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# OPEN MEETING

ORIGINAL

## MEMORANDUM

RE



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2001 NOV 15 P 3:21

AZ CORP COMMISSION  
DOCUMENT CONTROL

TO: THE COMMISSION

FROM: Utilities Division

DATE: November 15, 2001

RE: IN THE MATTER OF THE APPLICATION OF QWEST CORPORATION FOR APPROVAL OF A LOCAL INTERCONNECTION AGREEMENT WITH KMC TELECOM V, INC. (DOCKET NOS. T-01051B-01-0792 AND T-03872A-01-0792)

On October 9, 2001, Qwest Corporation ("Qwest") filed an Application for approval of an Interconnection Agreement between Qwest and KMC Telecom, Inc. ("KMC"). The Agreement shall be effective upon Commission approval and shall remain in effect for a term of three (3) years. 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 services to KMC.

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

November 15, 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 KMC.

A handwritten signature in black ink, appearing to read "E.G. Johnson", with a long horizontal line extending to the right.

Ernest G. Johnson

Director

Utilities Division

EGJ:EAA:rdp/MAS

ORIGINATOR: Erinn Andreasen

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**BEFORE THE ARIZONA CORPORATION COMMISSION**

WILLIAM A. MUNDELL  
Chairman  
JIM IRVIN  
Commissioner  
MARC SPITZER  
Commissioner

IN THE MATTER OF THE APPLICATION )  
OF QWEST CORPORATION FOR )  
APPROVAL OF A LOCAL INTER- )  
CONNECTION AGREEMENT WITH )  
KMC TELECOM V, INC. )  
\_\_\_\_\_ )

DOCKET NOS. T-01051B-01-0792  
T-03872A-01-0792  
DECISION NO. \_\_\_\_\_  
ORDER

Open Meeting  
November 27 and 28, 2001  
Phoenix, Arizona

BY THE COMMISSION:

FINDINGS OF FACT

1. On October 9, 2001, Qwest Corporation ("Qwest") filed an Application for approval of an Interconnection Agreement between Qwest and KMC Telecom, Inc. ("KMC"). The Agreement shall be effective upon Commission approval and shall remain in effect for a term of three (3) years. 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 services to KMC.

2. 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.

3. This Agreement between Qwest and KMC was voluntarily negotiated, without resort to arbitration.

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ORDER

IT IS THEREFORE ORDERED that the Commission hereby approves the Interconnection Agreement between Qwest and KMC filed on October 9, 2001.

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

**BY ORDER OF THE ARIZONA CORPORATION COMMISSION**

CHAIRMAN	COMMISSIONER	COMMISSIONER
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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: \_\_\_\_\_

EGJ:EAA:rdp/MAS

1 SERVICE LIST FOR: Qwest Corporation and KMC Telecom V, Inc.

2 DOCKET NOS. T-01051B-01-0792 and T-03872A-01-0792

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14 KMC Telecom Holdings, Inc.  
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27 Mr. Ernest G. Johnson  
28 Director, Utilities Division  
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