

DT 02-111

VERIZON NEW HAMPSHIRE

**Investigation Into T1 Service**

**Procedural Order**

**O R D E R    N O.   24,042**

**August 19, 2002**

Appearances: Victor D. DelVechhio, Esq. for Verizon; Brian Susnock for the Destek Group; Eugene F. Sullivan, Esq. for the NH Internet Service Providers Association; Michael W. Holmes for the Office of Consumer Advocate; and Barclay Jackson, Esq. for the Staff of the Public Utilities Commission

By Order of Notice (Notice) dated June 18, 2002, the New Hampshire Public Utilities Commission (Commission) initiated this investigation into the rates, terms and conditions of Verizon New Hampshire's (Verizon's) Superpath service, an advanced telecommunications T1 service that can be used to support broadband access. The Commission's Notice indicated its concern for statewide access to such advanced telecommunications capabilities at just and reasonable rates. The Notice scheduled a prehearing conference for July 19, 2002 and ordered Verizon to file a cost study regarding the T1 service by September 30, 2002.

By letter dated June 21, 2001, the Office of the Consumer Advocate (OCA) notified the Commission of its intent to participate in the docket on behalf of residential ratepayers. Otel Telekom, Inc. (Otel), The Destek Group (Destek), WorldCom, Inc. (WorldCom), and Global NAPS, Inc.

(Global NAPS) submitted written requests for intervenor status, prior to the prehearing conference. At the July 19, 2002, prehearing conference, the New Hampshire Internet Service Provider Association (NHISPA) and segTel, Inc. requested intervention. The Commission granted full intervenor status to all of the above-mentioned parties.

As required by the Notice, at the prehearing conference the parties and Staff explained their preliminary positions regarding the issues raised in the docket. Verizon supports the continuation of distance sensitive pricing as consistent with all other Verizon jurisdictions. Verizon objects to average pricing as being less competitive where the T1 services are offered on a fractional basis. SegTel and Destek express general interest in the docket and interest in wider access to advanced services at more reasonable prices than currently available. NHISPA believes that T1 prices have increased at rates above the inflation factor and urges nondiscriminatory offerings in rural areas. The OCA awaits the Verizon cost study before forming a position but indicates it will review the cost study from the basic viewpoint that pricing should reflect actual cost. Otel is monitoring the docket. The OCA supports the extension of high-speed services to the rural areas.

Staff, too, indicates an interest to expand T1 availability. Staff intends to examine the recurring and non-recurring cost components, evaluate the appropriateness of distance sensitive pricing for T1 service, and analyze the relationship between lower pricing and stimulation of demand for T1 services. Staff anticipates an extensive discovery process to develop a complete understanding of the relevant factors.

At the technical discussions following the prehearing conference, the parties and Staff agreed upon a procedural schedule. The proposed schedule, as detailed below, was recommended to the Commission by letter dated July 23, 2002.

September 30, 2002	Verizon Cost Study
October 16, 2002	Technical Session 10 a.m.
October 30, 2002	Responses to Tech Session record requests
November 13, 2002	Data Requests on Study
December 3, 2002	Data Responses
January 10, 2003	Testimony from all
January 24, 2003	Data Requests on Testimony
February 7, 2003	Data Responses
February 28, 2003	Rebuttal Testimony
March 11, 2003	Settlement Conference
March 24-26, 2003	Hearings

We find the proposed procedural schedule reasonable and will enable the Commission to accomplish the goals of this proceeding.

**Based upon the foregoing, it is hereby**

**ORDERED**, that the procedural schedule proposed above is adopted.

By order of the Public Utilities Commission of New Hampshire this nineteenth day of August, 2002.

\_\_\_\_\_  
Thomas B. Getz  
Chairman

\_\_\_\_\_  
Susan S. Geiger  
Commissioner

\_\_\_\_\_  
Nancy Brockway  
Commissioner

Attested by:

\_\_\_\_\_  
Debra A. Howland  
Executive Director and Secretary