

OPEN MEETING ITEM



0000009263

THIS AMENDMENT:	
Passed _____	Passed as amended by _____
Failed _____	Not Offered _____
	Withdraw _____

RECEIVED

2001 FEB -7 P 4: 26

UTILITIES DIVISION

TIME/DATE PREPARED: February 8, 2001

AZ CORP COMMISSION
DOCUMENT CONTROL

COMPANY: U S WEST Communications, Inc.
Compliance with Section 271
(Checklist No. 10)

AGENDA ITEM NO. 8
Arizona Corporation Commission
DOCKETED

FEB 07 2001

DOCKET NO. T-00000A-97-0238

DOCKETED BY 

OPEN MEETING DATE: February 13 and 14, 2001

Page 4, DELETE Lines 6 through 9, Beginning with "Staff" and INSERT:

"Qwest objects to WorldCom raising an issue from other region workshops for the first time in Arizona after the record has closed. On February 2, 2001, AT&T filed a Motion with the Hearing Division requesting that it establish a procedure for developing a record in Arizona for issues raised for the first time in other jurisdictions after the Arizona Workshops have been completed. Thus, the parties have agreed that the Hearing Division will address this issue. Amendments agreed to by Qwest, AT&T and WorldCom have been made to the Staff's Final Report for Checklist Item 10 to reflect the above."

INSERT NEW FINDINGS OF FACT 16:

Renumber to Conform

"16. All outstanding issues raised in the Arizona Workshops were resolved. Checklist 10 is no longer in dispute. Accordingly, Staff is forwarding its Report on Checklist Item 10 to the Commission consistent with the provisions of the June 12, 2000 Procedural Order on undisputed issues."

"17. Qwest's compliance with Checklist Item 10 is contingent on its updating its SGAT with language agreed to in other State workshops on Checklist Item 10; passing all relevant performance measurements; and resolution of AT&T's Motion by the Hearing Division/Commission."

"18. The attached Amended Final Report dated February 7, 2001 is hereby submitted with the recommendation that Qwest has met the requirements of Checklist Item 10."

Page 4, Line 17, before "Final" INSERT "Amended"

Page 4, Line 17, DELETE "January 30" and INSERT "February 7"

Page 5, Line 2, before "Final" INSERT "Amended"

Page 5, Line 2 DELETE "January 30" and INSERT "February 7"

ORIGINAL

IN THE MATTER OF QWEST CORPORATION'S
SECTION 271 APPLICATION

RECEIVED
2001 FEB -7 P 4: 26

AZ CORP COMMISSION
DOCUMENT CONTROL

ACC Docket No. T-00000A-97-0238

AMENDED FINAL REPORT ON QWEST'S
COMPLIANCE

With

CHECKLIST ITEM: NO. 10 - DATABASES AND
ASSOCIATED SIGNALING

FEBRUARY 7, 2001

I. FINDINGS OF FACT

A. PROCEDURAL HISTORY

1. On January 25, 2000, the first Workshop on Checklist Items No. 7 (911/E911, Directory Assistance and Operator Services) and No. 10 (Databases and Associated Signaling) took place at Qwest Corporation's¹ offices in Phoenix. Parties appearing at the Workshops included Qwest, AT&T, MCI WorldCom, Sprint, Cox, e-spire and the Residential Utility Consumer Office ("RUCO"). Qwest relied upon its original testimony submitted in March, 1999. Additional Comments were filed on January 20, 2000 by AT&T. Qwest filed Rebuttal Comments on January 24, 2000.

2. On March 7, 2000, an additional Workshop was conducted on Checklist Items 3, 7 and 10. Supplemental Comments were filed by AT&T on March 2, 2000 with Reply Comments filed by Qwest March 6, 2000.

3. The Parties resolved many issues at the two Workshops held on January 25, 2000 and March 7, 2000. Outstanding issues from the March 7, 2000 Workshop included a commitment by Qwest to supply amendments to its field documentation which reflected the agreements reached with respect to direct access for 911 and signaling traffic. On June 12, 2000, Qwest submitted documentation which it believed reflected the agreements reached with AT&T and Worldcom.² AT&T responded in a letter dated June 15, 2000 asking for time to review the documentation supplied by Qwest. AT&T also submitted a supplemental filing dated July 27, 2000, wherein it indicated that with the agreements reached on the documentation at the Washington Section 271 Workshops, AT&T considered all outstanding issues on Checklist Item 10 to be resolved.

4. Staff filed its Proposed Findings of Fact and Conclusions of Law on Checklist Item No. 3 on January 4, 2001. Comments were filed by WorldCom and AT&T. On January 26, 2001, Qwest filed an Objection to the Comments of WorldCom and AT&T. In their Comments on Checklist Item 10, both WorldCom and AT&T stated that Qwest agreed to bring agreements reached in other region Workshops on Checklist Item 10 back to Arizona for incorporation into the Arizona SGAT and that Qwest has not done so. On January 24, 2001, Qwest filed a pleading indicating that it would incorporate into the Arizona SGAT, all agreements reached with respect to SGAT language in other region Workshops on Checklist Item 10. On February 2, 2001, AT&T filed a Motion with the Hearing Division requesting that it establish a procedure for

¹ As of the date of this Report, U S WEST has merged with Qwest Corporation, which merger was approved by the Arizona Commission on June 30, 2000. Therefore, all references in this Report to U S WEST have been changed to Qwest.

² Letter from Steven R. Beck, Senior Attorney, Qwest.

developing record in Arizona for issues raised for the first time in other jurisdictions within the Qwest region after the Workshops have been completed.

B. DISCUSSION

1. Checklist Item No. 10

a. FCC Requirements

5. Section 271(c)(2)(B)(x) of the Telecommunications Act of 1996 requires a section 271 applicant to provide or offer to provide "[n]ondiscriminatory access to databases and associated signaling necessary for call routing and completion."

6. In the *Second BellSouth Louisiana Order*, the FCC required BellSouth to demonstrate that it provided requesting carriers with nondiscriminatory access to: "(1) signaling networks, including signaling links and signaling transfer points; (2) certain call-related databases necessary for call routing and completion, or in the alternative, a means of physical access to the signaling transfer point linked to the unbundled database; and (3) Service Management Systems ("SMS");" and to design, create, test, and deploy Advanced Intelligent Network ("AIN") based services at the SMS through a Service Creation Environment ("SCE").

7. In the *Texas 271 Order*³, the FCC noted that in the *UNE Remand Order*,⁴ it clarified that the definition of call-related databases "includes, but is not limited to, the calling name ("CNAM") database, as well as the 911 and E911 databases." *Id.* at para. 363.

b. Background

8. The Qwest network consists of end office switches, tandem switches and call-related databases. USW-7, p. 35. The Qwest network is interconnected with other networks, including the switches of interexchange carriers, other local exchange carriers and CLECs. USW-7, p. 35. Each of these switches and call-related databases, regardless of provider, can be considered a "node" on the Public Switched Telephone Network ("PSTN"). USW-7, p. 35. Each node in the PSTN must exchange information with other nodes to facilitate the completion of a local or long distance telephone call. USW-7, p. 35. The exchange of information between network nodes is referred to as signaling. USW-7, p. 35.

³ *In the Matter of Application of SBC Communications Inc., Southwestern Bell Telephone Company, and Southwestern Bell Communications Services, Inc. d/b/a Southwestern Bell Long Distance Pursuant to Section 271 of the Telecommunications Act of 1996 to Provide In-Region, InterLATA Services in Texas*, CC Docket No. 00-65, Memorandum Opinion and Order (Rel. June 30, 2000)("Texas 271 Order").

⁴ *In the Matter of Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, CC Docket No. 96-98, Third Report and Order and Fourth Further Notice of Proposed Rulemaking, (Rel. November 5, 1999)(UNE Remand Order).

9. The signaling network facilitates communication between end office switches, tandem switches, interexchange carrier switches, CLEC switches and other local exchange carrier switches for establishing voice grade trunk connections. USW-7, p. 36. The signaling network also facilitates communication between the switches and the various call-related databases that are associated with the signaling network. Id. Signaling is an essential component of interconnection. AT&T-4 at p. 18.

10. Signaling on the Public Switched Telephone Network is now almost universally performed through a separate signaling network using the Signaling System 7 (SS7) protocol. USW-7, page 36. The signaling network is a packet switched communication network that allows call control messages to be transported on a dedicated high-speed data network that is separate and distinct from the voice communication network. USW-7, p. 36.

11. Qwest's signaling network consists of the following components:

Signaling Links - connect to a network node, such as an end office, tandem, or call-related databases to the signaling network.

Signal Transfer Points - STPs are the "tandem switches" of the signaling network. Network nodes will deliver a signaling message via its signaling link to the STP. Depending on the destination of that signaling message, the STP delivers the signaling message to another signaling link for delivery to the terminating network node.

Call-Related Databases - databases that are used in the routing of voice traffic on the PSTN, which includes the 800/888 toll-free service database, LIDB, Local Number Portability (LNP), the Calling Name database, and the AIN database.

Service Management System - a system used to update the contents of a call-related database.

12. Signaling links connect a network node such as an end office, tandem, or call-related database for the signaling network. TR. at p. 106.⁵ Signaling Transfer Points ("STPs") are the tandem switches of the signaling network. TR. at p. 106. Signaling links from the various network nodes terminate at the STP, and depending on the destination of the signaling message, the STP delivers the signaling message to another link for delivery to the terminating network node, call-related databases, stored data use for billing and collection or the transmission routing or provision of the telecommunications service. TR. at p. 106. If a call-related database is required for a given call, the end office or tandem switch will send a query over the signaling network to the appropriate call-related database which will return information useful in processing the call. TR. at p. 107.

⁵ Transcript references in this section are to the January 25, 2000 Workshop.

13. The Qwest switch must pass information to the CLEC switch for interconnection to work. Any call from a CLEC customer to a Qwest customer or from a Qwest customer to a CLEC customer involves signaling. AT&T-4, p. 18. Unbundled signaling refers to the ability of a CLEC to lease signaling capability from Qwest instead of building its own signaling network or leasing signaling capability from a third party. AT&T-4 at p. 18. Specifically, the CLEC must either install a STP, lease this capability from Qwest, or lease an STP from a third party. The STP is the switching and mediation point for signaling traffic from one switch to another. AT&T-4 at p. 18.

14. Call-related databases store data that is used in the routing of traffic on the PSTN. USW-7, p. 40. If a call-related database is required for a given call, the end office switch or tandem switch will send a query, over the signaling network, to the appropriate call-related database, which will return information useful in processing the call. USW-7, p. 40.

15. Following is a brief description of the various call-related databases.

a. Local Number Portability (LNP) - This database stores the identification of the end office switch that serves a particular telephone number. Qwest has deployed a LNP database that serves the Phoenix and Tucson metropolitan areas. USW-1, at p. 40.

b. Line Information Database (LIDB) - This database provides screening and validation on alternately billed services for operator handled calls, including billed-to-third, collect, and calling card calls. The records in LIDB include both Qwest and CLEC end users. USW-1, at p. 40.

c. 800/888 Database - This database enables a CLEC to determine where an originating 800/888 toll-free call should be routed. The database transmits the call routing information to the CLEC over the same signaling network on which the request was received. The CLEC uses this routing information to forward the call to the appropriate network for call completion. USW-1 at p. 41.

d. InterNetwork Calling Name (ICNAM) Database - This database enables a CLEC to query for the listed name information for the calling number in order to deliver that information to the CLEC's end user (called number).

e. Advanced Intelligent Network (AIN) database - is the brand name for a type of call-related database that can be used to provide new features for an end user.

16. Qwest provides the following LIDB services to CLECs:

a. Initial LIDB Load. CLECs may store end user line records in Qwest's LIDB database. When this service is first purchased from Qwest, Qwest must conduct an

initial load of the CLEC's records in the Qwest LIDB. The initial load is often performed by a Qwest subcontractor.

b. LIDB Updates. Once the CLEC has stored its initial set of records in the Qwest LIDB, CLECs may submit line record updates for the LIDB database via e-mail or facsimile. If CLECs submit updates via e-mail, the electronic file must be formatted to load into the Line Validation Administration System ("LVAS"). Updates submitted by CLECs will be processed twice daily.

c. LIDB Queries. During the completion of a call to the CLEC's customer, the originating local exchange carrier or an interexchange carrier may query the Qwest LIDB to determine, for example, whether the CLEC's customer will accept a collect call.

USW-13, p. 18.

c. Position of Qwest

17. On March 25, 1999, Qwest witness Margaret S. Bumgarner provided Direct Testimony stating that Qwest provides nondiscriminatory access to its signaling network, including signaling links and signaling transfer points through the terms of its proposed SGAT as well as the terms of Commission-approved interconnection agreements. USW-7 at p. 34.

18. Qwest's proposed SGAT, Section 10.15.1.1., provides that CLECs may interconnect with Qwest's signaling network to facilitate signaling between their switches and Qwest's end office and tandem switches. USW-7 at p. 34. The original SGAT also contains additional terms and conditions for nondiscriminatory access to the Qwest databases and associated signaling network:

Qwest will provide CLEC with nondiscriminatory access to signaling networks, including signaling links and signaling transfer points. Access to Qwest's signaling network provides for the exchange of signaling information between Qwest and CLEC necessary to exchange traffic and access call-related databases. Signaling networks enable CLECs the ability to send signals between its switches and Qwest's switches, and between its switches and those third party networks with which Qwest's signaling network is connected. CLEC may access Qwest's signaling network from each of its switches via a signaling link between its switch and the Qwest STP. The connection between CLEC's switch and the Qwest signaling network will provided in substantially the same manner as Qwest connects one of its own switches to the STP.

19. CLECs may interconnect their switches directly to Qwest's STPs, CLECs may interconnect their own STPs with Qwest's STPs, or the CLEC may also interconnect with Qwest's signaling network to a third-party signaling network provider. TR. at p.

107. This would include other carrier's switches that are connected to the Qwest signaling network.

20. When the CLEC interconnects their switches directly to Qwest's STPs, or interconnect their own STPs with Qwest's STPs, their call routing and database queries are handled in the same manner as Qwest call routing and database query. TR. at p. 107. The CLEC signaling traffic is routed over the Qwest signaling network in the exact same manner as Qwest's signaling traffic is routed. TR. at p. 107.

21. When the CLEC orders unbundled switching, the CLEC's signaling traffic is routed over the Qwest signaling network in the exact same manner as Qwest's signaling traffic is routed. USW-7 at p. 39. See also, Section 10.13.2.2 of Qwest's proposed SGAT.

22. Qwest has legally binding commitments to provide such access in its SGAT and in its various interconnection agreements in Arizona. TR. at p. 105. There are several carriers interconnected with Qwest's signaling network in Arizona and there are also third-party signaling network providers interconnected to Qwest's signaling network providing access for other carriers. Id.

23. Qwest has documented its processes and procedures for providing access through its signaling network and call-related databases which are posted on the Qwest website. TR. at p. 105.

24. Qwest also provides nondiscriminatory access to its call related databases including calling database, 911 database, line information database, toll free calling database, advance intelligent network database, and the number portability database. TR. at p. 107. Terms and conditions for access to AIN, Line Information Database (LIDB), 800/888 and Calling Name databases are contained in Sections 10.16, 10.17, 10.18 and 10.19 of the original Qwest proposed SGAT. USW-7 at p. 34.

25. Qwest is legally bound to provide access to all of these databases through its SGAT and interconnection agreements. TR. at p. 108.

26. For LIDB and the calling name databases, CLECs transmit updates via an e-mail with a data formatted file to be loaded into the line validation administration system or LVAS. TR. at p. 108. Or the CLEC can use a facsimile process for updates twice a day. TR. at p. 108. Qwest updates from the service order provisioning interface to load data into the same LVAS system, using the same format as the CLEC's file. TR. at p. 108.

27. For AIN, a CLEC can use the AIN/SMS process, which is largely manual, to update a record in the existing Qwest AIN database. The CLEC may also use the Qwest service creation process to create a new AIN service to be placed in a Qwest AIN database for the CLEC's use. The current service creation manual process is built by a Qwest AIN technician and is the same manual process used for Qwest's service creation.

TR. at p. 109. The CLEC may populate end-user data using an electronic file for loading by an AIN technician into the database or electronic access will be addressed as part of the AIN customized service or service creation process if it's desired by the CLEC. TR. at p. 109.

28. The records in Qwest's number portability and toll free calling databases are updated by downloading information from third-party owned and administered databases. TR. at p. 109. In the case of number portability database, LNP, the records are updated from a regional database owned and administered by Neustar, as required by the FCC. The information in Qwest's toll free calling database is updated from a national database administered by Telecordia, according to the FCC's rules. TR. at p. 109.

29. Qwest witness Bumgarner also stated that Qwest provides access, on an unbundled basis, to the Qwest Service Management Systems ("SMS") that will allow CLECs to create, modify or update information in Qwest's call-related databases. For the service management system, the FCC required Qwest to provide CLECs with information necessary to enter correctly or format for entry the information relevant for input into the service management system. TR. at p. 108. Qwest provides access on an unbundled basis to the SMSs for creating, modifying or updating information in Qwest's call-related databases. TR. at p. 108.

30. Qwest protects the customer proprietary information that is included in call-related databases. USW-7, at p. 42. For LIDB service, Qwest is implementing a service provider identifier applied to each end user line record in the database. *Id.* The identifier will designate the owner of each line record to ensure the records of one provider are not shared with another provider. *Id.* Access to the database is limited to a specific group of employees responsible for managing the LIDB database. *Id.* The AIN database will also include a unique identifier in each customer record that will designate the "responsible organization" or the record owner. USW-7, at p. 42. As with LIDB, the AIN database is restricted to a specific group of Qwest employees, in a safe harbor environment, responsible for maintaining the database. USW-7, at p. 42. This restriction is intended to preserve the privacy of customer records. *Id.* The service provider for each customer record can be identified and is used to dictate the availability of information. *Id.*

d. Competitors' Position

31. Parties filing preliminary Statements of Position on July 22, 1999, on Qwest's compliance with all Checklist Items, included AT&T, ELI, e-spire, Cox, Rhythms, NEXTLINK, WorldCom and Sprint. AT&T stated that Qwest was not in compliance with the requirements of Checklist Item 10. AT&T-1 at p. 12. Cox and e-spire stated that they had inadequate information to determine Qwest's compliance with Checklist Item 10. ELI filed comments stating that it joined in the Position Statements of other CLECs regarding Checklist Item 10. MCI filed comments stating that it had no information to suggest that Qwest is or is not in compliance with this Checklist Item. Rhythms did not offer a Statement of Position on Checklist Item No. 10. NEXTLINK

stated that Qwest did not meet this Checklist Item since Qwest refused NEXTLINK's requested for access to SS7 and AIN databases and networks. Sprint can not provide comment at this time because it has not yet attempted to obtain access to numbers in Arizona.

32. In its January 20, 2000 Supplemental Comments filed before the first workshop to determine Qwest's compliance with Checklist Item 10, AT&T raised three issues related to 1) access to signaling for interconnection purposes versus access to signaling as an unbundled network element ("UNE"), 2) access to call-related databases, and 3) access to signaling with a ICDF or SPOT frame. *Id.* at pp. 19-20.

33. AT&T stated that Qwest "intermingles access to signaling for interconnection and signaling as an unbundled element." AT&T-4, p. 18. Qwest's provisions for signaling are contained in the Unbundled Loop Section of its SGAT. *Id.* at p. 18. AT&T expressed concern that if signaling was only contained in the SGAT's Unbundled Loop Section, that it could be implied that Qwest intends to limit access to signaling only when an unbundled loop is ordered, which AT&T stated would be inappropriate. *Id.* AT&T states that that the CLECs must have access to signaling for interconnection. AT&T-4, at pp. 18-19. AT&T argued that the FCC had reaffirmed and expanded its UNE rules in the UNE Remand Order yet Qwest had not updated its SGAT to conform to the FCC's UNE remand order. AT&T-4, at p. 19. CLECs, therefore have no assurances as to whether they will receive access to signaling and, if so, what they will ultimately receive for signaling from Qwest under the SGAT. *Id.*

34. AT&T also reiterated its reliability and quality concerns regarding the way in which Qwest offers access to signaling. According to AT&T, Qwest requires traffic to traverse through a ICDF or SPOT frame when the CLEC uses collocation to interconnect with Qwest. AT&T-4 at p. 19.

35. AT&T's third concern related to whether Qwest will offer access to call-related databases. AT&T-4 at p. 20. The SGAT includes call-related databases in the section on Unbundled Loops and Qwest's testimony implies that Qwest is considering an interpretation of the new FCC rules to unilaterally prevent CLEC access to call related databases. *Id.* at p. 20. There is a clear relationship between access to operational support systems and access to call-related databases and signaling. The FCC requires that Qwest provide nondiscriminatory access to the various functions of its OSS in order to provide access to such databases and signaling links in a timely and efficient manner. AT&T-4 at p. 20. AT&T states that if the CLECs do not have access to these databases, some CLECs would be unable to process calls and their business would be severely damaged. *Id.*

36. AT&T's remaining concerns are as follows. The SGAT does not provide nondiscriminatory access to databases. First, in Section 9.6.1.2, LIDB storage, Qwest requires that CLECs license the CLEC data for storage in Qwest's database but no terms or conditions for this license are provided. Second, Section 9.6.1.3 demonstrates that Qwest does not provide parity to its provisioning of the LIDB database, since it

addresses the future provision of electronic access to the database. In effect, Qwest provides electronic access for its own customers but not for CLEC customers. Third, Section 9.6.2.2.2 requires CLECs to e-mail Qwest an ASCII file of their line records 2 times a day, regardless of any need to do so. Fourth, Section 9.6.2.3.1 requires that CLECs must reimburse Qwest for all charges that Qwest incurs relating to the input of CLECs' end user line record information. Fifth, Qwest still requires faxes for queries until an electronic means becomes available. Sixth, LIDB inquiry service is not mandated to be provided at parity, but rather assumes a 7 day order fulfillment process and a cumbersome LOA process. AT&T-4 at p. 22.

e. Qwest Response

37. In its Reply Comments filed January 24, 2000, Qwest reiterated its position that it fully complied with the requirements of Checklist Item 10. USW-13, p. 16. Both CLECs and third party signaling network providers operating in Arizona have interconnected with Qwest's signaling network. *Id.* Qwest provides competing carriers with access to unbundled signaling through the STP port, the entrance facility and the Direct Link Transport ("DLT"). *Id.* at p. 16. Further, Qwest's provision of unbundled signaling permits the CLEC to access call-related databases, such as the LIDB and the 800/888 database, and the AIN functions. Finally, Qwest states that it also provides nondiscriminatory access to Service Management System, which allows CLECs to create, modify, or update information in call-related databases. *Id.* And, Qwest claims that the rates for unbundled access to databases and signaling are cost-based under Section 252(d). *Id.*

38. Qwest states that contrary to what AT&T argues, it actually does provide access to both signaling for interconnection and signaling as a UNE. USW-13 at p. 17.

39. Qwest states that CLECs have the following options:

1) Order CCSAC/SS7 as an UNE, through the SGAT Section 9.4. Section 9.4.2.1 of the SGAT provides: "All elements of the unbundled CCSAC/SS7 arrangement will be developed on an individual case base based on CLECs design requirements." All associated signaling costs are priced at TELRIC.

2) Order CCSAC/SS7 services from Qwest as a finished product defined in the current Access Tariffs (FCC #5, Section 20). This option is addressed in the SGAT section for interconnection, Section 7. TR. at p. 110.

3) Lease signaling arrangements from a third party competitor, who would be required to connect to the Qwest signaling network.

USW-13, at p. 17.

40. Qwest states that it currently has two CLECs in Arizona purchasing SS7 service as a UNE from Qwest. *Id.*

41. Qwest reiterated that it does not require the use of an intermediate frame to provision unbundled signaling. *Id.* at p. 17.

42. Qwest also responded to AT&T's concerns that Qwest's SGAT is not providing nondiscriminatory access to databases. USW-13, at pp. 18-22.

43. Qwest states that AT&T's general concern relating to access to databases may relate more to legitimate restrictions placed by Qwest because of the customer proprietary information contained in the LIDB database since service providers are not allowed to store or use this data for marketing purposes. USW-13 at pp. 18.

44. In response to AT&T's first concern that Qwest requires CLECs to license the CLEC data for storage in Qwest's database and that no terms or conditions for this license are provided, Qwest stated that it is required to allow access to the LIDB database to all local exchange carriers and interexchange carriers on a non-discriminatory basis. USW-13, at p. 19. Consequently, Qwest requires parties storing data in this database to give Qwest a license so parties can access all information contained in the database regardless of its source. *Id.* To do so otherwise would effectively destroy the usefulness of Qwest's LIDB. USW-13, at p.19. This situation is analogous to the use of third party information when providing directory listings.

45. In response to AT&T's concern that per Section 9.6.1.3 of the SGAT, "Qwest does not provide parity to its provisioning of the LIDB database, since it addresses the future provision of electronic access to the database and hence Qwest provides electronic access for its own customers, but not for CLEC customers, Qwest responded that it does in fact allow CLECs to choose whether to deliver their updates electronically or manually. TR. at p. 113. Qwest offers an electronic solution that processes all CLEC records on the same day the records are received. TR. at p. 113. However, since some CLECs can not send Qwest mechanized updates, they update their LIDB records by submitting memos and faxes, which Qwest manually loads. USW-13, at p. 19. If the CLEC submits batched files in an ASCII file format, batch files are electronically uploaded directly into the LIDB twice a day in Qwest's service order system using the same file format to transmit data to the LIDB database. TR. at p. 113. Emergency line information updates, which fall outside of the normal business process, are provided for in Qwest methods and accepted as stated in Section 9.6.1.4 of the SGAT. *Id.*

46. AT&T stated that Section 9.6.2.2.2 of the SGAT appeared to require that CLECs e-mail to Qwest an ASCII file of their line records 2 times a day, regardless of any need to do so. In response, Qwest stated that it only requires Qwest to do the update twice daily. Tr. at p. 114. The CLECs are not required to submit update twice per day. USW-13 at p. 20. Rather, Qwest, via SGAT Section 9.6.2.2.2, commits to performing LIDB updates twice per day. *Id.* Further, Qwest only requires CLECs to submit

modified or changed records for LIDB database updates - not a reload of all the CLEC's LIDB records. USW-13, at p. 20.

47. Qwest also responded to AT&T's concerns that Section 9.6.2.3.1 of the SGAT requires the CLEC to reimburse Qwest for all charges that Qwest incurs relating to the input of CLECs' end user line record information. Qwest stated that if a CLEC provides Qwest with a large volume of new listings to be stored in the LIDB database, Qwest must prepare an initial load file for the CLEC data. Qwest subcontracts this work to a third-party software vendor and passes the software vendors' charges for the work through to the CLEC. USW-13, at p. 20. Qwest states that this charge is below Total Element Long Run Incremental Cost ("TELRIC").

48. Qwest does not, however, charge for updates, adds, changes, or deletions to the initial file. USW-13, at p. 20. As already explained, the charge is only applied to cover charges Qwest receives from a third-party software vendor for its work preparing a CLEC's LIDB line records for the initial load. USW-13, at p. 20.

49. Qwest also responded to AT&T's fifth concern that under Section 9.6.2.5 of the SGAT, "Qwest is still requiring faxes for queries until an electronic means becomes available." Qwest states that this section of the SGAT does address an inquiry from the CLEC to report on data content that is in the LIDB database. USW-13, p. 21. Multiple reports are available to the CLEC for their use in data validation. However, Qwest points out that this report process is the same process that Qwest uses for its own internal review. USW-13 at p. 21. Qwest does not favor manual update processing; however, it provides this assistance to CLECs who lack the ability to submit electronic ASCII files. Id.

50. Finally, Qwest responded to AT&T's concern that "LIDB inquiry service is not mandated to be provided at parity, but rather assumes a 7 day order fulfillment process and a cumbersome LOA process." Although AT&T does not cite an exact Section of the SGAT, Qwest states that it assumes that AT&T is referring to SGAT Sections 9.6.34.2 and 9.6.3.4.3. USW-13, p. 22. If so, there are no parity issues, as these sections relate to the establishment of a new CLEC as a LIDB customer in the Qwest database. Id. Qwest also does not require CLEC's to submit letters of authorization from their end users. Id. The SGAT provision requires Hub Providers (third party signaling & database competitors) to provide letters of authorization from the CLEC that employs them indicating that the CLEC is willing to allow the Hub Provider to act on its behalf in offering and utilizing LIDB services. This letter is a one time submission (unless the CLEC withdraws authorization) so it is not inconvenient, particularly in light of the additional protection it affords CLECs, Qwest, and their end users. USW-13, p. 22.

f. Verification of Compliance

51. Qwest resolved all issues to the CLEC's satisfaction except for those discussed below, many of which were resolved at the January 25, 2000 Workshop.

52. At the Workshop, Qwest clarified that Section 7.2.2.5.1 of the SGAT addresses the option of a CLEC obtaining signaling in conjunction with interconnection. TR. at p. 121. While this appears to be the second option available to CLECs discussed in Finding of Fact No. 28, AT&T expressed concern that reference to "access" tariffs connotes payment by the IXCs, and since this is in connection with local traffic, the payments should be reciprocal. TR. at p. 119. Qwest agreed to add additional language to Section 7.2.2.5.1 of the SGAT to acknowledge that each of the parties would provide access to their signaling networks for mutual exchange of signaling traffic such as would occur in a typical interconnection scenario. TR. at p. 123. The parties agreed to address the compensation issue in connection with Checklist Item 1. TR. at p. 123-124.

53. To address AT&T's concern that Qwest requires CLECs to access signaling through an intermediate frame, i.e., an ICDF or SPOT frame, at the January 25, 2000, Workshop, Qwest stated that it would provide for direct connections for a CLEC through access to the same cross connect device that Qwest uses for this purpose. TR. at pp. 129-130. The parties then agreed to the same resolution of the issue that had been adopted for 911 traffic. First, Qwest agreed to amend the Arizona SGAT to include paragraphs 8.2.1.24 through 8.2.1.26 from the Colorado SGAT first revision January 6, 2000, with any clarifications and changes agreed to. TR. at p. 60. One of the changes agreed to was to Section 8.2.1.26 of the Colorado SGAT to be brought into alignment with the language in the Nebraska SGAT. TR. at p. 60. Second, Qwest agreed to update relevant operational manuals to implement the SGAT changes. TR. at p. 60. Third, Qwest agreed to research the issue of whether any company may have tried to preserve the right to do direct connections and were denied after the FCC order became legally binding and effective. *Id.*

54. To address AT&T's concerns regarding having to enter into a licensing arrangement to access Qwest's LIDB database, Qwest stated at the Workshop that the terms of the license are basically the FCC rules and regulations regarding access to the LIDB database. TR. at p. 131. The license is solely for the purpose of getting the CLEC's permission to put their customer information into the LIDB database, and their agreement that they are subject to the rules that apply to these databases which have been established by the FCC. TR. at p. 131. No payment is required by anyone for this licensing arrangement. TR. at p. 131.

55. Qwest addressed WorldCom's concern regarding any mark-ups on the charges of third-party vendors for initially loading customer information into the LIDB database. TR. at pp. 133-134. Qwest stated that Qwest charges are a mere pass-through of the software vendors' charges for this work to the CLEC. There will be no additional mark-up to the vendors' costs added by Qwest. TR. at p. 134.

56. AT&T's concern regarding database updates was also addressed by Qwest at the January 25, 2000 Workshop. CLECs can use a mechanized interface or a manual interface to enter updates and if a mechanized interface is used, the mechanized interface is at parity with what Qwest does for itself. TR. at p. 134. All of AT&T's other concerns

relating to Qwest's call related databases were also addressed by Qwest at the January 25, 2000 Workshop. TR. at pps. 111-116.

57. It was agreed that Checklist Item 10 would remain open pending the submission of language by Qwest, for AT&T and WorldCom to review Qwest's proposed revisions to the SGAT, IRRG and its wholesale manual.

58. On February 28, 2000, Qwest submitted updates to its Interconnect and Resale Resource Guide as discussed during the January 25, 2000 Workshop on Checklist Items 7 and 10. See USW-22. Qwest indicated in its accompanying letter that the information would be added to the Collocation Section of Tab 4 of the IRRG which describes the options CLECs have for interconnection. Qwest also indicated that references to this information would be added to the sections addressing Signaling and 911/E911 and that its Website would be updated with the information by the end of the week.

59. At the March 7, 2000 Workshop, Qwest submitted revised language to its IRRG, USW-22; to its SGAT, USW-23; and to its Tech Pub, USW-21; all indicating that direct connections or direct access from a collocation space are available. TR. at p. 69.

60. AT&T and WorldCom expressed concerns, however, regarding field documentation not being updated to reflect this option. TR. at pp. 70-71. As a result Qwest was asked to assemble a concise package of documentation for AT&T and WorldCom to review and sign off on before Checklist Item 10 was deemed undisputed. In addition, Qwest agreed that to the extent a CLEC had already requested and ordered direct connections for either 911 or signal links, and Qwest instead used an intermediate frame, Qwest agreed to correct the situation and make refunds where appropriate. TR. at pp. 71-72.

61. On June 12, 2000, Qwest submitted both public and confidential documentation describing Qwest's provisioning of direct connections for 911 and signaling.

62. AT&T responded in letters dated June 15, 2000, and July 27, 2000. In its July 27, 2000, supplemental filing, AT&T indicated that it and Qwest had recently reached agreement on the non-SGAT documentation regarding Checklist Items 7 and 10. AT&T attached a copy of the non-SGAT documentation agreed to for inclusion in the record. AT&T stated in its filing that with the documentation recently agreed to by AT&T and Qwest in the Washington Section 271 workshops, all outstanding issues on Checklist Item 10 were resolved.

63. Qwest agreed that carriers could opt into any revised SGAT language resulting from the Workshops. TR. at pps. 61-62.

64. In Workshops in other States, Qwest has agreed to modify sections 9.13.1.1, 9.13, 9.14, 9.15, 9.16 and 9.17 to meet concerns expressed by AT&T. Qwest

has filed a pleading committing to update the SGAT with this language, if parties do not object. Qwest's compliance with Checklist Item 10 will be conditioned upon incorporating the agreements reached in other States into the Arizona SGAT.

65. NEXTLINK never followed up on its statements contained in its initial Statement of Position that Qwest had denied it access to SS7 and AIN databases and networks in the Workshops on Checklist Item No. 10. Therefore, Staff is assuming that its concerns have since been addressed or that its concerns have been addressed with the resolutions reached between the other CLECs and Qwest on Checklist Item No. 10 issues. Further, NEXTLINK never offered anything other than anecdotal statements which were unsupported by actual facts, including specific instances, of denial by Qwest.

66. In its Comments on Staff's Proposed Findings of Fact and Conclusions of Law, WorldCom raised an issue not raised before in Arizona but that had apparently been raised in other State Workshops in the Qwest Region. While WorldCom goes on to argue in their Comments that although they agreed when the Workshops closed that they had no objection to a finding that Qwest met the requirements of Checklist Item 10, they want to further develop a record in Arizona on issues that were raised for the first time in other jurisdictions. WorldCom Comments at pp. 1-2. Qwest objects to this and states that simple fairness dictates that parties not be allowed to bring disputes in from other State workshops after the record has closed or the Section 271 process would become circular from State to State and would never end. Qwest Objection at p. 4.

67. On February 2, 2001, AT&T filed a Motion with the Hearing Division requesting that it establish a procedure for developing a record in Arizona for issues raised for the first time in other jurisdictions after the Workshops have been completed.

68. All outstanding issues raised in the Workshops in Arizona were resolved. Checklist Item No. 10 in Arizona is no longer in dispute. Qwest has agreed to incorporate SGAT language agreed to in other States. Accordingly, Staff is forwarding its Report on Checklist Item No. 10 to the Commission consistent with the provisions of the June 12, 2000 Procedural Order on undisputed issues. If the Hearing Division/Commission does not allow parties to bring up issues raised for the first time in other States after the record has closed, Checklist item 10 will remain undisputed. If the Hearing Division/Commission does permit parties to bring up issues raised for the first time in other States, once the issues are addressed and/or resolved, a supplemental Report will be filed by the Staff and submitted to the Hearing Division or Commission, depending on whether the issue(s) remain in dispute or are resolved by the parties.

II. CONCLUSIONS OF LAW

1. 47 U.S.C. Section 271 contains the general terms and conditions for BOC entry into the interLATA market.
2. Qwest is a public service corporation within the meaning of Article

XV of the Arizona Constitution and A.R.S. Sections 40-281 and 40-282 and the Arizona Commission has jurisdiction over Qwest.

3. Qwest is a Bell Operating Company as defined in 47 U.S.C. Section 153 and currently may only provide interLATA services originating in any of its in-region States (as defined in subsection (I)) if the FCC approves the application under 47 U.S.C. Section 271(d)(3).

4. The Arizona Commission is a "State Commission" as that term is defined in 47 U.S.C. Section 153(41).

5. Pursuant to 47 U.S.C. Section 271(d)(2)(B), before making any determination under this subsection, the FCC is required to consult with the State Commission of any State that is the subject of the application in order to verify the compliance of the Bell operating company with the requirements of subsection (c).

6. In order to obtain Section 271 authorization, Qwest must, inter alia, meet the requirements of Section 271(c)(2)(B), the Competitive Checklist.

7. Section 271(c)(2)(B)(x) of the Telecommunications Act of 1996 requires Qwest to provide access or offer to provide "[n]ondiscriminatory access to databases and associated signaling necessary for call routing and completion."

8. In the *Second BellSouth Louisiana Order*, the FCC required BellSouth to demonstrate that it provided requesting carriers with nondiscriminatory access to: "1) signaling networks, including signaling links and signaling transfer points; (2) certain call-related databases necessary for call routing and completion, or in the alternative, a means of physical access to the signaling transfer point linked to the unbundled database; and (3) Service Management Systems; and to design, create, test, and deploy Advanced Intelligent Network based services at the SMS through a Service Creation Environment.

9. In the *Second BellSouth Louisiana Order*, the FCC also concluded that a BOC must be in compliance with the regulations implementing 251(c)(3) and 251 (d)(1). Section 251(c)(3) establishes an incumbent LEC's duty to provide, to any requesting telecommunications carrier for the provision of a telecommunications service, nondiscriminatory access to network elements on an unbundled basis at any technically feasible point on rates, terms, and conditions that are just, reasonable, and nondiscriminatory in accordance with the terms and conditions of the agreement and the requirements of Section 251 and 252.

10. In the Texas 271 Order, the FCC noted that in the UNE Remand Order, it clarified that the definition of call-related databases "includes, but is not limited to, the calling name ("CNAM") database, as well as the 911 and E911 databases." *Id.* at para. 363.

11. As a result of the proceedings and record herein, Qwest's provision of nondiscriminatory access to databases and associated signaling necessary for call routing and completion is not disputed.

12. As a result of the proceedings and record herein, Qwest's provision of nondiscriminatory access to signaling links and signaling transfer points to requesting carriers is undisputed.

13. As a result of the proceedings and record herein, Qwest's provision of call-related databases necessary for call routing and completion, or in the alternative, a means of physical access to the signaling transfer point linked to the unbundled database, to requesting carriers is undisputed.

14. As a result of the proceedings and record herein, Qwest's provision of Service Management Systems and the design, creation and deployment of AIN based services at the SMS as required by the Act is undisputed.

15. Qwest complies with the requirements of Checklist Item No. 10, subject to it updating its SGAT with language agreed to in other region Workshops and subject to resolution by the Hearing Division/Commission of the issue of how to treat issues arising in other State Workshops which the parties would like to bring back to Arizona after the record has closed.

16. Qwest's compliance with Checklist Item 10 is also contingent on its passing of any relevant performance measurements in the third-party OSS test now underway in Arizona.