



0000012320

OPEN MEETING ITEM

ORIGINAL

4/2  
u-20

MEMORANDUM

RECEIVED

Arizona Corporation Commission

DOCKETED

2001 MAR -3 P 2:46

TO: THE COMMISSION

FROM: Utilities Division

MAR 08 2001

AZ CORP COMMISSION  
DOCUMENT CONTROL

DATE: March 6, 2001

DOCKETED BY 

RE: IN THE MATTER OF THE APPLICATION OF QWEST CORPORATION F/K/A U S WEST COMMUNICATIONS, INC., FOR APPROVAL OF A LOCAL INTERCONNECTION AGREEMENT WITH Z-TEL COMMUNICATIONS, INC. (DOCKET NOS. T-01051B-01-0089 AND T-03589A-01-0089)

On January 29, 2001, Qwest Corporation ("Qwest") f/k/a U S WEST Communications, Inc., filed an application for approval of an Interconnection Agreement between Qwest, and Z-Tel Communications, Inc. ("Z-Tel"). The term of the Agreement shall be effective upon Commission approval and remain in effect until June 30, 2003. Upon expiration, the agreement shall remain in force and effect until terminated by either party on one hundred sixty (160) days written notice. The Agreement governs the terms and conditions under which Qwest will offer interconnection to Z-Tel.

The Telecommunications Act of 1996 ("1996 Act") directed incumbent local exchange carriers to make their networks available for interconnection and resale by new entrants to the local exchange market. The 1996 Act provides for interconnection and resale agreements to be concluded by voluntary negotiation. This Agreement between Qwest and Z-Tel was voluntarily negotiated, without resort to arbitration.

Under the terms of the Agreement, Qwest will provide specified local exchange services for Interconnection, Resale, Collocation and Unbundled Network Elements to Z-Tel. Generally, Qwest services will be made available to Z-Tel for resale at a twelve (12) percent discount for residential customers and an eighteen (18) percent discount for business customers.

According to the 1996 Act and State Rule, the Commission must approve voluntarily negotiated interconnection and resale agreements if their provisions are non-discriminatory and in the public interest. Staff has reviewed the Agreement and finds it to be non-discriminatory and in the public interest. Qwest is offering the same terms and conditions of the Agreement to all other interested parties. The Agreement is in the public interest because it will act to further competition in the local exchange market in Arizona.

THE COMMISSION

March 6, 2001

Page 2

Since there are no grounds for rejection of the Agreement pursuant to Section 252(e)(2)(A) of the 1996 Act, Staff recommends that the Commission approve the Interconnection Agreement between Qwest and Z-Tel.



Deborah R. Scott

Director

Utilities Division

DRS:EAA:lhmd\DMW

ORIGINATOR: Erinn Andreasen

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 WILLIAM A. MUNDELL  
Chairman  
3 JIM IRVIN  
Commissioner  
4 MARC SPITZER  
Commissioner  
5

6 IN THE MATTER OF THE APPLICATION )  
OF QWEST CORPORATION F/K/A U S WEST )  
7 COMMUNICATIONS, INC., FOR APPROVAL )  
OF A LOCAL INTERCONNECTION )  
8 AGREEMENT WITH Z-TEL )  
COMMUNICATIONS, INC. )  
9 )

DOCKET NOS. T-01051B-01-0089  
T-03589A-01-0089

DECISION NO. \_\_\_\_\_

ORDER

10 Open Meeting  
March 27 and 28, 2001  
11 Phoenix, Arizona

12 BY THE COMMISSION:

13 FINDINGS OF FACT

14 1. On January 29, 2001, Qwest Corporation ("Qwest") f/k/a U S WEST  
15 Communications, Inc., filed an application for approval of an Interconnection Agreement between  
16 Qwest, and Z-Tel Communications, Inc. ("Z-Tel"). The term of the Agreement shall be effective  
17 upon Commission approval and remain in effect until June 30, 2003. Upon expiration, the  
18 agreement shall remain in force and effect until terminated by either party on one hundred sixty  
19 (160) days written notice. The Agreement governs the terms and conditions under which Qwest  
20 will offer interconnection to Z-Tel.

21 2. The Telecommunications Act of 1996 ("1996 Act") directed incumbent local  
22 exchange carriers to make their networks available for interconnection and resale by new entrants  
23 to the local exchange market. The 1996 Act provides for interconnection and resale agreements to  
24 be concluded by voluntary negotiation.

25 3. This Agreement between Qwest and Z-Tel was voluntarily negotiated, without  
26 resort to arbitration.

27 4. Under the terms of the Agreement, Qwest will provide specified local exchange  
28 services for Interconnection, Resale, Collocation and Unbundled Network Elements to Z-Tel.

1 Generally, Qwest services will be made available to Z-Tel for resale at a twelve (12) percent  
2 discount for residential customers and an eighteen (18) percent discount for business customers.

3 5. According to the 1996 Act and Commission Rule, the Commission must approve  
4 voluntarily negotiated interconnection and resale agreements, if their provisions are non-  
5 discriminatory and in the public interest.

6 6. Staff has reviewed the Agreement and finds it to be non-discriminatory and in the  
7 public interest. Qwest is offering the same terms and conditions of the Agreement to all other  
8 interested parties. The Agreement is in the public interest because it will act to further competition  
9 in the local exchange market in Arizona.

10 7. Since there are no grounds for rejection of the Agreement pursuant to Section  
11 252(e)(2)(A) of the 1996 Act, Staff has recommended that the Commission approve the  
12 Interconnection Agreement between Qwest and Z-Tel.

13 CONCLUSIONS OF LAW

14 1. Qwest is an Arizona public service corporation within the meaning of Article XV,  
15 Section 2, of the Arizona Constitution.

16 2. The Commission has jurisdiction over Z-Tel and over the subject matter of the  
17 Application.

18 3. The Commission, having reviewed the Application and Staff's Memorandum has  
19 determined that the Interconnection Agreement negotiated between Qwest and Z-Tel meets the  
20 requirements of Section 252(e)(2)(A) of the 1996 Act which governs the approval of voluntarily-  
21 negotiated agreements and is in the public interest.

22 4. The Commission maintains jurisdiction over the subject matter of the Agreement  
23 and Amendments thereof, to the extent permitted pursuant to the powers granted the Commission  
24 by the Arizona Constitution, Statutes, Commission Rule, and the 1996 Act and the Rules  
25 promulgated thereunder.

26 ...  
27 ...  
28 ...

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

ORDER

THEREFORE, IT IS ORDERED that the Commission hereby approves the Interconnection Agreement between Qwest and Z-Tel filed on January 29, 2001.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

**BY ORDER OF THE ARIZONA CORPORATION COMMISSION**

CHAIRMAN

COMMISSIONER

COMMISSIONER

IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive Secretary of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this \_\_\_\_ day of \_\_\_\_\_, 2001.

\_\_\_\_\_  
BRIAN C. McNEIL  
Executive Secretary

DISSENT: \_\_\_\_\_

DRS:EAA:lhmm

1 SERVICE LIST FOR: Qwest Corporation and Z-Tel Communications, Inc.  
2 DOCKET NOS. T-01051B-01-0089 and T-03589A-01-0089

3 Ms. Theresa Dwyer  
4 Fennemore Craig  
5 3003 North Central Avenue, Suite 2600  
6 Phoenix, Arizona 85012

7 Ms. Janet S. Livengood, Esq.  
8 Z-Tel Communications, Inc.  
9 601 S. Harbor Island Blvd.  
10 Tampa, Florida 33602

11 Mr. Timothy Berg  
12 Fennemore Craig  
13 3003 North Central Avenue, Suite 2600  
14 Phoenix, Arizona 85012

15 Mr. Christopher C. Kempsey  
16 Chief Counsel  
17 Arizona Corporation Commission  
18 1200 West Washington  
19 Phoenix, Arizona 85007

20 Ms. Deborah Scott  
21 Director, Utilities Division  
22 Arizona Corporation Commission  
23 1200 West Washington  
24 Phoenix, Arizona 85007

25  
26  
27  
28