BEFORE THE WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

|) DOCKET NO. UT-990378 |
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| ORDER APPROVING |
| NEGOTIATED SECOND AMENDED AGREEMENT |
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|) NETWORK ELEMENTS AND |
|) RESALE SERVICES |
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BACKGROUND

This matter comes before the Washington Utilities and Transportation Commission (Commission) for approval of a negotiated second amended agreement (Amended Agreement) under the Telecommunications Act of 1996 (Telecom Act). The Amended Agreement is between XO Washington, Inc. (XO), and Verizon Northwest Inc. (Verizon). The Commission approved an interconnection agreement between the parties on August 25, 1999, and a first amended agreement on February 28, 2003. The Commission ordered that in the event the parties amended their agreement, the amended agreement would be deemed a new agreement under the Telecom Act and must be submitted to the Commission for approval. The parties filed a joint request for approval of a second amendment on March 3, 2004.

FINDINGS AND CONCLUSIONS

The Commission is an agency of the State of Washington vested by statute with the authority to regulate public service companies, including telecommunications companies. *RCW 80.01.040; Chapter 80.04 RCW and Chapter 80.36 RCW*.

DOCKET NO. UT-990378 PAGE 2

Section 252(e)(1) of the Telecom Act requires parties to a negotiated agreement to submit the agreement to the Commission for approval. Section 252(e)(2)(A) states that the Commission may only reject an agreement (or any portion thereof) adopted by negotiation if it finds that:

- 4 (i) the agreement (or any portion thereof) discriminates against a telecommunications carrier not a party to the agreement; or
- the implementation of such agreement or portion is not consistent with the public interest, convenience, and necessity.
- 6 (3) Verizon is engaged in the business of furnishing telecommunications services including, but not limited to, basic local exchange service within the state of Washington.
- 7 (4) XO is authorized to provide telecommunications services to the public in the state of Washington.
- The Commission approved an interconnection agreement between the parties on August 25, 1999, and a first amended agreement on February 28, 2003. The Commission ordered that in the event the parties amended their agreement, the amended agreement would be deemed a new agreement under the Telecom Act and must be submitted to the Commission for approval.
- 9 (6) On March 3, 2004, the parties filed with the Commission a joint request for approval of a second amendment to the previously approved interconnection agreement, pursuant to the Telecom Act.
- 10 (7) The Amended Agreement between XO and Verizon was brought before the Commission at its regularly scheduled meeting on March 24, 2004.

DOCKET NO. UT-990378 PAGE 3

11 (8) XO and Verizon voluntarily negotiated the entire amendment.

- 12 (9) The Amended Agreement does not discriminate against any other telecommunications carrier.
- 13 (10) The Amended Agreement will facilitate local exchange competition in the state of Washington.
- 14 (11) The Amended Agreement is consistent with the public interest, convenience, and necessity.
- 15 (12) The Amended Agreement meets the requirements of Sections 251 and 252 of the Telecom Act, including Section 252(e).
- 16 (13) The laws and regulations of the State of Washington and Commission
 Orders govern the construction and interpretation of the Amended
 Agreement. The Amended Agreement is subject to the jurisdiction of the
 Commission.
- 17 (14) After examination of the proposed Amended Agreement filed by Verizon and XO on March 3, 2004, and giving consideration to all relevant matters, the Commission finds the proposed Amended Agreement should be approved.

ORDER

THE COMMISSION ORDERS:

18 (1) The Amended Agreement between XO Washington, Inc. and Verizon Northwest Inc., which the parties filed on March 3, 2004, is approved and effective as of the date of this Order.

DOCKET NO. UT-990378 PAGE 4

19 (2) In the event that the parties revise, modify, or amend the agreement approved in this order, the revised, modified, or amended agreement will be deemed to be a new agreement under the Telecom Act and must be submitted to the Commission for approval, pursuant to 47 U.S.C. § 252(e)(1) and relevant provisions of state law, prior to taking effect.

20 (3) The laws and regulations of the State of Washington and Commission
Orders govern the construction and interpretation of the Amended
Agreement. The Amended Agreement is subject to the jurisdiction of the
Commission.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Olympia, Washington, and effective this 24th day of March, 2004.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

CAROLE J. WASHBURN, Secretary