



June 13, 2000

Allan Arlow
Administrative Law Judge
Administrative Hearings Division
Public Utility Commission of Oregon
550 Capitol Street NE, Suite 215
Salem, Oregon 97301-2551

Re: In the Matter of the Petition to Open an Investigation Regarding Cost Models for Deaveraging Loop Rates, UM 974, Notice of Opportunity to Comment

Dear Judge Arlow:

Pursuant to the May 25, 2000 Notice of the Oregon Public Utility Commission (the "Commission") inviting comments in response to the above-referenced petition, the Association for Local Telecommunications Services ("ALTS") submits this letter in support of the petition. ALTS is a national trade association representing facilities-based CLECs. In addition to representing several CLECs in Oregon, ALTS is also a member of the Western States Competitive Telecommunications Coalition.

Nationwide, unbundled loops are an essential element of local competition. Without access to the unbundled loop, at cost-based prices, CLECs will be unable to compete effectively with the incumbent phone company. ALTS urges the Commission to open a generic proceeding in order to adequately determine the cost of providing unbundled loops in certain geographic areas throughout Oregon. ALTS is aware that the U S West-filed cost model, LoopMod, is so flawed that a proceeding is necessary not only to examine in detail the problems with LoopMod, but also to allow parties to file – and the Commission to consider – alternative cost models. Because parties in UT 148 were not permitted to introduce alternative cost models – albeit due to strict time constraints – ALTS urges the Commission to open a generic proceeding and allow parties to present more pro-competitive proposals.

CLECs must have an opportunity to present cost models that more accurately estimate the cost of the loop. Given the essential nature of loops to the growing competitive market, and

WASHINGTON D.C.

888 17th Street, NW • Suite 900 • Washington D.C. 20006 • Telephone: 202 969 2587 • Fax: 202 969 2581

IRVINE, CALIFORNIA

1200 Main Street • Suite E • Irvine, CA 92614 • Telephone: 949 486 1330 • Fax: 949 486 1010

the inherent flaws that have been exposed in LoopMod, ALTS supports Petitioners' request to open a generic docket to examine other cost models for deaveraging loop rates.

Sincerely,

Kimberly M. Kirby
Vice President, State Affairs
ALTS

cc: Mark P. Trincherro
R. Dale Dixon, Jr.
Brooks E. Harlow
Terry F. Berman

WASHINGTON D.C.

888 17th Street, NW • Suite 900 • Washington D.C. 20006 • Telephone: 202 969 2587 • Fax: 202 969 2581

IRVINE, CALIFORNIA

1200 Main Street • Suite E • Irvine, CA 92614 • Telephone: 949 486 1330 • Fax: 949 486 1010