

NARUC Telecommunication Policy Resolution (UNE Pricing)

WHEREAS, Pricing unbundled network element at too low a level may discourage investment in new infrastructure and services; *now therefore be it*

RESOLVED, That the National Association of Regulatory Utility Commissioners (NARUC), convened in its November 2004 Annual Convention in Nashville, Tennessee, amends the “Current NARUC Telecommunications Policies” Sections 7.10, 7.11, 7.12 as follows:

7.10 Unbundled Elements: The FCC should establish a minimum set of unbundled elements, and it should provide State commissions with reasonable flexibility to require additional unbundling if State conditions warrant and do not conflict with the Telecommunications Act. In addition, the Unbundled Network Element Platform, comprising a combination of unbundled elements, has become an important entry strategy. States should continue to have authority to require unbundling in addition to that required by the FCC's national minimum standard. NARUC is open to the possibility that unbundling should be treated as a transitional approach to opening markets, and that the goal should be, for most if not all areas, facilities-based competition.

7.11 Pricing: Under the law, entrants are granted access to incumbents' network elements and services as one way to compete in the local exchange market. In some rural markets, States will determine if such access is in the public interest. Elements and services should be priced in a manner that encourages competitive entry in the markets in which such entry is appropriate. Prices should, however, be set at levels that are sufficiently compensatory so that they do not discourage investment.

Sponsored by the Committee on Telecommunications
Adopted by NARUC November 17, 2004