SUREWEST COMMUNICATIONS
Petition for Clarification and Partial Reconsideration of *TRO*
January 27, 2004

I. ILEC Service Area System Description/Overview

a. Area Composition/ Customer Base

b. Outside Plant Deployment Transition

i. ATM Based Intrasystem Fiber with Copper to Home
ii. Minimal FTTC
iii. Will serve customer mixed copper/fiber (Passive Optical Network) providing video, voice and high speed data (triple play) over DSL.
iv. Deployment to commence during February
v. Transition to FTTP (CAP X enormously costly)
vi. Cisco is our Primary Vendor

II. Out of Area System Deployment

a. Sacramento Region – (Sacramento, Elk Grove, Lincoln)
b. Present system is a hybrid coaxial/fiber FTTP network.
c. Converting new and former customers to full FTTP network.
d. Providing triple play.

III. Petition Issues

Problem: Many new developments mix residential and small/medium businesses into multi-unit premises. Ambiguities among text of *TRO*, footnotes and rules creates disincentives for providing fiber to MUP's.

Need to eliminate ambiguities that would pose barriers to deployment of fiber to multiunit premises.

a. Preserve incentives to invest in broadband facilities.

b. Efficient deployment cannot pick and chose customers in a mixed-use MUP, based on their respective regulatory treatments – network design and OSS problems.

Solutions:

a. Clarify that definition of the loop is based on the specific end-user located within the MUP, rather than classifying the entire MUP as "enterprise." This has problems as a "pick and choose" approach,

however, though it at least gives the ILEC the chance to choose to provide advanced services to such specific end-users, if it is economically efficient to do so.

b. Other ways to clarify the definition of FTTP loops:

i. Consistent with broad policies expressed in *TRO*, could clarify that all FTTP is subject to relief from unbundling (with "brown field" exception).

ii. Alternatively, could create bright-line definition of MM FTTP loops that includes businesses likely to be included in MUPs- *i.e.* any location that uses up to 48 telephone numbers. This figure provides logistical certainty on nation-wide basis. Another approach would be to clarify that if more than a majority of the end-users in an MUP are residents, then all FTTP loops to the MUP are classified as "mass market."