STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

FILED
JUN 0 8 2000
INDIANA UTILITY
REGULATORY COMMISSION

IN THE MATTER PETITION OF INDIANA BELL TELEPHONE COMPANY, INCORPORATED, D/B/A AMERITECH INDIANA PURSUANT TO I.C. 8-1-2-61 FOR A THREE-PHASE PROCESS FOR COMMISSION REVIEW OF VARIOUS SUBMISSIONS OF AMERITECH INDIANA TO SHOW COMPLIANCE WITH SECTION 271(C) OF THE TELECOMMUNICATIONS ACT OF 1996	)	CAUSE NO. 41657

and

IN THE MATTER OF THE COMMISSION'S GENERIC INVESTIGATION OF INCUMBENT LOCAL EXCHANGE CARRIER'S PROVISION OF OPERATING SUPPORT SYSTEMS ("OSS")	)	CAUSE NO. 41324

INITIAL JOINT COMMENTS OF SPRINT COMMUNICATIONS COMPANY L.P., UNITED TELEPHONE COMPANY OF INDIANA, INC. d/b/a SPRINT, TIME WARNER COMMUNICATIONS, AND MCLEODUSA TELECOMMUNICATIONS SERVICES, INC.

Sprint Communications Company L.P., and United Telephone Company of Indiana, Inc., d/b/a Sprint (hereinafter collectively "Sprint"), Time Warner Communications and McLeodUSA Telecommunications Services, Inc. (hereinafter collectively referred to as the "Joint Commenters") hereby submit their initial comments in the above-referenced Causes. The initial comments of the Joint Commenters pertain to the Indiana Utility Regulatory Commission's ("Commission" or "IURC") invitation to comment on the relationship between the above two Causes.

Introduction

The Joint Commenters fully support the Commission's ongoing efforts to address OSS procedures and methods in Indiana. The Commission has been working steadily to implement

local competition in Indiana. On November 4, 1998, the Commission established Cause 41324 to address standards for and cost of the provision of Operating Support Systems ("OSS"). The first stage was gathering information regarding the existing systems and was successfully completed in early 1999. The second phase was the scheduling of a series of technical workshops to attempt to reach a consensus regarding performance standards. As a result of the technical conferences, Sprint, GTE and Ameritech reached consensus with a number of CLECs including AT&T, Worldcom, and Time Warner Telecom and the Indiana Office of Utility Consumer Counselor (OUCC) on the implementation of a comprehensive set of interim performance measurements. As part of the agreement, Ameritech will implement the Southwestern Bell Texas performance measurement plan, plus some additional measures, and GTE and Sprint will implement their respective Nevada performance measurement plans. The third and final stage of Cause No. 41324 addresses OSS cost recovery and has not yet been initiated.

Question #1: Should The Commission Transfer to Cause No. 41657 Consideration Of The Ameritech Indiana Baseline OSS Performance Measurements Which Are Being Developed in Phase 2 of Cause No. 41324?

The Joint Commenters support the Commission's plan to transfer to Cause No. 41657 the Ameritech portion of the baseline OSS performance measurements that are currently being developed in Phase 2 of Cause No. 41324. The Joint Commenters' position is that an ILEC's obligation to provide non-discriminatory service is not conditioned on a 271 application; however, the Joint Commenters recognize that the approach advocated by the Commission would allow better utilization of limited resources and will ultimately accelerate the overall process for all ILECs. The ILECs and CLECs have continued to hold technical workshops in Indiana throughout 2000 to enhance the basic agreement that was reached in 1999 and to reach further understanding and agreement. The parties of Cause 41324 have made substantial progress in identifying the issues separating the parties in a series of technical workshops that have been held. Notwithstanding these efforts, however, substantial additional commitments of time and resources will be required to achieve consensus on performance measurement plans for even Ameritech, let alone all three ILECs.

Given the significant resources likely to be devoted to further negotiations, and the ongoing nature of similar negotiations between ILECs and CLECs in numerous other states, the Joint Commenters believe that the limited resources of all parties, including ILECs, CLECs the Commission Staff, and the OUCC, can more efficiently be applied by addressing performance measurement negotiations with the Indiana ILECs on a serial, rather than parallel, basis. Furthermore, substantial efficiencies could be gained by drawing on the work product of performance measurement negotiations in other states, especially those in which partial or substantial agreement had been reached.

One of the primary efficiencies that could be gained is to regionalize the detailed technical portion of the process for the Ameritech review. Currently there are detailed technical workshops in all five Ameritech states (IN, IL, WI, MI, and OH) which is proving to be very inefficient, time consuming, and resource draining. Participants are going from one state to the next to participate in the technical workshops with little time between meetings to research and resolve issues. Often, the exact same discussions are held in multiple states because the participants within each state vary slightly. While some individual participants from larger companies remain the same from state to state, other companies as well as the commission staffs and state consumer advocates all vary depending upon the jurisdiction. All companies, especially smaller CLECs, are having a difficult time actively participating in all workshops given the resource limitations. While this comprehensive measurement-by-measurement detailed technical review is an enormously time-intensive process, it is an invaluable and absolute requirement of the overall process.

In order to facilitate the overall performance measurement initiative, as well as to use the limited resources of the various parties including Ameritech, CLECs and the commission staffs more efficiently, the technical portion of performance measurements should be addressed in regional technical workshops. Pseudo-regional technical workshops for Ameritech are already underway in Illinois and Ohio. The sole purpose of the regional technical workshop would be to complete a comprehensive measurement-by-measurement review, identifying the areas where agreement can be reached and where agreement cannot be reached. The Commission will not

relinquish any authority over the process and all unresolved issues will be brought before the Commission for ultimate resolution.

This regional approach would also directly benefit Indiana consumers. Regional detailed technical sessions could include all interested parties in all five Ameritech states, resulting in greater overall CLEC representation including CLECs that are actively marketing their services in a production environment. Many regional CLECs that are currently active in Illinois, Michigan and Wisconsin have substantial experience based on real-life situations that cannot be duplicated at this time in Indiana due to the limited market entry. A regional workshop allows the experiences of all CLECs in all regions to be brought to the table for additional discussions. Accordingly, the horror-stories and pitfalls experienced in other states can be avoided in Indiana.

Question #2: In Addition To Carrier-To-Carrier Performance Measures, Are There Any Other Issues That Are Currently Being Discussed In Phase 2 Of Cause No. 41324 Which Should Be Transferred To Cause No. 41657?

The Joint Commenters recommend that all issues related to the detailed individual performance measurements be transferred to Cause No. 41657 for Ameritech, including the following from the March 13th - 14th status report:

Item 4 -- Structure of certain performance standards
Item 6 -- Disaggregation
Item 7 -- Business rules and formulas for certain performance measurements
Item 8 -- New performance measurements including those adopted in other states
Item 9 -- Forecasting requirements
Item 12 -- Operational issues

Those remaining outstanding issues identified in the March 13th - 14th status report can remain in Cause No. 41324. It is highly unlikely that the parties will reach full agreement on the unresolved issues and future Commission action will likely be required for ultimate resolution. While these outstanding issues are critical to a successful implementation of a comprehensive performance measurement plan, there are no immediate or pressing needs to resolve these issues at this time. Accordingly, the Joint Commenters recommend that these outstanding issues be deferred until such time that a CLEC makes a request for the Commission to establish a procedural schedule for hearings.

Question #3: If The Commission Transfers Ameritech Indiana To Cause No. 41657, What Impact, If Any, Will This Have On Cause No. 41324?

The Joint Commenters recommend that the Commission defer Phase 2 of Cause 41324 in regards to Sprint and GTE until such time that a CLEC desires to reconvene the discussions. Both companies have been reporting interim performance measurements results since June 1999 per the Commissions May 21, 1999 Order and both companies have committed to full comprehensive performance measurement reporting as part of the stipulated agreement that was approved by the Commission on February 16, 2000. The Joint Commenters' recommendation to defer the GTE and Sprint portion of Phase 2 of Cause No. 41324 does not alter the commitments made as part of the stipulated agreement but only relates to changes, modifications, and deletions to the agreed upon comprehensive performance measurement plan.

The Joint Commenters' recommendation to defer the final step of the GTE and Sprint performance measurement plan is based upon the realization that a better utilization of resources is possible when efficiencies are sought. Such efficiencies are highly likely with respect to GTE and Sprint since the service quality measures advocated by GTE and Sprint have been agreed upon or are being negotiated in similar state forums nationwide. In addition, GTE will soon be going through a detailed, measurement-by-measurement review in Ohio and Illinois as part of merger commitments made by Bell Atlantic.

Based upon negotiations and understandings of the CLECs, market entry strategies are being analyzed for all regions of Indiana and most CLECs' near-term geographic priorities will likely require large-scale, verifiable interconnection and OSS support from Ameritech before comparable levels of service are required from GTE and Sprint. Based on these considerations, extensive negotiation of Indiana performance measurements for GTE and Sprint can be deferred, and the CLECs, including Sprint's CLEC, can immediately focus on discussions with Ameritech. A similar approach was undertaken in North Carolina where AT&T, Worldcom, Time Warner Telecom, and other regional CLECs stipulated with GTE and Sprint to the exact same Indiana performance measurements until such time any CLEC identifies a reason to discuss changes. This allowed all the CLECs to concentrate efforts on Bell South first.

In no way should this recommendation to defer the docket for Sprint and GTE suggest that performance measurements are less important for non-RBOCs or that even performance measurements are only critical as part of 271 proceedings. Nor should the Joint Commenters' recommendation be interpreted to suggest that the cities and regions served by Ameritech are more important than the cities and regions served by other ILECs. The Joint Commenters have long supported comprehensive performance measurement plans for all ILECs and has agreed to provide such reporting in numerous states, including Indiana. The combination of events in Indiana, including a) increasing resource constraints resulting from multiple state proceedings, b) agreed upon comprehensive performance measurement plans currently in place, and c) limited CLEC activity in Sprint's territory, deferring the remaining portion of Phase 2 for GTE and Sprint will have no impact to the development of competition in Indiana.

Question #4: If the Commission Transfers Consideration Of The OSS Performance Measures From Cause No. 41324 to Cause No. 41657, Would It Be Possible For The Commission To Consider OSS Cost-Recovery For Ameritech Indiana in Phase 3 of Cause No. 41324?

The Joint Commenters believe that OSS costs would be better addressed as part of the ongoing unbundled network element ("UNE") cost proceedings for GTE and Ameritech (Causes 40611 and 40618, respectively). Using these proceedings to address all UNE cost issues, including OSS costs, will more efficiently utilize the time and resources of the Commission and the parties to this proceeding. The FCC and the Eighth Circuit Court of Appeals have held that OSSs are unbundled network elements subject to cost recovery. It would be extremely inefficient and duplicative to address cost recovery on a UNE by UNE basis. The Joint Commenters suggest the first place that an ILEC and CLEC should address OSS cost recovery is within the context of an Interconnection Agreement, just like they would address the cost of a loop or any other UNE. One of the fundamental principals of TA96 was that the parties negotiate fair and reasonable compensation. Voluntary negotiated terms, rates, and conditions are the most preferable resolution. Absent a voluntarily negotiated interconnection agreement, parties fall back to arbitration.

The Joint Commenters respectfully submit the above Comments to the Commission for its consideration this 8th day of June 2000.

Charles R. Mercer, Jr. /AM

Charles R. Mercer, Jr. [#9144-98]
Attorney for Sprint
One North Capitol Avenue, Suite 540
Indianapolis, IN 46204
Telephone: (317) 686-1115
Facsimile: (317) 636-4017

Joseph R. Stewart
Attorney for Sprint
50 W. Broad Street, Suite 3600
Columbus, OH 43215
Telephone: (614) 220-8625
Facsimile: (614) 224-3902

Ellyn Elise Crutcher /AM

Ellyn Elise Crutcher
Associate General Counsel
McLeodUSA Telecommunications Services, Inc.
121 S. 17th Street
Mattoon, Illinois 61920

Pamela H. Sherwood /AM

Pamela H. Sherwood
Sommer & Barnard, P.C.
4000 Bank One Tower
111 Monument Circle
Indianapolis, IN 46204
Time Warner Communications

CERTIFICATE OF SERVICE
Cause No. 41324 & 41657

The undersigned hereby certifies that on the 8th day of June 2000, an original and 13 copies of the foregoing document were delivered to the Indiana Utility Regulatory Commission and a copy was served upon the following counsel by United States Mail, first class postage prepaid.

Michael J. Huston
Matthew R. Gutwein
Baker & Daniels
300 North Meridian Street, Suite 2700
Indianapolis, IN 46204
AT&T

Douglas W. Trabaris
AT&T
222 West Adams Street
Suite 1500
Chicago, IL 60606

Richard E. Aikman, Jr.
Stewart & Irwin
Two Market Square Ctr.
251 E. Ohio Street, Suite 1100
Indianapolis, IN 46204-2118
Telecommunications Resellers Assoc.
McLeod USA Telecom Services

Pamela H. Sherwood
Sommer & Barnard, P.C.
4000 Bank One Tower
111 Monument Circle
Indianapolis, IN 46204
Time Warner

Time Warner Communications
65 East State Street
Suite 1800
Columbus, OH 43215

Ellyn Elise Crutcher
Associate General Counsel
McLeodUSA Telecommunications
Services, Inc.
121 S. 17th Street
Mattoon, Illinois 61920

Dale E. Sporleder
GTE
One North Capitol Ave.
Suite 515
Indianapolis, IN 46204

Anne E. Becker
Karol H. Krohn
Office of Utility Consumer Counselor
100 N. Senate Ave., Room N501
Indianapolis, IN 46204

Jane Van Duzer
MCI WorldCom
205 N. Michigan Ave., Suite 3700
Chicago, IL 60601

Sue E. Stemen
Ameritech Indiana
240 N. Meridian Street, Room 1826
Indianapolis, IN 46204

William B. Powers
Boberschmidt & Powers
111 Monuments Circle, Suite 302
Indianapolis, IN 46204-5169
Smithville Telephone

Daniel W. McGill
Teresa Morton
Barnes & Thornburg
11 S. Meridian Street
1313 Merchants Bank Building
Indianapolis, IN 46204
Ameritech Indiana

Charles R. Mercer, Jr. /AM

Charles R. Mercer, Jr.
Attorney No. 9144-98
One North Capitol Avenue - Suite 540
Indianapolis, IN 46204