

6. On August 19, 2014, the ALJ submitted his Report concerning the status of the Parties' negotiations on the ICA.⁵ The Commission hereby adopts the findings and the recommendations of the ALJ as set forth in his Report.
7. The PUC is statutorily empowered to arbitrate open issues under an interconnection agreement pursuant to federal regulation, 47 USC §252, Procedures for Negotiation, Arbitration, and Approval of Agreements.⁶ Any Interconnection Agreement adopted by negotiation or arbitration must be submitted for approval to the PUC.⁷

DETERMINATIONS

CERTAIN ISSUES HAVE BEEN NEGOTIATED, WHILE OTHERS REMAIN OPEN

8. An Attachment to the proposed Interconnection Agreement ["ICA"] was "Access to Poles, Ducts, Conduits, and Rights of Way Attachment" (herein after "PDR"). This attachment governs the terms and conditions of PDS' access to poles, ducts, conduits, and rights of way.⁸
9. Due to the tight timelines for negotiation of the ICA, the PDR Attachment will not be negotiated in this current phase of the negotiation process. Instead of negotiating the PDR as an attachment to the ICA, a separate, standalone agreement governing PDR will be negotiated by the Parties apart from the ICA.⁹
10. The Parties will meet, in good faith, to negotiate and complete a PDR Agreement within six months from August 4, 2014. The PDR Agreement shall be submitted to the PUC for final approval.¹⁰
11. Another issue upon which the parties have made substantial progress in negotiating an agreement is "Collocation", which involves PDS' access to its collocation arrangements within GTA Central and Remote Office Facilities. The

⁵ ALJ Report, PDS Docket 14-01, Petition for Arbitration of Interconnection Agreement, dated August 19, 2014.

⁶ 47 USC §252(b).

⁷ 47 USC §252(e)(1).

⁸ PDR Attachment, See 1.1.2.

⁹ SCHEDULING ORDER, PDS Docket 14-01, issued June 9, 2014, at p. 1.

¹⁰ Id.; See also Letter of Agreement Regarding Negotiation of a Poles, Ducts, and Rights of Way Agreement between GTA and PDS [Letter from Andrew S. Quenga, GTA Legal Counsel, to Mr. John Day, PDS, dated August 4, 2014, a true and correct copy of which is attached hereto as Exhibit "1"].

relevant language appears in the COLLOCATION ATTACHMENT at pg. 94 of the ICA. The Parties have agreed that, pursuant to 47 CFR §51.323, PDS is entitled to unscheduled, unescorted access to its collocation locations in GTA Central Offices.¹¹ Previously, PDS was only provided access to collocation sites in GTA facilities upon escort by GTA representatives.

12. GTA has determined that it desires to have security cameras at the collocation sites to monitor activities of its own employees and contractors, as well as PDS employees/representatives. The Parties agree that, pursuant to 47 CFR §51.323(i), an incumbent local exchange carrier may only impose security arrangements that are as stringent as the security arrangements that the incumbent Local Exchange Carrier [LEC] maintains at its own premises for its own employees or authorized contractors.
13. As agreed by the Parties, in accordance with 47 CFR §51.323, the parties shall negotiate shared costs for security cameras at the collocation sites based on the least expensive, effective security option necessary for the collocation space allocated to PDS.¹²
14. Within two weeks of August 4, 2014, GTA will provide to PDS detailed price proposals on a site-by-site basis including the number and positioning of security cameras and whether each site will allow for the sharing of cameras to cover both GTA and PDS access monitoring.¹³ The parties will negotiate in good faith and resolve the cost issues within 30 days of the date of their Letter of Agreement. Depending on the selected vendor's ability, the parties intend to complete the installation of the security cameras within 90 days of the letter agreement.¹⁴
15. GTA will pursue installations pursuant to an installation priority schedule provided by PDS. Should the parties fail to come to an agreement on costs, the cost issue shall be submitted to the PUC for resolution through the arbitration process. Prior to final installation and activation of the security cameras, PDS shall continue to pay escort fees pursuant to the previous Interconnection Agreement.

¹¹ SECOND SCHEDULING ORDER, PDS Docket 14-01, dated July 14, 2014; See also Letter of Agreement Regarding Collocation Access and Installation of Security Cameras in GTA Central Offices [Letter from Andrew S. Quenga, Legal Counsel, GTA, to Mr. John Day, Pacific Data Systems, dated August 4, 2014 and attached hereto as Exhibit "2"].

¹² Id.

¹³ Id.

¹⁴ Id.

16. The parties have resolved their disputes concerning proposed language and definitional revisions in the Interconnection Agreement. The parties have resolved their differences concerning the definition of "End Office" and "Tandem Switch" and have agreed to continue to use the definitions for those terms contained in the existing ICA.
17. Various provisions in the ICA deal with issues involving "good faith performance" by the parties and the appropriate good faith response time period for responses by GTA to PDS' requests for pricing or new services. In general, the parties have agreed that the good faith response time used in the agreement will be 60 days.
18. The parties have successfully negotiated textual revisions to the agreement and other pending issues. PDS and GTA have agreed upon the textual language for their new Interconnection Agreement. The Agreement does not discriminate against a telecommunications carrier not a party to the Interconnection Agreement pursuant to the standards set forth in 47 USC §252[e][2][A].
19. The Agreement is consistent with the public interest, convenience and necessity. It clarifies arrangements for provision of collocation services by GTA to PDS and resolves other issues including good faith response time. In accordance with the Guam Telecommunications Act of 2004, it is in the public interest to provide the people of Guam with modern, innovative, accessible, and affordable telecommunications services and products.¹⁵
20. The Parties have conducted considerable discussions concerning the Pricing Attachment to the ICA, and particularly certain Unbundled Network Element Rates. The parties have been able to reach agreement on pricing with the exception of rates for 12 UNE services. A listing of the Unbundled Network Element Rates which will require a further study process and/or arbitration are set forth in the listing attached hereto as Exhibit "3".¹⁶
21. ~~PDS has stated, on the record, that there is not a present need to arbitrate the two UNEs for sub-loop [2.1.21 and 2.1.22]. Sub-loops do not exist at present and PDS will not be using them in the near future.¹⁷~~

¹⁵ Guam Telecommunications Act of 2004, 12 GCA §12101(2) & (3).

¹⁶ Pricing Attachment, Exhibit "3".

¹⁷ Hearing on July 30, 2014, at PUC Office.

**NECESSITY FOR THE ESTABLISHMENT OF
PHASE 2 PROCEEDINGS IN THIS DOCKET
FOR RESOLUTION OF OPEN ISSUES**

22. There is a need to arbitrate pricing and other issues in what is referred to as "Phase 2" of these proceedings. In the proceedings conducted to date, named as "Phase 1", the parties have agreed upon acceptable language for their Interconnection Agreement and have executed the same and filled the ICA with the PUC.¹⁸ However, there has been no agreement as to certain Unbundled Network Element pricing rates, and these UNE rates, as well as other open issues, must be resolved through further negotiation and arbitration in Phase 2 of these proceedings.
23. The arbitration of UNE pricing elements should be conducted in Phase 2 of these proceedings. In the Phase 1, proceedings, the parties have agreed that, for the UNEs for which new rates have not been agreed, the existing UNE pricing rates in the current ICA shall be deemed to be "interim rates." The presently agreed "interim rates" shall remain in effect until new rates are determined through a Total Element Long Run Incremental Cost Study to be conducted during Phase 2 of these proceedings. The current UNE rates shall remain in effect until new rates are determined through the TELRIC study and arbitration in Phase 2.
24. Once permanent UNE rates are determined in Phase 2 of these proceedings, there will be a "true-up" accounting to reconcile the difference between the billings issued under the Interim rates and what the billings would have been under the Permanent Rates. The reconciliation period will start from the date upon which the Interim Rates go into effect and cease at the effective date of the Permanent rates. The PUC hereby establishes pricing for the 12 UNE services. The "Interim Rates" shall be the existing UNE rates that are already in effect in the current ICA and to which the parties have previously agreed. Interim Rates shall be effective upon the approval of this Order.
25. With regard to pricing of the 12 UNE services, Phase 2 of these proceedings shall involve the determination and arbitration of the following issues:
- (a) The undertaking of a TELRIC study that complies with the requirements of 47 C.F.R. 51.505 and 51.511;

¹⁸ PDS-GTA Interconnection Agreement, filed with the PUC on August 11, 2014.

- (b) The conduct of the applicable TELRIC study by GTA, development of its rate proposals accordingly, and presentation of applicable rates to PDS and the PUC for review and approval by the PUC;
 - (c) Determination by the ALJ and the PUC of cost responsibility for the TELRIC study between GTA and PDS;
 - (d) Implementation of permanent rates for the UNE charges and the carrying out of true-up proceeding by the ALJ and the PUC.
26. At the commencement of the Phase 2 proceedings, the ALJ shall determine, upon recommendation by the parties, the appropriate timeframe for resolution of Phase 2 issues.
27. In Phase 2 proceedings, the ALJ and the PUC will also resolve outstanding issues involving collocation and the PDR Attachment [as outlined above].

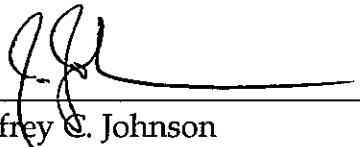
ORDERING PROVISIONS

After careful review of the record herein, the proposed Interconnection Agreement of GTA and PDS, and the ALJ Report, for good cause shown, on motion duly made, seconded unanimously carried by the undersigned Commissioners, the Guam Public Utilities Commission hereby ORDERS that:

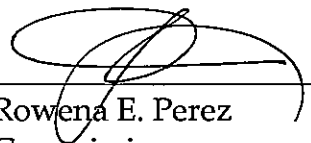
1. The Interconnection Agreement between GTA and PDS is approved pursuant to 47 USC 252[e][4].
2. The Parties are ordered to carry out their duties and obligations as set forth in the Interconnection Agreement and in the Determinations and Ordering Provisions herein.
3. The PUC hereby approves, as "Interim Rates", for those services set forth in Exhibit "3" hereto as "Unbundled Network Element Rates for Arbitration", those prices set forth in the Interconnection Agreement.
4. The Administrative Law Judge is authorized to conduct Phase 2 proceedings in this Docket, as outlined in this Order. The ALJ is authorized to undertake such proceedings as are necessary, including arbitration, to resolve any open issues in Phase 2 of these proceedings.

5. In the event that the Parties revise, modify or amend the Interconnection Agreement approved herein, the revised, modified or amended Interconnection Agreement shall be submitted to the PUC for approval pursuant to 47 USC 252(e)(1) prior to taking effect.
6. GTA and PDS are ordered and directed to each pay one-half of the PUC's regulatory expenses and fees in this Docket.

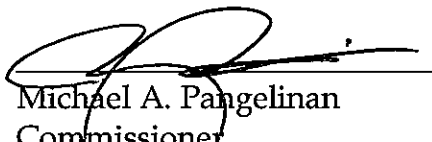
Dated this 28th day of August, 2014.



Jeffrey C. Johnson
Chairman



Rowena E. Perez
Commissioner



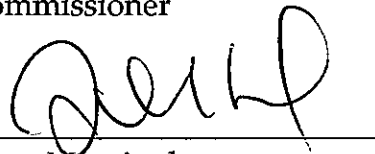
Michael A. Pangelinan
Commissioner



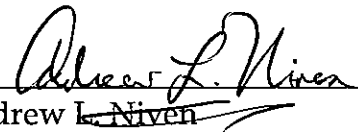
Filomena M. Cantoria
Commissioner



Joseph M. McDonald
Commissioner



Peter Montinola
Commissioner



Andrew L. Niven
Commissioner

Mr. John Day
Pacific Data Systems
185 Ilipog Drive
HBC Bldg. Suite 204A
Tamuning, Guam 96913

Subject: Letter of Agreement Regarding Negotiation of a Poles, Ducts and Rights of Way Agreement between GTA and PDS

Dear Mr. Day,


On November 27, 2013, PDS submitted to GTA its Request for Access to GTA Poles, Ducts, and Rights-of-Way pursuant to section 9.1 of the GTA-PDS Interconnection Agreement ("ICA"). GTA and PDS (the "Parties") subsequently exchanged draft Poles, Ducts, and Rights-of-Way ("PDR") agreements and after review of the agreements, agreed to negotiate a separate, stand-alone agreement apart from the ICA.

The Parties agree to negotiate in good faith and complete a PDR agreement within six (6) months of this letter. The parties further agree that the agreement shall be submitted to the Guam Public Utilities Commission ("PUC") for approval.

If the parties are unable to agree upon a PDR agreement by the time specified above, the parties agree to submit the issue to the PUC for arbitration.

By signing below, GTA and PDS agree to the terms herein.

Teleguam Holdings, LLC



Andrew S. Quenga
Legal Counsel

8/4/14

Pacific Data Systems



John Day
President

Mr. John Day
Pacific Data Systems
185 Ilipog Drive
HBC Bldg. Suite 204A
Tamuning, Guam 96913

Subject: Letter of Agreement Regarding Collocation Access and Installation of Security Cameras
In GTA Central Offices

Dear Mr. Day,

Pursuant to Interconnection Agreement ("ICA") negotiations between PDS and GTA, the parties have agreed to ICA terms providing PDS with the unescorted access to its collocation locations in GTA Central Offices. Pursuant to 47 CFR § 51.323, the parties have agreed to negotiate to share costs for security cameras at these locations based on the least expensive, effective security option necessary for the collocation space allocated to PDS.

Within two weeks of the date of this letter, GTA will provide to PDS detailed price proposals on a site-by-site basis including the number and positioning of security cameras and whether each site will allow for the sharing of cameras to cover both GTA and PDS access monitoring. The parties agree to negotiate in good faith and resolve the cost issues within 30 days of this letter and, depending on the selected vendor's ability, for completion of installation of the security cameras within 90 days of this letter. GTA agrees to pursue installations pursuant to an installation priority schedule provided by PDS. Should the parties fail to come to an agreement on costs, they agree to submit this issue to the Guam Public Utilities Commission for resolution.

Prior to final installation and activation of the security cameras, PDS shall continue to pay escort fees, pursuant to the previous ICA.

By signing below, GTA and PDS agree to the terms herein.

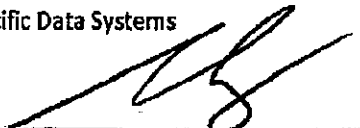
Teleguam Holdings, LLC



Andrew S. Quenga
Legal Counsel

8/4/14

Pacific Data Systems



John Day
President

GTA - PDS New ICA

Unbundle Network Element Rates for Arbitration

Item	Service	Existing ICA NRC	PDS Proposed NRC	GTA Proposed NRC	Existing ICA MRC	PDS Proposed MRC	GTA Proposed MRC	BILLING UNIT	ICA References
2	UNBUNDLED NETWORK ELEMENTS								
2.1	Unbundled Loops								
2.1.1	2-Wire Analog Voice Grade Loop	\$25.00	\$15.00	\$67.72	\$24.50	\$8.00	\$46.99	per loop	Network Elements 3.1.1
2.1.3	4-Wire Analog Voice Grade Loop	\$35.00	\$25.00	\$117.21	\$55.68	\$16.00	\$92.96	per loop	Network Elements 3.1.2
2.1.5	2-Wire ISDN Digital Grade Loop	\$100.00	\$15.00	\$93.20	\$30.00	\$10.00	\$24.20	per loop	Network Elements 3.1.3
2.1.6	2-Wire ADSL-Compatible Loop	\$75.00	\$15.00	\$74.42	\$30.00	\$10.00	\$46.99	per loop	Network Elements 3.1.4
2.1.7	2-Wire HDSL-Compatible Loop	\$75.00	\$15.00	\$75.92	\$30.00	\$10.00	\$50.22	per loop	Network Elements 3.1.5
2.1.8	4-Wire HDSL-Compatible Loop	\$100.00	\$25.00	\$117.21	\$52.50	\$18.00	\$53.87	per loop	Network Elements 3.1.6
2.1.10	2-Wire SDSL-Compatible Loop	\$75.00	\$15.00	\$74.42	\$30.00	\$10.00	\$21.92	per loop	Network Elements 3.1.8
2.1.14	2W Digital loop (loop length 12K to 30K)	\$65.00	\$50.00	\$86.15	\$35.00	\$12.00	\$92.96	per loop	Network Elements 3.1.14.1
2.1.15	2W Digital loop (loop length 12K to 18K)	\$100.00	\$50.00	\$75.92	\$35.00	\$12.00	\$27.27	per loop	Network Elements 3.1.14.2
2.1.16	2W Digital Loop (loop length less than 12K)	\$75.00	\$15.00	\$61.96	\$30.00	\$10.00	\$26.62	per loop	Network Elements 3.1.14.3
2.1.21	2-Wire HDSL-Compatible Sub-Loop (LT 10K feet)	new	\$15.00	\$202.11	new	\$6.00	\$14.24	per sub loop	Network Elements 6
2.1.22	4-Wire HDSL-Compatible Sub-Loop (LT 10K feet)	new	\$25.00	\$204.94	new	\$10.00	\$28.26	per sub loop	Network Elements 6