

Resolution Concerning The UNE Platform

WHEREAS, The vast majority of access lines in the United States - approximately 144 million out of 174 million total switched-lines - are provided to mass market residential and small business consumers of analog dial tone service, or "POTS"; and

WHEREAS, The 1996 Act provided for three separate methods of entry into local markets - CLEC-provided facilities, unbundled network elements and combinations thereof, and resale; and

WHEREAS, The Unbundled Network Element Platform, ("UNE-P") is a combination of unbundled network elements (loop, switching and transport) that entrants can use to provide consumers distinct local services not available via the resale method of entry; and

WHEREAS, The 1996 Act did not distinguish or prefer any one method of entry over any other method and recognizes that the construction of new, rival network facilities requires new entrants to incur substantial and risky fixed and sunk costs; and

WHEREAS, An environment in which all methods of competitive entry envisioned by the 1996 Act are possible would best and most rapidly provide significant public interest benefits for all types of consumers, including those mass market consumers who desire only access to analog POTS; and

WHEREAS, The decrease in the willingness of capital markets and manufacturers to finance the deployment of new and rival

equipment, including switches, has led to greater reliance by new entrants on the "UNE-P" as a competitive entry strategy; and

WHEREAS, Many State commissions have embraced UNE-P as a means to expand customer choice for mass market, residential and small business consumers, by undertaking policies that ensure access to the UNE-P; now therefore be it

RESOLVED, That the National Association of Regulatory Utility Commissioners (NARUC) convened in its November 2001 113th Annual Convention in Philadelphia, Pennsylvania encourages State utility commissions to reassess their implementation of Section 251 of the 1996 Act to ensure that such implementation, including rates, terms and conditions available under interconnection agreements and State access regulations, does not favor one method of entry, at the expense of other methods of entry; and be it further

RESOLVED, That State commissions should support the implementation of universal availability of the UNE-P, on the basis that one form of entry should not be favored over another; and be it further

RESOLVED, That State commissions should continue to take an active role in studying and ensuring that mass market, residential and small business consumers enjoy the benefits of the local competition promised to them by the 1996 Act, and that it is the interests of consumers, and not any particular industry participant or sector, that is of paramount concern to the public interest; and be it further

RESOLVED, That NARUC General Counsel be directed to provide the FCC comments consistent with this resolution.

Sponsored by the Committee on Telecommunications.

Recommended by the NARUC Board of Directors November 13, 2001. Adopted in Convention November 14, 2001.