

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: U S WEST COMMUNICATIONS, INC.	DOCKET NO. RPU-00-1 (TF-00-64)
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ORDER REQUIRING ADDITIONAL INFORMATION

(Issued May 26, 2000)

On March 15, 2000, U S WEST Communications, Inc. (U S West), filed a proposed tariff identified as TF-00-64 in which U S West proposes to deaverage its wholesale and retail rates in Iowa. On April 14, 2000, the Utilities Board (Board) issued an order suspending the tariff and docketing the petition for investigation.

On April 3, 2000, Goldfield Access Network, L.C. (Goldfield), filed an objection to U S West's proposed tariff. One basis for Goldfield's objection is U S West's pending sale of 32 rural Iowa exchanges to Citizens Telecommunications Company of Iowa, Inc. (Citizens). Goldfield argues those exchanges should be removed from U S West's calculation; Goldfield estimates that this would reduce U S West's proposed group three loop rate from \$30.52 to \$28.34 per month.

On April 12, 2000, U S West filed a response to Goldfield's objections. With respect to the sale of the Citizens exchanges, U S West points out that it still owns the exchanges at issue. U S West believes the exchanges should therefore continue to be included in the calculation of U S West's deaveraged UNE prices.

On May 5, 2000, the Board issued its "Order Approving Partial Settlement Agreement, Not Disapproving Proposed Reorganization, Authorizing Issuance Of Certificate, Allowing Discontinuance Of Service, Waiving 199 IAC 18.2, Designating As Eligible Telecommunications Carrier, And Permitting Adoption of Price Plan" in Docket No. SPU-99-31. Pursuant to that order, U S West is permitted to close the sale of the 32 rural exchanges to Citizens. Based upon the information presently available to the Board, it appears there is no remaining impediment to closing the sale of the Iowa exchanges. Thus, in the absence of facts not yet in this record, it appears U S West will no longer own these exchanges at the time of the hearing in this matter.

The Board is not prejudging the issue of whether the data associated with the exchanges being sold to Citizens should, or should not, be included in U S West's deaveraged UNE rates. That is an issue the Board will decide only after it has heard all the evidence and arguments. However, the Board believes it would be more efficient and appropriate to have all of the information relevant to this issue in the agency record, and available to the parties, well in advance of the hearing in this docket. Accordingly, the Board will direct U S West to file, within two weeks of the date of this order, revised UNE prices and models reflecting the sale of the exchanges associated with the Citizens transaction reviewed by the Board in Docket No. SPU-99-31, along with supporting testimony explaining the revisions U S West has made. If U S West believes it is not appropriate for the Board to rely upon these

revised UNE prices and models in making its decision in this docket, U S West shall also file testimony explaining and supporting its position.

IT IS THEREFORE ORDERED:

U S West shall file, within two weeks of the date of this order, revised UNE prices and models reflecting the sale of 32 Iowa exchanges reviewed by the Board in Docket No. SPU-99-31, along with supporting testimony as described in the body of this order.

UTILITIES BOARD

/s/ Allan T. Thoms

/s/ Susan J. Frye

ATTEST:

/s/ Raymond K. Vawter, Jr. /s/ Diane Munns
Executive Secretary

Dated at Des Moines, Iowa, this 26th day of May, 2000.