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IN THE MATTER OF INVESTIGATION)
INTO QWEST CORPORATION'S)
COMPLIANCE WITH CERTAIN)
WHOLESALE PRICING REQUIREMENTS)
FOR UNBUNDLED NETWORK)
ELEMENTS AND RESALE DISCOUNTS)

Docket No. T-00000A-00-0194

AT&T'S REPLY TO QWEST
RESPONSE TO REQUEST FOR
CLARIFICATION OF THE APRIL
19, 2002 PROCEDURAL ORDER

AT&T Communications of the Mountain States, Inc. and TCG Phoenix (collectively "AT&T") and WorldCom, Inc. ("WorldCom") provide the following reply to the response of Qwest Corporation ("Qwest") to AT&T and WorldCom's request that the Administrative Law Judge ("ALJ") clarify the Procedural Order dated April 19, 2002. Qwest continues to fail to justify its proposal to use its own third-party vendor to process the 2000 customer location data. The Commission, therefore, should grant AT&T and WorldCom's Request to require Qwest to use, and pay one-half the costs of, TNS.

I. DISCUSSION

Qwest's written response adds little to the arguments Qwest made orally in response to AT&T and WorldCom's Request. Qwest continues to rely on two primary arguments: (1) TNS uses proprietary algorithms that Qwest cannot verify; and (2) TNS allegedly cannot use 2000 census information to run Qwest's 2000 customer location data. Qwest adds a third argument that AT&T and WorldCom failed to timely object to Qwest's proposal to use a vendor other than TNS. None of these arguments have merit or justify Qwest's proposed departure from the Commission's requirements.

A. Qwest May Not Relitigate Its Objections to TNS.

Chairman Mundell and Commissioner Spitzer made it abundantly clear that Qwest was not entitled to relitigate its concerns with using TNS to process data used in the HAI Model as part of the process to update customer location data. Qwest ignores those admonitions and, once again, complains that the algorithms that TNS uses to process customer location data are proprietary and unverifiable. Qwest Response at 7; Affidavit of Peter Copeland (“Copeland Aff.”) at paragraph 6. The Commission has already decided this issue against Qwest and should refuse to permit Qwest to continue to attempt to raise these same arguments.

However, a review of the record indicates that Qwest was given the opportunity to review the TNS data, and it declined. The issue was brought up in the context of motion to strike filed by Qwest and argued at the beginning of the hearings. The Administrative Law Judge denied the motion. In ruling on the motion, the ALJ stated the hearings would proceed, but the ALJ also made it clear that if Qwest wanted to review the TNS data, it was free to do so, and it could come back at a later time to present additional evidence. TR 31-32 (July 15, 2001). (“I think it leaves it with Qwest as far as whether or not you want to continue with your request to obtain the TNS data. If you do, that’s fine. We can come back at a later time.” TR 32.) AT&T subsequently offered to pay the TNS set up fee and let Qwest pay the per day charge. TR 1226 (July 20, 2001). Qwest declined the offer and never obtained the data. TR 1227. The result is, the data was available to Qwest, the ALJ offered to let Qwest review the data and file additional evidence, and it declined the opportunity.

Qwest tries to disguise its true intent to relitigate TNS data processing by claiming that its vendor “will provide a meaningful measure of the reasonableness of TNS’ results” and that “[c]omparing these results should only help the Commission.” Qwest Response at 7. The Commission neither requested nor needs any such “help.” The Commission accepted the data

processed by TNS and requires no additional measure of the reasonableness of TNS' results. To the contrary, Qwest's proposal to use a second vendor to process the same data will necessitate substantial additional discovery, hearings, and briefing to determine the method and reliability of Stopwatch Maps' data processing. The Commission contemplated no such additional proceedings. Rather, the Commission repeatedly has stressed that the goal of these supplemental proceedings is *solely* to update the customer location data and run it through the model – not revisit issues of how and by whom that data is or should be processed.

B. TNS Can and Will Properly Update the Customer Location Data.

Commissioner Spitzer explained during the procedural hearing on April 30, 2002, that he would entertain arguments about “impossibility or impracticability” of TNS processing the 2000 customer location data. Qwest has not met that standard. As the attached affidavit of Mr. Charles White explains, TNS is willing and able to process the Qwest year 2000 customer locations in Arizona. In arguing to the contrary, Qwest relies on a single April 9, 2002, conversation between Peter Copeland of Qwest and Charles White of TNS where Mr. Copeland understood Mr. White to say that TNS could not fully update the customer location data and that it would take four weeks for TNS to process the data following TNS' receipt of that data. Copeland Aff. at paragraphs 2-5. Mr. Copeland, however, does not state that he or anyone else at Qwest ever contacted AT&T or WorldCom to clarify what TNS would be able to do or expedite the time frame in which TNS could process the data. Qwest cannot claim to have worked cooperatively with other parties when Qwest never disclosed (until now) its conversation with TNS or made any effort to involve other parties to resolve or obtain consensus on any problems that Qwest perceived with using TNS to process the data.

Nor did Qwest ever represent to the Commission or the parties when the procedural schedule was discussed that, based on a contact with TNS, the data might not be able to be

processed by May 24. To the contrary, Qwest represented that May 24 was a reasonable date by which to have the data processed, believing that TNS would not be able to meet that deadline while Qwest's own vendor allegedly could. Qwest now proposes to use that procedural schedule to justify Qwest's unilateral decision to use its own vendor, rather than TNS, to process the data. Qwest Response at 6. The Commission should not so reward Qwest's misrepresentations by omission and manipulation of the parties, the Commission, and the schedule in the Procedural Order to achieve its desired ends.¹

Mr. Copeland's alleged understanding of TNS' abilities, moreover, is limited and misleading. Mr. White had a limited discussion with Mr. Copeland. Mr. White explained that TNS had not used 2000 Census data yet because not all of the data was available yet from the Census Bureau, however, steps could be taken to include use of certain aspects of the 2000 data. Mr. White explained that the *typical* timeframe for this type of work is four weeks but depending on the proceeding timeframe, TNS would try to make adjustments. Mr. Copeland asked if the data could be processed in one week. Mr. White responded that was not possible. Mr. White never considered Mr. Copeland's call as more than a "planning call." White Aff. at paragraphs 6-10.

To the extent that 2000 census data is not fully available, it is unavailable equally to all vendors. Qwest contends that while TNS allegedly cannot use available 2000 census data to process the customer location data, Stopwatch Maps can. Qwest, however, does not dispute that some 2000 census information is not publicly available, yet Qwest never explains how Stopwatch Maps can use the available census data to accurately process the 2000 customer

¹ The Chairman also made it clear that the parties should be given sufficient time to prepare their case: "But B, we've got all the time in the world." TR 175 (April 11, 2002). AT&T is not suggesting that the proceeding be unduly delayed, but TNS should be given sufficient time to complete its task.

location, or can obtain unavailable census data, while TNS cannot. Indeed, Qwest provides virtually no information about how Stopwatch Maps will process that data. Qwest cannot expect the Commission and other parties simply to take Qwest at its word that its vendor has access to information that no one else has or that Stopwatch Maps can accurately use the available data while TNS cannot.

TNS is at least as capable as Stopwatch Maps of processing the 2000 customer location data consistently with the Commission's directions in this proceeding. Qwest thus has not provided any factual or legal justification for its unilateral decision to use Stopwatch Maps, rather than TNS, to process that data.

C. AT&T and WorldCom Did Not Waive Any Objections to Qwest's Refusal to Use TNS to Process Updated Customer Location Data.

The Commissioners directed Qwest to provide customer location data and the number of lines at each location for the year 2000. TR. 121-122 & 177 (April 11, 2002). AT&T made it clear to the Commissioners *at that hearing* that the information must be processed by TNS before it can be used as input to the HAI model. TR. 176. Qwest, however, contends that because AT&T and WorldCom did not object when Qwest mentioned for the first time at the procedural conference that it planned to use Stopwatch Maps to process the data, that AT&T and WorldCom are foreclosed from objecting now. Qwest is incorrect.²

AT&T and WorldCom have always maintained the position that customer location data should be processed by TNS, including the 2000 customer location data that Qwest produced on May 1, 2002. AT&T and WorldCom expressed concern about Qwest's novel suggestion to use

² The hearing at which the scheduling issues were discussed was called on very short notice. Ms. Steele, the attorney that litigated the case, had recently gone on leave and was replaced by Mr. Greg Kopta. AT&T's in-house attorney was in transit to Arizona to attend other proceedings and could not attend the hearing. Because of the short notice for the hearing, AT&T did not have the opportunity in advance of the hearing to inquire of TNS the amount of time it would take to update the data consistent with the Commission's order.

Stopwatch Maps and suggested that a worse case scenario would be that both TNS and Stopwatch Maps would process competing runs of the data. AT&T and WorldCom nevertheless agreed to work cooperatively with Qwest in an attempt to ensure that all parties complied with the Commission's directions. The parties did work cooperatively on data formatting and production issues, but Qwest continued to insist on having Stopwatch Maps, rather than TNS, process that data.³ When it became apparent that the parties would not resolve this issue among themselves, AT&T and WorldCom filed their Request for Clarification of the Procedural Order. AT&T and WorldCom's efforts to comply with the Commission's expectations to work with Qwest in no way can or should be construed as a waiver of their consistent and frequently stated position that TNS should be used to process the 2000 customer location data.

D. Qwest Should Be Required to Pay Half of the Costs of Using TNS.

Finally, Qwest objects to being required to pay for half of the costs of using TNS because Qwest has already retained Stopwatch Maps to undertake the data processing. Qwest Response at 8. The Commission did not order, authorize, or even contemplate that Qwest would use a vendor other than TNS to process the data. Qwest's unilateral decision to use Stopwatch Maps thus does not comply with the Commission's directions or the Procedural Order and in no way justifies relieving Qwest's responsibility to pay its share of the costs of complying with the Commission's requirements. Qwest's proposal that each party pay the costs of its own third-party vendor to process the data serves only to increase all parties' costs – not only for data processing but for litigating the results from multiple vendors.

³ Although AT&T disagreed with Qwest's use of Stopwatch Maps, AT&T's attorney instructed its subject matter expert to assist Qwest on issues going beyond mere data formatting issues to avoid any claims that AT&T was not cooperating with Qwest.

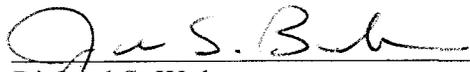
The Commission and the other parties never contemplated such a result from the Commission's directive to update the customer location data. Nor is such a result reasonable. The Commission, therefore, should require Qwest to use TNS, not Stopwatch Maps, to process the 2000 customer location data and should require Qwest to pay half the cost of that data processing.

III. CONCLUSION

AT&T and WorldCom respectfully request that the Administrative Law Judge clarify the Procedural Order dated April 19, 2000, to require that Qwest's 2000 customer location data be run by TNS and that Qwest be responsible for one-half of the costs of using TNS.

Respectfully submitted this 7th day of May 2002.

**AT&T COMMUNICATIONS
OF THE MOUNTAIN STATES, INC.,
AND TCG PHOENIX**

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BEFORE THE ARIZONA CORPORATION COMMISSION

WILLIAM A. MUNDELL

Chairman

JAMES M. IRVIN

Commissioner

MARC SPITZER

Commissioner

**IN THE MATTER OF INVESTIGATION)
INTO QWEST CORPORATION'S)
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Docket No. T-00000A-00-0194

AFFIDAVIT OF CHARLES WHITE

Charles White, being duly sworn and under oath, states as follows:

1. I am Vice President for TNS Telecoms ("TNS"). My business address is 101 Greenwood Ave, Suite 502, Jenkintown, PA 19046. My responsibilities for TNS Telecoms include marketing and business development, including all business responsibilities regarding TNS Telecoms' involvement in creating/processing customer location datasets for use in regulatory applications.

2. TNS processed the original customer location data that was included in the HAI model submitted to the Commission in the above-referenced proceeding. TNS has been approached to process the Qwest Year 2000 Customer Locations in Arizona ("Qwest Data") for inclusion in the model. TNS understands that the Commission's concern is to update the customer location information previously included in the model to reflect 2000 data to the extent available.

3. TNS will process the Qwest Data consistent with the process TNS used to process the prior data and consistent with the Commission's objective to use 2000 data. Specifically, TNS would undertake the following tasks:

- a. Incorporate 2000 TIGER files for geocoding;
- b. Geocode the Qwest Data;
- c. Create surrogate locations for any unsuccessful geocodes;
- d. Incorporate Qwest's wire center boundaries;
- e. Cluster customers; and
- f. Prepare data for HAI model (including mapping of 1990 Census Block Groups to 2000 Census Block Groups in order to utilize previous versions of underlying census data not yet released by US Census Bureau).

4. Qwest incorrectly represents that TNS either cannot or will not use 2000 Census data as part of this process. TNS can use 2000 Census data to the extent that the data is available. The Census Bureau has released the new Census block definitions, their relationship to the 1990 Census block definitions and the Census 2000 TIGER/Line[®] database of geographic features, including roads and Census block boundaries.

5. The Census Bureau has not yet released summary file 3, which contains certain housing characteristics by Census Block Group. Because of this, some data must be mapped from the 1990 data to the 2000 data, as described in paragraph 3.f. above. Since this data has not been released by the Census Bureau, it is not available to any party. TNS will use the latest Census data available.

6. On April 9, 2000, I did have a conversation with Mr. Copeland of Qwest. Mr. Copeland called my cell phone while I was Kansas City, Kansas and not in my office.

7. Mr. Copeland said he would need a response as soon as possible, and I replied that I would do my best to provide him with the details he needed, but could give him more information when I returned to my office.

8. On April 10, 2000, while I was still in Kansas City, Mr. Copeland asked that the data include the use of the 2000 census data, and I told Mr. Copeland that TNS had not used 2000 census data because it was my understanding that not all of this data was available yet from the Census Bureau. While it is still the case today that not all of the census data is released, as noted above, steps can be made to include use of certain aspects of the 2000 census data.

9. Further, I told Mr. Copeland that the typical timeframe for this work is four weeks, but depending on the proceeding timeframe we could adjust if needed. I believe Mr. Copeland asked if we could produce the data within one week. This was the only timeframe I was firm about saying it couldn't be done that quickly.

10. It is the normal business practice of TNS to do the best we can to accommodate any client's needs. It was my understanding that the nature of the conversation with Mr. Copeland was a "planning call" and never meant to give our firm position on any issue. Certainly, if any of particulars regarding data and timeframes were stated we would certainly have worked to address them.

11. TNS will use its best efforts to complete the work by May 24.

FURTHER AFFIANT SAYETH NOT.

Dated this 6th day of May, 2002

CERTIFICATE OF SERVICE

I hereby certify that the original and 10 copies of AT&T's Reply To Qwest Response To Request For Clarification Of The April 19, 2002 Procedural Order, regarding Docket No. T-00000A-00-0194, were hand delivered this 7th day of May, 2002, to:

Arizona Corporation Commission
Docket Control – Utilities Division
1200 West Washington Street
Phoenix, AZ 85007

and that a copy of the foregoing was hand-delivered this 7th day of May, 2002 to the following:

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and that a copy of the foregoing was sent via United States Mail, postage prepaid, on the 7th day of May, 2002 to the following:

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