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COMMONWEALTH OF

PUBLIC UTILITY COMMISSION

Petition of Cellco Partnership d/b/a

Verizon Wireless.

For Arbitration of Interconnection rates,:

terms, conditions and related

arrangements, with ALLTEL, Pennsylvania, Inc.

Initial Prehearing Conference

Pages 1 through 33



JAN 16 2004

Hearing Room 2

Commonwealth Keystone Building Harrisburg, Pennsylvania

Docket No.

A-310489F7004

Tuesday, January 6, 2004

Met, pursuant to notice, at 10:07 a.m.

BEFORE:

ROBERT A. CHRISTIANSON, Chief Administrative Law Judge

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2 WITNESS

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WITNESS INDEX

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EXHIBIT INDEX

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9	
10	
11	
12	
13	
14	i
15	
16	
17	
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19	
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22	

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23

24

PROCEEDINGS

CHIEF ADMINISTRATIVE LAW JUDGE ROBERT A.

CHRISTIANSON: Let's be on the record. I'm Chief

Administrative Law Judge Robert Christianson. We're here

this morning for a conference concerning the arbitration

request of Cellco Partnership, doing business as Verizon

Wireless under the Telecommunications Act of 1996.

We've got two or more people on the speakerphone, and it's not working too well, but we'll see how that goes as we go along. I understand we have somebody from Verizon in D.C. and somebody from in Little Rock for the local company, which is ALLTEL.

Let's start with D.C. Introduce yourself and anybody with you.

MS. CRITIDES: This is Elaine Critides, inside counsel for Verizon Wireless. No one is with me.

JUDGE CHRISTIANSON: How about Little Rock?

MR. ROWELL: This is Steve Rowell, R-O-W-E-L-L, and I have with me Ms. Lynn Hughes, who has been one of the negotiators for ALLTEL through this process.

JUDGE CHRISTIANSON: You're coming through better than I had expected. We may stay with this for a while, but we have the other speaker in reserve as we go along.

Basically I got the prehearing memos from the two parties that have the basic pleading. I understand there's

somewhat of a settlement or an agreement on some of these points. You started with 20-odd points for one side and somewhere in the teens for the other side. How many points do we have left at this point, could somebody tell me that?

MS. ARMSTRONG: Your Honor, I'm not sure that that is necessarily clear on any party's behalf. I think the time would be well spent if we could try and sit down and agree to an approach to resolve this matter.

ALLTEL wants very much to finish this matter up, but we think it makes sense to try to do it in a reasonable fashion. It's clear from Mr. Arfaa's prehearing memorandum that there are issues that I think it was, you know, a misunderstanding of the parties.

Well, my understanding is ALLTEL and Verizon have had some discussions and hope next week to be able to get together to further clarify exactly where they are on these issues and how we can get best go forward with the matter.

As we have indicated in our response and in our prehearing memorandum, we believe there are significant deficiencies in what was filed.

However, we have not filed a motion to dismiss at this point in time. We don't want to go that route. We want to try and make some sense out of this proceeding. We want it to be done in a reasonable fashion, and we don't want to spend a lot of time arguing with the parties. We've

all been there. We can all do that. We don't think that's productive.

What we think might make some sense is to perhaps go off the record and try and see if we can't agree to a schedule that would accommodate everybody's needs, that would then be approved by Your Honor and everybody would agree to, that would allow for a meeting between ALLTEL and Verizon Wireless in the next week or so, provide for a status report back to Your Honor and schedule the entire matter through to its conclusion.

JUDGE CHRISTIANSON: That makes sense to me. Mr. Arfaa?

MR. ARFAA: I'd like to answer your first question, which was how many issues are actually contested. By our count, there are 32 issues raised together by the parties. They're of several sorts. One set are legal obligation issues, another set are factual issues and a third set appear to be contract drafting issues.

We believe, subject to check with ALLTEL which we're doing, that approximately eight of those issues are not in fact disputed by the parties.

We believe that another eight of them are drafting issues, the resolution of which will flow from the resolution of the remaining legal issues.

We think there are 16 issues that are disputed,

approximately half of which require resolutions of fact, the other eight of which can be just done on the papers.

As for negotiation with ALLTEL, Verizon Wireless has been attempting to do so for a year. We intend to continue doing so, and my understanding is that the parties are continuing to talk despite the filing of this proceeding.

Verizon Wireless filed the proceeding on the last day it was allowed to under the federal statute because we need the relief to which we're entitled under the Act and we are constrained by that statute to file this petition to get that relief.

We very much feel that there is no need to delay these proceedings in order to facilitate negotiation and the parties are perfectly capable of doing that while their lawyers proceed with this litigation.

So that's our position. We believe that there's been plenty of time for negotiation. This proceeding may bring things to a head. We will continue to negotiate and we hope and anticipate that a substantial number of these issues will be resolved amicably.

However, in order to get what we are entitled to by law, we need to proceed with this proceeding in an expeditious manner.

ALLTEL has raised in its prehearing memo alleged deficiencies in our filing, and Ms. Armstrong said that she

didn't want to raise those in a motion to dismiss.

I would just note for the record that under Rule 5.101, a preliminary motion has to be filed with the answer. We would take the position that that time has passed, just to respond to the representation on the record by Ms. Armstrong.

We are not averse to working with the Commission to make this work, however we don't think that there's a need to delay in order to get the parties to come to some resolution of the issues. That has already occurred.

The issues are framed by the pleadings. We think that there should be a negotiation track and also a litigation track. The negotiation track should be informal and does not need any intervention by the Commission, but the litigation track should proceed in order to comply with the statute and to get this matter resolved.

Now, we recognize that there has been this extremely short deadline because of the intervention of the holidays and of course ALJ Chestnut's unfortunate illness has put all the parties and the Commission in a bind.

Therefore, we are certainly willing to discuss a reasonable extension of time in order to resolve this fully and in a manner that's orderly and fair to all and to the Commission.

I'll save the rest of it for off the record so we can

actually discuss actual dates, but I just wanted to get our position in front of you, sir.

JUDGE CHRISTIANSON: You've got your basics established pretty well. I'll just mention that there are two limits working here, my Commission's limit associated with its order of May 23, 1996 and the statutory limit which is a little more relaxed.

I'm more worried about the statutory limit than my Commission's limit. I think the Commission limit has been waived before or just disregarded before.

I hadn't quite realized or I had forgotten the differences there, but I reread the Commission order of 1996 again or at least parts of it, and I'm more familiar with it than I was.

I have an old timeline that Eric Rohrbach wrote up years ago which helps a little bit. But it's like with a normal rate case here, we can set a litigation schedule as well as a negotiation schedule. I'm not sure we're going to hit all the deadlines that seem to be in the offing, but we'll do what we can.

I should mention for the sake of the people in Little Rock and D.C., Chris Arfaa is here for Verizon. We have three people here, Mark Thomas, Patty Armstrong and Regina Matz are here from the Thomas firm for ALLTEL.

I'll get your names for the hearing report sheet

after the fact. I have it here. We can just fill out the sheet for that.

Any responses or any need for comment from -- let's try D.C. first.

MS. CRITIDES: No. I think Chris has reflected our position, and just in the way of further fact, Steve and I did talk late yesterday afternoon. We didn't agree to any time frames or anything except for to cooperate.

And if it's necessary to refine issues, and I hope we can, then we will definitely work together expeditiously to try to come up with like a joint list of issues.

However, I think because the parties' legal opinions might differ, getting 100 buy-in on all issues will probably not be possible.

JUDGE CHRISTIANSON: I'll just mention for the people in Little Rock and D.C., you may not be fully aware that we have a strong mediation aspect in our OALJ Bureau. We have mediators, as a matter of fact, and we push coordination and cooperation quite a bit.

Utilities have to get along in the long run, after all, with their suppliers and with each other. It's a little bit unusual here because the one called "Verizon" is the one who is sort the outside looking in. Usually they're on the other side of the equation on that aspect of Verizon, the land line Verizon. You're not the land line Verizon,

you're distinct.

MS. CRITIDES: No, we're not, and we don't have the same presence in Pennsylvania and we're relying on Mr. Arfaa to kind of help us with the procedures in Pennsylvania.

JUDGE CHRISTIANSON: Yes, working for a law firm now.

Anything from ALLTEL here, any responses to Mr. Arfaa?

MR. ROWELL: Your Honor, this is Steve Rowell from ALLTEL.

JUDGE CHRISTIANSON: Okay, we'll take Little Rock.

MR. ROWELL: I agree with what Elaine said. She and I talked yesterday and hadn't agreed on precise dates but I think basically agreed to try to talk and try to resolve.

Frankly, I think that's essential to try to go
forward because one thing I would disagree with what
Verizon's local counsel said, that the issues are framed, I
think they're very unframed at this point.

Some of them are probably properly framed and we understand where each side is on it, and as Elaine said, I don't think we will reach necessarily agreement on it.

There may be a need to move forward then for ultimate hearing.

But there are a number of issues that frankly we are still trying to figure out exactly where the parties differ on and others, exactly what the issue is that we are differing on.

But I think that through the conversation between our staff and Verizon's in-house staff, as soon as we get past these pleading deadlines here that are facing us right now, we can have some further meaningful conversation and at least agree to probably a much shorter list of, here's what we agree to disagree on, and then move forward in a proper time frame.

One complication that is laid on top of this is that Verizon filed the same petition, essentially the same petition against the ALLTEL Carolina ILEC entity in North Carolina, and so we are faced, the same people in ALLTEL are faced with responding, filing testimony, filing responses to a petition during this same time frame. And unfortunately, it's the very same people. Ms. Hughes, who is handling both these negotiations, is ultimately handling both of these proceedings as I am, also.

So that is taking our time, and because we are facing deadlines for meeting filings this week in North Carolina, that's why we cannot have more meaningful discussion and haven't been able to have meaningful discussion between the parties since the petitions were filed.

But I think by the end of this week we'll have at least the first wave of that behind us and then early next week can have very meaningful discussions about all of these issues, and as I said, at least agree to the ones that we're

going to disagree on and can come up with a much shorter list properly framed that we can file a status report with the Commission perhaps next week and from that move forward with a schedule which may still allow the Commission to meet the March statutory timeline unless the parties could agree to extend that which we would certainly agree to some modest extension of that.

But certainly we would need to move I think beyond trying to handle this entire proceeding during the month of January.

JUDGE CHRISTIANSON: It's good you mentioned the North Carolina proceeding. That's a very practical aspect of getting this thing wrapped up.

When you've got to work in North Carolina, you can't work here, obviously.

MR. ROWELL: Right.

MS. CRITIDES: Well, Your Honor, I'd like to add too that the exact same people on Verizon Wireless' side are handling both cases, and I think the issues, because in theory we're trying to negotiate a nationwide agreement that would be the same in each state, are almost identical in North Carolina.

So to the extent anything happens in one state, it will only make it easier in the other state. So I don't see it as two separate negotiations taking on two separate set

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of resources. I do see a great deal of overlap.

JUDGE CHRISTIANSON: That's good. They can break trail in North Carolina if they want to. They're welcome to it. Let me check with Mr. Thomas. I assume ALLTEL is the biggest of the little guys here in Pennsylvania. Is that the case?

MR. THOMAS: No, that's not the case. ALLTEL I believe is smaller than Sprint and may be a little smaller than Commonwealth.

JUDGE CHRISTIANSON: I think more of the rural companies.

MR. THOMAS: It's the largest of the group of rural companies that have been participating together on a lot of the Telecom '97 issues.

JUDGE CHRISTIANSON: Will this result be a precedent or a pattern setter for other cases, other situations?

MR. THOMAS: It depends on the resolution. I can't answer until I see what the result is.

JUDGE CHRISTIANSON: But it might be?

MR. THOMAS: Could impact where we go with some of the smaller companies.

JUDGE CHRISTIANSON: The rural exemption is still viable? I haven't been in touch with telco issues much lately.

MR. THOMAS: The rural exemption, there's the remand

proceeding before Judge Weismandel that should be -- the prehearing conference on that is scheduled on January 15th.

JUDGE CHRISTIANSON: I remember that, yes.

MR. THOMAS: And that's the proceeding whereby
Verizon Wireless filed arbitration petitions, filed request
for interconnection with respect to maybe around 20 smaller
companies and then subsequently, about six months later,
requested the termination of the rural exemptions.

Judge Weismandel issued an initial decision dismissing the request to terminate the rural exemptions. The Commission then remanded it back to Judge Weismandel for resolution of several legal questions and that's what the prehearing conference will be scheduled on, I think some time next week.

JUDGE CHRISTIANSON: I got something else on my desk, I'll check later, just came back down from court, I think, but that's neither here nor there. There's always activity on telco, it seems. Kecksburg I think came back.

MR. THOMAS: Yes, Kecksburg has filed a petition, I think it's 703(g) petition to modify a prior order which had terminated its rural exemption, and that petition is currently pending at the Commission.

JUDGE CHRISTIANSON: I think that landed on my desk.

I'll check that at a break. I'll verify that or see what I

got. I just it the other day.

MR. THOMAS: I think a hearing notice or a prehearing conference notice went out on that.

JUDGE CHRISTIANSON: Maybe that's true.

MR. THOMAS: We are not involved in that proceeding.

JUDGE CHRISTIANSON: Okay, you're not in that.

MR. THOMAS: No.

JUDGE CHRISTIANSON: Okay. Well, then, that gives me some background.

MS. ARMSTRONG: Your Honor, as a follow-up to a response to Mr. Arfaa and what Mr. Rowell indicated, part of what we really have indicated is that the issues are not clear. That is in fact what your implementation order was trying to get at and in fact the Commission on its own motion in the past has said, hey, you haven't followed and therefore we're going to address it in due course, not following the time frame.

All we're saying is that they attached to the petition something we hadn't seen before. We're trying to decide exactly what the issues are, get the issues clearly framed, get the issues resolved, find out which ones really do need to be addressed, and that's what we indicated when we started this morning should be the subject of an off-the-record conversation so that we might try and come up with a reasonable schedule that can better frame the issues, eliminate issues and get this matter moving forward on a

reasonable basis.

JUDGE CHRISTIANSON: Is the wireless an unusual thing? Does that add novelty to the situation?

MS. ARMSTRONG: Yes, it does, Your Honor. One of the primary issues, and hopefully I'm not going to misstate the issue, but Verizon Wireless takes the position that ALLTEL is required to be responsible for the transit and transport costs to Verizon Wireless' chosen point of interconnection within an MTA.

An MTA is a very large area, generally larger than a LATA. And ALLTEL's position is, we are responsible only for costs to our own certificated service border area on our own facilities. And that's a huge issue which is primarily unique to the fact that we are dealing with a wireless carrier.

MR. ARFAA: May I ask for clarification? You mean the costs for -- not all the costs, but what you're saying is our position, Verizon Wireless position, each carrier bears the costs of transporting the traffic that it originates to the other carrier?

MS. ARMSTRONG: Correct.

MS. CRITIDES: Again, this shows that the parties have different ways of stating the issues, although I think we agree that the issue needs resolution before we can draft language.

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MS. ARMSTRONG: But that is in fact in response to
His Honor's question, the fact that we're dealing with MTAs
and wireless carriers makes it somewhat different from other
proceedings.

MR. ARFAA: Yes, we appreciate that distinction.

JUDGE CHRISTIANSON: The word I used is "novel," yes.

MS. ARMSTRONG: Correct.

JUDGE CHRISTIANSON: That's sort of a neutral word.

This reminds me a little bit of that NXX proceeding that
we're trying to get out of Judge Paist. She and I discussed
that, and I think I did that series of cases, MFX or
something like that, and Schnierle did --

MR. ARFAA: MFS.

JUDGE CHRISTIANSON: They're was MFS-I, and I opted for bill-and-keep there which is a simple system, but I think we're beyond that now.

MS. CRITIDES: Well, bill-and-keep is very simple and we would advocate that, but I don't think that ALLTEL would agree to it, so --

MR. ARFAA: But the Commission certainly --

MS. CRITIDES: If that could make this all go away, Verizon Wireless would be very happy.

MR. ARFAA: It is an option open to the Commission.

JUDGE CHRISTIANSON: Yes, I think I recommended that when I did MFS-I, but there's been two or three phases since

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then.

MR. THOMAS: Your Honor, with the traffic disparity, we don't think bill-and-keep is reasonable.

JUDGE CHRISTIANSON: Well, you might as well get your position stated.

MR. ARFAA: Your Honor, may I respond to Ms. Armstrong I think in a constructive way?

> JUDGE CHRISTIANSON: Yes.

Hopefully it will be. We completely MR. ARFAA: support continuing to negotiate and narrow issues during this proceeding. In fact, under the Telecommunications Act, both parties are legally obligated to continue to negotiate during this proceeding and I think both parties will continue to do that.

I would point out, though, that having the pending proceeding and the deadlines looming tends to focus one's attention and that there's been a lot more activity in the last few days of back and forth between the parties -- I won't characterize who did what -- than there has been over the months beforehand, I think, at least the weeks beforehand.

So we think that adhering as reasonably possible, understanding that special circumstances in this case may require some adjustment, adhering to the litigation deadlines required by the federal law actually enhances the

prospect of negotiation and informal resolution. So we think that those two aspects, formal litigation and negotiation, are actually complementary.

And I also think Ms. Armstrong's suggestion of perhaps going off the record at Your Honor's convenience to discuss a potential schedule might be constructive at a point that you choose, sir.

JUDGE CHRISTIANSON: I think we can go off the record soon, as a matter of fact. Let me put my two cents in. I think I said it before. I think I want to try to adhere to the federal requirement of several months, I think it's nine months or eleven months or whatever it is.

I'm not so worried about my Commission's deadlines. We've got a lot of old constitutions that are becoming irrelevant in energy and telecommunications. We've got to change our rules, and I think the Commission deadlines are really a matter of Commission policy as opposed to federal statute which is a little bit more telling, I think, in the final analysis.

But unless we have more for the --

MR. THOMAS: Your Honor, can I stop you on that?

JUDGE CHRISTIANSON: Yes.

MR. THOMAS: Right now, the implementation order provides that the ALJ's initial decision, recommended decision must be issued within 220 days of the

interconnection request, which I believe is June 26th.

MR. ARFAA: Twenty-third.

MR. THOMAS: Twenty-third, 24th, somewhere in there.

JUDGE CHRISTIANSON: Maybe we've got a little bit more time than I thought.

MR. THOMAS: And then the implementation order provided that the Commission had 270 days or the nine months consistent with the Telecom Act of '96 to issue a final order. So the Commission was giving itself 50 days following the entry of the recommended decision.

Are you saying that maybe we can narrow that 50 day period?

JUDGE CHRISTIANSON: I think you can narrow that down, yes.

MR. THOMAS: That would be great.

JUDGE CHRISTIANSON: The Commission has had that narrowed down on them in other cases, and I think this case is a good candidate for narrowing that a little bit.

MR. THOMAS: I know in the past, though, we got some stern warnings that the Commission didn't want its time narrowed.

JUDGE CHRISTIANSON: They get a little feisty about that, but I think we can push them a little bit on this one. We can talk about that later or you can talk about it off the record.

MS. ARMSTRONG: And Your Honor, the only other thing
I would point out as just a matter of a statement of fact is
that in countless negotiations before this Commission, the
parties have agreed to a modification of the federal
statutory guideline.

JUDGE CHRISTIANSON: I think they have.

MS. ARMSTRONG: And that's clearly permitted.

MR. THOMAS: And we've done it with the state statutory deadlines, for example rate cases.

JUDGE CHRISTIANSON: The general rate increase case goes into effect subject to refund, anyway.

MR. THOMAS: Right, but also the utility in many cases has agreed to extending the effective date to permit the conclusion of the proceeding.

JUDGE CHRISTIANSON: But we don't have to agree now. We can worry about that when the time comes. We can set our dates and if they have to be modified, we can modify them as we go along, but we should set them first.

It might be of interest to you, I have the original memo from 1996 that my lawyer wrote. He's still with us. He's the guy that tried to set up the speakerphones. He does anything for the shop at this point.

Well, then, If we have no further conversation, we can go off the record for a bit. We'll decide after we go off whether we break this phone tie or not. We can keep it

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for now but we can re-establish it later if we need to. But let's for the moment at least, probably for at least a half an hour, I would quess, be off the record. (Discussion off the record.) JUDGE CHRISTIANSON: Let's be back on the record. I'm Chief Administrative Law Judge Robert Christianson. We're back on the record again, about 11:15. The parties have worked out a tentative schedule and have I'll read the schedule as they have cobbled it out with one correction or one addition which was just brought up recently and we can go from there. The first entry is the prehearing conference which is today. They'll file a status report on issues in the proceeding on 1/15. That's acceptable to me. 1/22, prefiled direct testimony served. It looks like 2/2/04, responsive testimony served. 2/10 for a hearing, and we hope we will not run all day. We're reserving 2/11 partly because one witness has a problem on 2/10, so it's a carry-over day. We might not need that witness but we'll specify two days just in case. 2/24, main briefs together with proposed disposition of each issue which I guess is sort of settlement results. Reply briefs, due 3/2.

Recommended decision is due 3/30, with 4/29, action

Now, is 4/29 the proposed meeting date? That's the public meeting. MR. THOMAS: Then would that order have to be JUDGE CHRISTIANSON: entered on 4/29 to meet the schedule? When is the witching hour for the federal deadline? Does anybody have that? 6 The current one is I believe March 19th, MR. ARFAA: 7 and so by stipulation we'd be extending that. 8 JUDGE CHRISTIANSON: You're ignoring that for the sake of ten days? 10 MS. ARMSTRONG: A month and ten days. It's March 19th. We're now at the end MR. THOMAS: of April. JUDGE CHRISTIANSON: I think that's within the realm of reason. MR. THOMAS: I believe both parties would have to stipulate to that. MR. ARFAA: We have to do it and we'll have to 18. negotiate what the words say, but I think we can do that, working together. JUDGE CHRISTIANSON: You can always fudge with the original initiating document date, but it's better to be straightforward and just waive the --MR. THOMAS: I think it would probably be easiest

by the Commission.

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just to stipulate to a resolution date at the PUC.

JUDGE CHRISTIANSON: Yes, and I think nobody is going to quarrel with that. No harm, no foul, in a sense.

MR. THOMAS: Nobody has in the past.

JUDGE CHRISTIANSON: It's happened fairly frequently in the past. It has to be a reasonable extension. I think this is reasonable enough.

So then Commission action 4/29 with an order presumably entered shortly thereafter. I think that's doable. I think the RD has plenty of time for that.

I will probably hold this case myself until the end of January anyway, but I'll be in communication with Mr.

Arfaa and Mr. Thomas about who will preside here.

I'm running a little bit short of judges with telecommunications expertise, and I want to get a good judge for this because it might be a fairly important proceeding. It's somewhat novel and breaks trail in some areas.

Just the fact that the supplicant is Verizon makes a difference. It does my heart good that somebody named "Verizon" is there banging on the door trying to get in, and the establishment company is ALLTEL in this case.

MR. ARFAA: That's right. We're the little guy.
(Laughter.)

MR. THOMAS: Don't believe that. We're a needle in a haystack compared to Verizon Wireless.

JUDGE CHRISTIANSON: Okay. Well, you're still the

big guy for purposes of this proceeding.

MR. ARFAA: I apologize.

JUDGE CHRISTIANSON: But we can deal with that off the record. That's more a joke than anything at this point.

Mr. Arfaa had something he wanted to mention.

MR. ARFAA: Yes. Thank you, Your Honor. First of all, I want to thank Your Honor for facilitating this meeting. I think it's been very productive, and thank opposing counsel for their efforts as well.

I just wanted to note for the record that part of this agreement is that -- and Mr. Thomas or Ms. Armstrong will correct me if I'm wrong -- that ALLTEL has agreed not to raise any alleged non-compliance with filing requirements with respect to documents submitted with our petition in this proceeding. Is that correct?

MR. THOMAS: That's correct.

MR. ARFAA: Thank you.

JUDGE CHRISTIANSON: Sort of make up for lost time if you have to or make up for any defects.

MR. THOMAS: We aren't going to raise --

JUDGE CHRISTIANSON: The timing question.

MR. THOMAS: -- alleged substantive deficiencies in the petition through a motion to dismiss or at any phase in the proceeding.

MR. ARFAA: And I'll also say, if you need a

document, just give us a call.

JUDGE CHRISTIANSON: Then you essentially want to join the issue in these pleadings and be done with it.

MR. THOMAS: We're going on the pleadings as they exist.

JUDGE CHRISTIANSON: That's smart, I think.

MS. ARMSTRONG: Your Honor, we also agree that the service dates in the schedule that Your Honor read into the record would be satisfied if we served the parties electronically with the testimony and followed up with those services by overnight mail that date for delivery the next day on active parties.

JUDGE CHRISTIANSON: Yes. Here we don't have much trouble with inactive parties. We could theoretically have Consumer Advocate in the case, but they haven't knocked on the door as far as I know.

MS. ARMSTRONG: Judge Chestnut's service list still contained OSBA, OCA and OTS, so --

MR. THOMAS: I wonder if we could take them off the service list since they have elected not to participate in the prehearing?

JUDGE CHRISTIANSON: Yes. I didn't bring my rules of practice, but I'll invoke the rate case, active/inactive parties. If they're in this case, they're inactive, certainly.

MR. ARFAA: I believe Judge Chestnut's order contemplated what happened if you didn't show up.

JUDGE CHRISTIANSON: I never even looked at Chestnut's order. We can look at it as we go along. But they clearly had an opportunity to be in this case and they're not in the case.

MR. THOMAS: They had the prehearing -- they had both I think the petition and the response.

MS. ARMSTRONG: And the prehearing memos.

MR. THOMAS: And the prehearing memos, and they didn't show up today.

JUDGE CHRISTIANSON: They can always jump in with exceptions, as I recall, but they've waived their right to participate.

MR. THOMAS: That's right. Outside parties can actually come in --

JUDGE CHRISTIANSON: That's right. That's in the Commission '96 order, I think.

MR. THOMAS: Right.

JUDGE CHRISTIANSON: I can worry about that, later.

I can find Judge Chestnut's order. I sort of know what it looks like, I think I'm confident of what it looks like.

I guess we're about done for this session. We have experienced counsel, which has helped a lot. Essentially it will be an e-mail case like we've been running lately.

Unfortunately, McNulty can't be e-mailed yet. We're working on computers to do that.

MR. ARFAA: Service will be by overnight delivery.

JUDGE CHRISTIANSON: Yes, the actual paper service, right, but e-mail notice is certainly a good idea.

MR. ARFAA: We've agreed to use both so we can have the convenience but also the backup.

JUDGE CHRISTIANSON: Well, you both e-mailed me your prehearing memos. That was handy. It's nice to get ready at your desk and ready to go.

I did receive one strange e-mail address out of Thomas, Moore or something like that.

MR. THOMAS: Instead of me typing out my e-mail messages, I just give them to my secretary.

JUDGE CHRISTIANSON: That's what I thought.

MR. THOMAS: She e-mails them for me, so if you get V. Moore, you know it's Mark Thomas.

JUDGE CHRISTIANSON: Everybody treated it like Mark
Thomas, but I wondered at first what was going on there. I
expected that, yes.

MR. THOMAS: They take care of me back there at the office.

JUDGE CHRISTIANSON: You're a name partner, so you get special treatment.

(Laughter.)

JUDGE CHRISTIANSON: Anything more for the record?
Anything from D.C.?

MS. CRITIDES: No, Your Honor. Thank you.

JUDGE CHRISTIANSON: You understood our mutterings or at least the thrust of our mutterings. We can elucidate if you need it.

MS. CRITIDES: Yes. No, I think we're fine. One thing I could clarify is, it sounds like we're going to be re-assigned to another judge, or --

JUDGE CHRISTIANSON: Yes. I will probably make that decision late this month. If it's simple enough -- I've kept some of these cases. I kept a Green Mountain electric case about a year ago. I keep them occasionally because I used to be a judge myself years ago until '95, I guess. I kept several cases then when I became Chief Judge, as a matter of fact, so I can handle it.

I'm not too up on telco, but I can always manage to get familiar with it as I have to. I think I'll probably hand this off to somebody late this month who can take it home from there.

Some of my best candidates are otherwise occupied right at the moment, so I'll get somebody or else keep it myself. I'll keep track of it. I'm the judge on the case until I tell you otherwise, so look for some status change maybe late this month.

Anything more from Little Rock?

MR. MEISTER: No. Thank you.

JUDGE CHRISTIANSON: I could mention, I stumble around a little bit. I myself have Parkinson's disease, so I don't always get my articulation too good, unless I think about it. So if you ever have me on the phone and I mumble, just tell me to speak up and I realize what the problem is.

So I'll keep this for now. We'll be doing it as an e-mail case. Some day the rules of practice will be revised to reflect that. There's a draft now before the Commissioners that is going that way somewhat.

I think the Environmental Hearing Board is there and others are there, but e-mail would help a lot if we get it finally done.

I thank you all. I think we're done. Anything more for the record here?

MS. ARMSTRONG: No, Your Honor.

MR. ARFAA: No, Your Honor.

JUDGE CHRISTIANSON: Thank you. We're done. We're off the record for the prehearing conference, I guess we call it, pre-arbitration conference. Thank you all.

(Whereupon, at 11:28 a.m., the proceedings were concluded.)

<u>CERTIFICATE</u>

I hereby certify, as the stenographic reporter, that the foregoing proceedings were taken stenographically by me and thereafter reduced to typewriting by me or under my direction, and that this transcript is a true and accurate record to the best of my ability.

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