

than the Intrastate DS1 rate offered by Qwest at that time. XO believed that the Arizona rate would enhance opportunities for competition and provide some rate stability for the DS1 product.

Under the terms of the current Arizona Qwest Price Cap Plan, CLECs may obtain *Special Access Service under the terms of an agreement that was negotiated during settlement discussions*. Although the current Plan includes a degree of pricing flexibility CLECs have the option of obtaining *such service under the terms of a contract offer available to all*. The availability of this contract limits the ability of Qwest to price the service in a manner that adversely affects CLECs.

B. The Availability of Unbundled Network Elements Under Section 271 Does Not Provide Adequate Relief.

Nor does the availability of unbundled network elements under Section 271 provide adequate relief as demonstrated by the comments filed by McLeodUSA and others in this docket. If the Commission does grant forbearance from Section 251(c) unbundling obligations, which we do not recommend, at a minimum, the Arizona Commission recommends putting in place a process for state review or oversight of the prices charged by ILEC's for Section 271 network elements. This would be an important safeguard which could prevent overreaching on the part of ILECs in instances where forbearance is found to be appropriate.

IX. Conclusion

The Commission should deny Qwest forbearance with respect to its Loop and Transport obligations under Section 251(c) and 271 as it is not supported by the evidence.

The Commission should deny Qwest's forbearance request with respect to federal Dominant Carrier requirements. for Special Access.

The Commission should deny Qwest's petition as pled with respect to Dominant Carrier obligations and to the extent that Qwest desires to refile its petition, the Commission should order that Qwest do so using data at the zip code level. The Arizona Commission's analysis on a zip code level indicates that Qwest may be eligible for some relief in certain Residential zip codes only.

With respect to *Computer III* and Open Network Architecture requirements and Qwest's request for forbearance of Section 214 of the Act, the Arizona Commission recommends denial of Qwest's Petition as pled.

Qwest has simply not met its burden of proof with respect to forbearance in any of these areas.

RESPECTFULLY SUBMITTED this 1st day of October, 2007

/s/ Maureen A. Scott

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ATTACHMENT A Phoenix MSA Zip Code Summary

REDACTED

ATTACHMENT B Zip Code and Wire Center Data

REDACTED

ATTACHMENT C

Cox by Zip Code in each Qwest Wire Center

REDACTED

ATTACHMENT D1

Proposed TRRO Wire Centers versus
Highly Competitive Small Business Zip Codes/Wire Centers

REDACTED

ATTACHMENT D2

Proposed TRRO Wire Centers versus
Highly Competitive Medium Business Zip Codes/Wire Centers

REDACTED

ATTACHMENT D3

Proposed TRRO Wire Centers versus
Highly Competitive Large Business Zip Codes/Wire Centers

REDACTED