

PUBLIC VERSION

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)
Petition of Illinois Bell Telephone Company)
(Ameritech Illinois), Indiana Bell Telephone)
Company, Incorporated (Ameritech Indiana),)
Michigan Bell Telephone Company)
(Ameritech Michigan), The Ohio Bell Telephone)
Company (Ameritech Ohio), and)
Wisconsin Bell, Inc. (Ameritech Wisconsin))
for Pricing Flexibility Under §69.727 of)
the Commission's Rules for the Specific MSAs)

**PETITION OF AMERITECH ILLINOIS, AMERITECH INDIANA,
AMERITECH MICHIGAN, AMERITECH OHIO,
AND AMERITECH WISCONSIN FOR PRICING FLEXIBILITY**

INTRODUCTION AND STATEMENT OF RELIEF REQUESTED

Pursuant to the *Pricing Flexibility Order*,¹ and sections §§1.774 and 69.701 *et seq.* of the Commission's rules, (47 C.F.R. §§ 1.774 and 69.701 *et seq.*), Illinois Bell Telephone Company (Ameritech Illinois), Indiana Bell Telephone Company, Incorporated (Ameritech Indiana), Michigan Bell Telephone Company (Ameritech Michigan), The Ohio Bell Telephone Company (Ameritech Ohio), and Wisconsin Bell, Inc. (Ameritech Wisconsin) (collectively "Ameritech Operating Companies" or "Ameritech") hereby respectfully request that the Federal Communications Commission (Commission) grant Phase I and Phase II pricing flexibility as specified below.

¹ In the Matter of Access Charge Reform, Price Cap Performance Review for Local Exchange Carriers, Interexchange Carrier Purchases of Switched Access Services Offered by Competitive Local Exchange Carriers, Petition of U S West Communications Inc. for Forbearance from Regulation as a Dominant Carrier in the Phoenix, Arizona MSA, FCC 99-206, *Fifth Report and Order and Further Notice of Proposed Rulemaking*, CC Docket No. 96-262, CC Docket No. 94-1, CCB/CPD File No. 98-63 and CC Docket No. 98-157(rel. Aug. 27, 1999) ("Pricing Flexibility Order").

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Previously the Commission granted pricing flexibility relief for several MSAs in Memorandum Opinion and Order (MO&O), CCB/CPD NO. 00-26, DA 01-670, released March 14, 2001. The Ameritech Operating Companies have determined that ten of its MSAs now qualify for additional pricing flexibility relief.

Specifically, the Ameritech Operating Companies request:

(1) Phase II relief for dedicated transport and special access services, other than channel terminations between its end offices and end user “customer premises,” for the Chicago, IL; Decatur, IL; Detroit-Ann Arbor, MI; Flint, MI; Grand Rapids, MI; and Madison, WI Metropolitan Statistical Areas (MSAs) as defined in 47 C.F.R. § 22.909.

(2) Phase II relief for channel terminations between its end offices and end user “customer premises” for the Decatur IL; Flint, MI; Grand Rapids, MI; Madison, WI; Milwaukee, WI; and Rockford, IL MSAs as defined in 47 C.F.R. § 22.909.

(3) Phase I relief for channel terminations between its end offices and end user “customer premises” for the Chicago, IL; Cleveland, OH; Detroit-Ann Arbor, MI; and Indianapolis, IN MSAs as defined in 47 C.F.R. § 22.909.

As shown in the attached Appendices A, B, C, D and E, the Ameritech Operating Companies have satisfied the Phase II triggers specified in Section 69.709(c) of the Commission’s rules and thus should be allowed to utilize the Phase II pricing flexibility specified in (1) above for the Chicago, IL; Decatur, IL; Detroit-Ann Arbor, MI; Flint, MI; Grand Rapids, MI; and Madison, WI MSAs.

As shown in the attached Appendices A, B, C, D and E, the Ameritech Operating Companies have satisfied the Phase II triggers specified in Section 69.711(c) of the Commission’s rules and thus should be allowed to utilize the Phase II pricing flexibility specified in (2) above for the Decatur IL; Flint, MI; Grand Rapids, MI; Madison, WI; Milwaukee, WI; and Rockford, IL MSAs.

As further shown in the attached Appendices A, B, C, D and E, the Ameritech Operating Companies have satisfied the Phase I triggers specified in Section 69.711(b) of the

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Commission's rules and thus should be allowed to utilize the Phase I pricing flexibility specified in (3) above for the for the Chicago, IL; Cleveland, OH; Detroit-Ann Arbor, MI; and Indianapolis, IN MSAs.

Pursuant to paragraph 172 of the *Pricing Flexibility Order* and section 1.774 of the Commission's rules, the Commission has determined that a price cap LEC may satisfy its burden of proof for the applicable trigger by demonstrating that the points specified therein have been met. Upon review of the attached Appendices the Commission should find that the Ameritech Operating Companies have duly met their burden of proof and should be granted the specified types of pricing flexibility so that it may further competition in the Chicago, IL; Cleveland, OH; Decatur, IL; Detroit-Ann Arbor, MI; Flint, MI; Grand Rapids, MI; Indianapolis, IN; Madison, WI; Milwaukee, WI and Rockford, IL MSAs.

DESCRIPTION OF METHODOLOGY

To obtain Phase II relief for dedicated transport and special access services (excluding channel terminations between an end office and end user customer premises) it must be shown for each MSA that unaffiliated competitors have collocated:

(1) In fifty percent of the petitioner's wire centers, and that at least one such collocator in each wire center is using transport facilities owned by a transport provider other than the price cap LEC to transport traffic from that wire center; or

(2) In wire centers accounting for 65 percent of the petitioner's revenues from dedicated transport and special access services other than channel terminations between LEC end offices and end user customer premises, determined as specified in § 69.725 of this part, and that at least one such collocator in each wire center is using transport facilities owned by a transport provider other than the price cap LEC to transport traffic from that wire center.²

² 47 C.F.R. § 69.709(c).

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Section 69.711 of the Rules, 47 C.F.R. § 69.711, governing pricing flexibility for end user channel termination services, establishes like triggers with required percentages of 50 percent (collocation) and 65 percent (revenues) to qualify under Phase I and 65 percent (collocation) and 85 percent (revenues) for Phase II relief.³

Attached hereto as Appendix D is a description of the Methodology⁴ used to obtain the collocation and revenue information relied upon to support this Petition.

³ 47 C.F.R. § 69.711(b) and (c).

⁴ This is the same Methodology Ameritech Operating Companies used in its previous petition for pricing flexibility, which was granted by the FCC on March 14, 2001. *See* Petition of Ameritech Illinois, Ameritech Indiana, Ameritech Michigan, Ameritech Ohio, and Ameritech Wisconsin for Pricing Flexibility under Section 69.727 of the Commission's Rules for Specific MSAs, Appendix D (filed Nov 17, 2000); *Ex parte*, Ameritech Operating Companies, Pacific Bell Telephone Company and Southwestern Bell Telephone Company Petitions for Pricing Flexibility, CCB/CPD File Nos. 00-26, 00-23, 00-25 (filed March 6, 2001).

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CONCLUSION

The Commission should grant this petition as the Ameritech Operating Companies have shown that they are entitled to the requested Phase I and Phase II relief for the relevant services in the MSAs identified herein.

Respectfully submitted,

AMERITECH ILLINOIS
AMERITECH INDIANA
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LIST OF APPENDICES

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Appendix B.....Summary Sheet of Ameritech MSAs

Appendix C.....Required Collocator/Revenue Demonstrations by MSAs

Appendix D.....Description of Methodology

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