

BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Pricing Proceeding ) for Interconnection, Unbundled Elements ) 960369 ) Transport and Termination, and Resale ) _____ ) )		DOCKET NO. UT-
In the Matter of the Pricing Proceeding ) 960370 ) for Interconnection, Unbundled Elements ) Transport and Termination, and Resale ) for U S WEST COMMUNICATIONS, INC.) _____ ) )		DOCKET NO. UT-
In the Matter of the Pricing Proceeding ) 960371 ) for Interconnection, Unbundled Elements ) Transport and Termination, and Resale ) FOR ) for GTE NORTHWEST INCORPORATED ) _____ ) )		DOCKET NO. UT-  JOINT REQUEST
	CLARIFICATION AND RECONSIDERATION OF 25 <sup>TH</sup> SUPP. ORDER	

NEXTLINK Washington, Inc., Electric Lightwave, Inc., and Advanced TelCom Group, Inc. (collectively [Joint CLECs]) request clarification and reconsideration of the Commission's Twenty-Fifth Supplemental Order issued in the above-captioned proceeding on May 19, 2000 ([25<sup>th</sup> Order]). Specifically, the Joint CLECs request that the Commission (1) require U S WEST Communications, Inc. ([U S WEST]) and GTE Northwest Incorporated ([GTE]) to limit and specify the interim operations support system ([OSS]) rates they may impose and (2) order that the required true up ensure that each CLEC does not pay more than its proportionate share of the ILECs' embedded OSS transition costs.

**DISCUSSION**

1. The 25<sup>th</sup> Order addresses issues raised by the parties in response to the filings made by U S WEST and GTE ostensibly in compliance with the Commission's Eighteenth Supplemental Order (Compliance Filings). Among those issues is the interim rates the incumbent local exchange companies (ILECs) may impose on competing local exchange companies (CLECs) to recover the embedded costs incurred to modify the ILECs' OSS. The Commission required additional filings from both U S WEST and GTE with respect to those rates, but the Commission did not fully address or resolve rate design issues the Joint CLECs raised in their objections to the Compliance Filings.

2 In both their post-hearing brief in Phase II of this proceeding and in their objection to the Compliance Filings, the Joint CLECs objected to U S WEST's proposal to impose an OSS charge per service order. The Joint CLECs explained that the number of service orders generated by an access service request (ASR) or local service request (LSR) is determined unilaterally by U S WEST, and a charge per service order bears no relationship to the costs U S WEST incurs to provide OSS access. Ordering a single loop through a single LSR, for example, generates *two* service orders. The Joint CLECs also objected to any OSS charge applicable to ordering interconnection trunks. Ensuring sufficient trunk capacity for the exchange of local traffic is a joint obligation of both carriers, and the ILECs are not entitled to recover the costs they incur to fulfill that mutual obligation from CLECs. The Commission, however, has never addressed the Joint CLECs' concerns with respect to these two issues.

3. The Joint CLECs continue to maintain their position that the ILECs are not entitled to recover embedded OSS transition costs from CLECs alone, but any interim OSS charge the Commission authorizes should at least bear some reasonable relationship to the CLECs' use of the ILECs' OSS. GTE includes OSS cost recovery as part of the nonrecurring

charge for each unbundled network element or resold service, although without specifying the portion of the charge attributable to OSS transition cost recovery. The Joint CLECs, therefore, request that the Commission require that any interim charge for OSS cost recovery be included as a separately identified element of the nonrecurring charges applicable to each UNE or resold service a CLEC orders. If the Commission permits U S WEST to impose a charge per [service order,] the Commission should require U S WEST to identify each and every [service order] that generates an OSS cost recovery charge as part of its compliance filing, both to ensure sufficient notice to CLECs and to facilitate the true-up ordered by the Commission.

4. The Commission also did not address the Joint CLECs' claim for entitlement to recovery of the costs they incur to comply with their legal obligations as an offset to any OSS embedded transition cost recovery charge the ILECs are authorized to impose. The Commission, however, recognized the concern expressed by Rhythms Links that OSS pricing should reflect the CLECs' actual use of the OSS and that CLECs should not be charged for interfaces and systems they do not use. 25<sup>th</sup> Order ¶ 83. The Commission agreed that this concern is a natural extension of the Commission's concept of separate rates for electronic and non-electronic OSS functions but nevertheless refused to make any adjustment to the interim OSS rates to account for these concerns, stating that they should be addressed in Docket No. UT-003013. *Id.* ¶ 83. As a result, CLECs will be required to pay OSS charges that do not reflect their actual usage of the ILECs' OSS and denied any offset to those charges to account for the CLECs' own OSS costs, at least until completion of the new cost docket ¶ potentially one year from now, or one third of the time over which the ILECs intend to recover their embedded OSS transition costs.

5. The Commission has recognized the need for a true-up to ensure that the ILECs do not over-recover their embedded OSS transition costs. *Id.* ¶ 87. A natural extension of this

concept is that the ILECs should not over-recover OSS costs from individual CLECs, either by imposing rates that exceed the CLECs' use of the ILECs' OSS or by failing to compensate the CLEC for the costs it incurs to access the ILECs' OSS. Indeed, the concern expressed by Rhythms Links would be moot if the ILECs have already recovered much of their embedded OSS transition costs by the time the Commission established more tailored rates. Accordingly, the Commission should clarify the 25<sup>th</sup> Order to require that the true-up ensure that each CLEC does not pay more than its proportionate share of the ILECs' embedded OSS transition costs, as well as that the ILECs do not over-recover those costs in the aggregate.

### **REQUEST FOR CLARIFICATION**

6. The Joint CLECs request that the Commission issue an order clarifying the 25<sup>th</sup> Order to include the following requirements:

A. That any interim charge for OSS cost recovery be included as a separately identified element of the nonrecurring charges applicable to each UNE or resold service that a CLEC orders from the ILEC, or if the Commission permits U S WEST to impose a charge per [service order], that U S WEST identify each and every [service order] that generates an OSS cost recovery charge in its compliance filing; and

B. That the true-up of OSS cost recovery ensure that each CLEC does not pay more than its proportionate share of the ILECs' embedded OSS transition costs, as well as that the ILECs do not over-recover those costs in the aggregate.

RESPECTFULLY SUBMITTED this 30th day of May, 2000.

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By \_\_\_\_\_  
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