BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the	)	
	)	Docket No. UT-003013
Continued Costing and Pricing of	)	
Unbundled Network Elements, Transport,	)	
Termination, and Resale	)	
______________________________________	)	

PART A POST-HEARING REPLY BRIEF OF

ADVANCED TELCOM GROUP, INC.

AT&T COMMUNICATIONS OF THE PACIFIC NORTHWEST, INC.

ELECTRIC LIGHTWAVE, INC.

MCLEODUSA TELECOMMUNICATIONS SERVICES, INC.

XO WASHINGTON, INC., f/k/a NEXTLINK WASHINGTON, INC.

and

WORLDCOM, INC.

October 23, 2000

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I. INTRODUCTION

1. Advanced TelCom Group, Inc., AT&T Communications of the Pacific Northwest, Inc. ("AT&T"), Electric Lightwave, Inc., McLeodUSA Telecommunications Services, Inc., XO Washington, Inc., f/k/a NEXTLINK Washington, Inc. ("XO"), and WorldCom, Inc. (collectively "Joint CLECs") provide this Part A Post-Hearing Reply Brief. The Joint CLECs will not repeat the arguments they made in their initial brief but will address only those issues requiring a response that were raised in the briefs filed by Qwest Corporation f/k/a U S WEST Communications, Inc. ("Qwest") and Verizon Northwest Inc., f/k/a GTE Northwest Incorporated ("Verizon").

II. LEGAL AND POLICY ISSUES

2. Qwest and Verizon raise two legal and policy issues to which the Joint CLECs provide a response: (1) whether the prices the Commission establishes in this proceeding should be interim and subject to true up after judicial review of the FCC's pricing rules is complete; and (2) Qwest's reliance on federal district court decisions in Kentucky and North Dakota to support its legal position that competing local exchange companies ("CLECs") alone should bear the entire costs the incumbent local exchange companies ("ILECs") incur to modify their operations support systems ("OSS") to function in a multiple local provider environment.

Verizon True Up Proposal

3. Verizon recognizes that the Eighth Circuit has stayed its decision vacating the FCC's rule requiring that prices be based on Total Element Long-Run Incremental Costs ("TELRIC"). Verizon, however, "proposes that the Commission establish *interim* costs and prices in this docket, with such determinations remaining subject to adjustment, or true-up, to

conform with the Act once the Supreme Court acts or elects not to act on the Eighth Circuit's decision." Verizon Brief ¶ 19; *see id*. ¶ 22. The Commission should reject Verizon's proposal.

4. The Commission has established interim prices in arbitrations under the Act and has made those prices subject to modification once prices were established in Docket No. UT-960369, *et al*., and this proceeding, but the Commission has never made interim prices subject to true-up. Competitors need certainty in the prices they pay for bottleneck monopoly facilities they obtain from the ILECs to provide service to customers. CLECs have no means of obtaining additional revenue from customers for service rendered in the past if monopoly input prices are increased retroactively over many months, if not years. The risk of enormous additional liability without the ability to recover those costs would severely chill competitive activity as CLECs minimize the facilities they obtain from the ILECs – and correspondingly the pool of potential customers – to minimize the risk of a retroactive increase in the CLECs' costs to provide service.

5. Verizon's proposal is also inconsistent with the conditions to which it agreed as part of the merger between Bell Atlantic and GTE. Verizon expressly agreed to price facilities it provides to competitors based on the FCC's TELRIC rules pending ultimate resolution of the court challenges to those rules – a condition the FCC recently reinforced in a letter ruling in response to a Verizon request for clarification. *In re Bell Atlantic/GTE Merger*, CC Docket No. 98-184, DA 00-2168, Letter from Dorothy T. Attwood, Chief, Common Carrier Bureau to Michael Glover, Senior Vice President & Deputy General Counsel, Verizon Communications (Sept. 22, 2000). Verizon's proposal for a retroactive adjustment to TELRIC-based rates established by the Commission would render that condition meaningless. Accordingly, any

adjustment to the rates the Commission establishes in this docket as a result of federal judicial review of the FCC's pricing rules should be made on a prospective basis only.

OSS Cost Recovery

6. Qwest quotes from federal district court decisions in Kentucky and North Dakota upholding state commission determinations to impose OSS transition costs solely on CLECs and their customers. Qwest Brief ¶¶ 23-26. Qwest, however, ignores the California Public Utilities Commission decision reaching the opposite conclusion. Ex. 153 (CPUC Order) at 21. As a legal matter, none of these decisions are binding on the Commission. The Commission, therefore, should determine for itself which of these decisions properly interprets federal law and is better reasoned. Equally important, however, is which of these decisions will further Washington public policy to encourage the development of effective competition.

7. The Joint CLECs have already provided the Commission with their analysis of applicable federal law and Washington public policy and will not repeat that discussion. The Commission, however, should consider whether Washington will take the pro-competition lead along with California or will take the anti-competitive positions of the Kentucky and North Dakota commissions. Washington, like California, historically has been a leader in fostering the conditions necessary to enable effective local exchange competition to develop. With all due respect, the same cannot be said of Kentucky or North Dakota. The Commission, therefore, should retain its leadership position and require, consistent with federal law and Washington public policy, that the ILECs' OSS transition expenditures may be recovered only through a competitively neutral mechanism, not from CLECs and their customers alone.

III. LINE SHARING

A. HUNE Price

8. The Joint CLECs did not take a position on the issue of the price for the high frequency spectrum portion of the loop, but Qwest raises a point in its discussion of this issue that has a broader impact and requires further discussion.

9. Qwest claims that "there is no evidence at all that Qwest already is recovering the cost of the loop through its retail prices," and that "the CLECs' assertion that retail rates recover the cost of the loop is sheer speculation." Qwest Brief ¶ 57. Qwest thus tacitly concedes that its retail rates for local exchange services fail to satisfy an imputation standard. CLECs obviously cannot compete with Qwest using unbundled loops if even Qwest's retail rates do not recover the cost of the loop the Commission established in Docket No. UT-960369, *et al*. The issue, then, is whether Qwest's retail prices are too low, or unbundled loop rates are too high. Qwest apparently does not believe that its rates are too low because it agreed to freeze those rates for three years as a condition on Commission approval of the merger between Qwest and U S WEST. Accordingly, if those rates do not recover unbundled loop costs, the loop costs are too high.

10. Qwest further supports this conclusion in the context of opposing a credit to retail services reflecting a positive price for the HUNE. Qwest contends such a credit would "be unfair to all of Qwest's customers, because it would force Qwest to try to recover the lost contribution from MegaBit from its other customers, even though MegaBit currently provides a significant contribution over its direct costs." Qwest Brief ¶ 68. MegaBit is "an interstate service under Qwest's FCC tariffs," *id.*, yet Qwest apparently is using revenues from this interstate service to

subsidize local exchange service in Washington that Qwest contends is priced at a level that does not recover the costs of the loop. Effective competition cannot develop in Washington under these circumstances. The Joint CLECs, therefore, urge the Commission to investigate this issue more thoroughly and to take all actions necessary to ensure that the price competitors must pay for the loop and other bottleneck monopoly facilities do not exceed the retail price of the services provisioned using those facilities.

D. Line Splitting Over UNE-P

11. The Joint CLECs[1] previously discussed the legal and policy basis for requiring Verizon to provide line splitting over the platform of unbundled network elements ("UNEs") used to provide local exchange service ("UNE-P"). Verizon acknowledges that, at a minimum, "the FCC has made clear that CLECs *are permitted* to engage in line splitting," but proposes that the Commission do no more than the minimum required. Verizon Brief ¶ 66 (emphasis in original). According to Verizon, "Limiting the ILEC's line sharing obligations to situations where the ILEC is the underlying voice carrier is consistent with the broader reasoning behind the Line Sharing Order." *Id*. ¶ 25. Verizon is incorrect.

12. The FCC's stated concern in its *Line Sharing Order* was the competitive advantage the ILEC would have if it or its data affiliate could provide data service over the same loop used to provide voice service but competitors seeking to provide data service could not. The FCC's "broader concern," however, was not the narrow issue of an ILEC cost advantage in the provision of data service, as Verizon asserts, but competitive neutrality in the provisioning of

[1] XO takes no position on this issue and thus does not join in this section of either the initial Post-Hearing Brief or this Reply Brief or in the recommendations on this issue.

all services. Line splitting over UNE-P is fully consistent with this broader concern. A voice provider seeking to serve an ILEC customer using UNE-P must retain the capability to allow the customer to obtain data service from another CLEC. Verizon would effectively require the voice CLEC to collocate in the Verizon central office, disconnect the UNE-P, and then reconnect those elements through collocated equipment. Such a requirement would render UNE-P a nullity, eliminating its mass market viability and exponentially increasing competitors' costs. *See* Ex. T-340 (AT&T Gillan Direct) at 14-17; Ex. T-341 (AT&T Gillan Rebuttal) at 6-9. Such a requirement is fundamentally inconsistent with the pro-competitive policies of the Act, the FCC, and the Commission.

13. Arbitrators for the Texas Public Utilities Commission recently agreed and required Southwestern Bell ("SWBT") to provide line splitting over UNE-P. Indeed, the arbitrators concluded that SWBT was required to provide the splitter in order to allow CLECs to access the full functionality of the loop. The arbitrators also rejected SWBT's proposal to require UNE-P CLECs to collocate in order to gain access to the HUNE, finding that such a requirement

> (1) unnecessarily increases the degree of coordination and manual work and accordingly increases both the likelihood and duration of service interruptions; (2) introduces unnecessary delays for space application, collocation construction, and splitter installation; and (3) unnecessarily wastes central office and frame space.

In re SWBT Arbitration with AT&T, Texas PUC Docket No. 22315, Arbitration Award at 19 (Sept. 13, 2000).

14. Verizon also contends that the Commission lacks independent authority to require line splitting over UNE-P because Commission requirements must be consistent with the

requirements of Section 251 and FCC rules and such consistency "cannot be determined at this time." Verizon Brief ¶ 69. Verizon provides no evidence or argument to support this statement. Requiring line splitting over UNE-P is fully consistent with Section 251, as the Joint CLECs have explained, and nothing in the record before the Commission demonstrates that such a requirement would substantially prevent implementation of line sharing or any other FCC requirement. Indeed, Qwest's agreement to provide line sharing over UNE-P effectively negates any possibility that it would interfere with the ILECs' other legal obligations. The Commission, therefore, should reject Verizon's arguments and require line sharing over UNE-P.

IV. OSS COST RECOVERY

A. Sufficiency and Accuracy of OSS Cost Estimates

15. The ILECs raise two issues requiring a response with respect to the sufficiency and accuracy of OSS cost estimates: (1) the need for an audit of OSS transition expenditures; and (2) future OSS transition costs.

Need for Audit

16. Both Qwest and Verizon dispute the need for an audit of the expenditures they claim to have incurred to modify their OSS, as the Joint CLECs have proposed. The ILECs contend that the discovery process was available and that parties do not "explain why OSS costs alone, and not any other costs reviewed in the Generic Costing and Pricing Proceeding, would require an audit." Verizon Brief ¶ 84; Qwest Brief ¶ 99. The explanation is simple – unlike every other UNE or facility for which the Commission has been asked to establish a price, the OSS rates the ILECs have proposed seek recovery of *expenditures*, not *forward-looking costs*. In other words, Qwest and Verizon are asking to be reimbursed for what they have actually paid in

the past, not to be compensated for costs they reasonably can be expected to incur in the future. Particularly when the ILECs have every incentive to inflate competitors' costs of entry into the local market, the Commission cannot simply trust Qwest and Verizon to have made an accurate accounting of their OSS expenditures, much less to have properly identified only those expenditures that were reasonably and prudently incurred. Indeed, audits are standard practice in the telecommunications industry to verify past expenditures or measurements, and provisions for audits are included in virtually all, if not all, Commission-approved interconnection agreements, as well as in Qwest's Statement of Generally Available Terms. *E.g.* Docket Nos. UT-003022 & UT-003040, Ex. 106 (Qwest SGAT) Section 18.

17. The discovery and hearing process, on the other hand, is not designed to undertake, or capable of undertaking, the necessary inquiry, which would require review of a massive amount of invoices, time sheets, and other records to determine whether each individual cost was prudently incurred and properly assigned to the appropriate project code. The Commission and the parties to this proceeding simply do not have the time or resources to conduct such an inquiry. Accordingly, the Commission should consider the process adopted by Pacific Bell, which arranged for an independent audit of the OSS costs for which it sought recovery in California and presumably included the cost of that audit in the total amount to be recovered. *See* Ex. 160 (CPUC ALJ Draft Decision) at 5. As a prerequisite to any recovery of OSS transition expenditures, therefore, Qwest and Verizon should be required to have a qualified and impartial third party undertake an audit of those expenditures, the costs of which would be included in the total amount to be recovered. To the extent that the expenditures involve multiple states, the costs of the audit, like the other expenditures, should be apportioned on a pro

rata basis.

Future OSS Costs

18. Verizon contends that, because it "cannot predict the level of future OSS requirements, the Company has not included any forecasts of costs for 2000 and beyond" but "reserves the right to seek future recovery as these costs are known." Verizon Brief ¶ 82. Similarly, Qwest has filed testimony in Part B of this docket seeking to recovery an additional $1 million in OSS expenditures. Direct Testimony of Barbara Brohl on Behalf of Qwest (August 4, 2000). The ILECs thus have interpreted the Commission's decision in the prior generic costing and pricing proceeding as an open invitation to file additional *seriatum* requests for more cost recovery from their competitors into the indefinite future.

19. These future requests for OSS transition cost recovery raise renewed concerns with the accuracy and reasonableness of the ILECs' expenditures. Not only would these expenditures be unaudited, but the Commission would be compelled repeatedly to examine the latest expenditures and modify the OSS cost recovery rate, further draining Commission and party resources in endless litigation. The ILECs' approach highlights the anti-competitive nature of obtaining OSS transition cost recovery from CLECs alone. If the Commission permits serial future requests for more OSS cost recovery, CLECs will be assessed OSS transition charges that never end and grow ever larger with each ILEC filing. In other words, Qwest and Verizon would be able to construct longer and taller barriers to entry into the local exchange market in Washington until those barriers become insurmountable. The Joint CLECs, therefore, strongly urge the Commission to follow the approach taken by the California Commission and establish a competitively neutral mechanism for OSS transition cost recovery.

B. Appropriate Cost Recovery Mechanism

20. The ILECs themselves provide a basis for the Joint CLECs' proposal to adopt a competitively neutral cost recovery mechanism, rather than assessing OSS transition expenditures entirely on CLECs and their customers. Verizon proposes two charges[2] per local service request ("LSR") to recover its OSS transition expeditures because each such charge "ensures that the cost recovery burden on CLECs is in proportion to the benefits they derive from OSS." Verizon Brief ¶ 88. Qwest takes a diametrically opposed view, proposing a per service order charge because a charge per LSR is "unfair" while Qwest's "cost recovery scheme results in a much more equitable sharing of the OSS cost recovery among the CLECs." Qwest Brief ¶¶ 110-11. Thus even the ILECs are unable to agree on a cost recovery mechanism that would equitably allocate OSS transition expenditures. While the Joint CLECs believe that a per LSR charge is the lesser of two evils if the Commission imposes OSS transition expenditures entirely on competitors and their customers, the appropriate cost recovery mechanism is a retail end user surcharge or other mechanism that distributes these costs on a nondiscriminatory and competitively neutral basis.

V. COLLOCATION

A. Qwest Cost and Pricing Proposal

21. Qwest estimates costs and proposes prices largely based on unsupported cost data from central offices outside this state and has not even adequately documented the cost estimates on which it relies, despite requests to do so and to provide Washington specific cost data. Ex. T-

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[2] Verizon proposes a charge of $3.27 per LSR for general OSS transition expenditures and a charge of $4.92 to recover its expenditures to create its National Open Market Center, both of which reflect transition, as opposed to transaction, costs. *See* Verizon Brief ¶ 98.

151 (XO Knowles Response) at 12-22; Ex. 24-25 (Qwest Responses to XO, et al. Data Requests Nos. 01-003 & 4). Qwest contends, "All of the common collocation (e.g., standard and caged) and cageless collocation cost elements were modeled on the costs of actual collocation jobs." Qwest Brief ¶ 124. This claim is demonstrably inaccurate. Mr. Thompson made abundantly clear that the "actual collocation jobs" on which Qwest relied were *cageless* collocation jobs only. *E.g.*, Ex. T-10 (Qwest Thompson Direct) at 5-6. Collocation elements on which Qwest did not rely on this survey of collocation jobs – or any other evidence of Washington-specific collocation costs – include Entrance Facilities, Space Construction (Caged), and fiber splicing. *E.g.*, *id*. at 7; Ex. T-151 (XO Knowles Response) at 12-22. Accordingly, none of Qwest's proposed prices for these elements bear any relationship to costs Qwest incurs on a forward-looking basis to provide collocation in its Washington central offices.

1. Entrance Facilities

22. The Joint CLECs have previously detailed their concerns with Qwest's proposed prices for Entrance Facilities, most of which Qwest did not address in its initial brief. Qwest, however, raises two issues that require a response.

23. The first issue is Qwest's alleged compliance with Paragraph 319 of the Commission's Seventeenth Supplemental Order in Docket Nos. UT-960369, *et al.*, which provides in relevant part, that "if U S WEST can demonstrate that its first manhole is congested, it can require the CLECs to use a separate manhole and recover the cost from the CLECs." *See* Qwest Brief ¶ 132. Qwest has proposed to impose the *entire* cost of an additional, segregated manhole on CLECs, but the Commission did not authorize construction of a manhole dedicated to CLECs. Indeed, any such requirement would run afoul of the FCC's requirement that costs of

collocation infrastructure that is or can be jointly used by the ILEC and CLECs should be calculated according to each carrier's proportional usage of that infrastructure. *Physical Collocation Order* ¶¶ 121-23. If Qwest's Manhole 1 is congested, Qwest, as well as CLECs, will need additional manhole space, and the costs of constructing another manhole should be apportioned between Qwest and collocating CLECs that use the manhole, not CLECs alone.

24. The second issue is Qwest's proposed requirement of "a minimum quantity of 12 fibers" for Entrance Facilities that include fiber supplied by Qwest. Qwest Brief ¶¶ 134-35. None of the testimony or other evidence Qwest submitted in this proceeding references, much less attempts to justify, such a minimum. Indeed, Qwest's proposal to price these Entrance Facilities on a per fiber, rather than per cable, basis would be irrational if CLECs were not able to obtain Entrance Facilities in single fiber increments. Qwest thus has raised a new requirement for the first time in its Post-Hearing Brief, and the Commission should refuse to approve that requirement.

2. Space Construction

a. Cage Enclosure

25. Qwest concedes that its "direct costs for cage construction for cages of 100 square feet and 200 square feet are also less than $5,000," but states that "Qwest also has other costs associated with providing a caged enclosure." Qwest Brief ¶ 145. The only such additional cost Qwest identifies, however, is heating, ventilation, and air conditioning ("HVAC"). Qwest provided no support for its HVAC cost estimates or any other cage enclosure cost elements,

despite the Joint CLECs' request for such support. " Ex. T-151 (XO Knowles Response) at 16 (quoting Qwest data request response). Accordingly, no record evidence supports any additional cost for HVAC, and the Commission should establish a cage enclosure rate for Qwest of $5,000 as the Joint CLECs proposed.

b. DC Power

26. Qwest attempts to justify its failure to estimate DC Power costs based on Washington-specific data by relying on Mr. Thompson's testimony that "even though there were 21 Washington jobs, that was still a fairly limited number, and the number of observations was not sufficiently large to make it preferable to use Washington only data as opposed to the larger universe of data." Qwest Brief ¶ 149 (citing Tr. at 526-27). Mr. Thompson's testimony, however, undermines the very point Qwest tries to make. Qwest modeled its DC Power costs using figures allegedly derived from *five* central offices, only two of which are in Washington. Ex. C-15 (Qwest Collocation Model Results) at 126-27 & 144-45. If Qwest believes that 21 collocation jobs is too limited a sample to produce a reliable cost estimate, Qwest cannot credibly claim that its use of only five central offices produces a reliable cost estimate.

27. Qwest also incorrectly characterizes Mr. Knowles' testimony on the method for determining DC Power costs.[3] The Joint CLECs do *not* recommend that the Commission rely only the two Washington offices out of the five central offices Qwest identifies in its cost calculation. The Joint CLECs previously explained that Qwest (a) provided no evidence to demonstrate that even the two Washington central offices are representative of the dozens of its central offices with collocation in Washington, (b) inexplicably uses different per foot costs for cageless and caged collocation, and (c) provides no support or explanation for how it developed its underlying cost calculations. Joint CLEC Brief ¶¶ 69-71. The record thus fails to support any DC Power cost calculations based on Qwest data, and accordingly, the Joint CLECs recommend that the Commission establish rates for DC Power at the level that Verizon has proposed for the same element.

5. Cable Splicing

28. The Joint CLECs recommend that Qwest be authorized to charge no more for cable splicing than the $28 per splice rate that XO pays its outside contractor. Qwest contends that the discrepancy between this proposal and Qwest's proposed charge per splice is attributable to the additional costs for testing and markups for attributed and common costs, thus validating the reasonableness of Qwest's proposal. Qwest Brief ¶ 169. Qwest, however, fails to factor in its proposed $515.79 charge per set-up, which is included in the XO contractor price and would more than double Qwest's proposed rate per splice when spread across a twelve fiber cable. *See*

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[3] In addition, although Mr. Knowles supported most of Mr. Griffith's testimony on adjustments to the ILECs' collocation cost estimates, XO does not "recommend that power costs should always be calculated based on the distance between the CLEC collocation area and the battery distribution fuse board ("BDFB")." Qwest Brief ¶ 151. Rather, XO agrees that larger amperages provided in Qwest central offices in Washington are routed directly from the Main Power Board.

Ex. T-151 (XO Knowles Response) at 21-22. Qwest also abandons its advocacy that "the TELRIC standard [the FCC] adopted in its pricing rules 'attempts to replicate, with respect to the bottleneck monopoly elements, *the rates that would be charged in a competitive environment*.'" Qwest Brief ¶ 28 (quoting *Local Competition Order* ¶ 740) (emphasis added by Qwest). The market price for cable splicing is $28 per splice and under Qwest's own view of the applicable pricing standards, Qwest's prices should not exceed that amount.

B. Verizon Cost and Pricing Proposals

1. Cage Enclosure

30. The Joint CLECs recommend that because Verizon failed to produce reliable, Washington-specific data on Verizon's Cage Enclosure costs, the Commission should authorize Verizon to charge its proposed Cage Enclosure charges only if those charges include not only the Fencing and Cage Gate, but Site Modification and Electrical costs. Verizon criticizes Mr. Knowles' use of a vendor quote provided to XO, Exhibit 161, but the Joint CLECs have never recommended that the Commission establish cage construction costs solely on that quote or that the Commission should assume the construction of 10 separate cages as Verizon contends. Rather, as Mr. Knowles explained, this quote is a data point, providing a Washington-specific cost estimate for the installation of fencing and gate materials for caged collocation where neither Qwest nor Verizon provided such data. *See* Tr. at 896-97 (XO Knowles Cross).

29. Verizon also takes issue with the Qwest invoice for cage construction, Exhibit C-159, claiming that the invoice lacked job specifics, including the gauge of the fence material, type of lights, location of the electrical panel, inclusion of sufficient conduit, and whether work was done after business hours. Verizon Brief ¶ 108. Verizon, however, fails to recognize that it

is casting stones from inside its own glass house. The data Verizon provided on the California and Texas collocation jobs on which its cost estimates were based includes none of the specific information Verizon complains that the Qwest invoice lacks. *See* Ex. RC-294 (Verizon Responses to Joint CLEC Data Request No. 4) at 6-31. If Verizon believes that supporting cage construction documentation is unreliable in the absence of this specific information, then Verizon must implicitly concede that the Commission cannot approve Verizon's proposed rates when they are based on documentation with the same "deficiencies."

6. Cable Splicing

31. Consistent with their recommendation for Qwest, the Joint CLECs recommend that Verizon be authorized to charge no more for cable splicing than the $28 per splice rate that XO pays its outside contractor. Verizon incorrectly contends that the "sole source for this figure, however, is one particular splicing job in Salt Lake City, Utah, for two sets of splicing 144 fibers." Verizon Brief ¶ 135. Mr. Knowles expressly, and repeatedly, testified that the source of this rate is XO's contract with its vendor, not a single invoice as Verizon claims. Ex. T-151 (XO Knowles Response) at 12; Tr. at 904 (XO Knowles cross). The invoice was provided in response to a Qwest data request that specifically requested an invoice for work undertaken under the vendor contract. Ex. C-158 (XO Response to Qwest Data Request No. 6). Pursuant to the contract, XO pays its outside contractor "$28 per splice regardless of size or quantity." Tr. at 904 (XO Knowles cross). CLECs should pay no more to Verizon for the same work, or at a minimum should be permitted to arrange their own cable splicing.

VII. CONCLUSION

32. For the reasons and as discussed above and in their opening brief, the Joint

CLECs recommend that the Commission (1) establish prices without a true up to any modifications that might be necessary as a result of judicial review of the FCC's pricing rules; (2) require Verizon to provide line splitting with UNE-P; (3) disallow any OSS cost recovery from CLECs alone, and in no event pursuant to charges per service order as Qwest has proposed or for OSS access used to obtain interconnection facilities; and (4) significantly reduce, and in some cases restructure, the collocation element rates that Qwest, and to a lesser extent Verizon, have proposed.

RESPECTFULLY SUBMITTED this 23rd day of October, 2000.

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