



0000096690

THIS AMENDMENT: ORIGINAL
Passed as amended by

6005

Not Offered

Withdrawn

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2002 APR -8 P 4: 04

SPITZER PROPOSED AMENDMENT # 1

TIME/DATE PREPARED 4:00 p.m./ April 8, 2002

AZ CORP COMMISSION
DOCUMENT CONTROL

COMPANY:

IN THE MATTER OF INVESTIGATION
INTO US WEST COMMUNICATIONS,
INC.'S COMPLIANCE WITH CERTAIN
WHOLESALE PRICING
REQUIREMENTS FOR UNBUNDLED
NETWORK ELEMENTS AND RESALE
DISCOUNTS

AGENDA ITEM NO. Arizona Corporation Commission

DOCKETED

APR 08 2002

DOCKETED BY

**DOCKET NO. T-00000A-00-0194
(PHASE IIA)**

OPEN MEETING DATE: April 11, 2002

PAGE 24, LINE 11

INSERT: "Having determined that digital circuits are properly calculated by the CLECs in this proceeding, we turn now to the question of determining line counts. The calculation used is, total loop investment divided by line count. According to Qwest witness Buckley, regardless of the model selected to estimate loop costs, it would be inappropriate to use loop investment data from one year and line count data from another year. The results of such a mismatch distort actual costs by either underestimating the cost of average lines or overestimating the cost of average lines. Either approach is clearly not in accordance with TELRIC.

According to AT&T witness Denney, Arizona is one of the fastest growing states in the nation, yet the HAI model relies on 1997 customer location data (which doesn't reflect 1997-2000 growth) to determine total loop investment and *divides* that number by year 2000 line count (which is reflective of that growth). The result is that the line count used (year 2000) is higher than the 1997 line count while the customer location data used (year 1997) to determine total loop investment is lower than the 2000 customer location data.

The CLECs' earlier, well-reasoned arguments that using Qwest's data to determine digital line counts would require an unreasonable reliance on proprietary data run counter to their position in this instance, where the vendor of the HAI model has refused to provide the customer location information relied upon in the HAI model. Thus the Commission cannot here determine the impact of using different years for different parts of the equation.

Accordingly, we agree with Qwest that in order to accurately reflect TELRIC, we must corroborate the data used in this equation by ensuring that both the denominator and the numerator reflect, as closely as possible, data from equivalent points in time, in this case, the year 2000. Therefore, we order Qwest to provide year 2000 customer location data within 15 days of this order."