

**DT 05-083
DT 06-012**

**VERIZON NEW HAMPSHIRE
WIRE CENTER INVESTIGATION**

**VERIZON NEW HAMPSHIRE
REVISIONS TO TARIFF 84**

Order Denying Motions for Rehearing or Reconsideration

ORDER NO. 24,629

June 1, 2006

I. PROCEDURAL HISTORY

Pending before the New Hampshire Public Utilities Commission (Commission) in these consolidated proceedings are three motions seeking RSA 541:3 rehearing or reconsideration of Order No. 24,598 (March 10, 2006). In Order No. 24,598, hereinafter referred to as the *Wire Center Order*, the Commission made certain rulings that relate to whether Incumbent Local Exchange Carrier (ILEC) Verizon New Hampshire (Verizon) remains obligated pursuant to section 251 of the Telecommunications Act of 1996, 47 U.S.C. §§ 151 *et seq.* (Telecom Act), to make certain elements of Verizon's network available to Competitive Local Exchange Carriers (CLECs) on an unbundled basis at cost-based rates. In its *Triennial Review Remand Order (TRRO)* (formally entitled *In the Matter of Unbundled Access to Network Elements*), 20 F.C.C.R. 2533 (Feb. 4, 2005) the Federal Communications Commission (FCC) set forth a rubric for making such determinations, on a wire-center by wire-center basis, with certain decision-making authority delegated to state utility commissions. The rubric involves determining, for any given wire center, the number of fiber-based collocators therein or the number of business lines served or both.

The procedural history of this docket, and details of the wire center classification regime established by the FCC, are set forth at length in the *Wire Center Order* and is repeated here only in relevant part. On March 30, 2006, three CLECs -- Conversent Communications of New Hampshire, LLC (Conversent), CTC Communications Corp. (CTC), and Broadview Networks, Inc. (Broadview) -- jointly filed a motion for rehearing and/or reconsideration of the *Wire Center Order*. On April 4, 2006, Verizon filed a motion for reconsideration, rehearing and/or clarification and opposition to the rehearing motion filed by Conversent *et al.* On April 5, 2006, the Commission issued a Secretarial Letter requesting that any additional motions for rehearing or reconsideration be filed by April 10, 2006, and any comments or objections by April 17, 2006. On April 7, 2006, two additional CLECs -- BayRing Communications, Inc. (BayRing) and segTEL, Inc. (segTEL) -- jointly filed a motion for rehearing and motion for consolidation. On April 17, 2006, oppositions to Verizon's motion were filed jointly by Conversent, CTC, and Broadview and by BayRing and segTEL. Also on April 17, 2006, Verizon filed an objection to BayRing and segTEL's motion.

On April 28, 2006, the Commission issued a Secretarial Letter suspending the provisions of the *Wire Center Order* pending further consideration of the motions and objections filed. On May 2, 2006, the Commission issued a Secretarial Letter establishing certain terms and conditions relating to the suspension of the *Wire Center Order*.

II. POSITIONS OF THE PARTIES

This proceeding involves a number of issues. Accordingly, we summarize each party's position on an issue-by-issue basis.

A. Business Line Count in Manchester

BayRing/segTEL. BayRing and segTEL jointly argue that the Commission's ruling on Manchester's status as a Tier 1 wire center is unjust and unreasonable, noting that the Commission itself has identified for investigation in Docket No. DT 06-020 the substantive issue of Verizon's methodology for line counts. BayRing and segTEL claim that this particular issue was not fully argued or litigated and that the record shows no evidence that Verizon's business line data was independently verified by Staff or any other party. Therefore, the movants contend good reason exists for rehearing on the issue of whether Verizon's business line count in Manchester was conducted properly. BayRing and segTEL request that the Commission review the appropriate line count methodology for Manchester and, for administrative efficiency and consistency, consolidate its review into Docket No. DT 06-020.

Verizon. Verizon objects to the BayRing/segTEL motion by arguing that Verizon submitted eighteen discovery responses to Staff's data requests in Docket No. DT 05-083 and, further, that all parties had the opportunity to challenge Verizon's methodology during the course of the year-long investigation and failed to do so. Thus, Verizon argues, BayRing and segTEL have not shown good cause to reconsider the issue of business line counts in the Manchester wire center.

B. Stand-Alone Competitive Alternate Transport Terminal (CATT) Arrangements as Fiber-Based Collocation

Conversent/CTC/Broadview. Conversent *et al.* argue that the Commission's finding that a carrier with a stand-alone CATT arrangement may qualify as a fiber-based collocater under 47 C.F.R. § 51.5 Terms and Definitions (Rule 51.5) contravenes the requirement that a qualifying collocation have active electrical power supply. Conversent *et al.* further aver that the Commission's order is internally inconsistent and that the FCC requirement that a collocation

“must have an active electrical power supply” is not satisfied by the Commission’s ruling that a stand-alone CATT “with access to” an active electrical power supply qualifies.

Verizon. Verizon argues that *Conversent et al.* are merely reasserting prior arguments to seek a different conclusion. Verizon adds that the issue of stand-alone CATT collocation arrangements was raised during the investigation and that the Commission’s holding comports with the FCC’s rules and underlying orders.

C. Leasing of Dark Fiber from Competitive Fiber Providers

1. The Commission’s interpretation of FCC terms regarding CLECs leasing dark fiber from competitive fiber providers.

Verizon. Verizon moves for rehearing and/or reconsideration of the Commission’s holding that CLECs leasing dark fiber from a (non-incumbent local exchange carrier, or “non-ILEC”) competitive fiber provider do not qualify as fiber-based collocators. According to Verizon, the Commission’s interpretation of the word “operate” from the FCC’s definition of fiber-based collocators is too broad and its interpretation of the term “fiber optic cable” from the same definition is too strained.

BayRing/segTEL. BayRing and segTEL oppose Verizon’s motion, arguing that the Commission has the authority to interpret undefined statutory or regulatory terms in accordance with their plain and ordinary meaning.

Conversent/CTC/Broadview. *Conversent et al.* oppose Verizon’s motion for rehearing on this issue.

2. The Commission's analysis regarding CLECs obtaining dark fiber from a competitive fiber provider on an infeasible right of use (IRU) basis.

Verizon. Verizon argues that the Commission erred as a matter of law in concluding that CLECs obtaining dark fiber from a competitive fiber provider must do so on an IRU basis to qualify as fiber-based collocators and that, therefore, the issue should be reheard.

BayRing/segTEL. BayRing and segTEL jointly oppose Verizon's motion, arguing that the Commission's finding that there was no need to address the issue of IRU leases between CLECs does not constitute a holding that CLECs must obtain fiber on an IRU basis to qualify as fiber-based collocators.

D. Effective Date with respect to Concord, Salem and Dover Wire Centers

Verizon. Verizon asks the Commission to clarify that the rule governing the effective date of a change in a wire center's status as set forth in the *Wire Center Order* should not apply to the Concord, Dover and Salem wire centers currently under review in Docket No. DT 06-020. Verizon argues that the Commission's rule was not in effect in November 2005, when Verizon initially gave notice to industry of the change in status of the three centers in question. As a result, according to Verizon, the rule should not apply to those centers and the applicable effective date should be set at the date of the initial industry notice, as was done with regard to the centers investigated in Docket No. DT 05-083.

BayRing/segTEL. BayRing and segTEL oppose Verizon's motion, arguing that Verizon has shown no good reason not apply the rule established in the *Wire Center Order*.

Conversent/CTC/Broadview. Conversent *et al.* oppose Verizon's motion for clarification, stating that Verizon offers no substantive distinction between the three wire centers at issue in Docket No. DT 06-020 and any wire centers that might be reclassified in the future. Conversent *et al.* contend that the Commission must have the opportunity to review any proposed wire center

changes before they become effective, as demonstrated by the substantial difference between the wire centers Verizon believed satisfied the FCC's non-impairment criteria and those that the Commission found to actually satisfy those criteria. To exempt Concord, Dover and Salem, according to *Conversent et al.*, would cause CLECs to lose the opportunity to place orders for UNEs in wire centers that Verizon improperly classifies. *Conversent et al.* contend that Verizon's motion be rejected as Verizon is attempting to reargue prior arguments in search of a different conclusion.

E. Dark Fiber Loops and Transport under Section 271

Verizon. Verizon asks the Commission to clarify that Verizon does not concur with the Commission's statement that parties are in agreement that access to dark fiber loops and dark fiber transport are required to be provisioned under Section 271 of the Telecom Act. Verizon requests that the Commission clarify that the parties' concurrence is limited to high capacity DS1 and DS3 loops and transport and does not apply to dark fiber loops and transport. Alternately, Verizon asks the Commission to acknowledge that Verizon's brief merely states that high capacity DS1 and DS3 loops and transport "fall within the scope of § 271's 14-point competitive checklist" and that nothing in the brief suggests that Verizon concurs or agrees that dark fiber loops or transport are section 271 elements.

BayRing/segTEL. BayRing and segTEL object to Verizon's request for clarification, asserting that such a clarification could be taken out of context as an endorsement by the Commission of Verizon's position.

F. Typographical Error

Conversent/CTC/Broadview. *Conversent et al.* note that the *Wire Center Order* includes a typographical error on page 34 in its quotation of Rule 51.5. *Conversent et al.* point out that

the second line of the quotation, “a collocation arrangement *with* an incumbent LEC wire center,” should read “a collocation arrangement *in* an incumbent LEC wire center”.

III. COMMISSION ANALYSIS

RSA 541:3 authorizes the Commission to grant rehearing when the movant shows good reason for such relief. This may be shown by new evidence that was unavailable at the original hearing, or by identifying specific matters that were either “overlooked or mistakenly conceived.” *Dumais v. State*, 118 N.H. 309, 3286 A.2d 1269 (1978). A successful motion does not merely reassert prior arguments and request a different outcome. *See Connecticut Valley Electric Co.*, 88 NH PUC 355, 356 (2003).¹

A careful review of the rehearing motions leads us to conclude that the arguments raised in each motion have been previously raised and addressed in the *Wire Center Order*, or are mere reformulations of previous arguments with no new, previously unavailable evidence proffered. We address the arguments raised only insofar as they are pertinent to demonstrate that matters were not overlooked or mistakenly conceived in the *Wire Center Order*.

A. Business Line Count in Manchester

BayRing and segTEL jointly contend that the Commission’s ruling on Manchester’s status as a Tier 1 wire center is unjust and unreasonable because the issue was not fully argued or litigated and because Verizon’s methodology for business line counts in the Manchester center was not verified. We find, however, that the parties were provided adequate opportunities to challenge the issue of business line counts during the course of this proceeding. Their failure to avail themselves of such opportunities forecloses the consideration of business line counts in an

¹ To the extent that parties have styled their requests as seeking reconsideration as opposed to rehearing, we apply the same standard, on the assumption that all issues raised here are ones the parties may wish to preserve for appeal. See RSA 541:4 (requiring preservation of appellate issues by seeking RSA 541:3 rehearing).

RSA 541:3 rehearing motion. *See Appeal of Working on Waste*, 133 N.H. 302, 317 (1990) (citing *Appeal of Bosselait*, 130 N.H. 604, 607 (1988) and noting that “issues must be raised at earliest possible time to allow trial forums full opportunity to come to sound conclusions and to correct claimed errors in first instance”).

The general methodology for business line counts was raised as an issue for investigation in the Order of Notice issued on April 22, 2005, and again during the prehearing conference held on May 25, 2005 (*See Tr. at 18-20, Preliminary Statement of Gregory Kennan on behalf of Conversent.*) Further, as evidenced in Staff’s May 26, 2005 Report of the technical session, the issue of business line count data responses was discussed by the parties at the technical session held on May 25, 2005. Finally, Verizon’s Objection indicates that Staff issued several data requests regarding the issue of business line counts, to which Verizon provided numerous discovery responses, distributed, presumably, to the docket service list. The parties agreed to specific procedures in these consolidated dockets, as memorialized in a Staff Report dated February 2, 2006, and approved in a Secretarial Letter issued February 3, 2006. Pursuant to these agreed-to procedures, Staff filed an affidavit on February 8, 2006, and the Parties subsequently filed briefs. It was at this point that issues regarding business line counts could have and should have been formally raised.

Without reviewing the data responses attached to Verizon’s objection themselves because they do not constitute part of the evidentiary record in this proceeding, we find the parties had adequate opportunity to challenge Verizon’s methodology for business line counts in Manchester during the course of this proceeding. We further find that the Parties have failed to show why they could not have raised the issue of business line counts in the underlying proceeding. We therefore decline to reconsider Manchester’s status as a Tier 1 wire center. We further decline to

consolidate and revisit the issue of Manchester's status in Docket No. DT 06-020 because the information before us on this record was sufficient to ensure that our determination was not unjust, unlawful or unreasonable.

B. Stand-Alone CATT Arrangements as Fiber-Based Collocation

As noted in Order No. 24,598, Verizon has explained that a CATT (competitive alternate transport terminal) is an interstate tariffed arrangement that provides a shared alternate splice point within a central office at which a competitive fiber provider can terminate its facilities. Conversent argues that the Commission's holding regarding stand-alone CATT arrangements and fiber-based collocation under FCC Rule 51.5 contravenes the requirement under federal law that a qualifying collocation have active electrical power supply. As we noted in the underlying order, Rule 51.5 provides in relevant part that a "fiber-based collocater" is "any carrier . . . that maintains a collocation *arrangement* in an incumbent LEC wire center, *with* active electrical power supply, and operates a fiber-optic cable or comparable transmission facility" (emphasis added).

Conversent asserts that our determination that a stand-alone CATT with access to active electrical power supply satisfies the FCC rule is incorrect and contrary to law. According to Conversent, the phrase "with active electrical power supply" in Rule 51.5 should be interpreted to mean that the active electrical power supply must be integral and internal to the collocation itself. In essence, Conversent argues that the Commission's interpretation of the rule is incorrect, because collocation arrangements "with" active power supplies cannot be interpreted to include arrangements "with access to" active power supplies. We decline to adopt Conversent's interpretation of the rule because we find it inconsistent with the plain language of what the FCC promulgated. The FCC's use of the word "arrangement" in Rule 51.5 precludes

an interpretation that limits fiber-based collocators to those carriers maintaining basic collocations with internal power supply. To the extent Conversent contends that our analysis is internally inconsistent, we note that our discussion on page 35 implies the word “arrangement” in the following sentence: “The first paragraph of the definition sets out a requirement that a fiber-based collocator maintain a collocation [arrangement] with active power. . . .” Such a reading is consistent with the remainder of the discussion in Order No. 24,598 in which the phrase “collocation arrangement” was used repeatedly. Parties were provided an explicit opportunity to brief the issue of stand-alone CATTs. Conversent itself addressed the issue in its brief, albeit in an abbreviated and conclusory manner. In its motion, Conversent appears to seek a new interpretation of the FCC definition set forth in Rule 51.5. As such, Conversent merely seeks a different conclusion and has not shown good reason to rehear our determination. We therefore decline to grant rehearing on this issue.

C. Leasing of Dark Fiber from Competitive Fiber Providers

1. The Commission’s analysis of FCC terms regarding CLECs leasing dark fiber from competitive fiber providers.

Verizon moves for rehearing of the Commission’s holding that CLECs leasing dark fiber from a (non-ILEC) competitive fiber provider do not qualify as fiber-based collocators. According to Verizon, the Commission’s holding stems from an overly broad interpretation of the word “operate” from the FCC’s definition of fiber-based collocators and a strained interpretation of the term “fiber optic cable” from the same definition. In essence, Verizon argues that any CLEC who makes use of at least part of a fiber cable should qualify as a fiber-based collocator. We disagree. The mere use of fiber strands by a CLEC does not raise those strands to the level of a “cable” operated by that CLEC, as Verizon suggests. We note that in our analysis we first considered the number of fiber-optic cables leaving a wire center, then

determined whether those cables terminated at a qualifying collocation arrangement within the center, and, finally, examined whether those cables met the ownership requirements set forth in the FCC rule. *See Wire Center Order* at 35-36. This analysis results in the exclusion of collocators that merely tap into another provider's fiber network and, in the centers reviewed in this docket, the inclusion of those collocators that invest in and operate fiber-optic cable that they deploy from a particular wire center.

Parties were provided a specific opportunity to brief the definition of "operate" with respect to fiber-optic cables or comparable transmission facilities in the context of FCC Rule 51.5. Verizon here is merely seeking a different conclusion with respect to the Commission's interpretation of the FCC rule. The Commission has the authority to interpret undefined statutory or regulatory terms in accordance with their plain and ordinary meaning. *Carignan v. New Hampshire Int'l Speedway, Inc.* 151 N.H. 409,419 (2004). We therefore decline to grant rehearing or reconsideration on this issue.

2. The Commission's analysis regarding CLECs obtaining dark fiber from a competitive fiber provider on an IRU basis.

Verizon further contends that the Commission erred as a matter of law in concluding that CLECs obtaining dark fiber from a competitive fiber provider must do so on an IRU (indefeasible right of use) basis to qualify as a fiber-based collocator. Verizon invokes our determination that we "need not address . . . how IRUs between the ILEC and CLECs or between CLECs are to be evaluated." Verizon appears to mistakenly read our determination as a ruling on the issue. In fact, we explicitly declined to address the question, leaving it to another day, since the issue did not arise and there was no evidence that the situation exists. Thus, rehearing of this issue is not appropriate.

D. Effective Date with respect to Concord, Salem and Dover Wire Centers

Verizon asks us to clarify that our determination governing the effective date of a change in a wire center's status as set forth in the *Wire Center Order* will not apply to the Concord, Dover and Salem wire centers currently under review in Docket No. DT 06-020. Verizon contends that because the requirement of filing such changes in the tariff was not in effect at the time Verizon initially gave notice to industry of the change in status of the centers in question, the effective date rule should not apply to those centers. Verizon proposes that the applicable effective date be set at the date established in the industry notice, as was done with regard to the centers investigated in Docket No. DT 05-083.

In the *Wire Center Order*, we determined that any wire center status change post-dating the Order would go into effect upon Commission approval of a tariff filing proposing such change. We agree that the tariff filing requirement was not in effect when Verizon first proposed the changes in status for Concord, Dover and Salem, and note that while there is an open investigation regarding Concord, Dover and Salem in Docket No. DT 06-020, there are no tariff changes currently under review in that docket. Verizon's request for clarification in this docket does not rise to a level that justifies a rehearing in this proceeding. To the extent the effective date is at issue in Docket No. DT 06-020, the parties may raise it in that proceeding. We therefore decline to grant Verizon's request for clarification on that point.

E. Dark Fiber Loops and Transport under Section 271

Verizon points to the statement on page 46 of the *Wire Center Order* that "[t]he Parties are in agreement that access to the high-capacity loops and dedicated transport at issue in this docket are required by section 271." Verizon asks us to clarify that Verizon does not concur with the statement that parties are in agreement on that particular issue. Verizon requests that the

Commission clarify that the parties' concurrence is limited to high capacity DS1 and DS3 loops and transport and not to dark fiber loops and transport, and that nothing in Verizon's brief suggests that Verizon concurs or agrees that dark fiber loops or transport are section 271 elements.

We acknowledge that Verizon asserted in its motion that it does not agree. Since that clarification would not change the outcome, we decline to grant rehearing on this point.

F. Typographical Error

Conversent et al. point out that the *Wire Center Order* includes a typographical error on page 34 in its quotation of FCC Rule 51.5. Their observation is correct. The second line of that quotation should read "a collocation arrangement *in* an incumbent LEC wire center" (emphasis added).

IV. CONCLUSION

The arguments raised in each of the rehearing motions have either been previously raised and addressed in the *Wire Center Order*, or are mere reformulations of previous arguments with no new, previously unavailable evidence proffered. Therefore, we deny the pending rehearing requests and otherwise decline to reconsider our rulings in Order No. 24,598.

Based upon the foregoing, it is hereby

ORDERED, that the pending motions for rehearing reconsideration or clarification are DENIED; and it is

FURTHER ORDERED, that the suspension of Order No. 24,598 imposed by the Commission on April 28, 2006, as clarified on May 2, 2006 is hereby terminated and that the determinations made in Order No. 24,598 shall henceforth be fully effective; and it is

FURTHER ORDERED, that Verizon shall file a compliance tariff within thirty days pursuant to our decisions in Order No. 24,598.

By order of the Public Utilities Commission of New Hampshire this first day of June, 2006.

Thomas B. Getz
Chairman

Graham J. Morrison
Commissioner

Clifton C. Below
Commissioner

Attested by:

Debra A. Howland
Executive Director & Secretary