BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

MARC SPITZER, Chairman
WILLIAM A. MUNDELL
JEFF HATCH-MILLER
MIKE GLEASON
KRISTIN K. MAYES

IN THE MATTER OF ILEC UNBUNDLING OBLIGATIONS AS A RESULT OF THE FEDERAL TRIENNIAL REVIEW ORDER.

DOCKET NO. T-00000A-03-0369

PROCEDURAL ORDER

BY THE COMMISSION:

On June 4, 2003, the Utilities Division Staff ("Staff") of the Arizona Corporation Commission ("Commission") filed with Docket Control a memo requesting that a generic docket in the above-captioned matter be opened. In response, the above-captioned docket was opened.

On June 24, 2003, a Procedural Order was issued requesting all parties to file comments to certain questions within 20 days from the release of the Federal Communications Commission's ("FCC's") Report and Order on Remand and Further Notice of Proposed Rulemaking, *In the Matter of Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers, Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, Deployment of Wireline Service Offering Advance Telecommunications Capability,* CC Docket Nos. 01-338, 96-98 and 98-147 (rel. August 21, 2003) ("Triennial Review Order").

On October 14, 2003, Staff filed a Request for a Procedural Order to commence the "nine-month" phase of the docket. Staff stated that, pursuant to the Triennial Review Order, the nine-month phase will address the following three issues: 1) whether competitive carriers would be impaired without the availability of the local switching UNE for the mass market or residential customers; 2) whether carriers would be impaired without unbundled loops for the enterprise market; and 3) whether carriers would be impaired without unbundled dedicated transport on a particular route. Staff attached a proposed procedural schedule for processing this case.

On October 21, 2003, WorldCom, Inc., on behalf of its operating subsidiaries ("MCI"), filed a Response to Staff's proposed procedural schedule. MCI supported Staff's proposed schedule with

some minor exceptions.

On October 24, 2003, Qwest Corporation ("Qwest") filed a Request for Procedural Conference responding to Staff's filing. Qwest argued that Staff's proposed procedural schedule was inconsistent with the analysis discussed in the Triennial Review Order because it requires Staff and Qwest to gather and analyze data before defining the routes and markets regarding impairment of transport and switching facilities. Qwest claimed that additional time needs to be built into the beginning of the process to allow Qwest to gather and analyze information prior to identifying routes and markets for which it will seek to challenge impairment. Qwest presented a procedural schedule that it claimed would allow sufficient time for conducting an analysis.

On October 24, 2003, a Procedural Order was issued scheduling a procedural conference in this docket for October 31, 2003. The procedural conference was held as scheduled.

Procedural Schedule

During the October 31, 2003 procedural conference, comments were received from a number of parties and a general consensus was reached with respect to the procedural schedule. Accordingly, the following schedule should be observed for the nine-month phase of this docket:

November 5, 2003	Staff sends out uniform data requests to all Arizona providers
December 2, 2003	Responses due to Staff's uniform data requests
December 12, 2003	Filing by ILECs to "frame" scope of case and identify markets, routes, and customer locations for impairment analysis[1]
December 22, 2003	Comments by intervenors on ILECs' proposed scope and market definitions
January 9, 2004	Direct Testimony due by all parties except Staff
January 30, 2004	Staff Direct Testimony due
February 20, 2004	Rebuttal Testimony due by all parties except Staff

[1] Qwest indicated at the procedural conference that it does not intend to challenge impairment with respect to transport routes or loops.

March 2, 2004	Staff Rebuttal Testimony due[2]
March 8-12 and 15-19, 2004	Hearings
April 16, 2004	Simultaneous Post-Hearing Briefs
April 30, 2004	Reply Briefs

Discovery

As indicated above, discovery in this docket will be initiated on November 5, 2003 by Staff's service of a uniform set of data requests on Arizona carriers. Parties may also engage in discovery of other parties but are encouraged to avoid discovery requests that are duplicative of those served by Staff.

With the exception of Staff's initial uniform set of data requests, responses to data requests shall be provided within 14 calendar days from service. After the filing of direct and subsequent testimony, responses to data requests shall be provided within 7 calendar days from service.

Depositions will be permitted, upon proper notice, after the filing of direct and subsequent testimony.

Protective Order

The parties have agreed to use the same terms and conditions of the Protective Order adopted by the Utah Public Service Commission for its Triennial Review proceeding. As a result, the Utah Protective Order, as modified by the parties for use in this docket, should be employed by parties that wish to review Confidential and Highly Confidential information.

List Server

Staff is in the process of developing a List Server that will allow parties to obtain access to responses by other parties by subscribing to the List Server. The List server will provide a means of serving non-confidential documents on other parties in this docket. Staff shall provide to all parties, by no later than November 14, 2003, the e-mail address for the designated Staff member to whom requests for subscription should be sent, as well as the web site for the List Server.

All interested parties shall subscribe to the List Server by sending an e-mail to the designated

[2] Oral Surrebuttal Testimony will be permitted at the hearing.

Staff member providing the name, address, telephone number, and e-mail address of all individuals the party seeks to subscribe to the List Server. A confirmation e-mail will be sent acknowledging the inclusion of the designated individuals as subscribers to the List Server. Interested parties may amend the list of individuals subscribed to the List Server by following the same e-mail procedure.

Filing and Service of Documents

In accordance with Commission filing requirements, the parties shall file an original paper and 13 copies of all pleadings, motions, testimony, exhibits and other filings on the Commission.

With the exception of information designated as Confidential or Highly Confidential information, or documents that are too voluminous to be conveniently served by electronic mail, parties shall serve pleadings, motions, testimony, discovery requests, discovery responses, exhibits to Protective Orders, and other documents the serving party intends to serve on other parties by serving the List Server in the manner described above.

With respect to pleadings, testimony, exhibits, data responses, or other documents that contain Confidential or Highly Confidential information, or documents that are too voluminous to be conveniently served by electronic mail, service shall be accomplished in paper form or in an alternative form such as a compact disc. To the extent practical, pleadings, testimony, data responses, or other documents not being served by electronic mail shall be served by hand delivery or overnight courier, at the discretion of the serving party. However, this requirement does not foreclose individual parties from serving such documents by electronic mail if, by mutual agreement, arrangements are made for electronic service.

Cost Models

To the extent a party intends to rely upon cost models to support its position in this docket, that party shall include the cost model as part of its direct testimony.

Batch Hot Cut Forum

On October 31, 2003, Qwest, AT&T of the Mountain States, Inc. ("AT&T"), and MCI ("Joint Movants") filed a Joint Motion for Adoption of Batch Hot Cut Forum. The Joint Movants propose that a single uniform batch hot cut process should be employed for all states within the Qwest region. The Joint Movants contend that a regional forum provides the most efficient and

effective means of reaching agreement on batch hot cut issues. This issue was discussed at the October 31, 2003 procedural conference. No party objected to treating this issue through a multi-state forum process. The following procedural schedule shall be observed regarding the batch hot cut issue:

November 5, 2003	Commission Notice to all CLECs within respective states regarding batch hot cut forum[3]
November 11, 2003	Qwest submits its batch hot cut proposal which will include a detailed description of the process including, but not limited to, capacity, Pre-order, Ordering and Provisioning, the proposed cost for the batch hot cut activities, and the intervals
November 18, 2003	CLECs submit comments/counter proposals to Qwest's batch hot cut proposal
December 1-3, 2003	Initial Forum – Denver, Colorado
December 4, 2003 to January 15, 2004	Weekly conference calls on batch hot cut proposal, if useful. Face-to-face meetings as necessary (in Seattle, WA and Phoenix, AZ)
January 20, 2004	Simultaneous filing of direct testimony on impasse issues regarding the batch hot cut process and filing of a Stipulation among parties on areas of agreement/consensus items
February 15, 2004	Simultaneous filing of rebuttal testimony
March 8-12 and 15-19, 2004	Hearings

Intervention

Requests for intervention in this proceeding shall be filed by no later than December 2, 2003.

Line Splitting

In its Request for a Procedural Order, Staff requested that line splitting should be addressed as part of the Commission's nine-month phase of this proceeding. However, the FCC's Triennial Review Order did not require line splitting to be addressed in the nine-month docket and, at the October 31, 2003 procedural conference no party could point to another state commission that is

[3] This Procedural Order will serve as the Commission's notice regarding the batch hot cut procedural schedule.

addressing line splitting in its triennial review proceedings. Therefore, the Administrative Law Judge ruled that line splitting would not be addressed in this docket.

IT IS THEREFORE ORDERED that the following procedural schedule shall be observed by all parties to this proceeding:

November 5, 2003	Staff sends out uniform data requests to all Arizona providers
December 2, 2003	Responses due to Staff's uniform data requests
December 12, 2003	Filing by ILECs to "frame" scope of case and identify markets, routes, and customer locations for impairment analysis
December 22, 2003	Comments by intervenors on ILECs proposed scope and market definitions
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IT IS FURTHER ORDERED that with the exception of Staff's initial uniform set of data requests, responses to data requests shall be provided within 14 calendar days from service. After the filing of direct and subsequent testimony, responses to data requests shall be provided within 7 calendar days from service.

IT IS FURTHER ORDERED that Staff shall provide all parties, by no later than November 14, 2003, the e-mail address for the designated Staff member to whom requests for subscription should be sent, as well as the web site for the List Server. All interested parties shall subscribe to the List Server by sending an e-mail to the designated Staff member providing the name, address,

telephone number, and e-mail address of all individuals the party seeks to subscribe to the List Server.

IT IS FURTHER ORDERED that service of documents shall be accomplished in the manner described above.

IT IS FURTHER ORDERED that Staff shall post on the Commission's web site the procedural schedule listed above and a brief description of the docket.

IT IS FURTHER ORDERED that Requests for intervention in this proceeding shall be filed by no later than December 2, 2003.

IT IS FURTHER ORDERED that line splitting will not be addressed in this docket.

IT IS FURTHER ORDERED that the following procedural schedule shall be observed regarding the batch hot cut issue:

November 5, 2003	Staff sends out uniform data requests to all Arizona providers
December 2, 2003	Responses due to Staff's uniform data requests
December 12, 2003	Filing by ILECs to "frame" scope of case and identify markets, routes, and customer locations for impairment analysis
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IT IS FURTHER ORDERED that to the extent a party intends to rely upon cost models to support its position in this docket, that party shall include the cost model as part of its direct testimony.

DATED this 6th day of November, 2003.

DWIGHT D. NODES
ASSISTANT CHIEF ADMINISTRATIVE LAW JUDGE

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