

**Resolution Regarding Expanded Interconnection  
(Collocation) (Docket 91-141) and  
Switched Transport Rate Structure (Docket 91-213)**

**WHEREAS**, On October 19, 1992 the FCC released its Report & Order and Further Notice of Proposed Rulemaking on expanded interconnection with local telephone company facilities; and

**WHEREAS**, On October 16, 1992 the FCC released its Second Notice of Proposed Rulemaking proposing switched transport and switching/ signalling interconnection whereby switched transport collocation would be offered under similar terms and conditions as special access collocation, to be effective in November 1993; and

**WHEREAS**, On October 16, 1992, the FCC also released its Report & Order regarding switched transport rate restructuring for Tier 1 LECs and its Further Notice of Proposed Rulemaking seeking comment on the long term transport structure which will become effective in November 1995; and

**WHEREAS**, The Alternative Costing Methods Project has illustrated potentially large differences in prices between rural and urban areas should prices be de-averaged in conjunction with expanded interconnection for switched services; and

**WHEREAS**, America has benefitted from averaged rates for telecommunication services that have allowed rural communities to more fully participate in the economic growth of their state; and

**WHEREAS**, The FCC has requested that the Joint Board address the jurisdictional allocation of Special Access interconnection costs and revenues only; and

**WHEREAS**, Regulatory agencies and industry representatives have participated in the NARUC Access Issues Work Group (AIWG); and

**WHEREAS**, The FCC has made an implicit finding that both virtual and physical collocation meet its objective by permitting waivers to those States that have adopted virtual collocation for intrastate services; and

**WHEREAS**, The FCC has preempted States by mandating physical collocation for any state that has not adopted an intrastate collocation policy by February 19, 1993; and

**WHEREAS**, The FCC has proposed an ambitious comment cycle for CC Docket 91-141 (Comments due December 4, 1992 and Replies due December 21, 1992), CC Docket 91-141 Phases I and II (Comments due December 4, 1992 and Replies due December 21, 1992 [Phase I] and Comments due December 21, 1992 and Replies due January 22,

1993 [Phase II] ) and CC Docket 91-213 (Comments due December 18, 1992 and Replies due January 21, 1993); now, therefore, be it

**RESOLVED**, That the National Association of Regulatory Utility Commissioners (NARUC), convened at its 104th Annual Convention in Los Angeles, California, recommends that the FCC be urged to extend the timing of the comment cycles until after the Winter NARUC meetings to allow for a more thorough review by the States on the effect of the FCC's proposals regarding access; and be it further

**RESOLVED**, That NARUC uses its existing Access Issues Work Group to evaluate the effects of the FCC's proposals on the state jurisdictions and report its findings and recommendations to the Communications Committee at the Winter 1993 NARUC meeting; and be it further

**RESOLVED**, That the NARUC requests that the FCC recognize the direct effects of interstate access restructure and pricing policies on state regulation and rates to consumers in rural and high cost areas, and that the FCC be encouraged to work with and support the interactive regulatory process by assigning these issues to a 410(c) Joint Board; and be it further

**RESOLVED**, That the NARUC recommends that the LECs be required to exclude an amount of expense equivalent to the amount of revenues received for the physical collocation before separations occurs; and be it further

**RESOLVED**, That the NARUC urges the FCC to address the following issues in current proceedings, reconsideration, or additional rulemakings, as may be appropriate:

- The proper designation of property, expenses and revenue used in the development of tariffed rates for central office space;
- The differentiation of jurisdictional costs and revenues in cases where the interconnection/collocation is provided under both federal and state jurisdiction;
- That deaveraging for transport or switched services be implemented only after a comprehensive, thorough review of the economic effects of deaveraging on the public and on the industry, especially those concerns associated with the maintenance of universal service, the participation of rural America in economic growth, and an evaluation of how to reduce costs in high cost areas;
- The establishment of support mechanisms for high cost areas before rates are set at different levels for different market areas;
- The proper assignment of the industry's interoffice official facilities in view of their use in advanced network

configurations;

-- The establishment of costing and pricing policies for switched access service interconnection; and be it further

**RESOLVED**, That the NARUC urges that further FCC proceedings not delay the implementation of interstate switched interconnection in those States that have approved switched interconnection; and be it further

**RESOLVED**, That the NARUC urges the FCC to collect and report information periodically in a monitoring mechanism for collocation expenses, revenues, and deployment activity; and be it further

**RESOLVED**, That the NARUC directs its General Counsel to file a petition for reconsideration expressing the concerns of the States regarding preemption by the FCC on physical versus virtual interconnection arrangements for intrastate services, prior to providing the States a reasonable period within which to consider the issue.

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Sponsored by the Committee on Communications  
Adopted November 18, 1992