**Section 731.705 Conversion to Level 2**

a) A carrier whose rural exemption is terminated by a Commission order pursuant to section 251(f) of the federal Telecommunications Act will become a Level 2 carrier and shall comply with all of the Level 2 requirements established in Subpart F of this Part effective 90 days after the date of the Commission's order, unless the Commission makes a determination that there is good cause to delay and that a different time period is necessary.

b) Notwithstanding subsection (a), a Level 3 carrier whose rural exemption is terminated by a Commission order pursuant to section 251(f) of the federal Telecommunications Act may petition the Commission for an exemption from some or all of the Level 2 requirements established in Subpart F of this Part. The burden of proof in establishing the right to an exemption under this subsection shall be upon the petitioner. The petition shall include facts demonstrating that the requested exemption would not harm consumers and will not impede the development or operation of a competitive market. In ruling on any such petition, the Commission shall consider and rule upon the following items, when applicable:

1) The technical feasibility of compliance with each Subpart F requirement;

2) The economic feasibility of compliance with each Subpart F requirement;

3) The expected demand for wholesale service covered under Subpart F;

4) Whether the benefits accrued to competing carriers justify the costs incurred by that carrier necessary to comply with each Subpart F requirement;

5) With which Subpart F requirements that carrier must comply and within what time period; and

6) Whether the carrier needs to comply with Subpart F if the carrier enters into an agreement with a competing carrier whereby the competing carrier agrees to accept different wholesale service quality standards than those contained in Subpart F.