

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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

DOCKET NO. UT-023003

COMMISSION STAFF'S
RESPONSE TO VERIZON'S
MOTION TO STRIKE HAI 5.3

1 The Washington Utilities and Transportation Commission (Commission) Staff
(Staff) opposes Verizon Northwest Inc.'s (Verizon) motion to strike the HAI 5.3 cost
model sponsored by AT&T of the Pacific Northwest Inc. (AT&T) and WorldCom Inc.
n/k/a MCI (MCI) in this proceeding. Because Verizon's motion is directed to the alleged
failure of AT&T and MCI to fully response to Verizon's data requests, Staff's opposition
is general, rather than specific to the discovery dispute at the heart of Verizon's motion.

2 Verizon's motion is not directed to the relevance of the HAI 5.3 cost model.
Rather, Verizon offers two novel reasons why the Commission should strike the HAI
5.3 cost model. Neither reason is persuasive.

3 Verizon's first grounds to strike the HAI 5.3 cost model is to sanction AT&T and
MCI for their alleged failure to comply with Verizon's data requests. While Staff cannot

offer substantive argument on this issue because it is not involved in the discovery dispute, Staff notes that such a sanction is draconian.

4 The second ground for Verizon’s motion is directed to problems Verizon perceives in obtaining information that it believes is necessary to validate the accuracy of the model. *See* Motion at 3. In essence, Verizon argues that the alleged failure to fully respond to data requests means that the HAI 5.3 cost model is not open and transparent, and therefore, must be stricken.

5 Staff agrees that the Commission repeatedly has stated its expectation that cost models be open and transparent. Nevertheless, the Commission has not stricken cost models for failure to adequately possess these characteristics. Rather, the Commission has considered these model characteristics in giving weight to the model results. *See, e.g., In the Matter of the Pricing Proceeding for Interconnection, Unbundled Elements, Transport and Termination and Resale, Docket Nos. UT-960369 et al., 8th Supplemental Order, ¶ 264 (April, 16, 1998) (noting proprietary elements of BCPM model but nevertheless evaluating the model results). In short, this objection goes to the weight of the model, not its admissibility.*

6 In addition, as the Commission noted in its Fifteenth Supplemental Order in this proceeding, it is problematic to strike a cost model, especially where the model has not been submitted into evidence. The same consideration applies to Verizon’s motion to

strike the HAI 5.3 model. *In the Matter of Review of Unbundled Loop and Switching Rates and Review of the Deaveraged Zone Rate Structure*, Docket No. UT-023003, 15th Supplemental Order, at 5.

Dated: November 21, 2003.

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