IN THE MATTER OF INVESTIGATION INTO U S WEST COMMUNICATION, INC.'S COMPLIANCE WITH CERTAIN WHOLESALE PRICING REQUIREMENTS FOR UNBUNDLED NETWORK ELEMENTS AND RESALE DISCOUNTS.

NOTICE OF ERRATA FILING

On Friday, September 21, 2001, the Arizona Corporation Commission Staff (“Staff”) filed its Reply Brief in the above-referenced matter. Staff hereby files this errata to its Reply Brief to make several corrections to page 18, at paragraph XIV, pertaining to the discussion on Qwest’s proposed grooming and conditioning charges. Please substitute the attached page 18 for that page contained in Staff’s September 21, 2001, filing.

RESPECTFULLY SUBMITTED this 24th day of September 2001.

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pay. Qwest tries to explain this difference by asserting that the Qwest affiliated xDSL provider uses different equipment that the unaffiliated xDSL providers. This argument is meaningless.

Qwest provides the bay, the cables that run to and from the bay, and similar supporting facilities. The xDSL provider provides and places the equipment in the bays. Therefore, any alleged difference in the equipment that these different companies place in the bays has no impact on what Qwest charges the companies for the bays.

Qwest tries to justify these discriminatory charges by explaining that it does not charge this rate to its affiliate because this interim rate is "neither a prevailing company rate nor a fair market value." A charge that is imposed on all unaffiliated xDSL providers should be considered a "prevailing company rate". A prevailing rate is a rate that is generally charged – in other words a charge that applies to everyone in the universe except Qwest and its affiliates is a "prevailing company rate".

XIV. QWEST’S LOOP GROOMING AND CONDITIONING CHARGES.

Qwest proposes a $1.59 per loop per month charge for loop grooming. Qwest Initial Brief at 38. Loop Grooming is only necessary for Integrated Digital Loop Carrier (IDLC) systems. Qwest-2 (Buckley Reb.) at 18-19. The loop grooming fee is monthly, but loop grooming is a one-time activity. Qwest repeatedly asserts that nonrecurring expenses should not be paid for by recurring charges. See Qwest Initial Brief at 75-76, 80. Given this inconsistency, Qwest’s proposed loop grooming fee should be rejected.

With respect to its proposed conditioning charges, Qwest has undertaken a bulk deloading project in Arizona in which it has already removed the bridge tap and load coils on many loops. The CLECs should not be required to pay conditioning charges on any loops included in Qwest’s bulk deloading project in Arizona.

XV. STAFF DOES ALLOW RECOVERY FOR USE OF THE HIGH FREQUENCY LOOP.

Qwest argues that there should be a “positive price for the high frequency loop.” Qwest Initial Brief at 69. Staff agrees, and has proposed a positive price. However, Qwest provides no real insight as to how it arrived at $5 as being the appropriate