

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

IN THE MATTER OF THE
INVESTIGATION INTO QWEST
CORPORATION'S COMPLIANCE WITH
SECTION 271 OF THE
TELECOMMUNICATIONS ACT OF 1996

DOCKET NO. UT-003022

**REBUTTAL TESTIMONY
OF
MARY FERGUSON LAFAVE
ON BEHALF OF
QWEST CORPORATION**

JUNE 21, 2001

1 **Q. PLEASE STATE YOUR NAME, PRESENT POSITION AND PLACE OF**
2 **EMPLOYMENT?**

3 A. My name is Mary Ferguson LaFave. I am employed by Qwest Services
4 Corporation. My title is Director-Policy and Law. My office is located at
5 1801 California Street, 47th floor, Denver, Colorado 80202.

6

7 **Q. WHAT ARE YOUR RESPONSIBILITIES WITH QWEST?**

8 A. I have responsibility for formulating strategy and policy for Qwest's
9 operations, both in and out of region.

10

11 **Q. PLEASE DESCRIBE YOUR QUALIFICATIONS AND EXPERIENCE.**

12 A. I hold a Bachelor of Arts degree in history from Denison University and a
13 law degree from the University of Nebraska. I began working for Qwest
14 Corporation (then Northwestern Bell Telephone Company) in September
15 1978 as an attorney. During the period September 1978 through February
16 1991, I held various positions in the Law Department. My practice dealt
17 initially with regulatory issues and later focused on labor and employment
18 law. In March 1991, I became Director Labor Relations in Seattle,
19 Washington and served as a bargaining agent for the Company. I held this
20 position until March 1998. In March 1998, I became Director-Regulatory-
21 Interprise Networking. Following the merger between Qwest and U S
22 WEST, Inc., I joined the Policy and Law organization.

1

2 **Q. HAVE YOU TESTIFIED IN OTHER JURISDICTIONS?**

3 A. Yes. I have testified before regulatory commissions in New Mexico and
4 Washington and have participated in regulatory proceedings and other
5 public meetings in New Mexico, Oregon, Utah and Minnesota.

6

7 **Q WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

8 A. The purpose of my testimony is to respond to that portion of the testimony
9 filed by AT&T Communications of the Pacific Northwest, Inc. which asserts
10 that Qwest Corporation's affiliates and parent company are under an
11 obligation to comply with the unbundling obligations of Sections 251 and
12 252 of the Act.

13

14 **Q. PLEASE DESCRIBE THE MERGER BETWEEN U S WEST, INC. AND**
15 **QWEST COMMUNICATIONS INTERNATIONAL?**

16 **A.** On June 30, 2000, Qwest Communications International and U S WEST,
17 Inc. closed their merger. The surviving entity of that merger is named
18 Qwest Communications International ("QCI"). QCI is a holding company
19 that owns a variety of subsidiaries. These subsidiaries are separate
20 corporations with defined assets and operations. Two of the corporations
21 own and control significant telecommunications networks that provide
22 telecommunications services pursuant to state or federal authority.

1 Prior to the merger, U S WEST Communications, Inc. ("USWC") was the
2 only ILEC in the U S WEST corporate family. As part of the merger, USWC
3 was renamed Qwest Corporation ("QC"). Also as part of the merger, Qwest
4 Communications Corporation ("QCC") became the owner of the Qwest
5 nationwide telecommunications facilities and a provider of long distance
6 services.

7

8 **Q. WHAT SERVICES DOES QCC PROVIDE IN WASHINGTON?**

9 A. QCC provides only non-local exchange services in Washington. Neither
10 QCC, nor any other QC affiliate, have ever provided any kind of local
11 exchange service in Washington. The same is true for predecessors of
12 QC's affiliates.

13

14 **Q. WHAT ENTITY OWNS THE ASSETS IN WASHINGTON THAT ARE USED**
15 **TO PROVIDE LOCAL EXCHANGE SERVICE?**

16 A. QC is the only Qwest entity that provides (or has ever provided) local
17 exchange service in Washington. As stated earlier, as part of the merger,
18 USWC was renamed QC. None of the USWC or QC assets were
19 transferred to any QC affiliate(s). All the USWC assets remained under the
20 ownership of the same entity that owned them before the merger. Pre-
21 merger, the entity was USWC; after the merger, that entity is QC. In other

1 words, none of QC's affiliates own any of the assets that were owned by
2 USWC before the merger.

3

4 **Q. HAS ANY AFFILIATE OF QC EVER TAKEN ANY ACTION TO WARRANT**
5 **A FINDING THAT IT IS A SUCCESSOR OR ASSIGN OF QC?**

6 A. No. No affiliate of QC has stepped into the shoes of or replaced the pre-
7 merger USWC, nor has any QC affiliate acquired substantial assets of
8 USWC or continued USWC's ILEC business without interruption or
9 substantial change. No QC affiliate has acquired local exchange or
10 exchange access services or facilities from USWC or QC. No QC affiliate
11 has acquired from USWC or QC network elements that must be provided on
12 an unbundled basis pursuant to section 251(c)(3). The only Qwest entity
13 that has done any of these things in Washington is QC.

14

15 **Q. IS THERE OVERLAP BETWEEN THE BUSINESS ENGAGED IN BY QC**
16 **AND ITS QWEST AFFILIATES?**

17 A. No. QC's affiliates and their predecessors have always engaged in
18 independent lines of business that do not overlap with QC or its
19 predecessor, USWC, at all. QC has not sought to avoid its section 251(c)
20 obligations by moving local network facilities or elements from QC to its
21 affiliates and having the affiliates lease them back to QC or provide the
22 services themselves.

1 **Q. DO ANY AFFILIATES OF QC OWN ANY DARK FIBER IN**
2 **WASHINGTON?**

3 A. To the extent QC's affiliates may have dark fiber in Washington, such dark
4 fiber has been acquired to provide long distance services and not local
5 exchange service.

6

7 **Q. DO YOU AGREE WITH AT&T'S POSITION THAT QC MUST UNBUNDLE**
8 **THE DARK FIBER OF ITS AFFILIATES?**

9 A. No. As stated above, the only entity that is a successor of USWC is QC.
10 No Qwest entity other than QC provides local exchange service in
11 Washington. Finally, the only dark fiber that may be held by a QC affiliate in
12 Washington is part of a long distance facility.

13

14 **Q. HAS ANY COMMISSION IN QWEST'S REGION DETERMINED**
15 **WHETHER ANY QC AFFILIATE, INCLUDING QCC, MUST UNBUNDLE**
16 **ITS FACILITIES AS REQUESTED BY AT&T?**

17 A. Yes. The facilitator in the multi-state 271 process has addressed this issue
18 and found that AT&T's argument, with respect to alleged unbundling
19 obligations of QC affiliates, including QCC, has no basis.¹

20

¹ Multi-State 271, Third Report – Emerging Services, June 11, 2001, page 54.

1 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

2 A. Yes.