

BEFORE THE PUBLIC UTILITIES COMMISSION OF NEVADA

In re petition of the Staff of the Public Utilities Commission to open a docket to investigate costing and pricing issues related to industry-wide collocation costs pursuant to the Telecommunications Act of 1996 and the Commission's Regulations

Docket No. 99-11035

VERIZON CALIFORNIA INC., dba VERIZON NEVADA STIPULATION

Come now THE REGULATORY OPERATIONS STAFF OF THE NEVADA PUBLIC UTILITIES COMMISSION ("Staff"); the BUREAU OF CONSUMER PROTECTION ("BCP"); AT&T COMMUNICATIONS OF NEVADA, INC. ("AT&T"), and VERIZON CALIFORNIA INC., dba VERIZON NEVADA ("Verizon") (collectively, the "Settling Parties"), by and through their respective attorneys, and hereby submit this stipulation in settlement of specified matters at issue in Docket No. 99-11035.

RECITALS

WHEREAS, on November 18, 1999, Staff filed a petition, designated as Docket No. 99-11035, requesting that the Commission open an investigatory docket to examine procedures and methodology which should be used to develop costs or prices for collocation of telecommunications services pursuant to the Telecommunications Act of 1996 ("Act") and the Commission's telecommunications regulations.

WHEREAS, the Petitions for Leave to Intervene of AT&T and others were granted on May 25, 2000.

WHEREAS, on November 3, 2000, AT&T filed the Collocation Cost Model setting forth proposed collocation rates for Verizon.

WHEREAS, on November 3, 2000, Verizon filed the Expanded Interconnection Services Cost Study setting forth proposed collocation rates for Verizon.

WHEREAS, AT&T and Verizon filed Direct Testimony on November 3, 2000 and Staff, AT&T and Verizon filed Responsive Testimony on December 15, 2000.

WHEREAS, the final round of testimony is currently scheduled to be filed on April 17, 2001.

WHEREAS, the Commission has set a hearing on Staff's petition to commence on April 30, 2001.

WHEREAS, the Settling Parties have reached agreement regarding the vast majority of the rates Verizon may charge for collocation services and the procedure for resolution of certain other issues; and

WHEREAS, the Settling Parties believe this stipulation will result in the resolution of issues involving Verizon in this matter as efficiently and expeditiously as possible; and

WHEREAS, the Settling Parties are entering into this Stipulation to set forth their understanding and agreement regarding these matters and request the Commission's approval of the terms and conditions herein.

AGREEMENT

Based on the mutual agreements reflected in this Stipulation, the other terms of this Stipulation, and other good and valuable consideration, the Settling Parties agree as follows:

1. Physical collocation rates. Verizon's proposed physical collocation rates contained in Attachment A have been agreed to by the Settling Parties and the Settling Parties agree that the collocation rates in Attachment A shall take effect upon the approval of this Stipulation by the Commission. Verizon will file tariffs with the Commission containing the Attachment A rates within sixty (60) days after the Commission's approval of this Stipulation.
2. Virtual collocation.
 - 2.1. Intrastate tariff and cost study. Verizon shall file an intrastate virtual collocation tariff ("New Virtual Tariff") and accompanying cost study with the Commission during

calendar year 2001. No Settling Party waives its right to protest the New Virtual Tariff and/or the accompanying cost study.

- 2.2. Interim rates. In the interim, until the New Virtual Tariff is approved by the Commission, the virtual collocation services and rates specified in Verizon's federal virtual collocation tariff for Verizon California Inc., dba Verizon Nevada, i.e., Verizon's (formerly GTOC's) FCC Tariff No. 1 Virtual Expanded Interconnection Services commencing at revised page 341.3 et al., shall serve as interim rates subject to true-up as provided in the following paragraph.
- 2.3. Interim rates subject to limited true-up. All intrastate virtual collocation services provided by Verizon pursuant to virtual collocation applications received and accepted by Verizon at any time after the approval of this Stipulation by the Commission through twelve (12) months after the filing of Verizon's New Virtual Tariff or until the Commission's decision on the New Virtual Tariff, whichever is sooner, shall be subject to true-up to the rates approved by the Commission. Any collocation services provided pursuant to an application filed after twelve (12) months from the date that Verizon files its New Virtual Tariff or the Commission's decision on the New Virtual Tariff, whichever is sooner, shall not be subject to true-up. For purposes of calculating the twelve (12) month period, the date of filing of Verizon's New Virtual Tariff shall be the date on which Verizon files its tariff and shall not be the date of any amendment or modification to the New Virtual Tariff.
3. Unresolved Issues for Briefing. The Settling Parties have been unable to resolve certain issues, as specified below in paragraphs 3.1, 3.2, 3.3 and 3.4. The Settling Parties agree these are predominantly legal issues that need not be addressed by witnesses at the hearing currently scheduled to commence on April 30, 2001. Accordingly, to make efficient use of the Commission's and the Settling Parties' time and resources, the Settling Parties propose that the issues specified below be addressed by the Settling Parties in post-hearing briefs.

- 3.1. Are adjacent off site arrangements to be considered as “interconnection” or “collocation”? If determined to be collocation, is it appropriate to establish rates? Should the Commission determine that these types of arrangements are collocation and that establishing rates is appropriate, Verizon shall be allowed a reasonable opportunity to propose rates to the Settling Parties for such collocation. If the Settling Parties are not able to agree upon rates within sixty (60) days following Verizon’s submission of proposed rates, the Settling Parties will request that the Commission establish a procedural schedule for a hearing to determine said rates.
- 3.2. Is it appropriate to require that DC power be provided to adjacent on-site collocation arrangements, and if so, is it appropriate to establish rates? Should the Commission determine that Verizon is required to provide DC power to adjacent on-site collocation arrangements, Verizon shall be allowed a reasonable opportunity to propose rates to the Settling Parties for the provision of such power. If the Settling Parties are not able to agree upon rates within sixty (60) days following Verizon’s submission of proposed rates, the Settling Parties will request that the Commission establish a procedural schedule for a hearing to determine said rates.
- 3.3. Should adjacent on-site collocation arrangements include a distance sensitive costing/pricing structure for the following eight Verizon cabling rate elements: Adjacent Fiber Cable Pull - Place Innerduct, Adjacent Fiber Cable Pull - Pull Cable, Adjacent Metallic Cable Pull - Pull Cable, Adjacent Facility Pull, Adjacent Subduct Space - Subduct, Adjacent Conduit Space - Metallic Conduit, Adjacent Cable Rack Shared Metallic DS0 Cable Utilization and DS1 Cable Utilization and Adjacent Cable Rack Shared - Coaxial Cable Utilization. If the Commission determines that distance-sensitive pricing is not appropriate for the rate elements listed above, Verizon shall be

allowed a reasonable opportunity to propose average rates to the Settling Parties for these elements. If the Settling Parties are not able to agree upon rates within sixty (60) days following Verizon's submission of proposed rates, the Settling Parties will request that the Commission establish a procedural schedule for a hearing to determine said rates.

- 3.4. Is Verizon required to offer cageless collocation as provided for in its pre-filed testimony and exhibits or is Verizon required to offer cageless collocation as provided for in the pre-filed testimony and exhibits of AT&T?

Post hearing briefs will be filed as follows:

?? Simultaneous opening briefs to be filed by the Settling Parties on May 18, 2001.

?? Simultaneous reply briefs to be filed by the Settling Parties on June 22, 2001.

Any Settling Party may file affidavits directly related to the issues to be briefed with its post hearing briefs.

4. Miscellaneous and General.

- 4.1. Time of performance. Time is of the essence of the matters addressed in this Stipulation.
- 4.2. Entire stipulation. This Stipulation embodies the entire agreement between the Parties regarding the matters contemplated under this Stipulation, and there have been and are no other agreements, representations, or restrictions between the Parties with respect to the subject matter of this Stipulation other than those specifically set forth herein.
- 4.3. Drafting. Each Settling Party has cooperated in the drafting and preparation of this Stipulation; this Stipulation shall not be construed against any Settling Party.
- 4.4. Headings. The headings used in this Stipulation have been inserted for reference only and shall not be deemed to limit or otherwise affect, in any manner, or be deemed to interpret in whole or in part, any of the terms or provisions of this Stipulation.

- 4.5. Agreement limited to Nevada. The Settling Parties agree on behalf of themselves, their affiliates, successors, and assigns that the terms and agreements contained in this Stipulation are limited to the State of Nevada and are not portable by any mechanism except the explicit agreement of the relevant parties to any other jurisdiction. This Stipulation is made solely for the purpose of compromise and settlement of certain of the issues in this docket and was reached outside the scope of and without regard to the negotiation procedures set forth in 47 U.S.C. 252(a)(1).
- 4.6 Days. Unless specifically noted otherwise in this Stipulation, all references to “days” are to calendar days.
- 4.7 Support. The Parties agree to cooperate with each other in presenting this Stipulation for approval to the Commission and to take no action, direct or indirect, in opposition to the request for approval.
- 4.8 Severability and Precedent. This Stipulation is made upon the express understanding that it constitutes a negotiated settlement. It is not severable. In the event this Stipulation is not accepted in its entirety by the Commission, it shall be deemed to be withdrawn, without prejudice to any claims or contentions that may have been made or are made in these proceedings and shall not be admissible in evidence or in any way described or discussed in any proceedings hereinafter. The provisions of this Stipulation shall not be construed as or deemed to be a precedent by any party or the Commission with respect to any issue, principle, or interpretation or application of law and regulations, for any purpose or in connection with any proceeding before a court of law or any state or federal government regulatory body.

AT&T COMMUNICATIONS, INC.
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Date: _____

By _____
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(Signatures continued on next page)

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Date: _____

By: _____
KAREN A. PETERSON, ESQ., Attorneys for
VERIZON CALIFORNIA INC.,
dba VERIZON NEVADA

The following parties did not participate in the negotiation of the foregoing Stipulation, do not oppose nor support the Verizon California Inc., dba Verizon Nevada Stipulation and will not present evidence or issues relating to Verizon California Inc., dba Verizon Nevada at the hearing scheduled to commence April 30, 2001 in the above captioned docket.

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Attachment to VZ-ATT/WC 1-82

Date: _____

By: _____
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(Signatures continued on next page)

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MARILYN ASH, ESQ.

