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BEFORE THE ARIZONA CORPORATION COMMISSION

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Commissioner

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Commissioner

IN THE MATTER OF QWEST
CORPORATION'S FILING AMENDED
RENEWED PRICE REGULATION PLAN

Docket No: T-01051B-03-0454

IN THE MATTER OF THE INVESTIGATION
OF THE COST OF TELECOMMUNICATIONS
ACCESS

Docket No. T-00000D-00-0672

TIME WARNER TELECOM OF ARIZONA LLC'S POST-HEARING BRIEF

I. Introduction

Time Warner Telecom of Arizona LLC ("TWTA") files this post-hearing brief in support of the Settlement Agreement filed in the above-referenced docket. As noted by all of the signatories to the Settlement Agreement, the Agreement represents a compromise by all parties to the Agreement with each party believing that the Agreement constitutes a fair compromise and that its adoption is in the public interest. The overwhelming evidence provided at the hearing supports this conclusion.

Although the Agreement as a whole provides numerous benefits, throughout this proceeding, special access has been the issue of most concern for TWTA. As

1 indicated by TWTA and other parties to the Agreement, the resolution of special access
2 will provide benefits to competition and is a vital component of the Agreement. TWTA
3 firmly supports the adoption of the Agreement and asks that the Commission adopt the
4 Agreement without revision.

5 **II. RUCO's Opposition Is Not Warranted**

6 At the hearing, RUCO provided the only opposition to the adoption of the
7 Settlement Agreement. The issues raised by RUCO in opposition, however, do not
8 warrant rejection of the Agreement as RUCO propounds. *See* Exhibits (Ex.) S-38; S-39;
9 Q-35; Q36; Q37. RUCO's testimony fails to understand the specifics of the Settlement
10 Agreement and the plan embodied in the Settlement Agreement. Indeed, when the
11 evidence presented at the hearing is examined in detail, it becomes clear that the
12 Commission should adopt the Agreement without revision. For these reasons and the
13 reasons set forth in Staff's and Qwest's Post-Hearing Briefs, RUCO's opposition is
14 without merit.

15 **III. The Agreement for Private Line Services Offered By Qwest Is In The Public**
16 **Interest**

17 No party to this proceeding provided any opposition in relation to the issue
18 of special access. Rather, at the hearing, many of the parties cited to special access as a
19 pro-competitive aspect of the Settlement Agreement. *See* Ex. TWTA-3 at 4-5; Ex. XO-1
20 at 3; Testimony of Mr. Richard Lee, Transcript (Tr.) (11/1/05) at 224; Testimony of Mr.
21 M. Rowell, Tr. (11/2/05) at 355. A private line circuit is a dedicated circuit between two
22 points. *See* Ex. TWTA-2 at 2. The specific rate element being reduced under the
23 Settlement Agreement is the rate for a DS1 channel termination, which is a "facility from a
24 Qwest local switching office or LSO out to a customer's premises." Testimony of Mr.
25 Thomas, Tr. (11/2/05), at 291. In most cases, providers such as TWTA use special access
26 when they are unable to obtain any access to a commercial building or cannot obtain

1 access on reasonable terms and conditions. *See id.* Although TWTA would prefer to
2 use its own facilities, when such access is not available, special access on more reasonable
3 terms will bring competition to the relevant commercial buildings. *See id.* at 290-92.

4 As described by Mr. Thomas, the contract being offered under the
5 Settlement Agreement to TWTA, XO and other carriers provides for reductions in rates for
6 DS1 channel terminations subject to certain volume commitments. *See Ex. TWTA-3* at 4.
7 These reductions will apply in the Phoenix and Tucson MSAs. *Id.* Although TWTA
8 believed that a reduction in all special access rates was warranted (*see Ex. TWTA-1,*
9 *TWTA-2*), TWTA firmly believes that a reduction in this rate element is a reasonable
10 compromise and will provide benefits to competition. *See Ex. TWTA-3.*

11 The reduction in rates for channel terminations is appropriate as it will
12 make it more cost effective for TWTA and other competitors to access customers in
13 commercial office buildings, thus providing more choices for these customers. *See*
14 *Thomas Testimony, Tr. (11/2/05) at 291; 295.* In addition, the availability of these rates
15 will provide stability to competitors at a time when rates for special access are uncertain.
16 *See Knowles Testimony, Tr. (11/2/05) at 299.* For these reasons, TWTA submits that the
17 resolution of special access is a critical component of this Agreement, and, as with the
18 remainder of the Agreement, should be adopted without revision.

19 **IV. The Commission Should Adopt the Settlement Agreement**

20 The overwhelming evidence at the hearing in this matter supports adoption
21 of the Settlement Agreement. The settlement process allowed participation by all parties
22 to the proceeding. *See Ex. TWTA-3* at 3. Ultimately, after many days of negotiation,
23 each party to the proceeding, except for RUCO, found the Agreement to be a reasonable
24 compromise. TWTA supports the Settlement Agreement, and, for the reasons set forth
25 above, requests that the Commission adopt the Agreement in full.

26

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