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March 30, 2005

BY HAND DELIVERY
Ms. Blanca Bayó, Director
Commission Clerk and Administrative Services
Room 110, Easley Building
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

Re: Docket No. 040156-TP

Dear Ms. Bayó:

Enclosed for filing on behalf of Competitive Carrier Group are an original and fifteen copies of the Prehearing Statement of Competitive Carrier Group in the above referenced docket. Also enclosed is a 3 ½" diskette with the document on it in MS Word 97/2000 format.

Please acknowledge receipt of these documents by stamping the extra copy of this letter "filed" and returning the same to me.

Thank you for your assistance with this filing.

Sincerely yours,

Norman H. Horton, Jr.

FRS/amb
Enclosures
cc: Parties of Record

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for arbitration of amendment to interconnection agreements with certain competitive local exchange carriers and commercial mobile radio service providers in Florida by Verizon Florida Inc.	DOCKET NO. 040156-TP Filed: March 30, 2005

PREHEARING STATEMENT OF COMPETITIVE CARRIER GROUP

Allegiance Telecom of Florida, Inc., DIECA Communications, Inc. d/b/a Covad Communications Company, IDT America Corp., KMC Data LLC, KMC Telecom III LLC, KMC Telecom V, Inc., NewSouth Communications Corp.,[1] The Ultimate Connection L.C. d/b/a DayStar Communications, XO Florida, Inc., Xspedius Management Co. Switched Services, LLC and Xspedius Management Co. of Jacksonville, LLC (hereinafter "Competitive Carrier Group"), pursuant to Order Nos. PSC-04-1236-PCO-TP, issued December 13, 2004 and PSC-05-0221-PCO-TP, issued February 24, 2005, hereby submit their prehearing statement in the above captioned matter.

A. APPEARANCES

Norman H. Horton, Jr.
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Harry Davidow
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[1] NewSouth Communications Corp. currently is completing an internal corporate reorganization and consolidation whereby NewSouth Communications Corp. will be merged into its corporate parent, NuVox Communications, Inc. f/k/a NewSouth Holdings, Inc.

Genevieve Morelli
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Counsel to Competitive Carrier Group

B. WITNESSES

Witness	Main Witness Issues
Edward J. Cadieux (Direct and Rebuttal)	All
James C. Falvey (Direct and Rebuttal)	All
Alan L. Sanders (Direct and Rebuttal)	All

Intervenors Allegiance Telecom of Florida, Inc., DIECA Communications, Inc. d/b/a Covad, IDT America Corp., KMC Data LLC, KMC Telecom III LLC, KMC Telecom V, Inc. and XO Florida, Inc. have not sponsored individual witnesses but have endorsed the direct and rebuttal testimony filed by the panel.

C. EXHIBITS

Witness	**I.D. No.**	**Description**
Edward J. Cadieux	Panel Exhibit EJC-1	CCG Proposed Amendment
James C. Falvey	Panel Exhibit JCF-1	CCG Proposed Amendment
Alan L. Sanders	Panel Exhibit ALS-1	CCG Proposed Amendment

D. BASIC POSITION

Verizon's Petition for Arbitration proposed revisions of existing interconnection agreements that do not correctly reflect or incorporate directives brought about by the *Triennial Review Order* ("TRO") and/or the *Triennial Review Remand Order* ("TRRO"). Any amendment to the parties' agreements must incorporate the complete unbundling framework ordered by the FCC under the TRO and the TRRO. Furthermore, both the TRO and the TRRO expressly require that Verizon and competitive carriers negotiate in good faith any rates, terms and

conditions necessary to implement changes to the FCC's unbundling rules. Thus Verizon's efforts to unilaterally implement certain changes in its unbundling obligations adopted in the TRO and the TRRO without a formal, written amendment to the parties' existing interconnection agreements are misplaced. Verizon is bound by the unbundling obligations set forth in its existing, Commission-approved agreements with members of the Competitive Carrier Group, and the Commission should require that Verizon follow abide by those agreements until such time as they are properly amended to reflect changes of law. The Competitive Carrier Group has presented a proposed amendment which is consistent with recent changes to the FCC's unbundling rules and related FCC requirements, and that amendment should be approved by the Commission.

E. ISSUES OF FACT, LAW, AND POLICY AND JOINT PETITIONERS' POSITIONS

ISSUE 1: Should the Amendment include rates, terms, and conditions that do not arise from federal unbundling regulations pursuant to 47 U.S.C. sections 251 and 252, including issues asserted to arise under state law or the Bell Atlantic/GTE Merger Conditions?

COMPETITIVE CARRIER GROUP'S POSITION: Yes. The Amendment must incorporate rates, terms and conditions that reflect Verizon's ongoing obligations, under the Bell Atlantic/GTE Merger Order (the "Merger Order") and Florida law, to provide competitive local exchange carriers ("CLECs") access to its network elements on an unbundled basis.

The Merger Order imposes on Verizon a separate and independent obligation to provide to requesting carriers certain UNEs and UNE combinations at TELRIC rates, and must be incorporated into the Amendment.. To mitigate any adverse impact on the public interest threatened by its proposed merger with GTE Corporation ("GTE"), Bell Atlantic Corporation ("Bell Atlantic") voluntarily agreed to abide by the conditions set forth in the Merger Order, which include a voluntary commitment by the merged entity (Verizon) to facilitate and preserve

UNE-based competition. The plain language of the Merger Order requires that Verizon provide to all requesting carriers certain UNEs and combinations of UNEs, including UNE-P, dedicated transport and high capacity loop facilities, at TELRIC rates, without interruption, until all legal challenges to the FCC's unbundling rules are finally resolved. At this time, no "final and non-appealable" order has been issued that would cause the unbundling obligations imposed by the Merger Order to be superseded.

ISSUE 2: What rates, terms, and conditions regarding implementing changes in unbundling obligations or changes of law should be included in the Amendment to the parties' interconnection agreements?

COMPETITIVE CARRIER GROUP'S POSITION: The Amendment to the parties' interconnection agreements must include rates, terms and conditions that reflect any change to Verizon's federal unbundling obligations brought about by the TRO and/or theTRRO, including, without limitation, the transition plan set forth in the TRRO for each network element that Verizon no longer is obligated to provide under section 251 of the 1996 Act. Paragraph 233 of the TRRO makes clear that the FCC's unbundling determinations are not "self-effectuating;" thus Verizon and Florida carriers may implement changes of law arising under the TRO and the TRRO **only** "as directed by section 252 of the Act," and consistent with the change of law processes set forth in carriers' individual interconnection agreements with Verizon. Verizon is bound by the unbundling obligations set forth in its existing interconnection agreements with Florida carriers until such time as those agreements are properly amended to incorporate the changes of law and FCC-mandated transition plans established under the TRO and the TRRO.

ISSUE 3: What obligations under federal law, if any, with respect to unbundled access to local circuit switching, including mass market and enterprise switching (including Four-Line Carve-Out switching), and tandem switching, should be included in the Amendment to the parties' interconnection agreements?

COMPETITIVE CARRIER GROUP'S POSITION: The Amendment must expressly provide a twelve month transition period, beginning on March 11, 2005, during which competitive carriers may convert their existing mass market customer base to alternative local switching arrangements. The Amendment also must state that competitive carriers will continue to have access to UNE-P priced at TELRIC rates plus one dollar until such time as Verizon successfully migrates the existing UNE-P customer base to competitive carriers' switches or alternative switching arrangements. If Verizon is unable to migrate those customers by the end of the twelve-month transition period, transition rates will continue to apply until a successful and migration occurs. In accordance with the TRRO, Verizon and competitive carriers within Florida must execute an amendment to existing interconnection agreements within the prescribed twelve-month transition period, including any change of law processes required by the parties' respective interconnection agreements.

In setting forth the transition plan for mass market local switching required by the TRRO, the Amendment must define competitive carriers' "embedded customer base" for which the prescribed transition plan will apply. Specifically, the Amendment should clarify that any UNE-P line added, moved or changed by a competitive carrier, at the request of a UNE-P customer served by the competitive carrier's network on or before March 11, 2005, is within the competitive carrier's "embedded customer base" for which the FCC-mandated transition plan applies. In addition, consistent with the TRRO, the Commission should prohibit Verizon from refusing to provision UNE-P lines for new customers of competitive carriers until such time as the TRRO is properly incorporated into the parties' agreements through the change of law processes set forth therein, as contemplated by section 252 of the 1996 Act, and the FCC's rules. Finally, the Commission should make clear that all UNE-P lines must continue to be charged

current UNE (TELRIC) rates until an amendment to the parties' interconnection agreements has been executed.

The Amendment also must reflect the fact that the FCC's Four-Line Carve-Out is no longer a component of the section 251(c) unbundling regime and must not be included in the Amendment. The TRRO confirmed that CLECs are eligible to purchase unbundled mass market local switching, subject to the transition plan, to serve all customers at less than the DS1 capacity level.

ISSUE 4: What obligations under federal law, if any, with respect to unbundled access to DS1 loops, unbundled DS3 loops, and unbundled dark fiber loops should be included in the Amendment to the parties' interconnection agreements?

COMPETITIVE CARRIER GROUP'S POSITION: The Amendment must state that Verizon remains obligated to provide to Florida carriers unbundled access to its high capacity loops, including DS3 loops and DS1 loops, at any location within the service area of a Verizon wire center for which carriers would be impaired, under the criteria set forth in the TRRO, without access to such facilities. The FCC has determined that competitive carriers are impaired without access to DS3 capacity loops at any location within the service area of a Verizon wire center containing fewer than 38,000 business lines or fewer than four fiber-based collocators, and are impaired without access to DS1 capacity loops at any location within the service area of a Verizon wire center containing fewer than 60,000 business lines or four or more fiber-based collocators. To be sure, the criteria established by the FCC for a determination of impairment, and thus, for competitive carriers' access to high capacity loops, including DS1 loops and DS3 loops, must be expressly incorporated into the terms and conditions of the Amendment. Further, the Amendment must clearly define "business lines" and "fiber-based collocators," as those terms are defined under the TRRO.

The Amendment must include a comprehensive list of the Verizon wire centers that satisfy the non-impairment criteria for DS1 and DS3 loops set forth in the TRRO as well as a process for review and investigation of any future claim by Verizon that an additional specified wire center location within Florida meets the FCC's criteria for unbundling relief. Verizon should be required to submit to Florida carriers all documentation and other information that reasonably supports its claim of "no impairment" for a specified wire center location within Florida. There should also be a process for resolution of any disagreement regarding a "no impairment claim" and a process for an annual review of the list.

For high capacity loop facilities that Verizon no longer is obligated to provide under section 251(c) of the 1996 Act, the Amendment must expressly incorporate the transition plan ordered by the FCC, during which competitive carriers may convert existing customers to alternative service arrangements. The time period established for the transition of customers from DS1 and DS3 capacity loop facilities is twelve months, effective March 11, 2005 and the time period established for the transition of customers from dark fiber loop facilities is eighteen months, effective March 11, 2005. The Amendment must state that Verizon will be required to provide, for the duration of the applicable transition period, grandfathered high capacity loops facilities, including DS1 and DS3 loops, and dark fiber loops, at the rates set forth in the TRRO, which shall be the higher of (1) 115 percent of the rate of the requesting carrier for the loop facility on June 15, 2004; or (2) 115 percent of the rate that a state commission has established for the requested loop facility since June 16, 2004.

In setting forth the transition plan for high capacity and dark fiber loop facilities, the Amendment must define competitive carriers' "embedded customer base" for which the prescribed transition plan will apply. For loop facilities that Verizon no longer is obligated to

provide under section 251 of the 1996 Act, the Amendment should clarify that any loop added, moved or changed by a competitive carrier, at the request of a customer served by the competitive carrier's network on or before March 11, 2005, is within the competitive carrier's "embedded customer base" for which the FCC-mandated transition plan applies and the Commission should not permit Verizon to block "new adds" by competitive carriers until time as the TRRO is properly incorporated into the parties' agreements through the change of law processes set forth therein, as contemplated by section 252 of the Act.

ISSUE 5: What obligations under federal law, if any, with respect to unbundled access to dedicated transport, including dark fiber transport, should be included in the Amendment to the parties' interconnection agreements?

COMPETITIVE CARRIER GROUP'S POSITION: The Amendment must state that Verizon remains obligated under section 251(c) of the 1996 Act to provide to Florida carriers unbundled access to dedicated interoffice transport, including DS3 and DS1 transport facilities, at any location within the service area of a Verizon wire center for which carriers would be impaired, under the criteria set forth in the TRRO, without access to such facilities. The FCC has determined that competitive carriers are impaired without unbundled access to DS3 dedicated transport facilities along any route that originates or terminates in any Tier 3 wire center (i.e., any wire center that contains less than three fiber-based collocators and less than 24,000 business lines), and are impaired without unbundled access to DS1 dedicated transport facilities in all routes where at least one end-point of the route is a wire center containing fewer than 38,000 business lines and fewer than four fiber-based collocators. To be sure, the criteria established by the FCC for a determination of impairment, and thus, for competitive carriers' access to dedicated interoffice transport facilities, including DS1 and DS3 transport facilities, under section 251(c) of the 1996 Act should be expressly incorporated into the terms and

conditions of the Amendment. Further, the Amendment must clearly define "business lines" and "fiber-based collocators," as those terms are defined under the TRRO.

The Amendment must include a comprehensive list of the Verizon wire centers that satisfy the "no impairment" criteria for dedicated transport, including dark fiber transport, set forth in the TRRO as well as a process for review and investigation of any future claim by Verizon that an additional specified wire center location within Florida meets the FCC's criteria for unbundling relief. Verizon should be required to submit to Florida carriers all documentation and other information that reasonably supports its claim of "no impairment" for a specified wire center location within Florida.

There should also be a process for resolution of any disagreement regarding a "no impairment" claim and a process for an annual review of the list.

For dedicated interoffice transport facilities that Verizon no longer is obligated to provide under section 251 of the 1996 Act, the Amendment must expressly incorporate the transition plan ordered by the FCC, during which competitive carriers may convert existing customers to alternative service arrangements offered by Verizon. The time period established for the transition of customers from DS1 and DS3 transport facilities, is twelve months, effective March 11, 2005 and the time period established for the transition of customers from dark fiber transport facilities is eighteen months, effective March 11, 2005. The Amendment must state that Verizon will be required to provide, for the duration of the applicable transition period, grandfathered dedicated transport facilities, including DS1 and DS3 transport facilities, and dark fiber transport facilities, at the rates set forth in the TRRO, which shall be the higher of (1) 115 percent of the rate of the requesting carrier for the interoffice transport facility on June 15, 2004; or (2) 115

percent of the rate that a state commission has established for the requested interoffice transport facility since June 16, 2004.

In setting forth the transition plan for dedicated interoffice transport facilities, the Amendment must define competitive carriers' "embedded customer base" for which the prescribed transition plan will apply. For dedicated interoffice transport facilities that Verizon no longer is obligated to provide under section 251 of the 1996 Act, the Amendment should clarify that any line added, moved or changed by a competitive carrier, at the request of a customer served by the competitive carrier's network on or before March 11, 2005, is within the competitive carrier's "embedded customer base" for which the FCC-mandated transition plan applies. The Commission should not permit Verizon to refuse to provision new dedicated transport circuits for competitive carriers until time as the TRRO is properly incorporated into the parties' agreements through the change of law processes set forth therein, as contemplated by section 252 of the Act.

To the extent that Verizon elects to implement the so-called "DS1-cap" imposed by the FCC under the parties' agreements, the Amendment must state that the FCC's limitation on Verizon's obligation to provide to carriers unbundled DS1 dedicated transport facilities applies only if section 251(c) unbundling relief also has been granted for DS3 dedicated transport facilities on the same route.

ISSUE 6: Under what conditions, if any, is Verizon permitted to re-price existing arrangements which are no longer subject to unbundling under federal law?

COMPETITIVE CARRIER GROUP'S POSITION: As described in previous positions, the Amendment to the parties' interconnection agreements must include rates, terms and conditions that reflect any change to Verizon's federal unbundling obligations brought about by the TRO and/or the TRRO for each network element that Verizon no longer is obligated to

provide under section 251 of the 1996 Act. Verizon may re-price existing arrangements, however, **only** in accordance with the incremental rate increases prescribed by the FCC, and set forth in the Amendment, for those network elements that Verizon no longer is obligated to provide under section 251 of the Act, and Verizon may only implement such re-pricing after an amendment to the parties' interconnection agreements has been executing. Under the TRRO, Verizon is **not** permitted to impose any termination or other non-recurring charge in connection with any carrier's request to transition from a current arrangement that Verizon is no longer obligated to provide under section 251 of the 1996 Act. Verizon is bound by the unbundling obligations set forth in its existing interconnection agreements with Florida carriers, including the rates, terms and conditions for section 251 unbundled network elements, until such time as those agreements are properly amended to incorporate the changes of law and FCC-mandated transition plans (including transition rates) established under the TRRO.

ISSUE 7: Should Verizon be permitted to provide notice of discontinuance in advance of the effective date of removal of unbundling requirements?

COMPETITIVE CARRIER GROUP'S POSITION: No. The TRRO makes clear that the FCC's unbundling determinations are not "self-effectuating," and accordingly, that Verizon and Florida carriers may implement changes of law arising under the TRO and the TRRO only "as directed by section 252 of the Act," and consistent with the change of law processes set forth in carriers' individual interconnection agreements with Verizon. Furthermore, the TRRO expressly requires that Verizon and Florida carriers "negotiate in good faith regarding any rates, terms and conditions necessary to implement [the FCC's] rule changes. Therefore, the TRRO expressly precludes any effort by Verizon to circumvent the change of law process set forth in its interconnection agreements with Florida carriers by providing notice of discontinuance of any

network element in advance of the date on which such agreements are properly amended to reflect changes to the FCC's unbundling rules.

ISSUE 8: Should Verizon be permitted to assess non-recurring charges for the disconnection of a UNE arrangement or the reconnection of service under an alternative arrangement? If so, what charges apply?

COMPETITIVE CARRIER GROUP'S POSITION: No. The transition plans ordered by the FCC for unbundled dedicated transport, high capacity loops and mass market local switching, each prescribe the rates that Verizon may impose when a "no impairment" finding exists and the TRRO does not permit Verizon to impose any additional charges, including non-recurring charges, for the disconnection of a "de-listed" UNE or the reconnection of an alternative service arrangement.

Moreover, the cost of converting unbundled network elements to alternative arrangement should be incurred by the "cost causer," i.e. Verizon. Specifically, because the disconnection of a UNE arrangement and the reconnection of an alternative service arrangements is the result of Verizon's decision to forego unbundling, the cost of such network modifications should not be borne by any carrier that otherwise would continue using the UNE arrangements that Verizon currently provides.

ISSUE 9: What terms should be included in the Amendments' Definitions Section and how should those terms be defined?

COMPETITIVE CARRIER GROUP'S POSITION: The Amendment's Definition Section should include all terms necessary to properly implement changes to the FCC's unbundling rules under the TRO and the TRRO, including new terms defined in those Orders, and required modifications to the definitions of existing terms under the parties' interconnection agreements.

ISSUE 10: Should Verizon be required to follow the change of law and/or dispute resolution provisions in existing interconnection agreements if it seeks to discontinue the provisioning of UNEs?

COMPETITIVE CARRIER GROUP'S POSITION: Yes, Verizon must follow the "change of law" and dispute resolution provisions set forth in its interconnection agreements with Florida carriers to discontinue any network element that Verizon no longer is obligated to provide under section 251 of the 1996 Act. The TRRO makes clear that the FCC's unbundling determinations are not "self-effectuating," and accordingly, that Verizon and Florida carriers may implement changes of law arising under the TRO and the TRRO only "as directed by section 252 of the Act," and consistent with the change of law processes set forth in carriers' individual interconnection agreements with Verizon. Furthermore, the TRRO expressly requires that Verizon and Florida carriers "negotiate in good faith" any rates, terms and conditions necessary to implement [the FCC's] rule changes." At bottom, Verizon is bound by the unbundling obligations set forth in its existing interconnection agreements with Florida carriers until such time as those agreements are properly amended to incorporate the changes of law and FCC-mandated transition plans established under the TRRO.

ISSUE 11: How should any rate increases and new charges established by the FCC in its final unbundling rules or elsewhere be implemented?

COMPETITIVE CARRIER GROUP'S POSITION: Changes in the rates and new charges may be implemented only "as directed by section 252 of the Act," and consistent with the change of law processes set forth in carriers' individual interconnection agreements with Verizon. The TRRO expressly requires that Verizon and Florida carriers "negotiate in good faith regarding any rates, terms and conditions necessary to implement [the FCC's] rule changes. Verizon is bound by the unbundling obligations and rates set forth in its existing interconnection agreements with Florida carriers until such time as those agreements are properly amended to incorporate the

changes of law and FCC-mandated transition plans (including transition rates) established under the TRRO.

ISSUE 12: Should the interconnection agreements be amended to address changes arising from the TRO with respect to commingling of UNEs with wholesale services, EELs, and other combinations? If so, how?

COMPETITIVE CARRIER GROUP'S POSITION: Yes. The parties' interconnection agreements must be amended to reflect Verizon's obligation to provide commingling of unbundled network elements ("UNEs") or combinations of UNEs with wholesale services, as clarified by the FCC under the TRO, including the terms under which carriers may commingle UNEs and wholesale services. The FCC determined that "a restriction on commingling would constitute an unjust and unreasonable practice under section 201 of the Act," and an "undue and unreasonable prejudice or advantage" under section 202 of the Act, and would violate the "nondiscrimination requirement in section 251(c)(3)." Therefore, affirmatively found that competitive carriers may "connect, combine or other attach UNEs and UNE combinations to wholesale services," including switched or special access services offered under the rates, terms and conditions of an effective tariff. Importantly, the TRO also requires Verizon to effectuate commingling immediately, subject to penalties for noncompliance.

ISSUE 13: Should the interconnection agreements be amended to address changes arising from the TRO with respect to conversion of wholesale services to UNEs/UNE combinations? If so, how?

COMPETITIVE CARRIER GROUP'S POSITION: Yes. The parties' interconnection agreements should be amended to reflect that competitive carriers may convert tariffed services provided by Verizon to UNEs or UNE combinations, provided that the service eligibility criteria established by the FCC, under the TRO, are satisfied. Neither the D.C. Circuit's *USTA II* decision, nor the TRRO displaced the FCC's earlier findings with regarding to competitive

carriers' right to covert Verizon wholesale services to UNEs or combinations of UNEs, as permitted by the TRO.

ISSUE 14: Should the ICAs be amended to address changes, if any, arising from the TRO with respect to:

a) Line splitting;
b) Newly built FTTP loops;
c) Overbuilt FTTP loops;
d) Access to hybrid loops for the provision of broadband services;
e) Access to hybrid loops for the provision of narrowband services;
f) Retirement of copper loops;
g) Line conditioning;
h) Packet switching;
i) Network Interface Devices (NIDs);
j) Line sharing?

If so how?

COMPETITIVE CARRIER GROUP'S POSITION: Yes, the parties' interconnection agreements should be amended to reflect any changes to the FCC's unbundling rules arising under the TRO that were not vacated by the D.C. Circuit in *USTA II*, and/or modified by the FCC in the TRRO or other FCC order. The Amendment should expressly incorporate the requirements of the TRO and the FCC's rules with regard to the following: line splitting; newly built fiber-to-the-home and/or fiber-to-the-curb loops; overbuilt fiber-to-the-home and/or fiber-to-the curb loops; access to hybrid loops for the provision of broadband services; access to hybrid loops for the provision of narrowband services; retirement of copper loops; line conditioning; packet switching; network interface devices (NIDs); and line sharing.

ISSUE 15: What should be the effective date of the Amendment to the parties' agreements?

COMPETITIVE CARRIER GROUP'S POSITION: The Amendment to the parties' agreements should be effective as of the date of the last signature on the Amendment, except with respect to the transition rates for network elements that Verizon no longer is obligated to

provide under section 251 of the 1996 Act, as expressly provided by the FCC's rules and/or Orders, including the TRRO. To the extent that any provision of the Amendment should be given retroactive effect, as required by the FCC, the Amendment must state the effective date of the specified provision of the Amendment and the controlling FCC rule and/or Order.

With regard to any rates, terms and conditions set forth in the Amendment applicable to commingling and conversions, the effective date of such provisions will be, as required by the FCC, October 2, 2003, the effective date of the TRO. Specifically, under the TRO, Verizon must permit commingling and conversions as of the effective date of the TRO in the event that a requesting carrier certifies that it has complied with the FCC's service eligibility criteria. Under section 51.318 of the FCC's rules, Verizon must provide to requesting carriers, as of October 2, 2003, commingling and conversions unencumbered by additional processes or requirements not specified in the TRO, and requesting carriers must receive pricing for new EELs/conversions as of the date the request was made to Verizon.

ISSUE 16: How should CLEC requests to provide narrowband services through unbundled access to a loop where the end user is served via Integrated Digital Loop Carrier (IDLC) be implemented?

COMPETITIVE CARRIER GROUP'S POSITION: The Amendment should require that Verizon comply with section 51.319(a)(iii) of the FCC's rules, which requires that, where a requesting carrier seeks access to a hybrid loop for the provision of narrowband services, Verizon provide nondiscriminatory access to either an entire unbundled hybrid loop capable of providing voice-grade service, using time division multiplexing technology, or a spare home-run copper loop serving that customer on an unbundled basis. However, in the event that a requesting carrier specifies access to an unbundled copper loop in its request to Verizon, the Amendment should obligate Verizon to provide an unbundled copper loop, using Routine

Network Modifications as necessary, unless no such facility can be made available via Routine Network Modifications.

ISSUE 17: Should Verizon be subject to standard provisioning intervals or performance measurements and potential remedy payments, if any, in the underlying Agreement or elsewhere, in connection with its provision of

a) Unbundled loops in response to CLEC requests for access to IDLC-served hybrid loops;
b) Commingled arrangements;
c) Conversion of access circuits to UNEs; and
d) Loops or Transport (including Dark Fiber Transport and Loops) for which Routine Network Modifications are required.

COMPETITIVE CARRIER GROUP'S POSITION: Yes. Verizon should be subject to standard provisioning intervals or performance measurements, and potential remedy payments in the parties' underlying agreement or elsewhere for the facilities and services identified in the Commission's Order Establishing Procedure, including: (a) unbundled loops provided by Verizon in response to a carrier's request for access to IDLC-served hybrid loops; (b) commingled arrangements; (c) conversion of access circuits to UNEs; (d) Loops and Transport (including Dark Fiber Transport and Loops) for which routine network modifications are required.

ISSUE 18: How should sub-loop access be provided under the TRO?

COMPETITIVE CARRIER GROUP'S POSITION: Verizon is obligated to provide access to its subloops and network interface device ("NID"), on an unbundled basis, in accordance with section 51.319(b) of the FCC's rules and the TRO. Under the TRO, Verizon is obligated to provide a requesting carrier access to its subloops at any technically feasible access point located near a Verizon remote terminal for the requested subloop facilities. Accordingly, the Amendment should incorporate the requirements of the TRO and the FCC's applicable rules and should include: (a) detailed definitions of subloops and access terminals, consistent with the

TRO; (b) detailed procedures for the connection of subloop elements to any technically feasible point both with respect to distribution subloop facilities and subloops in multi-tenant environments. The Amendment also should include requirements set forth in the TRO applicable to Inside Wire Subloops, and to Verizon's provision of a single point of interconnection ("SPOI") suitable for use by multiple carriers.

ISSUE 19: Where Verizon collocates local circuit switching equipment (as defined by the FCC's rules) in a CLEC facility/premises, should the transmission path between that equipment and the Verizon serving wire center be treated as unbundled transport? If so, what revisions to the Amendment are needed?

COMPETITIVE CARRIER GROUP'S POSITION: The Competitive Carrier Group adopts the position of AT&T Communications of the Southern States, LLC on this issue.

ISSUE 20: Are interconnection trunks between a Verizon wire center and a CLEC wire center, interconnection facilities under section 251(c)(2) that must be provided at TELRIC?

COMPETITIVE CARRIER GROUP'S POSITION: The Competitive Carrier Group adopts the position of AT&T Communications of the Southern States, LLC on this issue.

ISSUE 21: What obligations under federal law, if any, with respect to EELs should be included in the Amendment to the parties' interconnection agreements?

COMPETITIVE CARRIER GROUP'S POSITION: The parties' interconnection agreements should be amended to address changes of law that address Verizon's obligation to provide "new" EELs, in addition to EELs converted from existing special access circuits, including the high capacity EEL service eligibility criteria set forth in section 51.318 of the FCC's rules. In light of the FCC's rule setting forth Verizon's obligation to provide EELs, the Amendment should make clear that: (1) Verizon is required to provide access to new and converted EELs unencumbered by additional processes or requirements not specified in the TRO; (2) competitive carriers must self-certify compliance with the applicable high capacity EEL service eligibility criteria for high capacity EELs, by manual or electronic request, and

permit a limited annual audit by Verizon to confirm their compliance with the FCC's high capacity EEL service eligibility criteria; (3) Verizon's performance in connection EEL facilities must be subject to standard provisioning intervals and performance measures; and (4) Verizon will not impose charges for conversion from wholesale to UNEs or UNE combinations, other than a records change charge. In addition, the Commission should permit competitive carrier to re-certify prior conversions in a single batch, and to certify requests for future conversions in one batch, rather than to certify individual requests on a circuit-by-circuit basis.

ISSUE 21(a): What information should a CLEC be required to provide to Verizon as certification to satisfy the service eligibility criteria (47 C.F.R. Sec. 51.318) of the TRO in order to (1) convert existing circuits/services to EELs or (2) order new EELs?

COMPETITIVE CARRIER GROUP'S POSITION: The Amendment should require that competitive carriers comply with the service eligibility requirements established by the TRO and section 51.318 of the FCC's rules. Specifically, to obtain a new or converted EEL under the TRO and section 51.318 of the FCC's rules, the Amendment should require that a competitive carrier supply self-certification to Verizon of the following information: (1) state certification to provide local voice service, or proof of registration, tariff and compliance filings; (2) that at least one number local number is assigned to each DS1 circuit prior to provision of service over that circuit; (3) that each circuit has 911/E911 capability prior to the provision of service over that circuit; (4) that the circuit terminates to a collocation or reverse collocation; (5) that each circuit is served by an interconnection trunk in the same LATA over which calling party number ("CPN") will be transmitted; (6) that one DS1 interconnection trunk (over which CPN will be passed) is maintained for every 24 DS1 EELs; and (7) that the circuit is served by a Class 5 switch or other switch capable of providing local voice traffic.

ISSUE 21(b): Conversion of existing circuits/services to EELs:

ISSUE 21(b)(1): Should Verizon be prohibited from physically disconnecting, separating or physically altering the existing facilities when a CLEC requests a conversion of existing circuits/services to an EEL unless the CLEC requests such facilities alteration?

COMPETITIVE CARRIER GROUP'S POSITION: Yes. The Amendment to the parties' interconnection agreements should state that, when existing circuits/services employed by a competitive carrier are converted to an EEL, Verizon shall not physically disconnect, separate, alter or change in any fashion equipment and facilities employed to provide the wholesale service, except at the request of the competitive carrier.

ISSUE 21(b)(2): In the absence of a CLEC request for conversion of existing access circuits/services to UNE loops and transport combinations, what types of charges, if any, can Verizon impose?

COMPETITIVE CARRIER GROUP'S POSITION: In the absence of a CLEC request for conversion of existing access circuits/services to UNE loops and transport, the amendment should expressly preclude Verizon from imposing additional charges on any competitive carrier.

ISSUE 21(b)(3): Should EELs ordered by a CLEC prior to October 2, 2003, be required to meet the TRO's service eligibility criteria?

COMPETITIVE CARRIER GROUP'S POSITION: No. Any EEL provided by Verizon to a competitive carrier prior to October 2, 2003 should not be required to meet the service eligibility criteria set forth in the TRO and section 51.318 of the FCC's rules.

ISSUE 21(b)(4): For conversion requests submitted by a CLEC prior to the effective date of the amendment, should CLECs be entitled to EELs/UNE pricing effective as of the date the CLEC submitted the request (but not earlier than October 2, 2003)?

COMPETITIVE CARRIER GROUP'S POSITION: Yes. The Amendment should expressly state that conversion requests issued by a competitive carrier after the effective date of the TRO and before the effective date of the Amendment shall be deemed to have been completed on the effective date of the Amendment, and as such, should be subject to EELs/UNEs pricing available under the TRO.

ISSUE 21(c): What are Verizon's rights to obtain audits of CLEC compliance with the service eligibility criteria in 47 C.F.R. 51.318?

COMPETITIVE CARRIER GROUP'S POSITION: Under the TRO, Verizon is permitted to conduct one audit of a competitive carrier to determine compliance with the FCC's service eligibility criteria for EELs, provided that Verizon demonstrates cause with respect to the particular circuits it seeks to audit, and obtains and pays for an AICPA-compliant independent auditor to conduct such audit. The independent auditor is required to perform its evaluation of the competitive carrier in accordance with the standards established by the American Institute for Certified Public Accountants (AICPA), which require that the auditor perform an "examination engagement" and issue an opinion regarding the carrier's compliance with the FCC's service eligibility criteria. The independent auditor must conclude whether the competitive carrier has complied in all material respects with the applicable service eligibility criteria. If the auditor's report concludes that the competitive carrier failed to materially comply with the service eligibility criteria in all respects, the carrier will be required to true-up any difference in payments, convert all noncompliant circuits to the appropriate service and make correct payments on a going-forward basis. In such cases, the competitive carrier also must reimburse Verizon for the costs associated with the audit. If the auditor's report concludes that the competitive carrier has complied with the FCC's service eligibility criteria, Verizon must reimburse the competitive carrier its costs (including staff time and other appropriate costs) associated with the audit.

ISSUE 22: How should the Amendment reflect an obligation that Verizon perform routine network modifications necessary to permit access to loops, dedicated transport, or dark fiber transport facilities where Verizon is required to provide unbundled access to those facilities under 47 U.S.C. § 251(c)(3) and 47 C.F.R. Part 51?

COMPETITIVE CARRIER GROUP'S POSITION: Verizon's obligation, under federal law, to provide routine network modifications to permit access to its network elements that are subject to unbundling under section 251 of the 1996 Act and part 51 of the FCC's rules existed prior to the TRO. Therefore, because the TRO provides only clarification with respect to Verizon's obligation to provide routine network modifications, the TRO does not constitute a "change of law" under the parties' agreements for which a formal amendment is required. Nonetheless, for avoidance of doubt, the Competitive Carrier Group maintains that the Amendment include language clarifying the scope of Verizon obligation to provide to competitive carriers routine network modifications to permit access to its UNEs.

Consistent with the TRO, the Amendment should define Routine Network Modifications as those prospective or reactive activities that Verizon regularly undertakes when establishing or maintaining network connectivity for its own retail customers. A determination of whether or not a requested modification is in fact "routine" should, under the Agreement, be based on the tasks associated with the modification, and not on the end-user service that the modification is intended to enable. The Amendment should specify that the costs for Routine Network Modifications are already included in the existing rates for the UNE set forth in the parties' interconnection agreements, and accordingly, that Verizon may not impose additional charges in connection with its performance of routine network modifications.

ISSUE 23: Should the parties retain their pre-Amendment rights arising under the Agreement, tariffs, and SGATs?

COMPETITIVE CARRIER GROUP'S POSITION: Yes, the parties should retain their pre-Amendment rights under the Agreement, tariffs and SGATs.

ISSUE 24: Should the Amendment set forth a process to address the potential effect on the CLECs' customers' services when a UNE is discontinued?

COMPETITIVE CARRIER GROUP'S POSITION: The Amendment should include a process to address the potential effect on CLECs' customers' services when a section 251(c) UNE is discontinued, to ensure that loss of service to a CLECs' customers does not result from Verizon's discontinuance of that particular UNE.

ISSUE 25: How should the Amendment implement the FCC's service eligibility criteria for combinations and commingled facilities and services that may be required under 47 U.S.C. § 251(c)(3) and 47 C.F.R. Part 51?

COMPETITIVE CARRIER GROUP'S POSITION: As discussed more fully in response to Issue 21 above, the Amendment should expressly incorporate the FCC's service eligibility criteria set forth in the TRO and section 51.318 of the FCC's rules for combinations and commingled facilities and service.

ISSUE 26: Should the Commission adopt the new rates specified in Verizon's Pricing Attachment on an interim basis?

COMPETITIVE CARRIER GROUP'S POSITION: No, the Commission should not adopt the new rates specified in Verizon's pricing attachment on an interim basis.

STIPULATED ISSUES

There are no stipulated issues.

PENDING MOTIONS

Competitive Carrier Group has no pending motions.

PENDING REQUESTS OR CLAIMS FOR CONFIDENTIALITY

None.

REQUIREMENTS THAT CANNOT BE COMPLIED WITH

None.

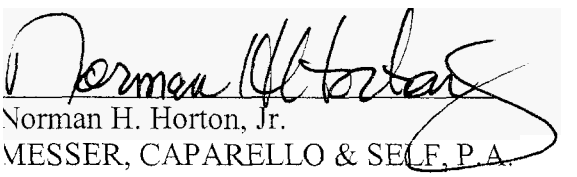
DECISIONS PREEMPTING THE COMMISSION'S ABILITY TO RESOLVE THIS MATTER

None.

OBJECTIONS TO WITNESSES QUALIFICATIONS AS AN EXPERT

None at this time.

Respectfully submitted,



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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been served on the following parties by Hand Delivery (*) and/or U.S. Mail on this 30th day of March, 2005.

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