

## Summary of FCC Price Cap LEC Pricing Flexibility Order (adopted 8/5/99)

<i>Service(s)</i>	<i>Geographic Scope</i>	<i>Relief</i>	<i>Required Showing</i>
New services	Everywhere	Elimination of public interest showing (for all services) and new services cost test (all except loop services); Able to file tariffs on one day's notice	None; Relief granted on effective date of Order
Trunking basket services	Everywhere	May increase number of deaveraging zones; Zones no longer must be based on traffic density	None; Relief granted on effective date of Order
Interstate intraLATA and corridor services	Everywhere	Services removed from price caps	Implementation of intra- and interLATA toll dialing parity
Dedicated transport and special access (except channel terminations to end users)	Separate showings for: (1) individual MSAs; (2) rest of (non-MSA parts) a study area	Phase I: Volume and term discounts; Contract tariffs	Phase I: Collocation with competitive transport in 15% of wire centers or in wire centers accounting for 30% of revenue from these services*
		Phase II: Services no longer subject to rate structure or price cap rules; Able to file tariffs on one day's notice, but offerings must still be generally available	Phase II: Collocation with competitive transport in 50% of wire centers or in wire centers accounting for 65% of revenue from these services*
Channel terminations to end users	Separate showings for: (1) individual MSAs; (2) rest of (non-MSA parts) a study area	Phase I: Volume and term discounts; Contract tariffs	Phase I: Collocation with competitive transport in 50% of wire centers or in wire centers accounting for 65% of revenue from channel terms.*
		Phase II: Services no longer subject to rate structure or price cap rules; Able to file tariffs on one day's notice, but offerings must still be generally available	Phase II: Collocation with competitive transport in 65% of wire centers or in wire centers accounting for 85% of revenue from channel terms.*
Common line and traffic-sensitive services	Separate showings for: (1) individual MSAs; (2) rest of (non-MSA parts) a study area	Phase I: Volume and term discounts; Contract tariffs	Phase I: Competitors offer common line/traffic-sensitive service to 15% of ILEC customer locations over their own facilities (including UNE loops but excluding other UNEs)*
		Phase II: Relief to be determined in NPRM	Phase II: Required showing to be determined in NPRM

\* Price cap LECs exercising Phase I or Phase II flexibility are required to give up the low-end adjustment mechanism on a holding company-wide basis.