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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF DETERMINING
PRICES FOR UNBUNDLED NETWORK
ELEMENTS (UNEs) IN QWEST
CORPORATION'S STATEMENT OF
GENERALLY AVAILABLE TERMS
(SGAT)**

**CASE NO.: QWE-T-01-11
MOTION FOR APPROVAL OF
NEGOTIATED RATES**

Qwest Corporation ("Qwest"), by and through its undersigned attorneys, and pursuant to Commission Rule of Procedure 56, IDAPA 31.01.01.056, moves this Commission for its order approving the rates reflected on Attachment A to this Motion. These rates are the product of lengthy negotiations with Staff and are supported by the supplemental testimony of Teresa K. ("Terri") Million, submitted herewith.

Background

Pursuant to the federal telecommunications act of 1996, 47 U.S.C. § 251 *et seq.*, the Commission is to set nondiscriminatory rates for interconnection facilities and equipment, and for unbundled network elements (UNEs) based on the provisioning cost, which may include a reasonable profit. 47 U.S.C. § 252(d). Idaho statute grants the Commission “full power and authority to implement” the federal act, including “the power to establish unbundled network element charges”. *Idaho Code § 62-615(a)*. Initially the Commission complied with these requirements by setting rates for those UNEs that were requested by the competing carrier in an arbitration proceeding. Unlike regulatory bodies in some Qwest jurisdictions, the Idaho Commission did not open a wholesale cost docket to address permanent UNE rates until several years after the passage of the federal act.

The effort to determine permanent prices for Qwest’s UNEs began in Case No. USW-T-00-15, a docket that was initiated on June 10, 2000, when Qwest filed its first Statement of Generally Available Terms (SGAT). In April 2001, Qwest filed a Motion for Procedural Order asking that the Commission adopt Qwest’s proposed schedule for determining the total element long run incremental costs (TELRIC) of the elements and services contained in its SGAT.

On June 1, 2001, Qwest filed an Amended Motion for Procedural Order asking that the Commission adopt a schedule that reflected a “more informal and open approach” to the task of determining the TELRIC rates for Qwest’s UNEs. This approach included a series of informal workshops to precede the preparation and filing of more formal evidence. The Amended Motion further stated that Qwest would provide hands-on assistance for the use of its cost model and information about the inputs used to produce the cost model results, and would show the effect of using alternative inputs as part of the informal workshop process. The Amended Motion

further contemplated that the informal workshops would be followed by a more formal schedule that provided for the filing of testimony and an evidentiary hearing.

Qwest's Amended Motion was granted in Order No. 28748 issued June 12, 2001. At that time the current docket was opened and the first of what was expected to be a series of workshops was scheduled. Qwest filed direct testimony of several Qwest witnesses to form the foundation of the discussion of Qwest's UNE prices and its cost models.¹ The first workshop was held June 23, 2001.

Although the workshop process began with the participation of intervenors other than the Commission Staff, the intervening parties did not actively participate beyond the initial phases. The Staff and Qwest, however, continued an extensive dialog culminating in the negotiated rates that are represented in Attachment A to this Motion.

Negotiated Rates

As represented in the June 1, 2001, Amended Motion, Qwest conducted the informal workshop process by providing hands-on assistance to interested parties on the operation of its cost models, the inputs used, and the effects of alteration of input values. The Commission Staff was the first party to demonstrate interest in this process and as it evolved, Staff became the only participant other than Qwest, to actively engage. Qwest provided Staff with all of the information it requested, including extensive information about the results of TELRIC dockets in other Qwest jurisdictions.

As the workshop process continued, it became clear that only a portion of the UNEs that are reflected in Qwest's SGAT were the subject of significant controversy between Qwest and the Staff. These UNEs tended to be those that were most often purchased by competing carriers

¹ That testimony, filed June 29, 2001, is the subject of Qwest's Motion to Withdraw Testimony filed currently herewith.

and those that made up the product known as Unbundled Network Element – Platform, or “UNE-P”. For the majority of the UNEs, however, Qwest and Staff found that it was feasible to reach a negotiated price founded on Qwest’s cost studies, but modified by using variant inputs in the models or, in some cases, reduced to bring them closer to results ordered in other Qwest jurisdictions. While Qwest is willing to accept these negotiated rates, the Company submits that in some instances these rates represent the lowest reaches of the range of TELRIC prices as ordered by the regulatory bodies.

Qwest has agreed to accept the rates contained in Attachment A and offers the Supplemental Testimony of Teresa K. Million in support of this Motion. These rates represent the product of a lengthy, but fruitful negotiation process, which took many factors into consideration. Approval of the rates contained in Attachment A as Qwest’s permanent TELRIC rates will provide Idaho CLECs with a more useful SGAT. Removing these numerous UNEs from the list of UNEs for which prices must be set in contested proceedings will also benefit Qwest, the Commission and interested parties by conserving regulatory resources and allowing parties to focus only on those remaining wholesale pricing issues that are most significant.

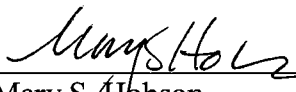
Qwest believes that the Commission’s adoption of these rates complies with the Commission’s obligations to set prices for its UNEs under 47 U.S.C. § 252(d) and to implement the federal telecommunications act of 1996 under Idaho Code § 62-615.

Requested Relief

Qwest asks that the Commission process this request to adopt the rates that have been negotiated between Staff and Qwest using modified procedure. Qwest has submitted the prefiled “Supplemental” testimony of Ms. Million in support of the adoption of the rates in Attachment A, but believes that it would be appropriate for the Commission to simply accept the written

comments of interested parties, including Staff, and make its decision based on the written record, including Ms. Million's submission.

Respectfully submitted this 12th day of November, 2003.



Mary S. Hobson
Stoel Rives LLP

and

Adam Sherr
Qwest

Attorneys for Qwest Corporation

CERTIFICATE OF SERVICE

I hereby certify that on this 12th day of November, 2003, I served the **MOTION FOR**

APPROVAL OF NEGOTIATED RATES as follows:

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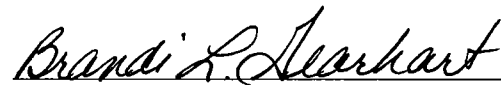
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NEGOTIATED RATES
PRICES AGREED UPON BY STAFF AND QWEST

	Recurring	Wholesale Discount	Nonrecurring	Notes
6.0 Resale				
6.1 Wholesale Discount Rates				
6.1.1 Southern Idaho				
6.1.1.1 Basic Exchange Residence Service		18.25%		
6.1.1.2 Basic Exchange Business Service		18.25%		
6.1.1.3 Toll		18.25%		
6.1.1.4 Packaged/Special Services (e.g., Centrex, Discounted Line/Feature Packages, ISDN, PBX-Trunks, DSS & UAS, Frame Relay Service, LAN, MegaBit and other ACS)		18.25%		
6.1.1.5 Listings, CO Features and Information Services		18.25%		
6.1.1.6 Private Line		18.25%		
6.1.1.7 Operator Services / Directory Assistance (OS/DA)		18.25%		
6.1.1.8 Public Access Line (PAL) Service		0.00%		
Volume Packaged Services - High-Volume Customers		6.65%		
6.1.2 Northern Idaho				
6.1.2.1 Basic Exchange Residence Service		19.37%		
6.1.2.2 Basic Exchange Business Service		19.37%		
6.1.2.3 Toll		19.37%		
6.1.2.4 Packaged/Special Services (e.g., Centrex, Discounted Line/Feature Packages, ISDN, PBX-Trunks, DSS & UAS, Frame Relay Service, LAN, MegaBit and other ACS)		19.37%		
6.1.2.5 Listings, CO Features and Information Services		19.37%		
6.1.2.6 Private Line		19.37%		
6.1.2.7 Operator Services / Directory Assistance (OS/DA)		19.37%		
6.1.2.8 Public Access Line (PAL) Service		0.00%		
Volume Packaged Services - High-Volume Customers		6.87%		
6.2 Customer Transfer Charge (CTC)				
6.2.1 CTC for POTS Service				
First Line (Mechanized)			\$0.63	
Each Additional Line (Mechanized)			\$0.12	
First Line (Manual)			\$16.22	
Each Additional Line (Manual)			\$2.27	
6.2.2 CTC for Private Line Transport Services				
First Circuit			\$38.84	
Additional Circuit, per Circuit, Same CSR			\$33.50	
6.2.3 CTC for Advanced Communications Services, per Circuit			\$46.81	
7.0 Interconnection				
7.1 Entrance Facilities				
7.1.1 DS1	\$103.61		\$208.34	
7.1.2 DS3	\$524.42		\$277.73	
7.2 LIS EICT				
7.2.1 Per DS1	\$0.00		\$0.00	
7.2.2 Per DS3	\$0.00		\$0.00	
	Recurring Fixed	Recurring Per Mile	Nonrecurring	Notes
7.3 Direct Trunked Transport				
7.3.1 DS1 Over 0 to 8 Miles	\$37.35	\$1.25		
DS1 Over 8 to 25 Miles	\$37.35	\$1.82		
DS1 Over 25 to 50 Miles	\$37.35	\$1.89		
DS1 Over 50 Miles	\$37.35	\$1.90		
7.3.2 DS3 Over 0 to 8 Miles	\$257.18	\$19.48		
DS3 Over 8 to 25 Miles	\$260.49	\$24.24		
DS3 Over 25 to 50 Miles	\$260.77	\$26.43		
DS3 Over 50 Miles	\$259.32	\$26.35		
	Recurring		Nonrecurring	Notes
7.4 Multiplexing				
7.4.1 DS3 to DS1	\$304.22		\$193.30	
7.4.2 DS1 to DS0	\$263.86		\$193.30	
7.5 Trunk Nonrecurring Charges				
7.5.1 DS1 Interface, First Trunk			\$229.40	
7.5.2 DS1 Interface, Each Additional Trunk			\$5.46	
7.5.3 DS3 Interface, First Trunk			\$235.71	
7.5.4 DS3 Interface, Each Additional Trunk			\$11.78	
7.6 Exchange Service (EAS/Local) Traffic				
7.6.1 End Office Call Termination, per Minute of Use				
7.6.2 Tandem Switched Transport				
7.6.2.1 Tandem Switching, per Minute of Use				

NEGOTIATED RATES
PRICES AGREED UPON BY STAFF AND QWEST

	Recurring		Nonrecurring	Notes
	Recurring Fixed	Recurring Per Mile	Nonrecurring	Notes
7.6.2.2 Tandem Transmission, per Minute of Use				
Over 0 to 8 Miles	\$0.0004564	\$0.0000367		
Over 8 to 25 Miles	\$0.0004564	\$0.0000367		
Over 25 to 50 Miles	\$0.0004564	\$0.0000367		
Over 50 Miles	\$0.0004260	\$0.0000144		
	Recurring		Nonrecurring	Notes
7.7 Local Traffic-FCC-ISP Rate Caps				
7.7.1 MOU for 6 mo. June 14-Dec. 13,2001	N/A			
7.7.2 MOU for 18 mo. Dec. 14,2001-June 13,2003	N/A			
7.7.3 MOU for 36 mo. June 14, 2003-June 13, 2006	\$0.0007			1
7.8 Miscellaneous Charges				
7.8.1 Expedite Charge (LIS Trunks)			Qwest's Idaho Access Service Catalog	
7.8.2 Cancellation Charge (LIS Trunks)			Qwest's Idaho Access Service Catalog	
7.8.3 Additional Testing (LIS Trunks)			Qwest's Idaho Access Service Catalog	
7.8.4 Construction Charges	ICB		ICB	3
7.9 Transit Traffic				
7.9.1 Local Transit				
	See Tandem Switching and Tandem Transmission Rates Above			
Local Transit Assumed Mileage		7 Miles		
7.9.2 IntraLATA Toll				See Qwest's Idaho Access Service Catalog
IntraLATA Toll Assumed Mileage		7 Miles		
7.9.3 Jointly Provided Switched Access				See Qwest's Idaho Access Service Catalog
7.9.4 Category 11 Mechanized Record Charge, per Record	\$0.0014877			
8.0 Collocation				
8.1 All Collocation				
8.1.1 Collocation Entrance Facility				
Standard Shared per Fiber	\$5.44		\$616.32	
Cross Connect per Fiber	\$5.56		\$722.65	
Express per Cable	\$88.19		\$9,009.73	
8.1.2 Cable Splicing				
Fiber - Per Set-Up			\$399.93	
Per Fiber Spliced			\$37.15	
8.1.3 -48 Volt DC Power Usage, per Ampere, per Month				
Power Plant Less Than 60 Amps, per Amp	\$10.64			
Power Plant Greater Than or Equal to 60 Amps, per Amp	\$8.42			
Power Usage Less Than or Equal to 60 Amps, per Amp	\$2.47			
Power Usage Greater Than 60 Amps, per Amp	\$4.93			
8.1.4 Power Reduction				
Quote Preparation Fee			\$703.70	
Power Reduction Less Than 60 Amps			\$494.45	
Power Reduction Equal to 60 Amps			\$706.91	
Power Reduction Greater Than 60 Amps			\$895.31	
Power On / Off			\$621.09	
BDFB Rent	\$64.59			
8.1.5 AC Power Feed				
AC Power Feed - per Amp, per Month				
120 V	\$16.09			
208 V, Single Phase	\$27.89			
208 V, Three Phase	\$48.25			
240 V, Single Phase	\$32.19			
240 V, Three Phase	\$55.68			
480 V, Three Phase	\$111.35			
AC Power Feed - per Foot, per Month				
20 Amp, Single Phase	\$0.0084		\$7.43	
20 Amp, Three Phase	\$0.0105		\$9.22	
30 Amp, Single Phase	\$0.0091		\$8.02	
30 Amp, Three Phase	\$0.0125		\$11.01	
40 Amp, Single Phase	\$0.0107		\$9.43	
40 Amp, Three Phase	\$0.0147		\$12.97	
50 Amp, Single Phase	\$0.0127		\$11.18	
50 Amp, Three Phase	\$0.0177		\$15.61	
60 Amp, Single Phase	\$0.0144		\$12.64	
60 Amp, Three Phase	\$0.0204		\$17.97	
100 Amp, Single Phase	\$0.0178		\$15.66	
100 Amp, Three Phase	\$0.0277		\$24.44	
8.1.6 Inspector Labor, per Half Hour				
Regular Hours Rate			\$28.25	
After Hours Rate (minimum 3 hours)			\$37.88	

