

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INQUIRY INTO THE DEVELOPMENT)
OF DEAVERAGED RATES FOR UNBUNDLED) ADMINISTRATIVE
NETWORK ELEMENTS) CASE NO. 382

O R D E R

In its December 18, 2001 Order, the Commission required Verizon South, Inc. (Verizon) or its successor, and Cincinnati Bell Telephone (Cincinnati Bell) to submit within 90 days proposed unbundled network element (UNE) rates with supporting documentation in a format similar to that approved for BellSouth Telecommunications, Inc. The 90 days ends on March 18, 2002.

Verizon and Cincinnati Bell petitioned the Commission for a change in this schedule. On January 22, 2002, Cincinnati Bell filed a letter stating that it was committed to meeting the requirements; however, it had a number of concerns with the format and the timeframe. Specifically, Cincinnati Bell requested to meet with Commission Staff to explain fully these concerns and to discuss an extension of time. The Commission will grant this request. An informal conference between Cincinnati Bell and Commission Staff is scheduled for February 20, 2002, at 10:00 a.m., Eastern Standard Time, in Conference Room 1 of the Commission's offices. Cincinnati Bell should be represented at the conference by persons knowledgeable about its plans to establish forward-looking deaveraged UNE rates.

In addition, on January 24, 2002, Verizon filed a motion for an extension of the UNE filing date. In support of its motion, Verizon states that the uncertainty created by

the pending Asset Purchase Agreement with Kentucky ALLTEL, Inc. (ALLTEL)¹ means that its compliance with this requirement may duplicate ALLTEL s compliance. It asserts that for both parties to be obligated to prepare filings is unreasonable. Verizon concedes that it is the party with the current obligation to file UNE rates, but states that if the asset transfer is approved then the obligation will be ALLTEL s. However, should the sale be approved, Verizon s obligations regarding UNE rates would remain in place until July 31, 2002, the projected date for closing the sale. The Commission herein requires representatives from ALLTEL and Verizon who are knowledgeable about the development of UNE rates to attend an informal conference with Commission Staff to be held February 21, 2002, at 1:30 p.m., Eastern Standard Time, in Conference Room 1 of the Commission s offices. If the Commission approves the asset transfer, discussions will include Verizon s UNE rates and whether they would be appropriate for ALLTEL, whether methodology used by ALLTEL in New York would be appropriate for Kentucky, and whether ALLTEL has obtained all necessary information from Verizon to ensure an appropriate transition regarding UNE rates.

BE IT SO ORDERED.

Done at Frankfort, Kentucky this 8th day of February, 2002.

By the Commission

ATTEST:

W. H. Fowler
Deputy Executive Director

¹ Case No. 2001-399, Petition by ALLTEL Corporation to Acquire the Kentucky Assets of Verizon South, Incorporated.