very  
22 much welcome an agreement on these matters. It would  
23 make the tasks much easier for all of us.

24 MS. ANDERL: Thank you for that guidance,  
25 Your Honor.

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1                   JUDGE WALLIS: Is there anything else that  
2 the parties have to raise today? Mr. ffitch?

3                   MR. FFITCH: Just for the record, and this  
4 hasn't come up. It's no conflict with any of the dates  
5 I think we have been discussing, but I have annual  
6 leave for personal travel plans between December 27th  
7 and January 10th and will be out of the country.

8                   JUDGE WALLIS: Very well. If we have  
9 anything critical to bring up that demands all the  
10 parties' presence, we will be sure to schedule it  
11 during that period of time. We certainly wish you to  
12 have a wonderful travel on that schedule.

13                   MS. ANDERL: Your Honor, may we ask Public  
14 Counsel if we will be directed to Ms. Krebs in his  
15 absence?

16                   MR. FFITCH: That is correct, Your Honor.  
17 She's the only option. Hopefully, things will be so  
18 that there won't be a need to really call on that kind  
19 of a hand-off if things are under control, but yes,  
20 that's correct.

21                   JUDGE WALLIS: Very well. I would like to  
22 remind the parties that you all agreed to provide  
23 information about a contact no later than the close of  
24 business tomorrow. We have not yet determined the  
25 number of copies that must be filed with the

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1 Commission, hard copies of documents, and we will  
2 include that information in the prehearing conference  
3 order. I have been requested by the reporter to ask if  
4 any of the parties present in the hearing room or on  
5 the bridge line wish to purchase copies of the  
6 transcript of today's session.

7 MS. ANDERL: Yes, Your Honor, Qwest will.

8 JUDGE WALLIS: Anyone on the bridge line  
9 desire a copy? There being nothing further, this  
10 matter --

11 MR. KOPTA: Your Honor, if I may for  
12 clarification on the notification of parties to receive  
13 e-mail notices, in our petition to intervene in  
14 addition to my contact information, there is a  
15 representative from each of my clients, each of the  
16 four parties. Is that sufficient notice for you to  
17 include them on the service list?

18 JUDGE WALLIS: That is not the information  
19 that this list is looking for. That information would  
20 ordinarily give us the name of the individual to whom  
21 the Commission would address notices and orders that it  
22 must serve on the parties in addition to counsel of  
23 record. If you want those individuals to receive  
24 copies for monitoring purpose, if you have a personal  
25 assistant, an administrative assistant, a legal

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1 secretary or a paralegal that will be assisting you,  
2 you may provide that information as well.

3 MR. KOPTA: Thank you, Your Honor.

4 JUDGE WALLIS: Are there any other questions?

5 It appears not, and again, thank you all, and this  
6 prehearing conference is concluded.

7 (Prehearing conference concluded at 3:24 p.m.

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