

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: TOTAL ELEMENT LONG RUN
INCREMENTAL COST INTERIM
RATES FOR BELL ATLANTIC - RHODE ISLAND

DOCKET NO. 2681

Order

WHEREAS, On July 19, 1999, a Motion for Expedited Interim Order Prescribing Rates for Nonrecurring Costs and Unbundled Network Elements (“Motion”) was filed by the Division of Public Utilities and Carriers (“Division”) and Bell Atlantic – Rhode Island (“BARI”) with the Public Utilities Commission (“Commission”), reflecting a Stipulation (“Stipulation”)¹ between those parties as to interim nonrecurring cost (“NRC”) and unbundled network element (“UNE”) rates; and

WHEREAS, On July 30, 1999, NEVD of Rhode Island, LLC (“NEVD”) filed a response to the Motion, generally supporting the establishment of the interim rates set forth in the Stipulation, but raising concerns about the pricing of one UNE, consisting of the 4-wire link, as well as certain additives, and pointing out that the Stipulation between the parties did not establish a rate for reciprocal compensation; and

¹ The Stipulation is attached and incorporated by reference as Appendix A.

WHEREAS, On August 2, 1999, AT&T Communications of New England, Inc. ("AT&T") proposed that the Commission utilize the Stipulation's proposed interim UNE rates to calculate interim access rates; and

WHEREAS, On August 11, 1999, the Division submitted certain revised schedules to the Stipulation in response to the issues raised by NEVD's response to the Motion; and

WHEREAS, Further submissions were made by BARI on August 13, 1999, and by the Division on August 18, 1999, addressing AT&T's contentions regarding interim access rates;

WHEREAS, On August 18, 1999, the Commission considered the matter at an open meeting, and agreed that the calculation of interim access charges from the interim UNE rates was inappropriate, deferring the resolution of the access charge issue to the final round of TELRIC hearings; and

WHEREAS, In the absence of any meaningful opposition to the Stipulation, the Commission further agreed at open meeting that, in furtherance of Congress' goal of implementing a competitive marketplace for telecommunications, the proposed interim rates would facilitate the development of local exchange competition in Rhode Island; and

WHEREAS, Adoption of interim rates will not delay the setting of permanent, cost-based rates for the provisioning of unbundled network elements;

Accordingly, it is

(15976) ORDERED:

1. The Motion for Expedited Interim Order Prescribing Rates for Nonrecurring Costs and Unbundled Network Elements is hereby approved.
2. The Stipulation containing the interim rates, as amended on August 11, 1999, is hereby approved.
3. The setting of access rates will be considered during the final disposition of the TELRIC docket. No interim access rates will be derived from the interim unbundled network element rates established herein.

EFFECTIVE AT PROVIDENCE, RHODE ISLAND PURSUANT TO AN OPEN MEETING DECISION ON AUGUST 18, 1999. WRITTEN ORDER ISSUED SEPTEMBER 23, 1999.

PUBLIC UTILITIES COMMISSION

James J. Malachowski, Chairman

Kate F. Racine, Commissioner

Brenda K. Gaynor, Commissioner

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION**

In re Review of Bell Atlantic's TELRIC Studies)))	Docket No. 2681
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**JOINT STIPULATION OF BELL ATLANTIC–RHODE ISLAND AND THE
RHODE ISLAND DIVISION OF PUBLIC UTILITIES REGARDING
INTERIM RECURRING AND NON-RECURRING CHARGES**

New England Telephone and Telegraph Company, d/b/a Bell Atlantic–Rhode Island (“BA-RI”) and the Rhode Island Division of Public Utilities and Carriers (“Division”), by undersigned counsel, hereby jointly stipulate as follows:

1. On November 24, 1997, BA-RI filed its Total Element Long Run Incremental Cost (TELRIC) Studies for Unbundled Network Elements with the Rhode Island Public Utilities Commission (the “Commission”). The cost studies set forth the recurring, non-recurring, and other costs that BA-RI seeks to recover from competitive local exchange carriers (“CLECs”) for the provision of unbundled network elements (“UNEs”), pursuant to §§ 251 and 252 of the Telecommunications Act of 1996.

2. AT&T Communications of New England, Inc., Sprint Communications Company, L.P., Cox Rhode Island Telecom, Inc., Brooks Fiber Communications of Rhode Island, Inc., and New England Voice & Data, LLC have intervened in this docket.

3. The parties to this proceeding have engaged in extensive discovery, filed written testimony (direct, rebuttal, and in some instances, supplemental), and the Commission has conducted hearings to consider the recurring and non-recurring, as well as numerous other costs which were filed by BA-RI. To date, the proceedings in this docket have not been concluded and the parties have not briefed the various issues raised in the docket.
4. Throughout this proceeding, various parties have raised concerns as to the availability of TELRIC rates in the state of Rhode Island for UNEs, and the need for such rates to help assist in advancing competition within the telecommunications industry in the state of Rhode Island. At the same time, the Commission must be permitted to thoroughly assess the cost studies proposed by BA-RI and others, and to render a final determination in this docket only after due consideration.
5. BA-RI and the Division have entered into this stipulation to provide a set of interim rates for UNEs that will be available to CLECs in Rhode Island until such time as the Commission has completed the proceedings in this docket and renders a final decision.
6. BA-RI and the Division agree that the rates agreed to herein are solely for purposes of settlement on interim rates. Nothing in this stipulation shall be construed as a waiver by either BA-RI or the

Division of any argument asserted in this docket, or as an agreement that a particular input or methodology is appropriate in this docket.

7. The signatories agree that this stipulation is a negotiated settlement for interim rates for certain, but not all disputed costs in this docket.
8. This stipulation is entered into without prejudice to positions taken by Bell Atlantic in any other state and shall not constitute precedent with respect to any and all such matters.
9. The parties hereby stipulate that the recurring and non-recurring charges listed in the attached Exhibit A, and incorporated herein by reference, should be entered by the Commission on an interim basis, pending its final determination of the issues raised in this docket.
10. The proposed interim rates are for use only for network elements provided by BA-RI on an unbundled basis pursuant to §§ 251 and 252 of the Telecommunications Act of 1996. Nothing in this stipulation shall be construed as an admission by either BA-RI or the Division that the rates contained herein are appropriate for use as reciprocal compensation or inter-carrier compensation for Internet-bound traffic that is delivered by BA-RI to a CLEC.

NEW ENGLAND TELEPHONE AND TELEGRAPH COMPANY,
d/b/a BELL ATLANTIC – RHODE ISLAND

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DATED: July 15, 1999