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**IN THE MATTER OF U S WEST
COMMUNICATIONS, INC.'S
COMPLIANCE WITH § 271 OF THE
TELECOMMUNICATIONS ACT OF 1996**

Docket No. T-00000A-97-0238
**JOINT RESPONSE TO JOINT
MOTION OF STAFF AND U S WEST
FOR WORKSHOPS ON REMAINING
SECTION 271 ISSUES**

AT&T Communications of the Mountain States, Inc. and TCG Phoenix
(collectively "AT&T"), MCI WorldCom, Inc., on behalf of its regulated subsidiaries,
Sprint Communications Company, L.P., and e-spire Communications, Inc. ("Joint
Movants") hereby file their response to the Joint Motion for Workshops on Remaining
Section 271 Issues filed by the Staff of Arizona Corporation Commission ("Staff") and
U S WEST Communications, Inc. ("U S WEST"). Joint Movants have major concerns
with the Joint Motion and, therefore, cannot support it.

I. INTRODUCTION

Although the workshops on the first seven checklist items are complete, reports
have not been prepared and filed by Staff on all of the first seven checklist items. Staff is
preparing reports on checklist items 3 (poles, conduits and rights-of-ways) and 13
(reciprocal compensation). A number of parties are still negotiating with U S WEST in
an attempt to reach agreement on language and changes to U S WEST's documentation
to resolve issues common to checklist items 7 (911/E911, operator services and directory

assistance) and 10 (databases and associated signaling). Hopefully the issues will be resolved in the near future.

The Procedural Order dated December 8, 1999, initiating workshops on the first seven checklist items stated that “at the conclusion of the collaborative process on the seven checklist items, the parties shall consider the use of the collaborative process to resolve the remaining checklist items.” Procedural Order (December 8, 1999) at 3-4. Joint Movants are willing to consider the use of the collaborative process to resolve the remaining checklist items; however, the proposal put forth by Staff and U S WEST leads Joint Movants to the conclusion that the process proposed by Staff and U S WEST is overly aggressive and does not provide adequate time to collaborate and discuss the outstanding issues in the time allotted by Staff and U S WEST.

Staff and U S WEST also propose to address certain issues such as penalties and backsliding provisions, and possibly performance measures, that should be put off until OSS testing is complete. Workshops on these issues are simply premature.

Finally, Staff and U S WEST’s proposal simply fails to acknowledge the workshops scheduled in Colorado, Washington, Oregon and Utah. The Utah workshops may be joined by a number of other states, but multi-state workshops do not eliminate the need for the individual states to address state-specific issues, such as disputed issues, cost issues and performance data. Staff and U S WEST’s schedule is just too aggressive. It is too aggressive even if no other states were conducting 271 workshops. With other state workshops being conducted, the proposed schedule places unreasonable burdens and demands on intervenors and the competitive local exchange carriers (“CLECs”).

Arizona should not strive to finish the workshop process first, it should strive to finish the process by doing things right. Simply finishing the process will not guarantee that U S WEST will obtain Section 271 relief.

II. ARGUMENTS

A. The Proposed Schedule

1. Timing

Staff and U S WEST's schedule is too aggressive. It generally attempts to resolve the issues by November of this year. None of the other states have proposed a schedule this aggressive. Washington will not finish workshops on all issues until July 2001. Oregon will not hold workshops on the first seven checklist items until August 2000, and Oregon will not schedule workshops on the remaining checklist items until the first seven checklist items are completed. The states that may conduct a multi-state process are not currently proposing to conclude workshops until the end of March 2001. Colorado will not finish workshops until December 2000, and the workshop dates in Colorado were imposed against the Colorado Staff's own wishes, which had the workshops concluding mid-year 2001.

The Staff and U S WEST currently call the three workshops a series of workshops. The first is a series of five workshops. Parties will have to travel to Arizona five times to address the issues to be addressed in the first series of workshops. The second series of workshops contemplates five more workshops in Arizona.

Finally, to complete the first two series of workshops by November 2000, the two series of workshops must be held concurrently. Therefore, between August 2000 and

November 2000, parties must prepare for and attend 10 different workshops. Several of the workshops are scheduled less than a week apart.

Staff and U S WEST argue that the dates are picked to avoid the workshops in other states. This is not the case. There is some overlap. However, it is a gross oversimplification by Staff and U S WEST to say workshops do not overlap. Parties cannot travel every week and write testimony and comments for the workshops being conducted in all the various jurisdictions. It is unrealistic. It also is not necessary. It is also important to note parties will be involved in a very critical matter during the same time period as the 271 proceeding will be taking place, the Rate Case. Testimony in the Rate Case is presently due for filing at the end of July 2000, with hearings scheduled to begin at the end of September 2000. Thus, once again parties' resource limitations will be unduly strained.

It is unlikely the OSS testing will be completed before May or June of 2001. Staff and U S WEST have not provided any justification for completing the additional workshop process on such a fast pace. U S WEST cannot file with the Federal Communications Commission until it satisfactorily completes the OSS test.

The schedule is also unrealistic, because it is unlikely such an aggressive schedule can be maintained. All the parties during the first series of workshops operated in good faith. The first series of workshops on the non-OSS issues were supposed to address the less contentious issues. However, it is now June 2000, and almost five months have passed since the process started and not all issues have been finalized. Yet, Staff and U S WEST propose that workshops on the most contentious issues be completed in five months, or by November 2000.

Joint Movants propose that workshops be scheduled to conclude at the end of May or June 2001. This provides a realistic time frame to adequately address all issues, except OSS and performance data, which should be addressed in a series of workshops or hearings after OSS testing is complete.

2. Workshop Issues

There are a number of problems with the way Staff and U S WEST have proposed to address the remaining checklist items. First, Staff and U S WEST propose that all of the remaining checklist items be addressed in the first series of workshops. This would be less problematic if the Staff and U S WEST did not expect to complete the series of workshops by November 21.

The most disturbing problem is Staff and U S WEST's decision to address backsliding and penalties concurrently with the first series of workshops. None of the other states have scheduled workshops on backsliding provisions and penalties.

Backsliding provisions and penalties will be very contentious. The ROC Collaborative is considering addressing these issues on a regional basis. This is one case where it makes no sense to expend the resources to address these issues in Arizona too.

The experience in the OSS testing workshops is instructive. Arizona started drafting performance indicator definitions ("PIDs") prior to the ROC Collaborative. However, the ROC Collaborative agreed to certain PIDs that were different than the Arizona PIDs. U S WEST and the parties understand the desire to have consistency between all 14 states in the region. Consequently, U S WEST must go through the change management process in Arizona to conform the Arizona PIDs to the ROC PIDs. The same result will happen on backsliding provisions and penalties Arizona will have to

conform to the ROC provisions. Therefore, there is little, if any, reason for the parties to expend the resources in two forums.

In addition, there were more participants at ROC. It was necessary to incorporate their input on the PIDs at ROC. The same will occur on backsliding provisions and penalties. The additional parties' input will be reflected in the ROC provisions, but not the Arizona provisions.

It is highly unlikely U S WEST will want multiple backsliding provisions and penalties in the region. Therefore, it is unreasonable for U S WEST and Staff to require the parties to collaborate on these issues in multiple forums. Even if Arizona were to proceed, neither Staff nor U S WEST has provided any justification for concluding workshops on these issues by October 18, 2000. Considering that OSS testing will not be complete until mid-year 2001, Staff and U S WEST cannot provide any justification for such an aggressive schedule.

Staff and U S WEST ignore the resources the parties must expend to collaborate in two different forums -- Arizona and ROC. It became apparent that this was necessary during the workshops on the PIDs. Each forum was continually adjusting to the work being done in the other forum. Sometimes issues had to be debated twice because the parties in each forum were not the same.

Joint Movants recommend that any discussion on backsliding provisions and penalties in Arizona be put off until the ROC has, at a minimum, decided if it is going to address these issues on a regional basis and has established a procedure to address the issues.

In addition, parties are attending workshops in multiple jurisdictions and participating in two OSS collaboratives. For U S WEST to now propose that the parties collaborate on backsliding provisions and penalties in two forums, suggests that the issue of whether U S WEST complies with Section 271 will be settled by a trial by ordeal.

B. Performance Data

The Joint Motion does not explicitly state whether performance dates will be discussed during the workshops. Staff and U S WEST do suggest that all issues should be addressed in the workshops, however.

Joint Movants oppose any proposal to address performance measure data during the workshops prior to the completion of OSS testing. Once again, this will only require the parties to expend unnecessary resources. Parties will have to argue about the limited data once during the workshops and again at the conclusion of the OSS testing when additional, more complete data is available. It is unlikely the Commission would make anything other than preliminary findings on the little data available during testing, when more comprehensive data will be available after OSS testing is complete. Reviewing the data twice forces the parties to divert resources away from OSS testing.

There is also the possibility that the PIDs and, consequently the data, will change over the course of the OSS testing. The systems may have to be changed for U S WEST to pass the test. Early data may be of no relevance after testing is complete. The best course of action is to not review performance data until OSS testing is complete.

C. Disputed Issues

The parties jointly negotiated many of the terms contained in the December 8, 1999 Procedural Order. One of the provisions was the resolution of disputed issues. The current Joint Motion eliminates the notion that hearings could be held on disputed issues. The following sentence from the prior Procedural Order should be inserted in any order issued by the Hearing Officer: “In addition, the Hearing Division reserves the right to hold an evidentiary hearing, oral arguments, or require briefs regarding any contested issue.”

To eliminate any confusion regarding the process for undisputed and disputed issues, the language from the December 8, 1999 Procedural Order should be incorporated into any new Procedural Order addressing collaboratives on the remaining checklist items and issues.

III. CONCLUSION

The issues in the Section 271 proceeding were initially bifurcated at U S WEST’s request so that non-OSS issues could be addressed prior to completion of the OSS testing. When the parties agreed to collaborate on non-OSS issues, U S WEST argued that all issues should be addressed prior to OSS testing. The Hearing Officer stated: “OSS issues are complex and independent testing for Section 271 compliance is time-consuming. At U S WEST’s request, checklist items were bifurcated so that review of non-OSS items would not be delayed pending completion of OSS review. It would be premature to recombine checklist items and complete a collaborative process prior to the

conclusion of OSS testing.” It is apparent that the Hearing Officer understood that none of the OSS checklist items would be considered until after OSS testing is complete.

Joint Movants acknowledge that it would “consider” collaboratives for the remaining OSS checklist items. However, based on the schedule proposed by Staff and U S WEST, it cannot agree to do so prior to the completion of OSS testing.

RESPECTFULLY SUBMITTED this 6th day of June, 2000.

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CERTIFICATE OF SERVICE

I hereby certify that the original and 10 copies of AT&T, e*spire, Sprint and WorldCom's Response to Staff and U S WEST's Motion for Workshops on Remaining Section 271 Issues, regarding Docket No. T-00000A-97-0238, were sent via overnight delivery this 6th day of June, 2000, to:

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