

1 A. Not necessarily. Competitors may access the end user customer through the purchase of
2 unbundled loops or through their own or another providers facilities-based network.
3 Attachment H indicates that most providers who utilize ported telephone numbers do not
4 do so over unbundled loops.

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6 For example, if you review the information at TAJ-3C for the Bellevue Sherwood wire
7 center, you can see that ten alternative providers have ported 1,880 telephone numbers.
8 However, only two of those same providers utilize Qwest unbundled loops. Six providers
9 subscribed to 808 unbundled loops in this same office as of June, 2000. Five providers sell
10 Qwest business services, one of which also ports prior Qwest telephone numbers. This is
11 an excellent example of the diversity of carrier selections in how this geographic market
12 area is approached by fourteen different local exchange carriers.

13
14 The Seattle Elliott wire center has this same degree of diversity. Twelve alternative
15 providers have ported 5,188 telephone numbers. However, only three of those same
16 providers utilize Qwest unbundled loops. Seven providers subscribed to 585 unbundled
17 loops in this same office as of June, 2000. ~~Seven~~ **Nine** providers sell Qwest business
18 services, ~~one~~ **two** of which also ports prior Qwest telephone numbers. Another excellent
19 example of the diversity of carrier selections in how this geographic market area is
20 approached by seventeen different local exchange carriers.

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1 **Q. PLEASE SUMMARIZE THE INFORMATION FOUND AT EXHIBITS TAJ-2C**
2 **AND TAJ-3C.**

3 **A.** Exhibits TAJ-2C and TAJ-3C demonstrate measurable competitive loss. However the
4 information merely represents a lower bound for the actual competitive loss experienced
5 by Qwest. Attachment F and Exhibits TAJ-2C and TAJ-3C demonstrate there is no barrier
6 to entry. There are anywhere from two to eleven resellers and two to ~~twelve~~ thirteen
7 providers who utilize alternative network services with ported Qwest telephone numbers
8 operating within a given wire center. Clearly, these carriers not only have Qwest to choose
9 from as their wholesale provider, but also have other providers or their own networks and
10 central office switches from which they can operate. Competitive providers are using
11 unbundled network elements or their own or competitive networks to customize their
12 business service offerings. Business customers in these geographic areas have access to the
13 full spectrum of business services without relying on Qwest for said services.

14

15 In determining whether effective competition exists, RCW 80.36.330 directs the
16 Commission to consider “ease of entry” into the relevant market.¹ With no fewer than four
17 and as many as twenty-one alternative providers of business services in each of the
18 competitive geographic areas considered in this petition, it is clear that entry is not limited.

19 This demonstrates that competitors have found the market accessible and entry into the
20 market very possible. If customers were not willing to choose service from non-

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¹ RCW 80.36.330(1)(d).

1 Qwest providers, or if the services offered by other providers were not on par with those
2 offered by Qwest, then competitors would not be entering into the market so rapidly and
3 successfully. The number of alternative providers, their growing market share, and the loss
4 of customers to competitors demonstrates successful and measurable competition in these
5 markets.

6
7 **Q. PLEASE EXPLAIN THE INFORMATION FOUND AT ATTACHMENT I?**

8 **A.** Attachment I provides a comparison of June 1999 and February 2000 data on alternative
9 provider ported telephone numbers. It demonstrates that the number of ported telephone
10 number utilized by alternative providers and resold business telecommunications services
11 has grown exponentially over a six month period of time, as a result of the competitive
12 environment in Washington. Attachment I demonstrates the degree of success attained by
13 competitors in these wire centers in a relatively short period of time.

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15 **Q. HAVE YOU UPDATED THE INFORMATION FOUND AT ATTACHMENT I?**

16 **A.** Yes. Exhibit TAJ-5C adds June 2000 information. TAJ-2C indicates that alternative
17 providers offering resold services have captured as much as ~~15%~~11% of a specific
18 market area, while those offering services via ported numbers have captured as much as
19 ~~27%~~35% of Qwest business telephone numbers.²

20

1 ² This only represents customers no longer with Qwest and does not include new CLEC customers or customer
2 lines.

1 **Q. PLEASE EXPLAIN THE INFORMATION FOUND AT ATTACHMENT M?**

2 **A.** Attachment M quantifies the number of providers collocated in Qwest wire centers and
3 identifies wire center areas with central office switches capable of providing equivalent
4 business telecommunications services. As evidenced by the maps of the competitive
5 geographic areas in Attachments K and M, competitors have a measurable presence in
6 each of the competitive geographic areas. Qwest's competitors currently provide extensive
7 service in every segment of the business services market in the competitive geographic
8 areas contained within this petition.

9

10 **THE NUMBER AND SIZE OF ALTERNATIVE**

11 (a) PROVIDERS IN THE RELEVANT MARKETS

12 **Q. HOW MANY ALTERNATIVE PROVIDERS ARE REGISTERED TO**
13 **PROVIDE LOCAL SERVICE IN WASHINGTON?**

14 **A.** Qwest is aware of at least thirty-one competitive providers registered to provide
15 business telecommunications services in Washington and as many as twenty-one
16 providers offering service in a single wire center included as part of this petition.
17 Each month, several new providers register with the Commission to provide local
18 exchange service.

19

20 **Q. HAVE THESE ALTERNATIVE PROVIDERS BUILT THEIR OWN**
21 **NETWORKS IN WASHINGTON?**