BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION

In the Matter of the Determination of Prices, Terms, and Conditions of Line Splitting and Line Sharing.

Case No. TO-2001-440

<u>COVAD'S REPLY TO PARTIES' COMMENTS ON THE EFFECT OF THE</u> <u>FCC'S TRIENNIAL REVIEW ORDER</u>

On May 15, 2003, the Commission issued an order directing the parties to file

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comments on the effect of the Federal Communications Commission's ("FCC's")

Triennial Review Order on this proceeding.¹ DIECA Communications, Inc. dba Covad

Communications Company ("Covad") respectfully replies to the parties' comments as

follows:

I. Covad Agrees with Staff's Recommendation to Update the Line Sharing and Line Splitting Language in the M2A, while Noting that the Commission Has Independent Authority to Unbundle Line Sharing

1. Staff recommends that the Commission update the line sharing and line

splitting provisions of the M2A, stating:

For line sharing, the terms and conditions ordered by the Commission should include the line sharing transition period. For line splitting, the terms and conditions ordered by the Commission should require ILECs to provide a requesting carrier with the ability to engage in line splitting arrangements if the carrier purchases the entire loop and provides its own splitter. The line splitting terms and conditions should also require ILECs to modify their OSS in such a manner as to facilitate line splitting. To incorporate these new rules into the terms and conditions for the M2A, the Commission may be assisted with updated language proposals for the line sharing and line splitting appendices.²

¹ In the Matter of Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers, CC Docket No. 01-338, Implementation of Local Competition Provisions of the Telecommunications Act of 1996, CC Docket No. 96-98, Deployment of Wireline Service Offering Advanced Telecommunications Capacity, CC Docket No. 98-147 (FCC 03-06), rel. August 21, 2003 ("Triennial Review Order").

² Staff Brief on the FCC Triennial Review Order ("Staff's Brief"), at 5.

Covad agrees with Staff's recommendation, with one clarification. As Covad outlines in its initial comments, the Commission has independent state and federal authority to unbundle line sharing, including the high frequency portion of the loop ("HFPL") and hybrid copper-fiber loops (e.g., Project Pronto).³ Accordingly, if the Commission adopts the Staff's excellent suggestion to update the M2A, Covad respectfully urges the Commission to consider language that implements the Commission's independent authority to unbundle line sharing.⁴

II. Covad Disagrees with SBC's Recommendations on Line Sharing and Line Splitting

2. SBC recommends that the Commission approve SBC's post-*Triennial Review Order* line sharing appendix, which has yet to be filed or reviewed by the parties.⁵ SBC also recommends little action on line splitting, beyond nominal changes to the existing line splitting language in the M2A.⁶ Covad disagrees with SBC's recommendations.⁷

3. No party has reviewed SBC's proposed line sharing language, so it is procedurally inappropriate to "approve" such language. In contrast, the Staff's proposal

⁵ SBC Missouri's Initial Comments Regarding the Impact of the Triennial Review Order ("SBC's Comments"), at 10.

³ Covad's Comments on the Effect of the FCC's Triennial Review Order ("Covad's Comments"), at 2-16.

⁴ If Staff's procedural suggestion is adopted, Covad will present its proposed contract language under the procedural schedule set by the Commission.

⁶ SBC's Comments at 12.

⁷ In the interest of administrative efficiency, Covad is not replying to every point in SBC's comments. Instead, Covad is focusing on SBC's recommendations. However, by

to review all parties' contract language is fair and allows the Commission to approve the appropriate contract language.

4. Furthermore, as Staff states in its comments, the *Triennial Review Order* places specific requirements on SBC to implement line splitting, including obligations for SBC to modify its operational support systems ("OSS") in such a manner as to facilitate line splitting.⁸ SBC's nominal proposed revisions to the M2A fall well short of implementing the FCC's requirements. Instead, Covad supports Staff's recommendation to develop terms and conditions that require SBC to modify its OSS in such a manner as to facilitate line splitting.

III. Additional Issue

5. AT&T outlines several findings in the *Triennial Review Order* regarding line sharing and the unbundling of hybrid copper-fiber loops.⁹ Covad notes that those findings only apply to the federal minimum unbundling requirements in the Order. As Covad outlines in its initial comments, the Commission has independent state and federal authority to unbundle line sharing and hybrid copper-fiber loops.¹⁰

IV. Conclusion

not rebutting every point of contention, Covad is not agreeing to SBC's analysis and respectfully refers the Commission back to Covad's initial comments.

⁸ See Staff's Brief at 3-4; see also 47 C.F.R. § 51.319(a)(1)(ii)(B) ("[a]n incumbent LEC must make all necessary network modifications, including providing nondiscriminatory access to operations support systems necessary for pre-ordering, ordering, provisioning, maintenance and repair, and billing for loops used in line splitting arrangements.")

⁹ AT&T Comments on Impact of the FCC's Triennial Review Decision ("AT&T's Comments"), at 2.

¹⁰ Covad's Comments at 2-16.

Covad greatly appreciates the Commission and the Staff's efforts to promote broadband competition in Missouri. Covad supports Staff's recommendation for the Commission to review contract proposals from the parties to update the line sharing and line splitting provisions of the M2A. As part of that review process, Covad respectfully urges the Commission to exercise its independent state and federal authority to unbundle line sharing and hybrid copper-fiber loops.

CURTIS, OETTING, HEINZ, GARRETT & O'KEEFE, P.C.

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Certificate of Service

A true and correct copy of the foregoing was served upon the parties identified on the attached service list on this 23nd day of September, 2003, by placing same in the U.S. Mail, postage paid.

/s/ Carl J. Lumley

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