

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: June 22, 2004

REGULAR _____ CONSENT X EFFECTIVE DATE June 24, 2004

DATE: June 15, 2004

TO: Lee Sparling through Phil Nyegaard and Cynthia Van Landuyt

FROM: Suzanne Smith

SUBJECT: VERIZON NORTHWEST INC: (Advice No. 836) Adds Frame Relay to Verizon's Asynchronous Transfer Model (ATM) Service Internetworking as a Permanent Virtual Circuit (PVC) Committed Information Rate (CIR).

STAFF RECOMMENDATION:

Staff recommends the Commission allow the filing to go into effect June 24, 2004.

DISCUSSION:

On May 21, 2004, Verizon Northwest Inc. (Verizon) filed Advice No. 836 in PUC OR. No. 12 with an effective date of June 24, 2004. This filing was made under ORS 759.175, *Filing rate schedules and data with commission*. In the filing, Verizon proposes to add an additional feature to its Permanent Virtual Circuit (PVC) service. This feature is Frame Relay to ATM Service Internetworking (FRASI), a service that provides for the conversion of Frame Relay packets to ATM cells and the conversion of ATM cells to Frame Relay packets.

Frame Relay is a service that provides high-speed data transmission between/among widely distributed locations and offers a flexible alternative to dedicated private lines. It is considered a form of "fast packet"¹ switching service for high-speed networks. The data is sent in frames² at speeds ranging from 56 Kbps up to 45 Mbps. PVC, a service component of Frame Relay Service, is a logical circuit that defines a specific path for data sent by a user to other locations.

¹ Fast packet switching is a wide area networking technology, capable of switching data at a very high rate of speed within the context of a broadband network service such as Frame Relay or ATM.

² A frame is a string of bits (zeros and ones) that vary in length from 8 to 8x236 bits sent over the Public Switched Network.

Associated with each PVC, is a Committed Information Rate (CIR), which is the level of data traffic that the carrier agrees to handle over a period of time. Asynchronous Transfer Mode (ATM) is also a high-speed transmission technology, which segments data into 53-byte fixed-sized cells. The key difference between Frame Relay technology and ATM technology is data packet size³. The FRASI provides for the conversion of Frame Relay packets to ATM cells and the conversion of ATM cells to Frame Relay packets.

Verizon proposes to offer FRASI PVC CIR as an option to the PVC CIR Intrazone and Multi-Jurisdictional feature on a month-to-month basis only, and at no additional charge. This feature provides customers an efficient alternative for aggregating their multi-service data traffic.

In accordance with ORS 759.185, *Suspension of rates pending hearing; time limitations; revenue collected subject to refund; interim rates*, the Commission could suspend this filing for further investigation. Staff's general review of the service finds it an enhancement to Verizon's existing Frame Relay Service offering. Staff recommends the Commission accept Verizon's filing.

PROPOSED COMMISSION MOTION:

Verizon Northwest Inc.'s Advice No. 836, which adds Frame Relay to ATM Service Internetworking as a PVC CIR optional, month-to-month feature at no additional charge, be allowed to go into effect June 24, 2004.

³ Data packets, or frame sizes, in Frame Relay service vary in length from 0 to 4,096 octets. In ATM service, the data packet size has a fixed length of 53 octets. An octet is an 8-bit byte.

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