

# ORIGINAL OPEN MEETING ITEM



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## MEMORANDUM

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TO: THE COMMISSION

2001 APR 17 A 10:33

FROM: Utilities Division

AZ CORP COMMISSION  
DOCUMENT CONTROL

DATE: April 16, 2001

RE: IN THE MATTER OF THE APPLICATION OF QWEST CORPORATION F/K/A U S WEST COMMUNICATIONS, INC., FOR APPROVAL OF A INTERCONNECTION, UNBUNDLED NETWORK ELEMENTS, ANCILLARY SERVICES AND RESALE AGREEMENT WITH REFLEX COMMUNICATIONS, INC. (DOCKET NOS. T-01051B-01-0173 AND T-03768A-01-0173)

On February 27, 2001, Qwest Corporation ("Qwest") f/k/a U S WEST Communications, Inc., filed an application for approval of an Interconnection Agreement between Qwest, and Reflex Communications, Inc. ("Reflex"). The term of the Agreement shall be effective upon Commission approval and remain in effect until December 31, 2002. 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 Reflex.

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 Reflex 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 Reflex. Generally, Qwest services will be made available to Reflex 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.

Arizona Corporation Commission

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THE COMMISSION

April 16, 2001

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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 Reflex.



Deborah R. Scott

Director

Utilities Division

DRS:EAA:jbc/MAS

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 ) DOCKET NOS. T-01051B-01-0173  
OF QWEST CORPORATION F/K/A U S WEST ) T-03768A-01-0173  
7 COMMUNICATIONS, INC., FOR APPROVAL )  
OF A INTERCONNECTION, UNBUNDLED )  
8 NETWORK ELEMENTS, ANCILLARY ) DECISION NO. \_\_\_\_\_  
SERVICES AND RESALE AGREEMENT )  
9 WITH REFLEX COMMUNICATIONS, INC. ) ORDER

10 Open Meeting  
May 1 and 2, 2001  
11 Phoenix, Arizona

12 BY THE COMMISSION:

13 FINDINGS OF FACT

14 1. On February 27, 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 Reflex Communications, Inc. ("Reflex"). The term of the Agreement shall be  
17 effective upon Commission approval and remain in effect until December 31, 2002. Upon  
18 expiration, the Agreement shall remain in force and effect until terminated by either party on one  
19 hundred sixty (160) days written notice. The Agreement governs the terms and conditions under  
20 which Qwest will offer interconnection to Reflex.

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 Reflex 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 Reflex.

1 Generally, Qwest services will be made available to Reflex 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 Reflex.

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 Reflex 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 Reflex 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 and  
23 Amendments thereof, to the extent permitted pursuant to the powers granted the Commission by  
24 the Arizona Constitution, Statutes, Commission Rule, and the 1996 Act and the Rules  
25 promulgated thereunder.

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ORDER

IT IS THEREFORE ORDERED that the Commission hereby approves the Interconnection Agreement between Qwest and Reflex filed on February 27, 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:jbc/MAS

1 SERVICE LIST FOR: QWEST CORPORATION AND REFLEX COMMUNICATIONS, INC.  
2 DOCKET NOS. T-01051B-01-0173 AND T-03768A-01-0173

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