

STATE OF VERMONT
PUBLIC SERVICE BOARD

Docket No. 6673

Interconnection Agreement between Verizon New)
England Inc. d/b/a Verizon Vermont and Lightship)
Telecom, LLC)

Order entered: 7/1/2002

ORDER APPROVING INTERCONNECTION AGREEMENT

I. BACKGROUND

On April 5, 2002, Lightship Telecom, LLC ("Lightship") and Verizon New England Inc., d/b/a Verizon Vermont ("Verizon"), requested that, pursuant to Section 252(e) of the Telecommunications Act of 1996 (the "Act"), the Vermont Public Service Board ("Board") approve the adoption, with the amendment detailed below, of the Interconnection Agreement as negotiated between Level 3 Communications, LLC and Verizon New York, Inc., that was approved as an effective agreement by the New York Public Service Commission.¹ In addition, the parties filed Amendment No. 1 to the new Interconnection Agreement ("Agreement"), to incorporate language pertaining to reciprocal compensation arrangements not being adoptable from one state jurisdiction to another. The parties state that the new Agreement, adopting the Level 3 Communications/Verizon New York Agreement, shall be effective on January 23, 2002.²

Lightship included in its filing a letter to Verizon, dated February 28, 2002, stating that Lightship does not agree with certain portions of Verizon's January 16, 2002, letter (which outlines the terms and conditions of the Agreement), and views those sections as simply stating Verizon's view on various issues. Verizon acknowledges by its filing that Lightship only agrees to points A, B, and C of paragraph 1 of the January 16, 2002, letter.³ Therefore, our approval of

¹Verizon letter to Lightship, dated January 16, 2002, at 1.

²*Id.* at 2.

³*Id.* at 6. (Wherein by its countersignature on the letter, Lightship agrees: (1) to be bound by the Verizon New York terms; (2) to the notice requirements and recipients; and (3) that Lightship is a certified local telecommunications provider in the state of Vermont.)

the new Agreement is similarly limited to those areas in which there is an expressed agreement between Lightship and Verizon.⁴

On April 8, 2002, the Board solicited a recommendation from the Vermont Department of Public Service ("Department"). The Department, by letter dated April 29, 2002, recommended that the Board approve the Agreement in whole, including Amendment No. 1, finding that the Interconnection Agreement did not violate Section 252 of the federal Telecommunications Act of 1996 and that the Agreement did not contain terms that will harm Vermont consumers or competitors.

II. DISCUSSION

The Board's review of the Interconnection Agreement is governed by the federal law that authorizes such agreements. Under Subsection 252(a) of the Act, any interconnection agreement negotiated under Section 252(a) must be submitted to the State commission for review under Section 252(e).⁵ The State commission has the authority to "approve or reject the agreement, with written findings as to any deficiencies." The Board may not reject the proposed Interconnection Agreement in whole or in part unless it finds that the agreement or any material portion thereof discriminates against a non-party carrier or is inconsistent with the public interest. The Board may also establish and enforce other requirements of State law in its review of the agreement under Section 252(e)(3). The Board must act to approve or reject the agreement within 90 days of its submission, or the agreement is deemed approved.⁶ The 90-day review period mandated by that section ends on July 3, 2002.

The Interconnection Agreement adopted by Verizon and Lightship sets out the terms and conditions under which Verizon will make certain services available to Lightship. In particular, the Agreement specifies the terms and conditions for resale of Verizon's services, purchasing of unbundled network elements, types of interconnection and collocation agreed to, and

⁴Lightship and Verizon expressly reserve their right to pursue any claim, in an appropriate jurisdiction, relating to contrary interpretations of the issues not agreed to herein.

⁵Under the Act, the Board is the "State Commission" in Vermont. 47 U.S.C.A. § 3(41).

⁶47 U.S.C. § 252(e)(4).

compensation arrangements that will apply.⁷ The initial term of the adopted Agreement ends on September 30, 2002, although it will remain in effect until terminated by either Verizon or Lightship.⁸

Also on April 5, 2002, Lightship and Verizon filed Amendment No. 1 to the Agreement, dated January 25, 2002. This amendment addresses reciprocal compensation arrangements that are not adoptable from one state jurisdiction to another.

The Interconnection Agreement is the result of arms-length negotiations between two telecommunications carriers. The Board's focus, as the Act provides, is therefore limited to the issues set forth in Section 252(e)(2)(A): whether the Agreement (or portions thereof) discriminates against a telecommunications carrier not a party to the Agreement, and whether the Agreement is consistent with the public interest, convenience, and necessity. As the Board concluded previously, in making its determination, the Board must focus upon the potential effect of the Agreement on the evolution of competition in this state and whether the Agreement raises the risk of harm to consumers (and thus is not consistent with the public interest).⁹

The competition enabled by this and other interconnection agreements will likely benefit Vermont consumers and is consistent with the State's telecommunications goals as set out in 30 V.S.A. § 202c and the Telecommunications Plan adopted under Section 202d. At the same time, the Agreement does not contain terms that will harm consumers or competitors. It thus promotes the public interest.

The Agreement also does not discriminate against telecommunications carriers who are not a party to it. Pursuant to 47 U.S.C. § 252(i), other companies seeking to interconnect may adopt the same terms and conditions.

Finally, our approval of the Interconnection Agreement applies only to those terms and conditions set out therein. To the extent parties negotiate modifications or clarifications to the Agreement, they are not subsumed in our approval of the current Agreement. To the extent the changes are material, the parties will need to seek additional approvals from the Board.

⁷Verizon NY/Level 3 Agreement at 1-79; Schedules 4.0, 4.2, 5.6, 6.3, 11.3, 11.4, 12.3; exhs. A and B; and Appendix 2.

⁸Verizon letter to Lightship, dated January 16, 2002, at 2; Level 3/Verizon NY Agreement at 62.

⁹Docket 5905, Order of 11/4/96 at 12.

III. ORDER

IT IS HEREBY ORDERED, ADJUDGED AND DECREED by the Public Service Board of the State of Vermont that:

1. Pursuant to Section 252(e)(1) of the Telecommunications Act of 1996, the Interconnection Agreement between Verizon New England Inc., d/b/a Verizon Vermont, and Lightship Telecom, LLC, including Amendment No. 1 to the Interconnection Agreement, is hereby approved.

2. Verizon and Lightship shall be bound to comply with any lawful requirement imposed by the Board in Docket 5713, Docket 5903, any docket or rule established with respect to E-911 service, and any other docket or rulemaking proceeding governing the obligations of telecommunications carriers in Vermont.

3. Verizon and Lightship shall notify the Board and Department of any further modifications to the Interconnection Agreement or the establishment of any terms and conditions that the Interconnection Agreement as filed leaves to further negotiations. If necessary, Verizon and Lightship shall seek Board approval for the new or changed terms and conditions.

Dated at Montpelier, Vermont, this 1st day of July, 2002.

<u>s/Michael H. Dworkin</u>)	PUBLIC SERVICE
)	
)	BOARD
<u>s/David C. Coen</u>)	
)	OF VERMONT
)	
<u>s/John D. Burke</u>)	

OFFICE OF THE CLERK

FILED: July 1, 2002

ATTEST: s/Susan M. Hudson
Clerk of the Board

Notice to Readers: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: Clerk@psb.state.vt.us)

Appeal of this decision to the Supreme Court of Vermont must be filed with the Clerk of the Board within thirty days. Appeal will not stay the effect of this Order, absent further Order by this Board or appropriate action by the Supreme Court of Vermont. Motions for reconsideration or stay, if any, must be filed with the Clerk of the Board within ten days of the date of this decision and order.