





Verizon Hawaii Inc. also supplemented its transmittal with additional information.<sup>2</sup>

## II.

### Settlement Agreement and Transmittal No. 03-65

For transmittal number 03-65, Verizon Hawaii Inc. explains:

. . . As a result of an agreement reached with AT&T Corporation, Covad Communications Company and Sprint Communications Company, L.P. and approved by the Pennsylvania Public Utility Commission, Verizon is filing to revise its collocation tariffs or interconnection agreements in the Verizon footprint, including Hawaii. The proposed tariff revisions are consistent with the agreement approved by the Pennsylvania Public Utility Commission.

Sections of the tariff addressing joint planning and implementation intervals for physical (including augments) and virtual collocation, forecasting and the use of data, collocation capacity, vendor delays, vendor capacity, space availability, and raw space conversion are being revised or added to align with the agreement. The proposed tariff revisions are consistent with the filings of other Verizon state tariffs and as such, promote uniformity in service and reduce uncertainty. These tariff modifications will also enhance collocation service in Hawaii.<sup>3</sup>

The settlement agreement is a multi-jurisdictional agreement that arises out of a Pennsylvania Public Utility Commission proceeding involving Verizon Pennsylvania Inc. and other telecommunications carriers. The settlement agreement's

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<sup>2</sup>See letters dated November 25, 2003 (settlement agreement), April 23, 2004 (settlement agreement and Exhibits 1 - 3), and May 4, 2004 (revised chart, "Verizon Interval Agreement Tariff Filings").

<sup>3</sup>Verizon Hawaii Inc.'s transmittal number 03-65, at 1 - 2 (footnotes and text therein omitted).

terms and conditions: (1) are intended to apply in twenty-eight (28) states (including Pennsylvania and Hawaii) and the District of Columbia, jurisdictions where Verizon provides telecommunications services; and (2) provides that Verizon will file a state-specific tariff with each state commission on or about October 26, 2003. Nothing in the settlement agreement, however, prevents the Pennsylvania parties from contesting the application of the agreement in other states.

Transmittal number 03-65 proposes certain changes to the following collocation categories:

1. Section III, Ordering Conditions, relating to: (A) space availability; and (B) collocation schedule.

2. Section IV, Installation and Operation, relating to: (A) joint planning and implementation intervals for physical collocation; (B) forecasting and use of data; (C) collocation capacity; (D) vendor capacity; and (E) responsibility for vendor delays.

3. Section XII, Virtual Collocation, relating to: (A) implementation intervals and planning; and (B) accommodations.

Verizon Hawaii Inc., using a chart entitled "Verizon Interval Agreement Tariff Filings," represents that in the jurisdictions where Verizon submitted similar collocation filings:

1. "Twenty-three of thirty-two Verizon jurisdictions have approved tariffs."<sup>4</sup>

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<sup>4</sup>Verizon Hawaii Inc.'s letter, dated April 28, 2004, at 3.

2. In four (4) other states, collocation services are offered pursuant to contract.

3. Verizon is awaiting regulatory commission action in three (3) states, including the State of Hawaii (the "State"). In two (2) other states, proposed amendments to pending collocation tariffs have been filed.

4. Based on the foregoing information, "[i]n those states with collocation tariffs in effect or on file, the proposed interval agreement tariff amendments have yet to be rejected."<sup>5</sup>

The Consumer Advocate finds that:

1. Transmittal number 03-65 is similar to Verizon Hawaii Inc.'s transmittal number 02-63, approved by the commission on November 25, 2002, in Order No. 19814.<sup>6</sup>

2. Transmittal number 03-65's language is similar to, or the same as, the language in the settlement agreement.

3. "[T]he proposed amendments offer a customer an expanded range of situations in which a CLEC [competitive local exchange carrier] is eligible to receive a 45-day business day augment interval for existing collocation arrangements, in lieu of the standard 76-business day interval. In addition, a CLEC

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<sup>5</sup>Verizon Hawaii Inc.'s letter, dated May 4, 2004, at 1.

<sup>6</sup>Transmittal number 02-63 amends Verizon Hawaii Inc.'s collocation service tariff by revising the direct current power rates, terms, and conditions, arising out of a settlement agreement approved by the Pennsylvania Public Utility Commission.

will now be entitled to receive certain types of collocation augments within the 45-business day interval."<sup>7</sup>

4. The proposed Section III.C, Collocation Schedule: (A) removes any references to price quotes; but nonetheless (B) "appears to provide conditions that benefit both the Company and CLEC if a collocation application is deficient."<sup>8</sup> Thus, the Consumer Advocate does not object, at this time, to Section III.C, as proposed.

5. While the settlement agreement is a compromise between a few parties and is now being offered to any potential customer on a general tariff basis, a collocation customer still has other means to resolve concerns regarding the reasonableness of the proposed terms and conditions.<sup>9</sup>

6. Based on the collocation service tariff's "current effective provisions, . . . the proposed modifications of the terms and conditions for collocation services are generally reasonable. The total number of days for a customer to receive collocation arrangements is shortened and customers can receive a

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<sup>7</sup>Consumer Advocate's position statement, at 5 (footnote and text therein omitted).

<sup>8</sup>Id. at 7.

<sup>9</sup>The Consumer Advocate references two (2) examples:

1. Sheet 13.1, Section IV.A(5), states that a preliminary schedule will be developed outlining major milestones. If Verizon Hawaii Inc. and its potential customer are unable to agree on the dates for completing the milestones, the dispute will be submitted to the commission.
2. Sheet 39.1, Section XII.A, regarding virtual collocation, will continue to provide the potential customer the opportunity to negotiate terms for non-standard agreements.

greater range of collocation services. Thus, customers benefit from these changes by receiving services at a faster rate. As a result, the Consumer Advocate believes that the collocation tariff proposals are in the public interest and does not object to the proposed changes."<sup>10</sup>

That said, the Consumer Advocate recommends that any future Verizon Hawaii Inc. filing involving proposed changes to its collocation services tariff be served upon the major affected carriers operating in the State.<sup>11</sup>

Verizon Hawaii Inc. objects to the Consumer Advocate's recommendation, characterizing the proposal as unreasonable, unnecessary, unprecedented, and inconsistent.

The proposed tariff changes, viewed in their entirety, are reasonable and consistent with the policy of encouraging competition in the telecommunications industry. The commission will allow transmittal number 03-65 to take effect, effective from the date of this order.

In addition, the commission finds that the Consumer Advocate's recommendation, in this instance, is not required by Hawaii Revised Statutes chapter 269 or the commission's administrative rules governing telecommunications

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<sup>10</sup>Consumer Advocate's position statement, at 8.

<sup>11</sup>The Consumer Advocate identifies at least six (6) telecommunications carriers: AT&T Communications of Hawaii, Inc.; MCI Worldcom Communications, Inc.; Sprint Communications Company L.P.; Oceanic Communications; Pacific LightNet, Inc.; and Sandwich Isles Communications.

services and tariff filings. Hence, the commission declines to adopt the Consumer Advocate's recommendation at this time.<sup>12</sup>

III.

Orders

THE COMMISSION ORDERS:

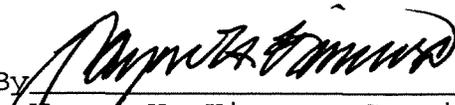
1. Transmittal number 03-65, filed on October 24, 2003, will be allowed to take effect, effective from the date of this decision and order.

2. Verizon Hawaii Inc. shall file its tariff sheets, with the applicable issued and effective dates, within seven (7) calendar days from the date of this decision and order.

DONE at Honolulu, Hawaii this 9th day of June, 2004.

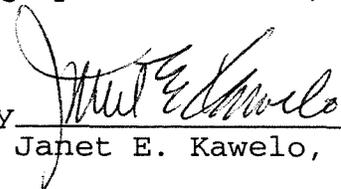
PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

By   
Carlito P. Caliboso, Chairman

By   
Wayne H. Kimura, Commissioner

APPROVED AS TO FORM:

  
Michael Azama  
Commission Counsel

By   
Janet E. Kawelo, Commissioner

03-0394.sl

<sup>12</sup>That said, the Consumer Advocate duly recognizes the commission's authority to impose reporting, notification, and other requirements as part of the quasi-judicial process.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Decision and Order No. 21038 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
DIVISION OF CONSUMER ADVOCACY  
P. O. Box 541  
Honolulu, HI 96809

JOEL K. MATSUNAGA, VICE PRESIDENT-EXTERNAL AFFAIRS  
VERIZON HAWAII INC.  
P. O. Box 2200, A-17  
Honolulu, HI 96841

  
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Karen Higashi

DATED: June 9, 2004