



Control Number: 28690



Item Number: 67

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Carl E. Erhart
Vice President
Regulatory Affairs
Southwest Region

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PUBLIC UTILITY COMMISSION
FILING CLERK



816 Congress, Suite 1500, TXD07AUS
Austin, TX 78701

Phone 512 477-8986
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carl.erhart@verizon.com

January 9, 2004

Filing Clerk
Public Utility Commission of Texas
1701 N. Congress Avenue
Austin, Texas 78701

Subject: CONTROL NO. 28690 – 2003 – VERIZON SOUTHWEST - HISTORICALLY
UNDERUTILIZED BUSINESS (HUB) REPORT

Dear Filing Clerk:

Pursuant to Substantive Rule 26.80 attached is Verizon Southwest's (Verizon) Initial Hub Use Report and the Supplemental HUB Use Report for the period from October 1, 2002 to September 30, 2003.

Also, as prescribed by Substantive Rule 26.80(b)(4), Verizon's process for determining a Historically Underutilized Business (HUB) is in accordance with PUC reporting requirements. Verizon classifies each supplier as either a majority or HUB supplier. There is no category representing "unknown status" suppliers. Each Verizon supplier is clearly coded as either a HUB supplier or a non-HUB supplier.

If you have any questions regarding this report, please contact Lisa McLaughlin at (512) 370-4215.

Sincerely,

A handwritten signature in black ink, appearing to read "Carl E. Erhart".

Carl E. Erhart

CEE:LAM;mgb
Attachments(3)

LARGE UTILITIES HUB USE REPORT (purchases outside Texas)

VERIZON COMMUNICATIONS

MBE Procurement		Construction	Commodities	Other Services	Professional	Major Equipment	Other	Total HUB
		MBE Exp.	MBE Exp.	MBE Exp.	MBE Exp.	MBE Exp.	MBE Exp.	MBE Exp.
African American	Male	0	4,697,908	298,474	1,406,475	848,704	974,663	8,226,224
	Female	0	0	1,551	0	0	121,776	123,327
Total		0	4,697,908	300,025	1,406,475	848,704	1,096,439	8,349,551
Asian American	Male	0	5,751,282	17,376	41,341	0	1,820,166	7,630,165
	Female	0	0	0	122,719	0	158,276	280,995
Total		0	5,751,282	17,376	164,060	0	1,978,441	7,911,160
Hispanic American	Male	0	211	161,598	76,887	143,444	431,758	813,899
	Female	0	3,233	0	41,388	1,318	203,845	249,783
Total		0	3,444	161,598	118,275	144,762	635,603	1,063,682
Native American	Male	1,056	0	20,439	0	238	27,225	48,958
	Female	0	0	0	0	0	0	0
Total		1,056	0	20,439	0	238	27,225	48,958
MBE Total		1,056	10,452,634	499,439	1,688,809	993,704	3,737,709	17,373,351
WBE Total		759,779	380,944	2,281,148	417,797	232,359	4,394,174	8,466,201
Total MBE & WBE Procurement		760,834	10,833,579	2,780,586	2,106,606	1,226,063	8,131,883	25,839,552
Total Unknown Status Procurement (1)		0	0	0	0	0	0	N/A
Total Non-Fuel Procurement (2)		31,501,381	34,277,513	54,305,362	83,635,516	149,993,813	229,077,883	582,791,470
Total Utility Purchases								
Total Fuel and Purchased Power Procurement (electric only)								0
Total Non-Fuel, Fuel, and Purchased Power Procurement								582,791,470

(1) Vendors for whom HUB status is not directly known.

(2) Expenditures for goods and services from vendors not including wages, benefits, and other non-negotiable goods and services such as taxes and postage. Includes MBE/WBE and Unknown Procurement.

Reporting Period: Oct. 1, 2002 through Sep. 30, 2003
Address: 1310 N. Court House Road
City: Arlington

State: VZ Zip: 22201
Phone: 703-974-2339 Fax: 703-527-1480

Reporting Date: January 5, 2004
Contact person: Maria D. Cruz

To be filed by a utility which has more than 1,000 customers in a state other than Texas, or which purchases more than 10% of its goods and services from vendors not located in Texas

C:\temp\C.Lotus.Notes.Data\VZ Texas HUB Reports (In an Outside Tx).xlsLarge Utilities (OT)

Revised for report due on or before December 30, 2003

LARGE UTILITIES HUB USE REPORT(Texas purchases)

Verizon Communications

MBE Procurement	Construction	Commodities	Other Services	Professional	Major Equipment	Other	Total HUB
	MBE Exp.	MBE Exp.	MBE Exp.	MBE Exp.	MBE Exp.	MBE Exp.	MBE Exp.
African American Male	0	10,702	2,809	48,157	0	185,001	246,669
African American Female	0	0	6,633	0	0	81,172	87,804
Total	0	10,702	9,442	48,157	0	266,172	334,473
Asian American Male	0	0	830	330	0	222,587	223,747
Asian American Female	0	50,423	123,550	0	0	0	173,973
Total	0	50,423	124,380	330	0	222,587	397,720
Hispanic American Male	583,031	2,034	5,215	225,217	11,069	232,441	1,059,008
Hispanic American Female	2,025,462	36,237	1,571,556	0	3,397	1,720,858	5,357,510
Total	2,608,493	38,271	1,576,770	225,217	14,466	1,953,299	6,416,517
Native American Male	0	0	0	0	0	1,753	1,753
Native American Female	0	0	1,910	0	0	476	2,386
Total	0	0	1,910	0	0	2,229	4,139
MBE Total	2,608,493	99,396	1,712,502	273,705	14,466	2,444,287	7,152,849
WBE Total	1,413,525	1,691,109	2,967,681	236,017	136,954	1,251,234	7,696,519
Total MBE & WBE Procurement	4,022,018	1,790,505	4,680,183	509,721	151,421	3,695,521	14,849,369
Total Unknown Status Procurement (1)	0	0	0	0	0	0	0
Total Non-Fuel Procurement (2)	18,229,509	11,536,759	86,319,710	17,580,616	13,200,495	60,107,988	206,975,076
Total Utility Purchases							0
Total Fuel and Purchased Power Procurement (electric only)							0
Total Non-Fuel, Fuel, and Purchased Power Procurement							206,975,076

(1) Vendors for whom HUB status is not directly known.

(2) Expenditures for goods and services from vendors not including wages, benefits, and other non-negotiable goods and services such as taxes and postage. Includes MBE/WBE and Unknown Procurement.

Reporting Period: Oct. 1, 2002_ through Sep. 30, 2003_
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Contact person: Maria Cruz

State: _VZ Zip: 22201
Phone: 703 974 2339 Fax: 703 527 1480

SUPPLEMENTAL HUB USE REPORT

Utility: Verizon Communications

TOTAL INDIRECT/SECOND TIER PROCUREMENT EXPENDITURES

	Construction	Commodities	Other Services	Professional	Major Equipment	Other	Total HUB
Total MBE & WBE Direct Procurement	\$ 4,782,852	\$ 12,624,084	\$ 7,460,769	\$ 2,616,327	\$ 1,377,484	\$ 11,827,404	\$ 40,688,921
Total MBE & WBE 2nd Tier	\$ 2,354,657.00	\$ 45,878.00	\$ 1,238,261.60	\$ 7,187,542.00	\$ 1,428,619.40	\$ -	\$ 12,254,958
Total Direct and 2nd Tier	\$ 7,137,509.00	\$ 12,669,962.00	\$ 8,699,030.60	\$ 9,803,869.00	\$ 2,806,103.40	\$ 11,827,404.00	\$ 52,943,878
Fuel & Purchased Power Procurement (electric only)							
Total Non-Fuel, Fuel, & Purchased Power Procurement							
				Total Utility Purchases	Direct MBE+WBE	Second-Tier MBE+WBE	
				Not Applicable to Telecommunication			
				\$ 789,766,546.00	\$ 40,688,921.00	\$ 12,254,958.00	

This optional form may be submitted if necessary to depict accurately a utility's overall HUB expenditures.

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City: Arlington

State: Virginia Zip: 22201

Contact person: Maria Cruz

Phone: 703-974-2339 Fax: 703-527-1480

"Total Non-Fuel Procurement" is expenditures for goods and services from vendors not including wages, benefits, and other non-negotiable goods and services