

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of	)	
	)	
Qwest Petition for Pricing Flexibility for	)	CCB/CPB File No. 01-18
Special Access and Dedicated Transport	)	
Services	)	

TO: Common Carrier Bureau

**JOINT COMMENTS OF  
SOUTH SLOPE COOPERATIVE TELEPHONE COMPANY, INC.  
AND  
SPLITROCK TELECOM COOPERATIVE, INC.**

South Slope Cooperative Telephone Company, Inc. ("South Slope") and Splitrock Telecom Cooperative, Inc. ("Splitrock") hereby file joint comments in opposition to the captioned petition of Qwest Corporation ("Qwest"), insofar as it seeks Phase I and Phase II pricing flexibility relief for special access and dedicated transport services in the Cedar Rapids, Iowa; Iowa City, Iowa; and Sioux Falls, South Dakota Metropolitan Statistical Areas ("MSAs").

**Background**

South Slope is an Iowa telephone cooperative and rural telephone company that provides local exchange service, exchange access service, and other telecommunications services in the Cedar Rapids, Iowa MSA (Linn County, Iowa) and in the Iowa City, Iowa MSA (Johnson County, Iowa).

Splitrock is a South Dakota telephone cooperative and rural telephone company that provides local exchange service, exchange access service, and other

telecommunications services in the Sioux Falls, South Dakota MSA (Minnehaha County, South Dakota).

**Qwest Has Not Demonstrated  
The Existence Of Sufficient Competition To Justify The Requested Relief**

The Commission has indicated that it will grant pricing flexibility to incumbent local exchange carriers ("LECs") as competition develops in order to ensure that its regulations do not unduly interfere with the operation of interstate access markets. Access Charge Reform, CC Docket No. 96-262, Fifth Report And Order, 14 FCC Rcd 14,221, 14,224 (1999). The LEC requesting pricing flexibility has the burden of proving the existence of sufficient competition.

Sections 69.709(b) and (c) of the Commission's Rules give price cap LECs like Qwest the option of using "triggers" based upon either the percentage of the price cap LEC's wire centers in which unaffiliated competitors have collocated ("wire center option"), or the percentage of the price cap LEC's special access and dedicated transport revenues generated by wire centers in which unaffiliated competitors have collocated ("revenue share option"). Qwest has elected to rely upon the revenue share option in the present proceeding.

The problem with this approach is that Qwest has not been required to show that significant competition exists within major portions of its service areas in the Cedar Rapids, Iowa City and Sioux Falls MSAs. In fact, significant competition does not yet exist within major portions of Qwest's service areas in the three MSAs. For example, Page 5 of Attachment F to Qwest's petition indicates that collocators with non-Qwest transport facilities serve only one of the six Qwest wire centers in the Cedar Rapids

MSA. Likewise, Page 32 of Attachment F shows that collocators with non-Qwest transport facilities serve only one of the three Qwest wire centers in the Sioux Falls MSA. Hence, the majority of the wire centers in the Cedar Rapids and Sioux Falls MSAs are not yet subject to competition from collocating entities.

Even where collating entities are present in a wire center, Qwest has not indicated who they are or whether they are providing significant competition. Qwest has indicated only that: (a) three entities have collocated in one of its six Cedar Rapids wire centers (Page 5 of Attachment F); (b) two entities have collocated in its single Iowa City wire center (Page 16 of Attachment F); and (c) two entities have collocated in one of its three Sioux Falls wire centers (Page 32 of Attachment F). Qwest has offered no indication (in the public version of its petition or in confidential materials provided to undersigned counsel) who these collocating entities are. For example, it remains unknown whether these entities are capable of offering vigorous competition to Qwest in both the short run and long run, or whether they are bankrupt or near-bankrupt competitive LECs unable to offer effective competition at present and unlikely to do so in the future.

Notwithstanding its presentation of certain revenue information, Qwest has not met its burden of proving that sufficient and substantial competition exists throughout its service areas in the Cedar Rapids, Iowa City and Sioux Falls MSAs. Therefore, Qwest should not be granted pricing flexibility relief for special access and dedicated transport services in these three MSAs at this time.

Respectfully submitted,

**SOUTH SLOPE COOPERATIVE TELEPHONE  
COMPANY, INC.  
SPLITROCK TELECOM COOPERATIVE, INC**

By \_\_\_\_\_  
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