

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**U S WEST Communications, Inc.
SB 2420 Residential Price Changes
Investigation**

Case No. PU-314-99-119

**U S WEST Communications, Inc.
SB 2420 Residential Price Changes
Tariff**

Case No. PU-314-00-284

ORDER ON RECONSIDERATION APPROVING SETTLEMENT

November 22, 2000

On September 20, 2000 the Commission issued its Findings of Fact, Conclusions of Law and Order in the captioned proceedings. On October 5, 2000 U S WEST filed a Petition for Reconsideration, contending that the September 20th decision contained two calculation errors in adjustments made to U S WEST's reported costs of capital and advertising expenses. The Commission granted reconsideration on November 2, 2000.

On October 30, 2000, the parties filed a settlement stipulation. The stipulation recognizes the cost of capital adjustment requested in U S WEST's petition, but excludes the requested advertising expense adjustment. The settlement also provides for early implementation of the Essential Telecommunications Price Factor (ETPF) rate decrease that was to become effective January 30, 2001 resulting in a price for residential service of \$17.6965, effective November 27, 2000.

Having considered this matter, the Commission finds the settlement reasonable. Therefore, the Commission issues the following:

Order

The Commission Orders the Settlement Stipulation, a copy of which is attached and hereby made part of this Order, APPROVED.

PUBLIC SERVICE COMMISSION

**Susan E. Wefald
Commissioner**

**Bruce Hagen
President**

**Leo M. Reinbold
Commissioner**

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**CONCURRING OPINION
COMMISSIONER BRUCE HAGEN**

November 22, 2000

It was appropriate to reconsider the order in this case. Reconsideration is appropriate when the request to reconsider is not based on a re-hash of the evidence and argument from the hearing.

US WEST filed a Petition for Reconsideration contending that the Commission's September 20th decision contained two calculation errors in adjustments made to reported cost of capital and advertising expenses.

I believe the Commission must correct errors in its orders when they are discovered.

The Commission Staff recommended that the Commission accept the settlement worked out between Staff and U S WEST/Qwest.

I agree with Commission Staff.

The Commission's responsibility is to represent the public interest. This means being fair to all parties, consumers and U S WEST - and make a judgment on the facts in a case. The order today corrects an error made in the original decision.

The settlement also provides that U S WEST/Qwest will not appeal the Commission's original decision, and that US WEST/Qwest will take its annual price adjustment, a reduction this year, earlier than it is otherwise required to do. These are compelling reasons, as well, for this Commission to accept the settlement. There is no guarantee that this order, if appealed, would prevail, and price stability is an important public interest consideration.