



THOMAS J. VILSACK
GOVERNOR
SALLY J. PEDERSON
LT. GOVERNOR

IOWA UTILITIES BOARD
IOWA DEPARTMENT OF COMMERCE

May 18, 2000

RECEIVED
MAY 19 2000
FCC MAIL ROOM

Ms. Magalie R. Salas, Secretary
Federal Communications Commission
TW-A325
445 12th St. SW
Washington, DC 20554

RE: In the Matter Federal- State Joint Board on Universal Service,
CC Docket No. ~~96-457~~ and Implementation of the Local Competition
Provisions of the Telecommunications Act of 1996, CC Docket
No. 96-98

Dear Ms. Salas:

Enclosed for filing in the above docket is an original and 11 copies of the Supplement to
Petition by the Iowa Utilities Board for Temporary Waiver.

One additional copy has been included to be date-stamped and returned in the self-
addressed envelope.

Sincerely,

William H. Smith, Jr.
Iowa Utilities Board

Enclosures

No. of Copies rec'd 0+10
List ABCDE

DOCKET FILE COPY ORIGINAL RECEIVED

MAY 19 2000

FCC MAIL ROOM

BEFORE THE

FEDERAL COMMUNICATIONS COMMISSION

WASHINGTON, D.C. 20554

<p>In the Matter of</p> <p>Federal-State Joint Board On Universal Service</p> <p>Implementation of the Local Competition Provisions of the Telecommunications Act of 1996</p>	<p>CC DOCKET NO. 96-45</p> <p>CC DOCKET NO. 96-98 ✓</p>
---	---

SUPPLEMENT TO PETITION BY THE IOWA UTILITIES BOARD FOR TEMPORARY WAIVER

The Iowa Utilities Board (IUB) hereby amends its petition filed April 26, 2000, for a temporary waiver of the Commission's requirement to create at least three geographic cost-related rate zones for interconnection and unbundled network elements (UNEs) by May 1, 2000. See 47 C.F.R. § 51.507(f) (2000). Specifically, the IUB repeats its request for an extension of time to December 31, 2000, to create the required rate zones, based upon ongoing developments in the IUB proceedings.

The IUB's petition for temporary waiver was filed pursuant to 47 C.F.R. § 1.3 and paragraph 7 of the Commission's stay order in Deaveraged Rate Zones For Unbundled Network Elements, CC Docket No. 96-98, 14 FCC Rcd. 8300, 8300-01 (1999) (the "Stay Order"). The IUB initially requested an extension to December 31, 2000.

The Commission recently granted limited waivers to the state public utility commissions of Nebraska, Wisconsin, Idaho, North Carolina, and Ohio, giving them

RECEIVED
MAY 19 2000
FCC MAIL ROOM

until October 31, 2000, to complete deaveraging, even though several of those states had requested longer waivers. The IUB is supplementing its petition to explain why the Commission's action with respect to the other states should not be applied to Iowa, as well.

The IUB is concerned that the complex issues presented in its deaveraging docket, including U S West's proposed geographic zones, the scope of the required deaveraging, the pricing methodology to be used, retail rate deaveraging, and many other questions, will require significant time and other resources to resolve. To give only one example, one of the objectors in the Iowa docket, Goldfield Access Network, L. C. (Goldfield), filed an objection to U S West's proposed deaveraged zones¹. One basis for the Goldfield objection is U S West's pending sale of 32 rural Iowa exchanges to Citizens Utilities, Inc. (Citizens). Goldfield argues those exchanges should be removed from U S West's calculations; Goldfield estimates that this would reduce U S West's proposed zone 3 loop rate from \$30.53 to \$28.34 per month, a reduction of over 7 percent.

U S West responded to Goldfield's objection by pointing out that U S West still owns the exchanges at issue and, therefore, they should be included in the calculation of U S West's rural loop costs².

¹ "Goldfield Access Network, L.C.'s Objection to Tariff Filing," IUB Docket No. RPU-00-1, April 3, 2000.

² "Reply to Goldfield's, AT&T's, and OCA's Objections to U S West's Tariff Filing, IUB Docket No. RPU-00-1, April 12, 2000.

RECEIVED
MAY 19 2000
FCC MAIL ROOM

On May 5, 2000, the IUB issued an order permitting U S West to sell the 32 rural exchanges to Citizens.

On May 12, 2000, IUB staff contacted U S West to determine whether U S West intended to file new exhibits showing the effect of the sale on U S West's proposed UNE prices. U S West declined to file the requested information on a voluntary basis. Accordingly, the IUB has issued an order requiring that U S West file the necessary information.

The IUB is not prejudging the issue of whether the data associated with the exchanges being sold to Citizens should be included in U S West's deaveraged UNE rates. The point is that the IUB will have to decide this issue as a part of its UNE deaveraging docket; that the IUB cannot decide that issue without the necessary data; and that the IUB is forced to issue orders to obtain that data, a time-consuming process.

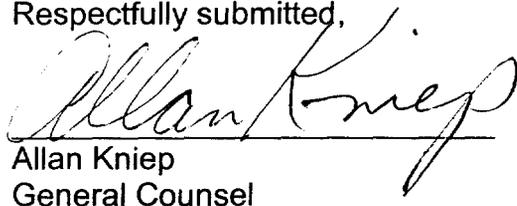
Based upon the IUB's experience with past dockets of a similar nature, the IUB must allow time in the procedural schedule for resolution of possible discovery disputes and for production of information that the IUB requires. It is unrealistic to expect that an adequate record can be developed in a time frame that will permit an IUB decision by October 31, 2000.

RECEIVED
MAY 19 2000
FCC MAIL ROOM

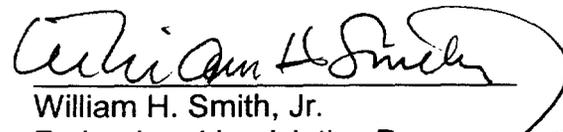
For the reasons stated, the IUB respectfully requests the FCC grant the IUB a limited waiver of the time to implement 47 C.F.R. §51.507(f), from the current date of May 1, 2000, to December 31, 2000.

Dated at Des Moines, Iowa, this 18th day of May, 2000.

Respectfully submitted,


Allan Kniep
General Counsel


David Lynch
Assistant General Counsel


William H. Smith, Jr.
Federal and Legislative Programs
Coordinator

Iowa Utilities Board
350 Maple Street
Des Moines, Iowa 50319
515-281-3448
515-242-5081 (fax)
iub@max.state.ia.us