Midcontinent

Exhibit

Document

EXHIBIT DOCUMENT

TC01-165

Date	Exhibit Number	Document Description	Witness	Offered	Admited	Denied
	1	[illegible]	S[illegible]	✓	✓	
	2	[illegible]			✓	
	3	[illegible]	[illegible] Howard [illegible]			
	4	[illegible]	[illegible]			
	5	[illegible]				
	6	[illegible]			✓	
	7	electrical [illegible]	[illegible] regulation	✓	✓	
	8	[illegible]	[illegible]	✓	✓	
	9	[illegible]		✓	✓	
	10	[illegible]		✓	✓	
	11	[illegible]		✓	✓	
	12	Summary of Smart PAK		✓	✓	
	12A	[illegible]			✓	
	[illegible]	[illegible]	[illegible]	✓	✓	
		[illegible] letter from [illegible]		✓	✓	
		[illegible] Fraud [illegible]		✓	✓	
		[illegible]	[illegible]		✓	
	[illegible]	[illegible]	[illegible]	✓	✓	
	[illegible]	[illegible]	[illegible]			
	[illegible]	[illegible]	[illegible]	✓	✓	
	[illegible]	[illegible]		✓	✓	
	[illegible]	[illegible]		✓		
	[illegible]	[illegible]	[illegible]		✓	
	[illegible]	[illegible]	[illegible]	✓	✓	
	20	[illegible]	[illegible]	✓	✓	

Micro[illegible] p2

EXHIBIT DOCUMENT

TC01-165

Date	Exhibit Number	Document Description	Witness	Offered	Admitted	Denied
	27	QPP excerpt from Liberty p53-4	Simmons — seasonal weighting	✓	✓	
	28	QPP excerpt from Liberty p58-59	low volume cost	✓	✓	
	29	QPP excerpt from Liberty p59-62	[illegible]	✓	✓	
	30	[illegible]	effective date Pp 74-76 QPP	✓	✓	
	31	Public Interest excerpt [illegible] Liberty	p 5 UNE [illegible]	✓	✓	
	32	Conf - UNE-UNE-P	comparative costs of [illegible]	✓	✓	
	33	Public Interest from Liberty p67	[illegible]	✓	✓	
	34	[illegible] from [illegible] 1000 to [illegible] 2000	Carrier access [illegible]	✓	✓	
	35	[illegible] 1000 - [illegible] 2000	Carrier [illegible]	✓	✓	
	36	[illegible] 2002 [illegible]	[illegible]	✓	✓	
	37	Supplemental [illegible]	↓	✓	✓	
	22	[illegible]			✓	
	29	[illegible]		✓	✓	

CONFIDENTIAL

[1]

Mary Lohnes

From:	Teresa Nygaard
Sent:	Monday, September 24, 2001 2:25 PM
To:	Mary Lohnes
Cc:	Sharon Stettnichs
Subject:	Media One

On 08/14/01, Nancy Weber-Sweere e-mailed me that Josie from Media One had called her to say they were not in the Quest phone book.

At 3:00 pm I called Josie and she explained that she had called Qwest who told her that they had received a disconnect order for their listing from Ionex on 10/12/00. I called my contact at Qwest and confirmed this information.

I immediately placed a directory listing order to get a listing established for the customer. This order also completed this same day giving them a listing with directory assistance and establishing a listing for the next phone book.

This is what appears to have happened.

On 09/13/00 we converted this account from Ionex (CLEC) directly to Midco One. From what I can tell, it was probably assumed that the directly listing would migrate over as we were bringing the entire account over to us and this is how listings would be handled if coming from Qwest. If someone had checked, a listing would have shown up with directory assistance at this time (however, the listing would have been "owned" by Ionex).

On 10/12/00, Qwest received an order from Ionex to disconnect their directory listing for Media One. When this order went thru, it deleted the directory listing and took them out of directory assistance. This was Ionex's listing and they were proper in removing this from their RSID.

Also, Media One did not get added to Midco's directory listing facility database.

When notice went out about the Sioux Falls directory listing closing, Media One did not respond as they did not want to make any changes. Because they were not in the database, the directory listing person did not realize there was no listing.

Teresa Nygaard

To: Sharon Stettnichs; Mary Lo:nes
Subject: Media One

08/17 I talked to John Fiksdal at Media One today about his directory listing not being in the new edition of Sioux Falls tele directory.

This account ported over to us directly to UNE from Firstell in September 2000. It appears that at this time we assumed that the listing would migrate along. In October 2000 Firstell wrote an order to disconnect the directory listing. This would take him out of directory assistance as well.

This week he received his copy of the new Sioux Falls directory and he is not listed. I received notice for Nancy Weber-Sweere on Tuesday afternoon. After some preliminary research I immediately wrote an order for a directory listing so that he would atleast be with directory assistance so that if a customer could call operator and get the number.

I did further discussion with my contact at Complex Listings in Portland. What I have realized now is that since this was a listing with their RSID on it there would be no reason for Qwest to question the disconnect (same would be true with our facility customers who move to another carrier, the listing remains with Midco RSID). It will have to be our responsibility to be sure that any customer that comes to us has a listing with our RSID on it so that the previous carrier cannot change/delete the listing.

John has stated in no uncertain terms that he is anticipating a lawsuit. He is requesting that I return a call to him when I have all the facts so that he knows who is at fault.

8/22 per Mary Lohnes, this has been turned over to Jeanine.
TN

Cust Name: MEDIA ONE
Account #: 048680
Contact Name: JOSIE MISTEREK
Phone #: 605-339-0000
Fax #:
Email Address:
Web Address:
Ltdp/Lst Pmnt: Y $238.87
Acct Mgr/Rep: 400 NANCY WEBER-SWEERE / NANCY WEBER-SWEERE
Services: DIALER CHARGES, LONG DISTANCE, LOCAL SERVICE, SMART 800 SERVICE, PIC CHARGES

Address line 1: 3919 S WESTERN AVE
Address line 2:
City: SIOUX FALLS
State: SD
Zip: 57105-6513

SERVICE

[redacted]

CALL TYPE

[redacted]

PRIORITY

[redacted]

STATUS

[redacted]

Request Detail: ✓ Other
Disconnect Reason: ✓
Referral Source: ✓
Promo Purchase: ✓
PI Acct #:
Comments: John called in requesting to speak to Teresa re DL. Transferred call.melinda
08/17 11:25 (see also previous bid). John Fiksdal wanted to know if I had found out more about why his listing had dropped out of tele directory. I explained that I still had only preliminary information. I confirmed that he is now with directory assistance (test call confirmed) as I had placed an order on Tuesday. John explained that he has contacted his attorney regarding this and they have shared with him that his local service provider (Midcontinent) has the ultimate responsibility for seeing that his listing in the the directory. He wants me to get back to him as soon as I can confirm exactly what happened and why.

Information that I had received on Tuesday 08/14 verbally from Marcia in complex listings is that we ported the number on 09/13 (Firstell to UNE) and that on 10/12 Ionex (Firstell) had sent them a disconnect order which dropped the listing. I am asking Kathy Miyake to verify this information for me.

I have verbally shared this information with Sharon S and will also bring Mary Lohnes into the loop for other avenues of research.
08/29 removed my name. teresa nygaard
Assign To: ✓ Mary Lohnes, Sandy Kreber
Date of Call : 08/17/2001 11:02:55 AM
Follow-up Date:

Document Information

Author:	Melinda Agre/MMI
Create date:	08/17/2001
Last modified by:	Nancy Weber-Sweere/MMI
Last updated on:	09/26/2001

Midcontinent Communications
Local/PIC Service Tracking Form

Customer Name: MEDIA ONE
Customer Address:

Cust. Contact Name:
Cust. Contact Phn:
Sales Consultant: NANCY WEBER-SWEERE
Midco Acct #: 048680

Billing Telephone #: 605-339-0000
PON #: MEDIA0814

1. **LOAs Received:** **Local:**
   PIC

2. **Spreadsheet CSR to Sales Rep:**

3. **Approved CSR to CP:**

4. **PIC Change Requested:**
   Activated in Switch:

5. **PIC Change Accepted:**
   PIC Change Rejected:
   Comments:

6. **PIC Change on Completion Report:**

7. **CSRs test to verify PIC Change:**
   Comments:

8. **Due Date for Acct Chngs prior to requesting LSR:**
   Comments:
   Acct Changes completed:

9. **LSR Submitted to Qwest:** 08/14/2001 Method of submission:

10. **Due Date on FOC:**

11. **Comments:** CREATE LISTING THAT HAS DISAPPEARED ON CUSTOMER CSR. NO CHARGE TO CUSTOMER. TERESA NYGAARD

    Line Codes:
    Feature Codes:

12. **Date of Completion Report:** 08/15/2001 Completed Date: [illegible]

13. **Midco Billed by Qwest:**
    First Qwest Bill Date:
    Comments:

Assigned To: Karen Viste
Due Date: LISTING

Work Order Status: Open

Author: Teresa Nygaard/MMI
Create date: 08/14/2001
Last modified by: Teresa Nygaard/MMI
Last updated on: 08/20/2001

Cust Name:	MEDIA ONE	Address line 1:	3515 S [illegible] Ave
Account #:	048680	Address line 2:	
Contact Name:	JOSIE MISTEREK	City:	Sioux Falls
Phone #:	605-339-0000	State:	SD
Fax #:		Zip:	[illegible]
Email Address:			
Web Address:			
Ltdp/Lst Pmnt:	Y $503.79		
Acct Mgr/Rep:	400 NANCY WEBER-SWEERE / NANCY WEBER-SWEERE		
Services:	DIALER CHARGES, LONG DISTANCE, LOCAL SERVICE, [illegible] 800 SERVICE, PIC CHARGES		

SERVICE

CALL TYPE

PRIORITY

STATUS

Request Detail: ✓ Other
Disconnect Reason:✓
Referral Source: ✓
Promo Purchase:✓
PI Acct #:
Comments: Josie called say they are not in the Quest phone book please call her asap. NWS
08/14 3PM our records appeared that listing should have migrated. called 411 and no listing there either. I called
Josie. She explained that she had called Qwest Dex and they had received a disconnect for the listing from [illegible] on
10/12. I am trying to check with Qwest to (1)verify this information & (2)if this is correct information, why would
they take that order on our listing as we ported the numbers on 08/13? I am placing an order today to get the listing
setup so that they will be in directory assistance. teresa nygaard
08/29 removed my name. teresa nygaard 9/26/01 Removed my name NWS
Assign To: ✓ Mary Lohnes
Date of Call : 08/14/2001 01:59:27 PM
Follow-up Date:

Document Information

Author:	Nancy Weber-Sweere/MMI
Create date:	08/14/2001
Last modified by:	Nancy Weber-Sweere/MMI
Last updated on:	09/26/2001

CONFIDENTIAL

[2]

CONTINUATION

1 -

U S WEST PRICE QUOTE

DATE: MAY 21, 1999
CLEC: MIDCO COMMUNICATIONS
C. O.: SIOUX FALLS MAIN
CLLI: SXFLSDCO
BAN: C9TLC01
QUOTE EXPIRATION: JUNE 20, 1999

Entrance Facility	12
Bays	7
Cage	-
Base Rate Area	3
Amps	60
Feeds	2

CAGELESS PHYSICAL COLLOCATION PRICE SUMMARY

NONRECURRING CHARGES

Rate Elements	Qty	Length/Size	Description	Unit Price	Total Price
Bay Structure Space	7	9	Cage/Sq. Ft.	$4,430.51	$31,034.57
Entrance Facility 1	6		Per Fiber Pair	$1,000.00	$6,000.00
Entrance Facility 2	6		Per Fiber Pair	$1,000.00	$6,000.00
Cable Splicing	2		Per Setup	$474.70	$949.40
Cable Splicing	24		Per Fiber Spliced	$37.95	$910.80
Vertical DS0 Termination ([illegible])	18		Per 100 Block	$743.75	$13,387.50
Vertical DS1 Termination ([illegible])	1		Per 28 Block	$560.97	$560.97
Vertical DS3 Termination	2		Per Termination	$324.05	$648.10
Power Cabling/Fusing	2	[illegible]	Per A&B, Per Foot	[illegible]	[illegible]
Grounding 1/0		110	Per Foot	[illegible]	[illegible]
Total Nonrecurring Charges					$103,413.54

$ 103,413.54

Total Nonrecurring Charges	$103,413.54
50% of Total Nonrecurring Charges	$51,706.77
Less QPF	($1,000.00)
50% Down Payment Amount Due	$50,706.77

(1,000.00)

$ [illegible] [illegible]

[illegible]
Authorized Representative

[illegible]
Date

By signing this quote, Midco Communications is agreeing to abide by the terms and conditions listed herein.
[illegible]

U S WEST PRICE QUOTE

DATE: MAY 21, 1999
CLEC: MIDCO COMMUNICATIONS
C. O.: SIOUX FALLS MAIN
CLLI: SXFLSDCO
SAN: [illegible]
QUOTE EXPIRATION: JUNE 20, 1999

Bays 7
Cage
Base Rate Area 3
Amps 60
Feeds 2

CAGELESS PHYSICAL COLLOCATION PRICE SUMMARY

MONTHLY RECURRING CHARGES

Rate Elements	Qty	Length/Size	Description	Unit Price	Total Price
Base Rate Area	7	[illegible]	Base Rate	$[illegible]	$[illegible]
Entrance Facility	12		Per Fiber Pair	$107.[illegible]	$1,[illegible].00
-48 Volts DC Power Cable	120		Per Amp	$[illegible]	$[illegible].00
Power Cabling/Facilities	2	200	Per 4AWG, Per foot	$0.17	$68.00
Vertical DS0 Termination (100 Pr)	10		Per 100 Block	$[illegible]	$[illegible]
Vertical DS1 Termination (28)	0		Per 28 Block	$[illegible]	$0.00
Vertical DS3 Termination	3		Per Termination	$[illegible]	$[illegible]
Grounding 1/0		110	Per Foot	$[illegible]	$[illegible]
Security*			Per Person, Per C.O.	$[illegible]	TBD
Total Recurring Charges					$[illegible]

*Security monthly elements [illegible] Physical Collocation

[illegible]
Authorized Signature [illegible]

[illegible]
Date

By signing this quote, Midco Communications [illegible]

[illegible]

CONTINUATION

[2]

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CERTIFICATE OF INSURANCE

PRODUCER

Insurance Resources International
5620 Smetana Drive, Suite 300
Minnetonka, MN. 55343
(612-933-0085)

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CON[...] NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES [...] AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BEL[...]

INSURED:

Midcontinent Media, Inc.
7900 Xerxes Ave. So., Suite 1100
Minneapolis, MN. 55431-1108

COMPANIES AFFORDING COVERAGE

COMPANY A	United States Fire Insurance Company
COMPANY B	The North River Insurance Company
COMPANY C	
COMPANY D	
COMPANY E	

COVERAGE

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE PO[...] PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RES[...] TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUB[...] TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	EFFECTIVE DATE	EXPIRATION DATE	LIMITS / DEDUCTIBLES	
A	GENERAL LIABILITY	503 169150-6	09/01/98	09/01/99	GENERAL AGGREGATE	2,00
	X COMMERCIAL GENERAL LIABILITY				PRODUCTS-COMP/OP AGG	2,00
	X OCCURRENCE FORM				PERSONAL & ADV. INJURY	1,00
	OWNER'S & CONTRACTORS PROT				EACH OCCURRENCE	1,00
	X PRODUCTS/ COMPLETED OPER.				FIRE DAMAGE (Per Fire)	30
					MED. EXPENSE (Per Person)	1
B	AUTOMOBILE LIABILITY	133 64099-1	09/01/98	09/01/99		
	X ANY AUTO				COMBINED SINGLE LIMIT	1,00
	ALL OWNED AUTOS				BODILY INJURY (Per Person)	
	SCHEDULED AUTOS				BODILY INJURY (Per Accident)	
	HIRED AUTOS				PROPERTY DAMAGE	
	NON-OWNED AUTOS					
	SPECIFIED PERILS PHYS. DAMAGE				DEDUCTIBLE -	
	COLLISION				DEDUCTIBLE -	
A	EXCESS LIABILITY	553 063702-5	09/01/98	09/01/99		
	X UMBRELLA FORM				EACH OCCURRENCE	1,00
	OTHER THAN UMBRELLA FORM				AGGREGATE	1,00
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	408 603289-5	09/01/98	09/01/99		
					EACH ACCIDENT	10
					POLICY LIMIT	50
					DISEASE EACH EMPLOYEE	[illegible]
	OTHER					

DESCRIPTION OF OPERATIONS/ LOCATIONS/ VEHICLES/ SPECIAL ITEMS

Midcontinent Communications is a Named Insured.

CERTIFICATE HOLDER

US WEST
Attn: Diane Sams
150 S. 5th Ave., Room 510
Minneapolis, MN 55402

CANCELLATION

Should any of the above described policies be can[...] before the expiration date thereof, the issuing company [...] endeavor to mail 10 days written notice to the certi[...] holder named to the left, but failure to mail such notice [...] impose no obligation or liability of any kind upon [...] company, its agents or representatives.

AUTHORIZED REPRESENTATIVE

DATE

6/4/9[...]

410 S PHILLIPS
SIOUX FALLS SD 57104

DATE	INVOICE NUMBER	INVOICE AMOUNT	BALANCE	MEMO OR DESCRIPTION
5/??/99	SXFLSDC3	102413.54	102413.54	US WEST Cu :

REMITTANCE VOUCHER DETACH BEFORE DEPOSITING CHECK

Midcontinent Media

MIDCO COMMUNICATIONS INC
410 S PHILLIPS
SIOUX FALLS SD 57104

NORWEST BANK LEWISTOWN, N.A.

DATE 6/08/99 | 553968 | EXACTLY*102413 DOLLARS AND 54 CENTS | $*102413.5

MEMO

PAY TO THE ORDER OF
US WEST
DIANE SAMS
150 S 5TH AVE ROOM 510
MINNEAPOLIS MN 55402

AUTHORIZED SIGNATURE

AUTHORIZED SIGNATURE B 200

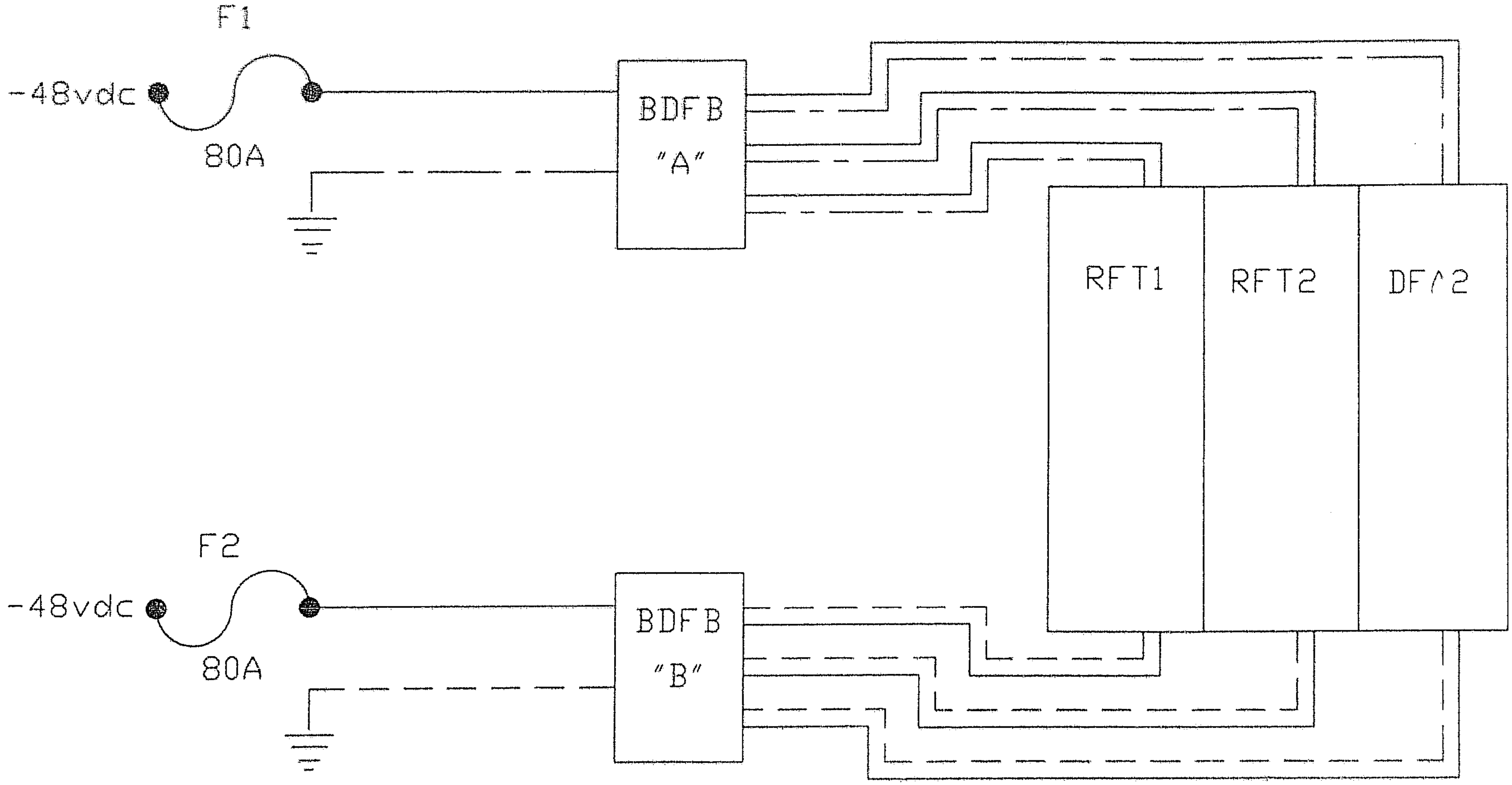
⑈553968⑈ ⑆092905168⑆ 00⑈377⑈0⑈

CONFIDENTIAL

[3]

CONTINUATION

3 -


F1
-48vdc
80A
BDFB
"A"
F2
-48vdc
80A
BDFB
"B"
RFT1
RFT2
DF^2

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9.3.6.1.1 Subloop~~9.3.5.2~~ ~~Sub-Loop~~ Recurring Charge - CLEC will be charged a monthly recurring charge pursuant to Exhibit A for each ~~Sub-Loop ordered by CLEC.~~ Subloop ordered by CLEC.

9.3.6.1.2 Subloop~~9.3.5.4~~ ~~Sub-Loop~~ Trouble Isolation Charge - CLEC will be charged a Trouble Isolation Charge pursuant to the Support Functions – Maintenance and Repair Section when trouble is reported but not found on the Qwest facility.

9.3.6.2 Reserved for Future Use

9.3.6.3 Additional rates for Detached Terminal Subloop Access:

9.3.6.3.1 Cross-Connect Collocation Charge: CLEC shall pay the full nonrecurring charge for creation of the Cross-Connect Collocation set forth in Exhibit A upon submission of the Collocation Application. The FCP Request Form shall not be considered~~9.3.11.1 CLEC shall submit a Field Connection Point Request Form to a Qwest Account Representative. The Field Connection Point Request Form must be~~ completed in its entirety~~.~~ until complete payment is submitted to Qwest.

9.3.6.3.2 Any Remote Collocation associated with a FCP in which CLEC will install equipment requiring power and/or heat dissipation shall be in accordance with the rate elements set forth in Section 8.3.

9.3.6.3.3 Subloop Nonrecurring Jumper Charge: CLEC will be charged a nonrecurring basic installation charge for Qwest running jumpers within the accessible terminal pursuant to Exhibit A for each Subloop ordered by CLEC.

9.3.6.4 Additional Rates for MTE Terminal Subloop Access

9.3.6.4.1 Subloop Nonrecurring Charge - CLEC will be charged a nonrecurring charge in accordance with Exhibit A required for Qwest to complete the inventory of CLEC's facilities within the MTE such that Subloop orders can be submitted and processed.

9.3.6.4.2 Subloop Nonrecurring Jumper Charge – If CLEC ordered a Subloop type other than intrabuilding cable Loop, CLEC will be charged a nonrecurring basic installation charge for Qwest running jumpers within the accessible terminal pursuant to Exhibit A for each Subloop ordered by CLEC.[85]

~~9.3.10~~9.3.7 Repair and Maintenance

~~Qwest will maintain all of its equipment and CLEC is responsible for maintaining all of its equipment.~~

~~9.3.11 Ordering – FDI Field Connection Point~~

85 Issue 4B Language consistent with *Facilitator's Report on Emerging Services* page 36.

element. CLEC shall be required to submit an LSR, but need not include thereon the circuit-identifying information or await completion of LSR processing by Qwest before securing such access. Qwest shall secure the circuit-identifying information, and will be responsible for entering it on the LSR when it is received. Qwest shall be entitled to charge for the Subloop element as of the time of LSR submission by CLEC.

9.3.5.5 FCP Ordering Process

9.3.5.5.1 CLEC shall submit a Field Connection Point Request Form to Qwest along with its Collocation Application. The FCP Request Form shall be completed in its entirety.

9.3.5.5.2 After construction of the FCP and Collocation are complete, CLEC will be notified of its termination location, which will be used for ordering Subloops.

9.3.5.5.2.1 The following constitute the intervals for provisioning Collocation associated with a FCP, which intervals shall begin upon completion of the FCP Request Form and its associated Collocation Application in their entirety:

9.3.5.5.2.1.1 Any Remote Collocation associated with a FCP in which CLEC will install equipment requiring power and/or heat dissipation shall be in accordance with the intervals set forth in Section 8.4.

9.3.5.5.2.1.2 A Cross-Connect Collocation in a detached terminal shall be provisioned within ninety (90) calendar days from receipt of a written request by CLEC.

~~9.3.8.6~~9.3.5.5.2.1.3 If Qwest denies a request for ~~FDI Field Connection Point, Qwest will provide to CLEC documentation stating why the request was denied during the feasibility quote process.~~Cross-Connect Collocation in a Qwest Premises due to space limitations, Qwest shall allow CLEC representatives to inspect the entire Premises escorted by Qwest personnel within ten (10) calendar days of CLECs receipt of the denial of space, or a mutually agreed upon date. Qwest will review the detailed space plans (to the extent space plans exist) for the Premises with CLEC during the inspection, including Qwest reserved or optioned space. Such tour shall be without charge to CLEC. If, after the inspection of the Premises, Qwest and CLEC disagree about whether space limitations at the Premises make Collocation impractical, Qwest and CLEC may present their arguments to the Commission. In addition, if after the fact it is determined that Qwest has incorrectly identified the space limitations, Qwest will honor the original Cross-Connect Collocation Application date for determining RFS unless both Parties agree to a revised date.

9.3.5.1.1 CLEC may order Subloop~~9.3.6.2 CLEC can order sub-loop~~ elements through the Operational Support Systems described in ~~the Support Functions Section.~~Section 12.

9.3.5.1.2 CLEC shall identify Subloop~~9.3.6.3 CLEC shall identify Sub-loop~~ elements by NC/NCI codes.

9.3.5.2 Additional Terms for Detached Terminal Subloop Access

9.3.5.2.1 CLEC may only submit orders for Subloop elements after the FCP is in place. The FCP shall be ordered pursuant to Section 9.3.5.5. CLEC will populate the LSR with the termination information provided at the completion of the FCP process.

9.3.5.2.2 Qwest shall dispatch a technician to run a jumper between its Subloop elements and CLEC's Subloop elements. CLEC shall not at any time disconnect Qwest facilities or attempt to run a jumper between its Subloop elements and Qwest's Subloop elements without specific written authorization from Qwest.

9.3.5.2.3 Once the FCP is in place, the Subloop provisioning intervals contained in Exhibit C shall apply.

9.3.5.3 Reserved for Future Use

9.3.5.4 Additional Terms for MTE Terminal Subloop Access - MTE-Access Ordering Process

9.3.5.4.1 CLEC shall notify its account manager at Qwest in writing, including via e-mail, of its intention to provide access to customers that reside within a MTE. Upon receipt of such request, Qwest shall have up to ten (10) calendar days to notify CLEC and the MTE owner whether Qwest believes it or the MTE owner owns the intrabuilding cable. In the event there has been a previous determination of on-premises wiring ownership at the same MTE, Qwest shall provide such notification within two (2) business days. In the event that CLEC provides Qwest with a written claim by an authorized representative of the MTE owner that such owner owns the facilities on the customer side of the terminal, the preceding ten (10) day period shall be reduced to five (5) calendar days from Qwest's receipt of such claim.[83]

9.3.5.4.1.1 If Qwest fails to respond to an MTE Ownership Request, or fails to make a determination of ownership or control of on-premises wiring as provided in Section 9.3.5.4.1 above within twenty (20) days after CLEC submits an MTE ownership request, or if ownership or control of on-premises wiring is otherwise unclear or disputed, Qwest will not prevent or in any way delay the CLEC's use of the on-premises wiring to meet an End User Customer request for service. After CLEC has commenced use of the on-premises wiring and if Qwest demonstrates that the facility used by CLEC is on-premises wiring, or such

83 Issue 47: Language added to conform to *Facilitator's Report on Emerging Services* at page 35.

~~9.3.6.3 CLEC shall identify Sub-loop elements by NC/NCI codes.~~

~~**9.3.7 Field Connection Point Description**~~

~~9.3.7.1 Field Connection Point allows CLEC to interconnect with Qwest outside of the central office location where it is technically feasible. Field Connection Point allows CLEC to access Unbundled Sub-Loops. The Field Connection Point must be in place before Sub-Loop orders are processed. Access to FCPs at the FDI are generally available. Requests for other Field Connection Point configurations will be considered on an individual case basis. The only use of the FDI Field Connection Point is to provide access to Qwest Sub-Loops.~~

~~9.3.7.2 Feeder Distribution Interface (FDI) Field Connection Point — A FDI Field Connection Point arrangement requires CLEC to build and place equipment adjacent to the Qwest FDI location. Qwest will place a cable between the field connection point and Qwest's Feeder Distribution Interface. Qwest will perform the splice at the Field Connection Point. Each Provider will only have access to its own facilities. CLEC will have access to the FCP for maintenance purposes.~~

~~**9.3.8 Terms and Conditions**~~

~~9.3.8.1 With the exception specified in subparagraph (a) below,~~ 9.3.4.3.1 Qwest is not required to build additional space for ~~the purpose of accessing sub-loop elements.~~CLEC to access Subloop elements. ~~Qwest shall not preclude CLEC from constructing its own facilities adjacent to Qwest's facilities~~When technically feasible, Qwest shall allow CLEC to construct its own structure adjacent to Qwest's accessible terminal. CLEC shall obtain any necessary authorizations or rights of way ~~required~~required (which may include obtaining access to Qwest rights of way, pursuant to section 10.8 of this Agreement) and shall coordinate its facility placement with Qwest, when placing their facilities adjacent to Qwest's facilities. Obstacles that CLEC may encounter from cities, counties, electric power companies, property owners and similar third ~~P~~parties, when it seeks to interconnect its equipment at ~~Sub-loop~~Subloop access points, will be the responsibility of CLEC to resolve with the municipality, utility, property owner or other third party.

~~(a) If CLEC seeks access to Two-Wire/Four-Wire Unbundled Distribution Loops that serve an MDU, and there is no accessible MPOE or other accessible terminal to which CLEC can access such Sub-Loop elements, and Qwest and CLEC are unable to negotiate a reconfigured single point of interconnection to serve the MDU, Qwest will construct a single point of access at or near the property line of the MDU that is fully accessible to and suitable for CLEC. In such instance, CLEC shall pay Qwest a nonrecurring charge according to Exhibit A.~~

~~9.3.8.2~~ 9.3.4.3.2 The optimum point and method to access ~~Sub-Loop~~Subloop elements will be determined during the Field Connection Point process. The Parties ~~agree that they will not have direct access to the other Party's network. The Parties~~ recognize a mutual obligation to interconnect in a manner that maintains network integrity, reliability, and security.

9.3.3.7 If there is no space for CLEC to place its building terminal or no accessible terminal from which CLEC can access such Subloop elements, and (a) ~~If CLEC seeks access to Two-Wire/Four-Wire Unbundled Distribution Loops that serve an MDU, and there is no accessible MPOE or other accessible terminal to which CLEC can access such Sub-Loop elements, and~~ Qwest and CLEC are unable to negotiate a reconfigured ~~single point of interconnection to serve the MDU, Qwest will construct a single point of access at or near the property line of the MDU that is fully accessible to and suitable for CLEC. In such instance, CLEC shall pay Qwest a nonrecurring charge according to Exhibit A.~~ Single Point of Interconnection (SPOI) to serve the MDU, Qwest will either rearrange facilities to make room for CLEC or construct a single point of access that is fully accessible to and suitable for CLEC. In such instances, CLEC shall pay Qwest a nonrecurring charge, which shall be ICB, based on the scope of the work required. If CLEC requests that a new SPOI be established, then CLEC shall pay Qwest a nonrecurring charge that shall be ICB, based on the scope of the work required. If the MTE terminal is hard wired in such a manner that a network Demarcation Point cannot be created, Qwest will rearrange the terminal to create a cross-connect field and Demarcation Point. Charges for such rearrangement shall be recovered through recurring termination charges.

9.3.3.7.1 If Qwest must rearrange its MTE Terminal to make space for CLEC, Qwest shall have forty-five (45) calendar days from receipt of a written request from CLEC to complete the rearrangement. Qwest may seek an extended interval if the work cannot reasonably be completed within forty-five (45) calendar days. In such cases, Qwest shall provide written notification to CLEC of the extended interval Qwest believes is necessary to complete the work. CLEC may dispute the need for, and the duration of, an extended interval, in which case Qwest must request a waiver from the Commission to obtain an extended interval.

9.3.3.7.2 If Qwest must construct a new detached terminal that is fully accessible to and suitable for CLEC, the interval for completion shall be negotiated between the Parties on an Individual Case Basis.

9.3.3.7.3 CLEC may cancel a request to construct an FCP or SPOI prior to Qwest completing the work by submitting a written notification via certified mail to its Qwest account manager. CLEC shall be responsible for payment of all costs previously incurred by Qwest as well as any costs necessary to restore the property to its original condition.

9.3.3.8 At no time shall either Party rearrange the other Party's facilities within the MTE or otherwise tamper with or damage the other Party's facilities within the MTE. This does not preclude normal rearrangement of wiring or jumpers necessary to connect inside wire or intrabuilding cable to CLEC facilities in the manner described in the MTE Access Protocol. If such damage accidentally occurs, the Party responsible for the damage shall immediately notify the other and shall be financially responsible for restoring the facilities and/or service to its original condition. Any intentional damage may be reported to the proper authorities and may be prosecuted to the full extent of the law.

Wholesale

Multi-Tenant Environment - Point of Interconnection (MTE-POI)

Product Description

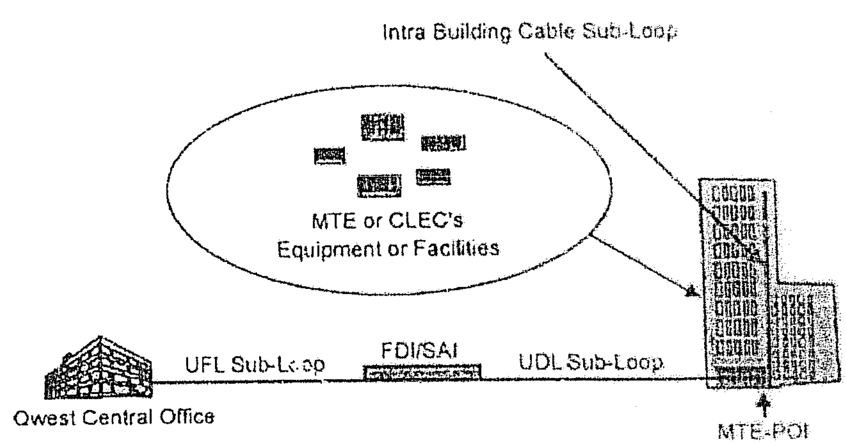
Multi-Tenant Environment (MTE)-Point of Interconnection (POI) is the demarcation point or network interface within a multi-tenant building used to access the Unbundled Intra-Building Cable (IBC) Sub-Loop. Cross-connect collocation is not required for access to IBC at a MTE-POI.

The MTE Terminal is an accessible terminal in a multi-tenant building or an accessible terminal physically attached to a multi-tenant building. Apartment buildings and high-rise office buildings are examples of a multi-tenant building.

To create the MTE-POI, you must create the cross-connect field at the MTE Terminal that allows you to connect your facilities to Qwest's facilities. Cable facilities are the only equipment that you place at the MTE Terminal.

Product Diagram

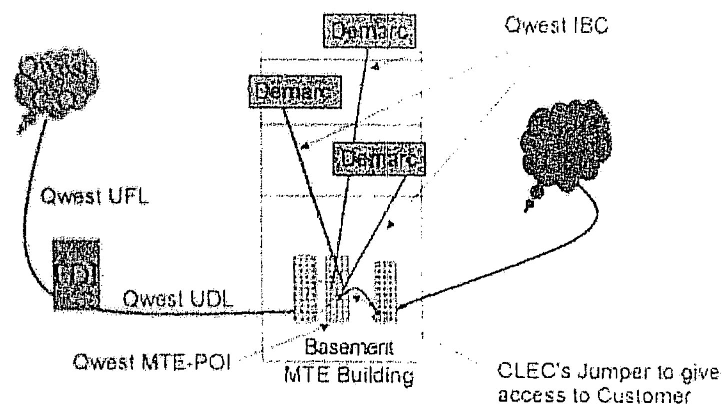
Multi-Tenant Environment - Point of Interconnection (MTE-POI)



CLEC - Competitive Local Exchange Carrier
FDI/SAI - Fiber Distribution Interface/Serving Area Interface

EXHIBIT
Midco
10

Qwest UFL, UDL, IBC and MTE-POI



CLEC - Competitive Local Exchange Carrier
IBC - Unbundled Intra - Building Cable
MET-POI - Multi-Tenant Environment - Point of Interconnection
Demarc - Demarcation point between IBC and MTE Owner Cable
UDL - Unbundled Distribution Loop
UFL - Unbundled Feeder Loop

Availability
MTE-POI is available throughout Qwest's 14-state local service territory where Qwest owns the intra-building cable.

Terms and Conditions
You are responsible for working with the MTE building owner to determine where to terminate your facilities within the MTE.

If you require power and/or heat dissipation, Remote Collocation is required.

You are responsible for all work associated with bringing your facilities into and terminating the facilities in the MTE. You will seek to work with the building owner to create space for such terminations without requiring Qwest to rearrange its facilities.

If there is no space for you to place your building terminal or no terminal from which you can access the Sub-Loop element, and you and Qwest are unable to negotiate a reconfigured Single Point of Interconnection (SPOI) to serve the MTE, Qwest, on an Individual Case Basis (ICB), will either:

- Rearrange facilities to make room for you, or

- Construct a single point of access that is fully accessible and suitable.

If you connect the Sub-Loop element to your facilities using any temporary wiring or cut-over devices, you will need to remove them and install permanent wiring within 90 calendar days.

All wiring arrangements, temporary and permanent, must adhere to the National Electric Code.

At no time will you or Qwest rearrange either party's facilities within the MTE, or tamper with or damane the other party's facilities within the MTE. If damage accidentally occurs, the party responsible for the damage will immediately notify the other and will be financially responsible for restoring the facilities and/or service to its original condition. Any intentional damage will be reported to the proper authorities and may be prosecuted to the full extent of the law.

When you access a MTE Terminal, you should adhere to generally accepted best engineering practices in accordance with industry standards You are required to clearly label the cross-connect wires you use. Your wiring should be neatly dressed. See Qwest's Standard MTE Terminal Access Protocol for detailed information.

When you access IBC Sub-Loops, you must adhere to Qwest's Standard MTE Terminal Access Protocol unless you have negotiated a separate document for Sub-Loop access with Qwest.

Technical Publications
Design requirements are specified in Technical Publication 77405. Qwest's Standard MTE Terminal Access Protocol provides the appropriate access methodology or protocol for accessing Qwest owned or controlled MTE Terminals and IBC Sub- Loops that are attached either to the outside of a MTE or inside the MTE premises.

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Pricing

Rate Structure
You will be charged a flat rate non-recurring charge for Qwest to complete and to enter the inventory into Qwest systems of your facilities within the MTE-POI consistent with Appendix A of the Statement of Generally Available Terms and Conditions (SGAT) for the relevant state.

If there is no space for you to place your building terminal and Qwest has to rearrange facilities to make room for you, or to construct a single point of access that is fully accessible and suitable, you will need to pay Qwest a non-recurring charge, which will be developed on an ICB.

Cancellation charges apply if you cancel a request for MTE-POI prior to Qwest completing the work; you are responsible for payment of all costs previously incurred by Qwest as well as any costs necessary to restore the property to its original condition.

If you request that a new SPOI be established, then you will pay Qwest a non-recurring charge that will be ICB, based on the scope of the work required.

If the MTE terminal is hard wired in such a manner that a network demarcation point cannot be created, Qwest will rearrange the terminal to create a cross-connect field and demarcation point. Charges for the rearrangement will be recovered through recurring termination charges.

Rates
Prices can be found in the SGAT, Exhibit A for the relevant state.

Optional Features
There are no Optional Features associated with this product.

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Features/Benefits

Features	Benefits
Interconnection at a MTE Terminal	By using MTE-POI with IBC Sub-Loop, you can provide service to end-users in the MTE without placing your own intra-building cable.

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Applications

A Competitive Local Exchange Carrier (CLEC) could combine MTE-POI wit[illegible] the IBC Sub-Loop as follows:

The CLEC wants to access end-users at a high-rise building to provide telecom services. The CLEC has constructed facilities to the building. By using the MTE-POI in combination with the IBC Sub-Loop Unbundled Network Element (UNE), the CLEC can provide these services to residents in the high-rise building.

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Implementation

Prerequisites
You must have provisions in your Interconnection Agreement (IA) or mus[illegible] have negotiated an amendment to your IA prior to submitting the MTE-P[illegible] Application Form.

If you are a new CLEC and are ready to enter the Interconnection busines[illegible] with Qwest, please view the Getting Started for Facility-Based CLECs or the Getting Started for Resellers web pages. If you are an existing CLEC [illegible] *information in the Negotiations Template Agreement web page.*

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[illegible]

telecom services. The CLEC has constructed facilities to the building. By using the MTE-POI in combination with the IBC Sub-Loop Unbundled Network Element (UNE), the CLEC can provide these services to residents in the high-rise building.

Prerequisites
You must have provisions in your Interconnection Agreement (IA) or must have negotiated an amendment to your IA prior to submitting the MTE-POI Application Form.

If you are a new CLEC and are ready to enter the Interconnection business

General ordering activities are identified in the Ordering Overview.

To order MTE-POI:

- Complete a MTE-POI Application Form. Click here to access the form.
- Electronically mail a message to rfsmet@qwest.com and attach the completed form.

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Provisioning

MTE-POI will be provisioned in one of the following three ways:

1. Qwest will notify you and the MTE building owner by e-mail within ten calendar days as to whether Qwest or the MTE owner owns the intra-building cable. In the event that you provide Qwest with a written claim by an authorized representative of the MTE owner that Qwest owns the facilities on the customer side of the terminal, the preceding ten-day period shall be reduced to five calendar days from Qwest's receipt of the claim. *
   - If Qwest owns the facilities on the end-user side of the terminal, and if there is space for you to enter the building and terminate your facilities without Qwest having to rearrange its facilities, you will need to use that space.
   - If Qwest owns the facilities on the end-user side of the terminal, but there is no space for you to terminate your facilities at the accessible terminal, the following work actions will happen:
     a. Qwest will prepare a Quote based on a flat fee for the work required to rearrange its MTE Terminal to make room for you.
     b. If you accept the Quote, Qwest will complete the rearrangement and inventory within 45 days of your acceptance.
     c. You will be required to pay the ICB rate based on time and material charges to complete the rearrangement work at the MTE.

   Qwest will complete and provide to you via e-mail an Alternative Point of Termination (APOT) form, which assigns the specific terminations at the MTE-POI for the purposes of you ordering IBC Sub-Loop.

   * In the event that there has been a previous determination of on-premises wiring ownership at the same MTE, Qwest shall provide such notification within two business days.
2. If you and Qwest are unable to negotiate a reconfigured SPOI to serve you, Qwest will either
   - Rearrange its terminal to make room for you or
   - Construct a SPOI that is fully accessible and suitable for you.

   You will be required to pay the ICB rate based on time and material charges to complete the rearrangement or construction of the SPOI to complete work at the MTE.
3. If the MTE owner owns the cable facilities on the end-user side of the terminal, Qwest will notify you in writing that you need to negotiate access to all facilities in the building with the building owner.

You are responsible for all work associated with bringing your facilities into and terminating them at the MTE-POI.

Qwest may seek an extended interval to complete an inventory of your terminations and enter the data into its systems or to rearrange its MTE Terminal to make space if the work cannot reasonably be completed within the standard interval. In such cases, Qwest will provide you with written notification of the extended interval believed necessary to complete the work. You may dispute the need for the extended interval. In that case, Qwest must request a waiver from the Commission for the relevant state to obtain the extended interval.

You may only submit orders for IBC Sub-Loop after the facilities are rearranged and/or a new facility constructed, if either is necessary.

You will need to populate the Local Service Request (LSR) with the termination information provided to you at the completion of the inventory process except when submitting LSRs during the creation of the inventory. For access to IBC prior to the completion of the inventory process, you are required to submit a LSR, but need not include the circuit-identifying information or await completion of LSR processing by Qwest before securing access. Qwest will secure the circuit-identifying information, and will be responsible for entering it on the LSR when it is received. After the inventory has been created for access of the IBC at a MTE-POI, then all subsequent LSRs for that or additional IBCs at the same MTE must contain the circuit-identifying information at the time the LSR is submitted. Qwest shall be entitled to charge for IBC as of the time that you submitted the LSR. See the Sub-Loop web site for IBC ordering information.

You may cancel a request for MTE-POI prior to Qwest completing the work by submitting a written notification via certified mail to your Qwest Sales Executive. You will be responsible for payment of all costs incurred by Qwest for work that was completed before your cancellation request was received and for any costs necessary to restore the property to its original condition.

Provisioning information and design requirements are available in Technical Publication 77405.

See the Service Interval Guide (SIG) for the standard intervals for MTE-POI.

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Maintenance

Additional information is available in the Maintenance and Repair Overview.

Qwest will maintain all of its facilities and equipment in the MTE Terminal and you will maintain all of your facilities and equipment in the MTE Terminal.

You may access the MTE Terminal as a test access point for IBC Sub-Loop.

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Billing

The Billing and Receivable Tracking (BART) System will bill the non-recurring charges associated with establishing the MTE-POI.

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Training

Qwest 101 "Doing Business With Qwest"

- This introductory course is designed to teach the CLEC and Reseller how to do business with Qwest. It will provide a general overview o products and services, Qwest systems, ASR/LSR, reports, and web resource access information. Click here for Course detail and registration information.

View additional Qwest courses by clicking on Course Catalog.

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Contacts

General contact information is identified in the CLEC & Reseller Center Contacts web page.

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Frequently Asked Questions (FAQs)

1. What is the purpose of the APOT Form?
The APOT form is your termination inventory as it is contained in Qwest provisioning and repair systems. You need to provide the termination/circuit identifying information when you place an order or open a repair ticket for IBC ordered from the MTE-POI.

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Last Update: October 18, 2001

9.3.2 Intra-Building Cable		$0.60		1
Intra-Building Cable No Dispatch First			$55.39	10
Intra-Building Cable No Dispatch Each Additional			$23.11	10
Intra-Building Cable Dispatch First			$98.15	10
Intra-Building Cable Dispatch Each Additional			$32.64	10
9.3.3 DS1 Capable Feeder Loop			$313.07	1
Each Additional DS1 Capable Feeder Loop			$222.06	1
Zone 1		$15.38		1
Zone 2		$18.88		1
Zone 3		$22.69		1
9.3.4 MTE Terminal Subloop Access				
Subloop MTE - POI Site Inventory (per inventory)			$267.36	10
MTE - POI Rearrangement of Facilities				
MTE - POI Construction of New SPOI				
9.3.5 Trouble Isolation Charge			Qwest's South Dakota Exchange and Network Services Catalog	
9.3.6 Feasibility Fee/Quote Preparation Fee			$1,584.90	1
9.3.7 Construction Fee			ICB	3
9.4 Line Sharing				
9.4.1 Shared Loop, per Loop		$5.00	$35.48	6 and 1
9.4.2 OSS, per Order		Under Development		
9.4.3 Reclassification Charge			ICB	3
9.4.4 Splitter Shelf Charge		$4.70	$522.56	1
9.4.5 Splitter TIE Cable Connections				
Splitter in the Common Area -- Data to 410 block		$7.52	$3,084.93	1
Splitter in the Common Area -- Data direct to CLEC		$7.89	$3,237.66	1
Splitter on the IDF - Data to 410 block		$2.39	$981.87	1
Splitter on the IDF - Data direct to CLEC		$4.48	$1,838.37	1
Splitter on the MDF - Data to 410 block		$2.46	$1,010.02	1
Splitter on the MDF - Data direct to CLEC		$5.29	$2,169.08	1
9.4.6 Engineering			$1,238.09	1
9.5 Network Interface Device (NID)			$58.58	
9.6 Unbundled Dedicated Interoffice Transport (UDIT)				
9.6.1 DS0 UDIT			$297.82	1
DS0 Over 0 to 8 Miles	$17.14	$0.09		
DS0 Over 8 to 25 Miles	$17.12	$0.12		
DS0 Over 25 to 50 Miles	$17.13	$0.11		
DS0 Over 50 Miles	$17.14	$0.07		
9.6.2 DS1 UDIT			$341.32	1
DS1 Over 0 to 8 Miles	$34.75	$0.95		
DS1 Over 8 to 25 Miles	$34.76	$1.82		
DS1 Over 25 to 50 Miles	$34.76	$1.77		
DS1 Over 50 Miles	$34.75	$1.23		
9.6.3 DS3 UDIT			$341.32	1
DS3 Over 0 to 8 Miles	$236.22	$10.43		
DS3 Over 8 to 25 Miles	$236.53	$10.83		
DS3 Over 25 to 50 Miles	$236.71	$9.91		

CONFIDENTIAL

[5]

Summary of Midcontinent's SmartPak and Area Wide Calling Plan Problem

An email, September 8th, 2000, was sent to CLECs announcing a new offering, called SmarkPak effective September 14, 2000. This announcement did not contain specifics on how to order the product. We were advised to watch tariff filings.

Tariff updated September 26, 2000, with an effective date of October 1, 2000.

SmartPak is a residential feature package and the attractive part to it is an option of Area Wide Calling Plan, where a long distance call the in the northern Black Hills area appears to be local (i.e. a call from Spearfish to Rapid City is local not long distance).

We missed the above tariff update on September 26th and learned about the plan having gone into effect from a customer. October 2nd we made calls to our Qwest Account Manager, left message that we needed information on ordering their new product.

October 30, 2000, we had a conference call with our Qwest Account Manager, we were not able to order the Area Wide Calling Plan option. He thought that the Area Wide Calling option was not resellable and would check into it.

October 31, 2000, our Qwest Account Manager sent an email stating that Area Wide Calling was not available for resale.

Again on November 3rd, we had a conversation with our Qwest Account Manager who states that Area Wide Calling is not available as a resold product. The reason was that it's an IntraLATA toll product which is unregulated, therefore, not resellable.

In the meantime, we are losing potential customers because we were not able to offer this very attractive option to our customers.

Tom Simmons and Larry Toll had a conversation about Area Wide Calling Plan and the importance of it being available for resale in order for Midcontinent to be competitive in the Hills

November 13th, 2000, we received an email from our Qwest Account Manager advising us that Area Wide Calling Plan is now available. The email contained an attachment from his manager who received a message from another person within Qwest stating that everything had been set up in the billing systems for resell effective November 10th. Delay of 3 days in advising Midcontinent of this very important product offering.

In reading the tariff on November 13th, we learned that the Area Wide Calling Plan had also been made available to an extended customer group. It was now an option to not only SmartPak but also CustomChoice and Centrex 21, which allowed business customers to now also take advantage of this product.

EXHIBIT
Midco

Midcontinent had a number of problems in ordering and being billed properly by Qwest. December 21, 2000, our order processing department was advised by the Qwest Interconnect Help Desk that we had been placing our orders with the wrong Qwest LPIC code and some of the customer problems were because the dialing pattern did not change. The customer still needed to dial 1-605-XXXX and the billing system would adjust the call rate to make it appear to be local. Other problems Midcontinent experienced were in the feature offerings as part of the package. Qwest often billed us for those features, which were at no charge as part of the package.

April 20, 2001, we had an email from our Service Manager advising us that we needed to resubmit the SmartPak orders we had trouble with in order to get them corrected. Those issues remained a problem for months.

As of 3/8/02 we continue to see feature billing errors, and the Area Wide Calling Plan does not bill correctly. Midcontinent has had to adjust its billing system to suppress calls in order for the plan to work properly.

Detail appears in Confidential Exhibit Midco 12 A.

CONTINUATION

5 -

CONFIDENTIAL

6

CONTINUATION

[6]

Scan ~ ~ # Pgs [ ]

MIDCO/QWEST CONFERENCE CALL

NOVEMBER 6, 2001

2:00 PM TO 3:30 PM CST

Call in 1-877-461-0671
Participant Code 6009715

AGENDA

I. INTRODUCTIONS

II. FOLLOWING ARE A LIST OF ISSUES/CONCERNS FROM MIDCO THAT WILL BE COVERED/DISCUSSED DURING THE CALL:

1. Accounts lost because Qwest retail install dates appear to be earlier than what Midco gets from Qwest.
2. Technicians make comments to Midco customers that they would have better service response if they were Qwest customers.
3. Midco customers are receiving calls from Qwest telemarketers about install due dates better from Qwest than Midco.
4. Qwest telemarketers called Midco customer in Box Elder saying that Qwest could offer then the "Northern Hills Calling Plan". Box Elder is not available in Qwest tariffs and no notice that it will be.
5. Midco gets features added to accounts that are not ordered.
6. Tickets get closed without call backs on resolution and many times the problem has not been fixed.
7. Qwest typists don't carry Midco remarks over from their orders to the typed order that goes to the technician.
8. Service is taken out "improperly".
9. Limitations of being able to convert an account to Midco UNE from another reseller.
10. Technicians dispatched when Midco doesn't request one.
11. Midco customers in the Hills area called not able to make long distance calls. Repair was not aware of a fiber cut that they were notified of via another source.
12. Midco is requesting that Qwest send them copies of all orders for their review.
13. Midco has encountered service problems provisioning service to No. Sioux City, SD.
14. Billing adjustment root cause documentation.
15. UNE – P Amendment status.
16. Midco is being billed $18.50 for VVMAD USOC, SD tariff shows rate as $16.00.
17. SmartPak w/caller ID is feature included with SmartPak but Midco resold end users are being billed separately for it.
18. Midco would like some sort of alert system to tell them when an account has a lot of calls from correctional facilities.

19. Midco reserves telephone numbers for new installs but when the install takes place the customer is given a different number and the one they reserved is not longer available. Also, they have reserved telephone numbers for customers in Deadwood but were given Lead numbers and then the install is delayed.

20. Midco says that they found out "the hard way" that when a CSR shows both grond and loop start and they ask for the service to convert as is, the lines/trunks will convert to loop as the default. This created a huge problem and are wondering why they were not notified of the change in process.

III. New Issues/Concerns

IV. Future Meetings.

Please let me know if you have any additional questions prior to our conference call.

Brenda Sheets
Qwest Service Manager
403-422-4592

Mary Lohnes

From:	David Cross [dfcross@uswest.com]
Sent:	Tuesday, October 31, 2000 1:12 PM
To:	Mary Lohnes
Cc:	Stephen P Sheahan
Subject:	Re: FW: SmartPak South Dakota 9-8-00

Mary,

I received the following information from my Product Manager:

The Smartpak Service includes Extended Area Service (EAS) when EAS and Zone increments normally included in the line rate are included in the package monthly rate. However, EAS and Zone increments billed by a separate owner bill as usual.

Qwest Smartpak customers may also subscribe to the optional calling plan Area Wide Plan (OPP01 & OPP02) with no monthly rate and no nonrecurring charge.

Area Wide Plan is available for Wyoming/ South Dakota border towns. Eligible customers receive free unlimited direct-dial calling and operator-assisted calling to prefixes inside the designated calling area.

Under Resale of Smartpak, the Area Wide Plan option is not available.

The USOC for Smartpak is [illegible]

Any questions, let's discuss at 2:00.

Thanks,

David Cross
Account Manager / QWEST Communications | E-Mail: dfcross@qwest.com
Wholesale Emerging & Diversified Markets | Office: 612.663.7226
[illegible] South Fifth Street, Room 510 | Fax: 612.663.3869
Minneapolis, MN 55402 | Pager: 800.632.8846

Mary Lohnes <mary_lohnes@[illegible].net> on 10/30/2000 04:10:10 PM

To: "David Gross (E-mail)" <dfgross@qwest.com>

CC:

Subject: FW: SmartPak South Dakota 9-8-00

-----Original Message-----
From: [illegible] [mailto:mailout@uswest.com]
Sent: Friday, September 08, 2000 5:41 PM
To: [illegible]_[illegible].net
Subject: SmartPak South Dakota 9-8-00

<http://[illegible].7 [illegible].144/images/logo.gif>

September 8, 2000

[illegible]
[illegible] Communications
[illegible] S Phillips
Sioux Falls, SD 57104-
[illegible]_[illegible].net

[illegible]:

Subject: SmartPak

[illegible]

This is to advise your company of a new Qwest retail service offering effective September 14, 2000.

State(s): South Dakota

Tariff/Catalog/price list reference: Exchange and Network Services Catalog, Section 5.4.1.

Description of offer: This filing introduces a new package of features which will be marketed as SmartPak to residence customers in Belle Fourche, [illegible], Hill City, Lead, Rapid City, Spearfish, Sturgis, West Belle Fourche, [illegible] Spearfish and Whitewood. This package will include an individual or additional flat rated access line (1FR, AFR) and the following features:

- Anonymous Call Rejection
- Call Waiting
- Caller ID - Name and Number
- Three-Way Calling

The package will be advertised at a price of $24.95 for the features with the 1FR. The features portion of this package is being tariffed at monthly rate of $7.20 (Rate Group G). This represents the difference between the $24.95 total package monthly rate and the 1FR monthly rate of $17.75. In Rate Groups C and E, the features portion of the package will be tariffed at the difference between the $24.95 rate and the monthly rate for the 1FR in the appropriate rate group.

The $24.95 rate for the package does not include any additional charges associated with the line such as Extended Area Service and Zone Increments.

There will be no nonrecurring charge associated with the features portion of this package.

Normal nonrecurring charges will apply to the line associated with the features. For example, a customer purchasing SmartPak who is establishing service for the first time or moving to a new location would pay the nonrecurring charges for the 1FR but no separate nonrecurring charge for the features. This would also be true if a customer wishes to add the package to or additional line. A customer who already has a IFR or additional line would pay a nonrecurring charge to add the package to the line.

Please be advised that retail offers that are subject to Commission approval may change. Please monitor filings, as Qwest will not provide notification of change.

If you have any questions, please call your Qwest Account Manager, Steve [illegible] at (913) [illegible]

Sincerely,

Qwest

cc: Steve [illegible]

Tariff Activity Bulletin Board

Jurisdiction: South Dakota
Book: Qwest Exchange and Network Services Catalog
Subject: Packaged Services Enhancement

Job #: SD2000-033 Trans/Advice #:
Supplement #:

Status	Date	Correction
Filed/Docketed	09/26/2000	N
Effective	10/01/2000	N

Summary

This filing introduces new services to CUSTOMCHOICE and VALUECHOICE and changes the rates of these packages.

Attached Files: EFFECTIVE: SD2000-033pgs.pdf

5. EXCHANGE SERVICES

5.9 PACKAGED SERVICES

5.9.1 PACKAGES ASSOCIATED WITH BASIC EXCHANGE SERVICE

A. *CUSTOMCHOICE*

1. Description

CUSTOMCHOICE is a package of features available to residential customers in conjunction with an additional or individual flat rate access line. Residence customers subscribing to the package are entitled to unlimited use of the services/features specified below:

- Anonymous Call Rejection (N)
- Call Following (Remote Access Forwarding)
- Call Forwarding
  - Busy Line (expanded)
  - Busy Line (overflow)
  - Busy Line/Don't Answer (expanded)
  - Busy Line (overflow)/Don't Answer
  - Busy Line (programmable)
  - Don't Answer
  - Don't Answer (expanded)
  - Don't Answer (programmable)
  - Variable
- Call Rejection
- Call Waiting
- Call Waiting ID
- Caller ID - Name and Number
- Continuous Redial
- *U S WEST* Custom Ringing Service
- Do Not Disturb (N)
- Last Call Return
- Long Distance Alert (N)
- Message Waiting Indication
- Non-listed Service Listing (N)
- Priority Call
- Selective Call Forwarding
- Speed Calling - 8 Number
- Speed Calling - 30 Number
- Talking Call Waiting (N)
- Three-way Calling
- U S WEST Receptionist - Name and Number

(M)

(M) Material moved to Page 71.

5. EXCHANGE SERVICES

5.9 PACKAGED SERVICES
5.9.1 PACKAGES ASSOCIATED WITH BASIC EXCHANGE SERVICE
A. *CUSTOMCHOICE* (Cont'd)

2. Terms and Conditions (M)

A customer may select an unlimited number of compatible services or features from the list in 5.9.1.A.1., preceding. All terms and conditions specified elsewhere for the respective services/features requested as part of this service shall apply. (M)

3. Rates and Charges

a. The monthly rates, following, must be and may only be applied in addition to the rates specified in 5.2.4.C. for residence additional or individual line flat rate service. Where applicable, incremental charges specified in 5.1, apply.

b. Existing *CUSTOMCHOICE* customers cannot take advantage of promotions for *CUSTOMCHOICE* or any of the services/features specified in 5.9.1.A.1., preceding, unless specifically allowed by the terms and conditions of the promotion.

c. Where *CUSTOMCHOICE* is provided in association with the installation of a new residence individual line flat service or the move of a residence individual line flat rate service from one location to another, normal nonrecurring charges associated with the line shall apply. (M1)

(M) Material moved from Page 70.

(M1) Material moved to Page 72.

5. EXCHANGE SERVICES

5.9 PACKAGED SERVICES
5.9.1 PACKAGES ASSOCIATED WITH BASIC EXCHANGE SERVICE

A.3. (Cont'd) (T)

d. *CUSTOMCHOICE* will be provided at the following rate: (M)

	USOC	Monthly Rate Per Rate Group A	C	E	G	I
• Per individual flat rate residence line	PGOCC	$17.90 (I)	$17.20 (I)	$16.40 (I)	$15.20 (I)	$14.70 (I)

Monthly Rate Per Rate Group B	D
$20.95 (I)	$20.25 (I)

	USOC	Monthly Rate Per Rate Group A	C	E	G	I
• Per additional flat rate residence line	PGOCA	$14.90 (I)	$14.20 (I)	$13.40 (I)	$12.20 (I)	$11.70 (I)

Monthly Rate Per Rate Group B	D
$17.95 (I)	$17.25 (I)

(M)

(M) Material moved from Page 71.

5. EXCHANGE SERVICES

5.9 PACKAGED SERVICES
5.9.1 PACKAGES ASSOCIATED WITH BASIC EXCHANGE SERVICE (Cont'd)

B. *VALUECHOICE*

1. Description

VALUECHOICE is a package of features available to residential customers in conjunction with an additional or individual flat rate access line. Residence customers subscribing to the package are entitled to unlimited use of the services/features specified below:

- Anonymous Call Rejection (D)

- Call Waiting
- Continuous Redial
- Last Call Return (D

- Three-Way Calling

In addition to the standard features, a customer may select on or more of the following optional features: (N

- Call Forwarding-Variable
- Do Not Disturb
- Non-listed Service Listing
- Priority Call
- Talking Call Waiting (N

2. Terms and Conditions

A customer is automatically provided with all of the standard services or features from the list in 5.9.1.B.1., preceding. All terms and conditions specified elsewhere for the respective services/features requested as part of this service shall apply. (C

5. EXCHANGE SERVICES

5.9 PACKAGED SERVICES
5.9.1 PACKAGES ASSOCIATED WITH BASIC EXCHANGE SERVICE
B. *VALUECHOICE* (Cont'd)

3. Rates and Charges

a. The monthly rates, following, must be and may only be applied in addition to the rates specified in 5.2.4.C. for residence additional or individual line flat rate service. Where applicable, incremental charges specified in 5.1, apply.

b. Existing *VALUECHOICE* customers cannot take advantage of promotions for *VALUECHOICE* or any of the services/features specified in 5.9.1.B.1., preceding, unless specifically allowed by the terms and conditions of the promotion.

c. Where *VALUECHOICE* is provided in association with the installation of a new residence individual line flat service or the move of a residence individual line flat rate service from one location to another, normal nonrecurring charges associated with the line shall apply.

d. *VALUECHOICE* will be provided at the following rates. Customers may add additional optional features within the package at no extra charge. (C) (C)

		MONTHLY RATE PER RATE GROUP				
	USOC	A	C	E	G	I
• Per individual or additional flat rate residence line	PGOVC	$11.90 (I)	$11.20 (I)	$10.40 (I)	$9.20 (I)	$8.70 (I)

MONTHLY RATE PER RATE GROUP	
B	D
$14.95 (I)	$14.25 (I)

Qwest Tariff Directory

Tariff Activity Bulletin Board

Next Previous

Jurisdiction: South Dakota
Book: Qwest Exchange and Network Services Catalog
Subject: Bus. Enhanced Packaged Services

Job #: SD2000-042 Trans/Advice #:
Supplement #:

Status	Date	Correction
Filed/Notified	09/26/2000	N
Effective	10/01/2000	N

Summary

This filing adds additional features to the Business Customchoice Package and changes the rate.

Attached Files: EFFECTIVE: SD2000-042pgs.pdf

Next Previous

Home | Effective Tariffs | Qwest | Wholesale | Public Policy | Help

5. EXCHANGE SERVICES

5.9 PACKAGED SERVICES
5.9.1 PACKAGES ASSOCIATED WITH BASIC EXCHANGE SERVICE (Cont'd)

C. Business *CUSTOMCHOICE*

1. Description

Business *CUSTOMCHOICE* is a package of features available to one, two and three line business customers in conjunction with an additional or individual flat rate access line. Business customers subscribing to the package are entitled to unlimited use of the services/features specified below:

a. Standard Services/Features

- Anonymous Call Rejection
- Call Forwarding
  - Busy Line (Expanded)
  - Busy Line (External)
  - Busy Line (Overflow)
  - Busy Line/Don't Answer (Expanded)
  - Busy Line (External)/Don't Answer
  - Busy Line (Overflow)/Don't Answer
  - Busy Line (Programmable)
  - Don't Answer
  - Don't Answer (Expanded)
  - Don't Answer (Programmable)
  - Variable
- Call Transfer
- Call Waiting
- Call Waiting ID
- Caller ID Name and Number
- Continuous Redial
- Custom Ringing
- Do Not Disturb (N
- Hunting
- Last Call Return
- Long Distance Alert (N
- Message Waiting Indication

5. EXCHANGE SERVICES

5.9 PACKAGED SERVICES

5.9.1 PACKAGES ASSOCIATED WITH BASIC EXCHANGE SERVICE

C.1.a. (Cont'd)

- Priority Call
- Remote Access Forwarding (N)
- Scheduled Forwarding (N)
- Selective Call Forwarding
- Speed Call - 8 Number
- Speed Call - 30 Number
- Three-Way Calling
- U S WEST Receptionist - Name & Number

b. Optional Services/Features

- Minutes Free Calling Plan
- Area Wide Plan

2. Terms and Conditions

a. A business customer may select an unlimited number of compatible services or features from the list in 5.9.1.C., preceding. All terms and conditions specified elsewhere apply for the respective services/features requested as part of this service.

b. Existing Business *CUSTOMCHOICE* customers cannot take advantage of promotions for Business *CUSTOMCHOICE* or any of the services/features specified in 5.9.1.C.1., preceding, unless specifically allowed by the terms and conditions of the promotion.

c. Business *CUSTOMCHOICE* is subject to a minimum billing period of one month.

d. The Company may withdraw this offering to customers at any time with appropriate notice.

5. EXCHANGE SERVICES

5.9 PACKAGED SERVICES

5.9.1 PACKAGES ASSOCIATED WITH BASIC EXCHANGE SERVICE

C. Business *CUSTOMCHOICE* (Cont'd)

3. Rates and Charges

a. The monthly rates that follow must be and may only be applied in addition to the rates specified in the Exchange and Network Services Tariff, 5.2.4.B. for business individual flat rate or additional flat rate line service. Where applicable, incremental charges specified in the Exchange and Network Services Tariff, 5.1, apply.

b. Existing customers will not incur nonrecurring charges when switching to Business *CUSTOMCHOICE.*

c. Normal nonrecurring charges associated with the line apply where Business *CUSTOMCHOICE* is provided in association with the installation of new business individual line flat rate service or, the move of a business individual line flat rate service from one location to another.

d. Business *CUSTOMCHOICE* will be provided at the following rates:

		MONTHLY RATE PER RATE GROUP			
	USOC	A	B	C	D
• Per individual or additional flat rate business line	PGOCL	$27.70 (I)	$31.35 (I)	$25.30 (I)	$28.95 (I)
		E	G	I	
		$22.50 (I)	$18.55 (I)	$16.55 (I)	

Mary Lohnes

From: mailouts@uswest.com

Sent: Friday, September 08, 2000 5:01 PM

To: mary_lohnes@mmi.net

Subject: SmartPak South Dakota 9-8-00

September 8, 2000

Mary Lohnes
Midco Communications
410 S Phillips
Sioux Falls, SD 57104-
mary_lohnes@mmi.net

TO: Mary Lohnes,

Subject: SmartPak

TYPE OF NOTIFICATION RESELLER

This is to advise your company of a new Qwest retail service offering effective September 14, 2000.

State(s): South Dakota

Tariff/catalog/price list reference Exchange and Network Services Catalog, Section 5.9.1.

Description of offer: This filing introduces a new package of features which will be marketed as SmartPak to residence customers in Belle Fourche, Deadwood, Hill City, Lead, Rapid City, Spearfish, Sturgis, West Belle Fourche, West Spearfish and Whitewood. This package will include an individual or additional flat rated access line (1FR, AFH) and the following features:

- Anonymous Call Rejection
- Call Waiting
- Caller ID - Name and Number
- Three-Way Calling

The package will be advertised at a price of $24.95 for the features with the 1FR. The features portion of this package is being tariffed at monthly rate of $7.20 (Rate Group G). This represents the difference between the $24.95 total package monthly rate and the 1FR monthly rate of $17.75. In Rate Groups C and E, the features portion of the package will be tariffed at the difference between the $24.95 rate and the monthly rate for the 1FR in the appropriate rate group.

The $24.95 rate for the package does not include any additional charges associated with the line such as

Extended Area Service and Zone Increments.

There will be no nonrecurring charge associated with the features portion of this package.

Normal nonrecurring charges will apply to the line associated with the features. For example, a customer purchasing SmartPak who is establishing service for the first time or moving to a new location would pay the nonrecurring charges for the 1FR but no separate nonrecurring charge for the features. This would also be true if a customer wishes to add the package to an additional line. A customer who already has a 1FR or additional line would not pay a nonrecurring charge to add the package to the line.

Please be advised that retail offers that are subject to Commission approval may change. Please monitor filings, as Qwest will not provide notification of changes.

If you have any questions, please call your Qwest Account Manager, Steve Sheahan at (612) 663-3806.

Sincerely,

Qwest

cc: Steve Sheahan

CONTINUATION

7 -

ISSUE	OWNER	CURRENT STATUS	DATE CLOSED
5. Service Order Error Initiative a. (#5)Midco gets features added to accounts that are not ordered. b. (#7)Qwest typists don't carry Midco remarks over from their orders to the typed order that goes to the technician. c. (#8)Service is taken out improperly. d. (#17)SmartPak w/ caller ID feature is included with SmartPak but Midco resold end users are being billed separately for it. e. Some accounts are having Toll Restriction placed on them when not requested (RTVXQ)	Ann Binkley	Qwest is randomly checking 10% of typed MidCo service orders to validate order accuracy and is providing immediate typist or group feedback. This initiative has been undertaken to alleviate problems encountered during provisioning and it will be ongoing until typing errors are at a minimum. Brenda Sheets will verify the results monthly prior to the status call with Midco. **11/15/01** Qwest is continuing to monitor MidCo service orders for errors and is providing feedback for improvement to the individual typist or group managers as appropriate. **12/13/01** Item D is still an open issue. Not all Value Choice customers are being billed separately for Caller ID. Ann asked Mary for a few examples so we can investigate further. **01/05/02** Both sides agree that improvements are taking place, however this item will remain open. Mid Continent question whether or not Qwest is developing Quality measures for continued improvement. Ann explained that we are performing a Quality Check on 10% of all Mid Continent orders on a weekly basis. **02/14/02** MidCo identified that over the past 10 days they have placed 24 UNE-P orders and 3 of those orders had errors once typed that left the customer out of service. All repairs were escalated and resolved quickly. Peter Lynch will send Ann a list of these orders so that we can pin point the problem. **02/15/02** Ann received the information and has requested an investigation to identify where the error happened on these orders. **02/28/02** Of the three errors Peter provided to Ann, Qwest has identified that these orders were NOT typing errors as the orders flowed through. Apparently a Recent Change error took place on these orders as they flowed through the systems and we believe that we have rectified the systemic problem. **03/07/02** Both parties agree that we are moving in a positive direction. In general it appears there are fewer quality issues than we've had in the past. Directory Listings Mid Continent was experiencing a problem with semi colon's being utilized for residential customers instead of a comma. Mid Continent is currently performing a reconciliation of listings for Rapid City and they believe the semi colon vs. comma problem has been corrected. Mid Continent agreed to provide examples to Qwest if they should encounter this again.	
13. Midco has encountered problems with provisioning service to No. Sioux City, SD (Border town switched in Sioux City, IA). a. Midco has resold customer physically located in Wyoming but switched out of West Belle Fourche, SD.	Ann Binkley	Brenda Sheets will provide status of BAN establishment to Mary Lohnes by 11/9/01. **11/9/01** Brenda Sheets sent email to Mary Lohnes advising that additional investigation is required to ascertain that the BAN is established and ready for Midco to begin provisioning resale customers in the North Sioux City, SD area. Brenda Sheets will provide status by 11/16/01. **11/15/01** Qwest is working to clarify how border town situations are to be provisioned and billed. **01/10/02** Qwest is continuing to work this issue. **02/14/02** This issue is with the Qwest Regulatory group for review and Ann will provide a status to Mid Continent as it is received. **03/07/02** Qwest is still working internally to resolve this issue.	
21. Resale rates for Midco were changed from 84.50% to 88% when when Qwest completed a contract clean up based on the contract library web database. Midco's current resale contract was not posted on the web	Ann Binkley	Brenda Sheets verified that the request to change the rates back to 84.50% was issued on 10/29/01. Qwest will be crediting back to 1998 on bill. Tentative schedule is that billing will be corrected by the December bill cycle at the latest. **11/15/01** Qwest anticipates having this credit completed by end of year 2001. **12/13/01** Mid Continent acknowledges that credits are coming through, however in some cases credits are not going back far enough. An example would be that Mid Continent received a credit for a customer who disconnected, however the credit does not go back for the life of the customer. Ann will investigate.	

02/14/02 Nancy clarified this issue – MidCo was back billed in October 2000 based on a previous contract. This was quickly identified and credits were issued and showing on the November 2000 bill, however not all accounts received the same credit as the back billing. Since October 2000 some accounts are still being billed at the incorrect rate.		**01/10/02** This specific issue is being worked with Susie Turner and Gia Butters in Billing. Ann will continue to monitor the progress. **02/11/02** Spoke with Gia Butters, she has completed the R04, 07, 10, 13, 16, 28, and is working on the R19, 22, 25 BANS. Plan is to complete all BANS by month end. **02/14/02** Nancy will provide Ann with the specific detail. **02/15/02** Ann has received the detail and has forwarded on to billing management for investigation. **02/28/02** All disputes for North Dakota have been cleared. **03/05/02** The Qwest CRIS Database Table updates are in process. These updates will be retroactive to 1/14/99 and will encompass 1FRs and Centrex lines. **03/07/02** Qwest has scheduled the update for CRIS Database Tables for March 15th. This update will encompass Residential USOCs as well as Centrex USOCs. Mid Continent should begin seeing credits on their bills with April billing.	
Over billing on Collocation in South Dakota	Ann Binkley	**03/05/02** MidCo contacted Qwest indicating that the Collocation Bill on C9TLC01 is billing for 120 AMPS for the Collocation, when MidCo ordered 60 AMPS. **03/06/02** Per the original Collocation Order, Mid Co ordered 2 – 48 volt DC Power Cabling at 60 AMP a piece. Billing is accurate. **03/07/02** Per MidCo's request Qwest will investigate this further as MidCo believes that an error occurred between the original order and the final documents.	
CABS Data Qwest was requested via CMP SCR111901-1 to break out the Access and Usage DUF files into separate files.	Ann Binkley Mary Lohnes	Updates for Change Management Requests can be found on the Qwest Wholesale Web Site at: http://www.qwest.com/wholesale/downloads/2002/cmp/CLEC_Change_Request-Systems_Interactive_Reports **03/06/02** Qwest contacted Mid Continent requesting information on how Mid Continent would like to receive this data. Qwest is awaiting Mid Continent's response. Qwest anticipates having a report available to Mid Continent in April. **03/07/02** MidCo is concerned that they are not getting Qwest records in order to generate billing. Qwest is going to provide separate DUF files for MidCo and has requested MidCo trap calls they are receiving from Qwest so that Qwest can investigate the records being received.	
UNE-P Bill was incorrect	Qwest Mid Continent	**03/06/02** Qwest requested Mid Continent provide the necessary information to Qwest Billing for investigation. **03/07/02** MidCo is concerned that Qwest did not bill install charges on their UNE-P bill. This has been forwarded to Qwest billing for resolution.	03/07/02
UNE-P Usage is not coming through	Mid Continent	**03/06/02** Qwest is in need of further information before this can be investigated. Is there a specific report that Mid Continent is looking at that does not include UNE-P Usage? **03/07/02** MidCo set up a separate e-mail for the UNE-P DUF and was anticipating receiving this information via e-mail. Qwest explained that DUF files are not separated by product, and that MidCo would receive their UNE-P DUF the same as they receive all products.	03/07/02
IMA does not accept @ address	Qwest	**02/25/02** Mid Continent informed Qwest that @ address is not working in IMA 9.0 as it is suppose to be. A Wholesale System Help Desk ticket (1-888-796-9102 opt 3) was opened by Qwest. **02/27/02** Qwest has been able to replicated the problem and a Change Request (CR) has been issued to correct this problem.	
Why does Qwest accept and bill customers with "No PIC". These customers should be blocked and have to use a calling card.	Qwest	**03/06/02** Mid Continent presented this issue today, and Qwest is requesting additional information (specific customer numbers) associated with this situation so an investigation can take place. **03/07/02** Qwest has sent this issue to billing for investigation.	

MID CONTINENT SERVICE ISSUES

Area Wide Calling Plan – There are new prefixes in South Dakota that appear not to be included in this Plan. 605-347 (Sturgis), 605-718 (Rapid City), 605-210 (Belle Fourche)	Qwest	**03/06/02** These new prefixes will be added to the Area Wide Calling Plan effective Friday, March 8th.	03/07/02
Mid Continent was attempting to Resell a McLeod customer and Qwest has indicated that the number is not portable. Why is the number not portable?	Mid Continent	**03/04/02** The NPA-NXX in question (605-764) belongs to McLeod and is not marked as portable in the LERG, so Qwest is unable to port this number from McLeod to enable Mid Continent to resell the customer. **03/06/02** Does Mid Continent have access to the LERG and are you able to verify portability via the LERG?	03/07/02
Jeopardy Notifications – Qwest will send mechanically.	Mid Continent	**03/06/02** Currently when a service request is in jeopardy, Qwest notifies you via a status update, e-mail, Jeopardy Notification, telephone call, and/or a FOC. If you are using a mechanized tool to submit your requests, please refer to that tool to receive, access, or view your jeopardy notice. If you choose to receive your jeopardy notices in an alternate method, you must submit a written request to your Qwest Service Manager to implement the new method of delivery	03/07/02

CONTINUATION

[8]

Scan ~ ~ # Pgs [ ]

Mary Lohnes

From:	Ann Binkley [ambinkl@qwest.com]
Sent:	Wednesday, February 27, 2002 1:44 PM
To:	Lori Nelson
Cc:	Sharon [illegible]; Mary Lohnes; Binkley, Ann
Subject:	Re: UNE-P & NHCP

Card for Ann Binkley

Hello All!

I have researched this situation and learned that:

OFFS2 is a toll calling plan and is not available with UNE-P. Qwest intraLATA toll is available with UNE-P at the tariffed rate, minus the wholesale discount.

If you need further information, please refer to the UNE-P PCAT at:

http://www.qwest.com/wholesale/pcat/unep.html

Please let me know if you have additional questions or concerns.

Ann Binkley
[illegible]

Lori Nelson wrote:
>
> Ann,
>
> I was told today by Jane in the customer service group that the
[illegible]
> Hills Calling Plan (OFFS2) is not available for UNE-P. I received a
LSR
> Error notification on PON 020225BHINN stating that OFFS2 is not valid
with
> UNE-P. Jane said she checked several systems and can't find anything
> mentioned about NHCP for UNE-P.
>
> We have submitted other orders on accounts with the NHCP, received
FOCs, and
> they have completed. I escalated one of these orders, Countryside
[illegible]
> [illegible], because I pulled a CSR and noticed OFFS2 was not on the main
line.
> The customer service group issued order C30520027 due 2/25 to add
OFFS2 back
> onto the account. I told Jane about this order number and she said
that the
> "C" order probably completed itself out but did nothing.
>
> Should I then trust that OFFS2 is not available for the UNE-P product?
>
> Lori

Qwest

DAWN NICKELSON
Bill Date: Feb 19, 2002
Account No: 605 347-0104 452

For billing questions, call 1-800-[illegible]-9710
For service questions, call 1-800-279-[illegible]

▼ LONG DISTANCE SERVICES

LONG DISTANCE CALLS

NO.	DATE	TIME	PLACE		AREA-NUMBER	TYPE	MIN	AMOUNT
			AREA WIDE PLAN					
[illegible]	FEB 4	[illegible]PM	TO RAPID CITY	SD	605 718-3895	E	52.8	5.28
[illegible]	FEB 6	[illegible]PM	TO RAPID CITY	SD	605 718-3895	E	8.7	.87
[illegible]	FEB 6	[illegible]PM	TO RAPID CITY	SD	605 718-0303	E	3.5	.35
[illegible]	FEB 7	[illegible]PM	TO RAPID CITY	SD	605 718-0303	E	3.0	.30
[illegible]	FEB 7	[illegible]PM	TO RAPID CITY	SD	605 718-0303	E	.7	.07
[illegible]	FEB 10	1050AM	TO RAPID CITY	SD	605 718-0303	N	1.9	.19
			SUBTOTAL OF AREA WIDE PLAN				70.6	7.06)

Type of Long Distance Calls:
E-EVENING N-NITE/WKEND

TOTAL LONG DISTANCE CALLS **70.6** **7.06**

customer has
Valuechoice package
shows has area wide plan (otts!)

[redacted]

PAT STURIS
Bill Date: Feb 19, 2002
Account No: 605 347-0216 524

[redacted]

[redacted]		21.09
[redacted] THRU MAR 18		
[redacted]		
[redacted] *at your request and are not*		
[redacted] *your base telephone service.*	21.09	
[redacted]		5.00
[redacted] SERVICE PROVIDER NUMBER PORTABILITY		.43
[redacted]		**$26.52**

[redacted]	28.65CR
[redacted]	**28.65CR**

[redacted]	1.43
[redacted] SERVICES CHARGES	**$1.43**

[redacted]

[redacted]	PLACE		AREA-NUMBER	TYPE	MIN	AMOUNT
	[redacted]					
[redacted]	TO BELLEFORCH	SD	605 210-0102	N	1.2	.12
	TO BELLEFORCH	SD	605 210-0102	E	.5	.05
	TO RAPID CITY	SD	605 718-3652	D	.5	.05
	TO RAPID CITY	SD	605 718-3652	E	.7	.07
	TO BELLEFORCH	SD	605 210-0102	E	.5	.05
	TO RAPID CITY	SD	605 718-3652	N	.9	.09
	TO RAPID CITY	SD	605 718-3652	N	.5	.05
	TO RAPID CITY	SD	605 718-3652	E	2.9	.29
	TO BELLEFORCH	SD	605 210-0102	N	.5	.05
	TO RAPID CITY	SD	605 718-3652	E	3.5	.35
	TO RAPID CITY	SD	605 718-3652	N	2.6	.26
	[redacted]TOTAL OF AREA WIDE PLAN				14.3	1.43)

[redacted]

E-EVENING

[redacted]	**14.3**	**1.43**

Area Wide Plan (Calling Plans) - SD (WY Border Towns Only) Bus

---

Availability/Interactions

- Available to Business classes of service.*

- Effective 3/4/02 this plan will no longer require customers to subscribe to a package bundle.

- Customer must subscribe to Qwest LPIC 5123 on at least one line. On multi-line accounts only lines with Qwest LPIC 5123 will have their usage rated by the Area Wide Plan.

- Only customers residing in the following communities are eligible. Click on the specific community to see a list of eligible prefixes.

  - South Dakota - Bell Fourche , Deadwood , Hill City , Lead , Rapid City , Spearfish , Sturgis and Whitewood .

  - Wyoming - West Spearfish and West Bell Fourche .

*This plan is also available to Residence customers. See Area Wide Plan (Calling Plans) - SD (WY Border Towns Only) Res for more information.

Border Towns

Wyoming/South Dakota border towns are eligible for the plan. Click here for specifics on order writing and account access.

Feature Interactions

Product/Service	Compatible
Access Code Billing	Y
Custom 21	Y
Foreign Central Office	N
Foreign Exchange	N
Hearing & Speech Impaired Persons Discount	N
Independent Company Territories (where billing capabilities exist)	Where billing capabilities exist
ISDN	Y
Market Expansion Line	Y (IntraLATA w/LPIC 5123 only)

Product/Service	Compatible
Other Qwest calling plans	N
PAL (Public Access Line)	N
Qwest DSL	Y
Resale	Y
Shared Pay Phone Service	N
Suspend in Service	N, see removal rules
Toll Only Account	N
UNE-P accounts	N

Critical Information

This plan does not change the dialing patterns (i.e. 1+ number) for customers calling inside or outside of the designated calling area . If customer would normally dial a "1" before the number they would continue to do so. CRIS programming gives the discount before the bill is printed.

Do NOT add a calling plan USOC to accounts with restricted service (i.e. RBE1X.)

Customer must have Qwest LPIC 5123 to qualify for this plan. On multi-line accounts at least one line must have LPIC 5123, only those lines with the LPIC 5123 will have usage rated by this calling plan.

If removing LPIC 5123 from all lines on an account, the calling plan USOC must be removed.

Customer Handling

This plan does not change the dialing patterns (i.e. 1+ number) for customers calling inside or outside of the designated calling area .

Description

- Eligible subscribers receive free unlimited direct-dial calling and Operator-Assisted calling* (see call types) to prefixes inside the designated calling area .

**Only the per-minute toll charges will be included in the plan. All surcharges will be assessed to the customer at their usual rates. . See Operator-Assisted calling for more information.*

- Direct dial calls outside of the designated calling area but within the home LATA are rated at a reduced per-minute charge.

Note: Customers calling outside of the designated calling area do not receive Operator-Assisted calls at the discounted rate. They will be charged at the usual rate. See Operator-Assisted calling for more information.

- There are no monthly or non-recurring charges for the plan.

This plan does not change the dialing patterns (i.e. 1+ number) for customers calling inside or outside of the designated calling area . If customer would normally dial a "1" before the number they would continue to do so. CRIS programming gives the discount before the bill is printed.

Rates & USOCs

Originating number location	USOC	Rate per minute					
		Terminating number is inside **of the designated calling area .**			**Terminating number is** outside **of the designated** calling area		
Inside of the designated calling area *	OFFS2**	Note: No charge for direct dial and Operator-Assisted calling.			Note: Only direct dial calls are eligible for discount.		
		Initial 6 seconds	Each Addl. 6 seconds	Average rate per minute	Initial 6 seconds	Each Addl. 6 seconds	Average rate per minute
		$0.00	$0.00	$0.00	$0.045	$0.009	$0.09

Customer calls originating outside of the designated calling area are not eligible for the plan. See availability for more information.

***Eastern only: OCP FID is YA (OFFS2/OCP YA.) SONAR automatically adds FID.*

Bell Fourche prefixes

Eligible NPA/ Prefix combination	
Qwest	Other company ownership
605-892	605-723

Deadwood prefixes

Eligible NPA/ Prefix combination	
Qwest	Other company ownership
605-578	605-585 605-631 605-920

Hill City prefixes

Eligible NPA/ Prefix combination	
Local	Other company ownership
605-574	None

Lead prefixes

Eligible NPA/ Prefix combination	
Local	Other company ownership
605-584	605-580 605-588 605-591 605-641

Rapid City prefixes

Eligible NPA/ Prefix combination	
Qwest	Other company ownership
605-341	605-381
605-342	650-389
605-343	605-390
605-348	605-391
605-355	650-430
650-385	605-431
650-388	605-484
605-393	605-719
605-394	605-721
605-399	
605-727*	
605-737	
605-786	
605-787*	
605-877	
605-923	

*Rapid City prefixes 605-727 & 605-787 were added to the availability list on 10-12-00. Calls before that date were not eligible.

Spearfish prefixes

Eligible NPA/ Prefix combination	
Qwest	Other company ownership
605-642	605-639
605-644	605-640
	605-645
	605-722

Sturgis prefixes

Eligible NPA/ Prefix combination	
Qwest	Other company ownership
605-347	605-490
605-423	605-499
	605-720
	605-990

Whitewood prefixes

Eligible NPA/ Prefix combination	
Qwest	Other company ownership
605-269	None

West Spearfish prefixes

Eligible NPA/ Prefix combination	
Qwest	Other company ownership
307-643	None

West Bell Fourche prefixes

Eligible NPA/ Prefix combination	
Qwest	Other company ownership
307-896	None

Description

Call Types

Call Type	Compatible	Call Type	Compatible
Calling Card	Y*	Local	N
Collect	Y*	Operator Handled	Y*
Direct Distance Dialed	Y	Pay Phone Originated	Y*
State-to-State/ IntraLATA	Y	Third Number	Y*
In-State/ IntraLATA	Y	1-800-U S WEST Calling Services	N

*Only the usage is included in the plan. The typical surcharges will be assessed to the customer.

Designated calling area

The following NPA/ Prefix combinations are inside of the designated calling area. See also Availability .

Community	Eligible NPA/ Prefix combination	
	Qwest	Other company ownership
Bell	605-892	605-723

Fourche, SD		
Deadwood, SD	605-578	605-585 605-631 605-920
Hill City, SD	605-574	None
Lead, SD	605-584	605-580 605-588 605-591 605-641
Rapid City, SD	605-341 605-342 605-343 605-348 605-355 650-385 650-388 605-393 605-394 605-399 605-727* 605-737 605-786 605-787* 605-877 605-923	605-381 650-389 605-390 605-391 650-430 605-431 605-484 605-719 605-721
Spearfish, SD	605-642 605-644	605-639 605-640

		605-645 605-722
Sturgis, SD	605-347 605-423	605-490 605-499 605-720 605-990
Whitewood, SD	605-269	None
West Spearfish, WY	307-643	None
West Bell Fourche, WY	307-896	None

*Rapid City prefixes 605-727 & 605-787 were added to the availability list on 10-12-00. Calls before that date were not eligible.

LATA

Go to the LATA Database to find out if call is within LATA.

Operator-Assisted calling

- Operator-Assisted calls are included when the call terminates inside the designated calling area.
- Operator-Assisted calls are not included when the call terminates outside of the designated calling area.
- Customers always pay the additional applicable surcharges.

Calling area	Rate per minute*		Additional surcharges**
	Weekday	Evening/ Night/ Weekend	
In-State	$0.29	$0.27	Rates and Charges (Local Long Distance) - All States Bus Res
State-to-State (border towns)	$0.25	$0.12	Rates and Charges (Local Long Distance) - All States Bus Res

**Only the surcharges are assessed on Operator Assisted calls* *inside* *the* designated calling area .

***Customers always pay the additional applicable surcharges.*

Service Orders

SOLAR - Eastern-Business

Add New:

- R Order - Add new with existing CCFB - Bus
- R Order - Add new with existing Centrex 21 (1AESS) - Bus

Remove:

- R Order - Remove Area Wide Plan , keep existing CCFB - Bus

Remove and add different calling plan:

- R Order - Remove Area Wide Plan and add different calling plan - Bus

Suspend & Restore removal rules

Calling plans cannot be on suspended accounts. Use the following table for customers with suspended accounts.

Step	Action
1	Issue R order to remove plan prior to suspend order.
2	Issue suspend order.
3	Issue restore order.
4	Issue R order to add plan, waive any non-recurring plan charges. Note: LPIC must be Qwest LPIC 5123 to add a calling plan USOC.

CONFIDENTIAL - Internal Use Only

Disclose and Distribute Solely to Qwest Employees.

McLeodUSA® *Local Calling Area Expansion*

Dear McLeodUSA Customer:

Thank you for choosing McLeodUSA as your telecommunications provider! Because we appreciate your business and loyalty to McLeodUSA, we are proud to include **eight new towns in your free local calling area.**

Effective November 16, 2000 you may call Belle Fourche, Deadwood, Lead, Spearfish, Sturgis and Whitewood, South Dakota; as well as, West Belle Fourche and West Spearfish, Wyoming for free.

If you are a voice mail customer, you will also receive a reduced monthly rate for your basic mailbox. **Your rate will be decreasing from $11.50 to $8.50 per month.**

McLeodUSA is committed to earning your business everyday by providing you with quality customer care and state-of-the-art telecommunications services. We are focused on ensuring that you receive the quality service you deserve from representatives that demonstrate our GRIP™ Company values of Growth, Relationships, Integrity and Passion.

If you have any questions, please call McLeodUSA Customer Care 1-605-355-0011. Our representatives are available to assist you 24 hours a day, 7 days a week.

Sincerely,

[illegible]

[illegible]

Mary L[illegible]

From: David Cross [dfcross@qwest.com]
Sent: Monday, November 13, 2000 11:54 AM
To: Mary L[illegible]
Subject: Area Wide Calling

Mary:

Per your voice mail, looks like you can now offer Area Wide Calling.
The USOC's
are the same as before.

David Cross
Account Manager / QWEST Communications
Wholesale Emerging & Diversified Markets
[illegible] South Fifth Street, Room [illegible]
Minneapolis, MN [illegible]

E-Mail: dfcross@qwest.com
Office: 612.663.7226
Fax: 612.663.3869
Pager: 800.632.8846

---------------------- Forwarded by David Cross/GROUPWARE/USWEST/US on 11/13/2000 11:[illegible] AM ---------------------------

Stephen P Sheahan
11/13/2000 10:[illegible] AM

To: David Cross/GROUPWARE/USWEST/US@USWEST
cc:

Subject: Area Wide Calling

David,
The USOC'S that [illegible] needs to resell the toll
---------------------- Forwarded by Stephen P Sheahan/Mass/USWEST/US on 11/13/2000 10:[illegible] AM ---------------------------

[illegible] Hollis
11/13/2000 11:04 AM

To: Stephen P Sheahan/Mass/USWEST/US@USWEST
cc:

Subject: Area Wide Calling

Good Morning:

The USOCs [illegible] and [illegible] (Area Wide Calling) have been added to both the CRIS
and [illegible] billing systems. The customer is now able to order this product.

Please contact me if the customer experiences any issues.

Thank you!
[illegible] Hollis

[illegible] AM

To: [illegible]/USWEST
cc:

Subject: Area Wide Calling

Good Morning,

The USOCs [illegible] and [illegible] (Area Wide Calling) have been added to both the CRIS and [illegible] billing systems. The customer is now able to order this product.

Please contact me if the customer experiences any issues.

Thank you
[illegible]

To: [illegible] (E-mail) <[illegible]@qwest.com>

cc:

Subject: FW: SmartPak South Dakota 9-6-00

-----Original Message-----
From: [illegible]@qwest.com [mailto:[illegible]@qwest.com]
Sent: Friday, September 08, 2000 3:01 PM
To: [illegible]
Subject: SmartPak South Dakota 9-6-00

<http://[illegible]/images/logo.gif>

September 6, 2000

[illegible]
[illegible] Communications
[illegible]
[illegible], SD [illegible]
[illegible]

To: [illegible]

Subject: SmartPak

TYPE OF NOTIFICATION: [illegible]

This is to advise your company of a new Qwest retail service offering effective September 14, 2000.

State: South Dakota

Tariff/catalog/price list reference: Exchange and Network Services Catalog,
Section [illegible].

Description of offer: This filing introduces a new package of features which
will be marketed as SmartPak to residence customers in Belle Fourche,

[illegible], Hill City, Lead, Rapid City, Spearfish, Sturgis, West Belle Fourche, [illegible] and Whitewood. This package will include an [illegible] of individual line rated access line (1FR, [illegible]) and the following features:

- [illegible] Call [illegible]

- Call Waiting

- [illegible] ID - [illegible]

- Three-Way Calling

The package will be offered at a price of $24.95 for the features and the 1FR. The features portion of this package is being tariffed at monthly rate of $7.20 (Rate Group 4). This represents the difference between the $24.95 total package monthly rate and the 1FR monthly rate of $17.75. In Rate Groups 2 and 3, the features portion of the package will be tariffed at the difference between the $24.95 rate and the monthly rate for the 1FR in the appropriate rate group.

The $24.95 rate for the package does not include any additional charges associated with the line such as Extended Area Service and Zone Increments.

There will be no nonrecurring charge associated with the features portion of the package.

Normal nonrecurring charges will apply to the line associated with the features. For example, a customer purchasing SmartPak who is subscribing to service for the first time or moving to a new location would pay the nonrecurring charges for the 1FR but no separate nonrecurring charge for the features. This would also be true if a customer wishes to add the package to [illegible] [illegible] today. A customer who already has a 1FR or additional line would not pay a nonrecurring charge to add the package to the line.

[illegible] [illegible] [illegible] [illegible] offers that are subject to Commission [illegible] [illegible] [illegible] [illegible] filings, as Qwest will not provide [illegible] of changes.

If you have any questions, please call your Qwest Account Manager, Steve [illegible] at [illegible]

[illegible]

[illegible]

[illegible] [illegible] [illegible]

[illegible]

[illegible]
[illegible]
[illegible]
[illegible]

[illegible]
[illegible]
[illegible]

[illegible]
[illegible]

Mary Lohnes

From: David Cross [dfcross@uswest.com]
Sent: Tuesday, October 31, 2000 1:12 PM
To: Mary Lohnes
Cc: Stephen P Sheahan
Subject: Re: FW: SmartPak South Dakota 9-8-00

Mary,

I received the following information from my Product Manager:

The Smartpak Service includes Extended Area Service (EAS) when EAS and Zone increments normally included in the line rate are included in the package monthly rate. However, EAS and Zone increments billed by a separate USOC bill as usual.

Qwest Smartpak customers may also subscribe to the optional calling Area Wide Plan ([illegible] & [illegible]) with no monthly rate and no nonrecurring charge.

Area Wide Plan is available for Wyoming/ South Dakota border towns. Eligible customers receive free unlimited direct-dial calling and operator-assisted calling to prefixes inside the designated calling area.

Under Resale of Smartpak, the Area Wide Plan option is not available.

The USOC for Smartpak is [illegible]

Any questions, let's discuss at 2:00.

Thanks,

David Cross
Account Manager / QWEST Communications | E-Mail: dfcross@qwest.com
Wholesale Emerging & Diversified Markets | Office: 612.663.7226
[illegible] South Fifth Street, Room 910 | Fax: 612.663.3869
Minneapolis, MN [illegible] | Pager: 800.632.8846

Mary Lohnes <mary_lohnes@mni.net> on 10/30/2000 04:10:10 PM

Qwest Tariff Directory

Tariff Activity Bulletin Board

Next ↓ | Previous ↑

Jurisdiction: South Dakota
Book: Qwest Corporation Exchange and Network Services Catalog
Subject: Change Name of SmartPak/Valuechoice
Job #: SD2001-040 **Trans/Advice #:**
Supplement #:

Status	Date	Correction
Established	11/08/2001	N
Effective	11/09/2001	N

Summary

This filing changes the name of Smartpak to Valuechoice. The existing Valuechoice Service name is changing to Smartpak.

Notes

Attached Files: EFFECTIVE: SD2001-040Pages.pdf

Next ↓ | Previous ↑

Home | Effective Tariffs | Qwest | Wholesale | Public Policy | Help

1. APPLICATION AND REFERENCE

1.3 SUBJECT INDEX (Cont'd)

1. APPLICATION AND REFERENCE

1.7 TRADEMARKS, SERVICE MARKS AND TRADE NAMES (Cont'd)

MARK	OWNER	
MARKET EXPANSION LINE®	Qwest Communications International Inc.	
NEVER BUSY FAX℠	Qwest Communications International Inc.	
NEXTCONNECTS℠	Qwest Communications International Inc.	
NO SOLICITATION℠	Qwest Communications International Inc.	
PHONE-BACKER™	Qwest Communications International Inc.	
QWEST®	Qwest Communications International Inc.	
QWEST RECEPTIONIST℠	Qwest Communications International Inc.	
SCAN-ALERT℠	Qwest Communications International Inc.	
SECURITY SCREEN℠	Qwest Communications International Inc.	
SELECTPAK™	Qwest Communications International Inc.	(N)
SIMPLE VALUE®	Qwest Communications International Inc.	
SMARTSET℠	Qwest Communications International Inc.	
SMARTSET PLUS℠	Qwest Communications International Inc.	
SUPER SAVINGS℠	Qwest Communications International Inc.	
TELECHOICE®	Qwest Communications International Inc.	
TRACKLINE PLUS℠	Qwest Communications International Inc.	
UNISTAR®	Qwest Communications International Inc.	
U S WEST®	Qwest Communications International Inc.	

5. EXCHANGE SERVICES

5. EXCHANGE SERVICES

5.9 PACKAGED SERVICES
5.9.1 PACKAGES ASSOCIATED WITH BASIC EXCHANGE SERVICE (Cont'd)

B. *SELECTPAK* (T)

1. Description

SELECTPAK is a package of features available to residential customers in conjunction with an additional or individual flat rate access line. Residence customers subscribing to the package are entitled to unlimited use of the services/features specified below: (T)

- Anonymous Call Rejection
- Call Waiting
- Continuous Redial
- Last Call Return
- Three-Way Calling

In addition to the standard features, a customer may select on or more of the following optional features:

- Call Forwarding-Variable
- Do Not Disturb
- Non-listed Service Listing
- Priority Call
- Talking Call Waiting

2. Terms and Conditions

A customer is automatically provided with all of the standard services or features from the list in 1., preceding. All terms and conditions specified elsewhere for the respective services/features requested as part of this service shall apply. (T)

5. EXCHANGE SERVICES

5.9 PACKAGED SERVICES

5.9.1 PACKAGES ASSOCIATED WITH BASIC EXCHANGE SERVICE (T)

B. *SELECTPAK* (Cont'd)

3. Rates and Charges

a. The monthly rates, following, must be and may only be applied in addition to the rates specified in 5.2.4.C., preceding, for residence additional or individual line flat rate service. Where applicable, incremental charges specified in 5.1. preceding, apply. (T) (T)

b. Existing *SELECTPAK* customers cannot take advantage of promotions for *SELECTPAK* or any of the services/features specified in 1., preceding, unless specifically allowed by the terms and conditions of the promotion. (T) (T)

c. Where *SELECTPAK* is provided in association with the installation of a new residence individual line flat service or the move of a residence individual line flat rate service from one location to another, normal nonrecurring charges associated with the line shall apply. (T)

d. *SELECTPAK* will be provided at the following rates. Customers may add additional optional features within the package at no extra charge. (T)

		MONTHLY RATE PER RATE GROUP				
	USOC	A	C	E	G	I
• Per individual or additional flat rate residence line	PGOVC	$11.90	$11.20	$10.40	$9.20	$8.70

MONTHLY RATE PER RATE GROUP	
B	D
$14.95	$14.25

5. EXCHANGE SERVICES

5.9 PACKAGED SERVICES
5.9.1 PACKAGES ASSOCIATED WITH BASIC EXCHANGE SERVICE (Cont'd)

D. *VALUECHOICE*

1. Description (T)

a. *VALUECHOICE* is a package of services/features available to residential customers in conjunction with an individual flat rate access line. Residence customers subscribing to the package are entitled to unlimited use of the services/features listed below: (T)

Standard Services/Features:

- Anonymous Call Rejection
- Call Forwarding - Variable
- Call Waiting or Call Waiting ID
- Caller Identification - Name and Number
- Long Distance Alert
- Three-Way Calling

b. In addition to the standard features, a customer may select one or more of the following optional features:

- Call Forwarding
  - Busy Line/Don't Answer (Expanded)
  - Busy Line (Overflow)/Don't Answer
- Message Waiting Indication
  - Audible
  - Audible/Visual
  - Visual

c. Optional Area Wide Calling

The optional Area Wide Plan is available only in the following exchanges:

- Belle Fourche
- Hill City
- Rapid City
- Sturgis
- Deadwood
- Lead
- Spearfish
- Whitewood

5. EXCHANGE SERVICES

5.9 PACKAGED SERVICES
5.9.1 PACKAGES ASSOCIATED WITH BASIC EXCHANGE SERVICE

D. *VALUECHOICE* (Cont'd)

2. Terms and Conditions (T)

All terms and conditions specified elsewhere for the respective services/features as part of this service shall apply.

3. Rates and Charges

a. The monthly rates, following, must be and may only be applied in addition to the rates specified in 5.2.4, preceding, for residence individual line flat rate service. Where applicable, incremental charges specified in 5.1, preceding, apply. (T)

b. Existing *VALUECHOICE* customers cannot take advantage of promotions for *VALUECHOICE* unless specifically allowed by the terms and conditions of the promotion. (T)

c. Where *VALUECHOICE* is provided in association with the installation of a new residence individual line flat service or the move of a residence individual line flat rate service from one location to another, normal nonrecurring charges associated with the line shall apply. (T)

d. *VALUECHOICE* will be provided at the following rates: (T)

NONRECURRING CHARGE

$5.00

MONTHLY RATE PER RATE GROUP

	USOC	A	B	C	D
• Per individual or additional flat rate residence line	PCV6X	$12.90	$15.95	$12.20	$15.25
		E	G	I	
		$11.40	$10.20	$9.70	

5. EXCHANGE SERVICES

5.9 PACKAGED SERVICES

5.9.1 PACKAGES ASSOCIATED WITH BASIC EXCHANGE SERVICE

D.3. (Cont'd)

e. Area Wide Plan

The optional Area Wide Plan is available with the *VALUECHOICE* configuration shown in this section or 105.9.1 of this Catalog. The following rates apply to either *VALUECHOICE* configuration (T)

(1) This plan is offered to single and multiline customers subscribing to *VALUECHOICE*. When the customer has one account that includes multiple lines the plan benefits apply to all the lines. (T)

(T)

(2) Area Wide Plan customers will be charged a special rate for their intrastate/intraLATA, Dial Station-To-Station long distance calls as described in 6.2.1, of this Catalog. For other than Dial Station-To-Station long distance calls, the charges specified in 6.2.1.E., of this Catalog apply. The plan is available on an account level basis. When the customer has one account that includes multiple lines, the Plan benefits apply to all lines.

(3) All calls made by Plan customers to cities in the Plan region are treated as calls made within the local calling area. Local Operator Assistance service charges in 6.2.1, of the Network and Exchange Tariff may apply to in-region calls. The plan also provides a special price for the dial station-to-station customer calls outside the Area Wide Plan region.

(4) This plan is not available with any other MTS calling plan.

	USOC	PER MINUTE RATE PERIOD INITIAL (30 SEC.)	PER MINUTE RATE PERIOD ADDITIONAL (6 SEC.)
• Outside the Area Wide Plan region	OFFS1	$0.050	$0.010

6. MESSAGE TELECOMMUNICATION SERVICE

6.3 OPTIONAL SERVICE OFFERINGS

6.3.18 CALLING CONNECTION PLANS

C. Rates (Cont'd)

SIMPLE VALUE Calling Plan

	USOC	RATE PERIOD INITIAL (30 SEC.)	RATE PERIOD ADD'L. (6 SEC.)
• Business	OLGJX		
- Peak[1]		$0.055	$0.011
- Off-Peak[2]		0.040	0.008
• Residence	OLGJX		
- Peak[1]		0.110	0.022
- Off-Peak[2]		0.045	0.009

SUPER SAVINGS Calling Plan

	USOC	NONRECURRING CHARGE[3]	RATE PERIOD INITIAL (30 SEC.)	RATE PERIOD ADD'L. (6 SEC.)
• Business	OLGFX	--	$0.040	$0.008
• Residence	OLGFX	$3.00	0.050	0.010

[1] The peak rate period is from 7 A.M.-7 P.M., Monday through Friday.

[2] The off-peak rate period is from 7 P.M.-7 A.M., Monday through Friday, and 24 hours on Saturdays and Sundays.

[3] The nonrecurring charge does not apply to new or existing residential customers who subscribe to *CUSTOMCHOICE* or *SELECTPAK* packages found in 5.9.1. (T)

10. MISCELLANEOUS SERVICE OFFERINGS

10.12 VOICE MESSAGING SERVICE

10.12.1 RESIDENCE VOICE MESSAGING SERVICE

C. Rates and Charges (Cont'd)

7. The rates and charges are as follows:

	USOC	NONRECURRING CHARGE	MONTHLY RATE
• Mailboxes, each line arranged[1]			
- With CFBDA/MWI	VMJXA	$ 6.00	$ 6.95
- Discounted[2, 3]	V4DXA	--	4.95
- With CFBDA/MWI-S	VMJXB	6.00	6.95
- Discounted[2, 3]	V4DXB	--	4.95
- Mailbox only	VMJXX	6.00	6.95
- Discounted[2,3]	V4DXX	--	4.95
- Anywhere Voice Mail	VTLMX	10.00	12.95
• Optional Features, each line arranged[4]			
- Additional Message Capacity			
- 50 Messages	VMC1X	--	3.00
- 100 Messages[5]	VMC2X	--	6.00
- Extension Mailbox	VBS	--	2.00
- Discounted[2]	V5D	--	1.00
- Message Notification	VFN	--	3.00
- Discounted[2]	V6D	--	2.00
- Spanish	S8V	--	--

[1] The nonrecurring charge does not apply when changing from one type of Voice Messaging to another.

[2] Discounted rates apply when these mailboxes and/or optional features are added as a part of *CUSTOMCHOICE*.

[3] Discounted rates apply when these mailboxes are added as a part of *VALUECHOICE*. (T)

[4] The nonrecurring charge applies only when ordered subsequent to the installation of service.

[5] This feature is not available with Extension Mailbox.

CONTINUATION

9 -

MID CONTINENT SERVICE ISSUES

ISSUE	OWNER	CURRENT STATUS
5. Service Order Error Initiative a. (#5)Midco gets features added to accounts that are not ordered. b. (#7)Qwest typists don't carry Midco remarks over from their orders to the typed order that goes to the technician. c. (#8)Service is taken out improperly. d. (#17)SmartPak w/ caller ID feature is included with SmartPak but Midco resold end users are being billed separately for it. e. Some accounts are having Toll Restriction placed on them when not requested (RTVXQ)	Ann Binkley	Qwest is randomly checking 10% of typed MidCo service orders to validate order accuracy and is providing immediate typist or group feedback. This initiative has been undertaken to alleviate problems encountered during provisioning and it will be ongoing until typing errors are at a minimum. Brenda Sheets will verify the results monthly prior to the status call with Midco. **11/15/01** Qwest is continuing to monitor MidCo service orders for errors and is providing feedback for improvement to the individual typist or group managers as appropriate. **12/13/01** Item D is still an open issue. Not all Value Choice customers are being billed separately for Caller ID. Ann asked Mary for a few examples so we can investigate further. **01/05/02** Both sides agree that improvements are taking place, however this item will remain open. Mid Continent question whether or not Qwest is developing Quality measures for continued improvement. Ann explained that we are performing a Quality Check on 10% of all Mid Continent orders on a weekly basis. **02/14/02** MidCo identified that over the past 10 days they have placed 24 UNE-P orders and 3 of those orders had errors once typed that left the customer out of service. All repairs were escalated and resolved quickly. Peter Lynch will send Ann a list of these orders so that we can pin point the problem. **02/15/02** Ann received the information and has requested an investigation to identify where the error happened on these orders. **02/28/02** Of the three errors Peter provided to Ann, Qwest has identified that these orders were NOT typing errors as the orders flowed through. Apparently a Recent Change error took place on these orders as they flowed through the systems and we believe that we have rectified the systemic problem. **03/07/02** Both parties agree that we are moving in a positive direction. In general it appears there are fewer quality issues than we've had in the past. Directory Listings Mid Continent was experiencing a problem with semi colon's being utilized for residential customers instead of a comma, Mid Continent is currently performing a reconciliation of listings for Rapid City and they believe the semi colon vs. comma problem has been corrected. Mid Continent agreed to provide examples to Qwest if they should encounter this again.
13. Midco has encountered problems with provisioning service to No. Sioux City, SD (Border town switched in Sioux City, IA). a. Midco has resold customer physically located in Wyoming but switched out of West Belle Fourche, SD.	Ann Binkley	Brenda Sheets will provide status of BAN establishment to Mary Lohnes by 11/9/01. **11/9/01** Brenda Sheets sent email to Mary Lohnes advising that additional investigation is required to ascertain that the BAN is established and ready for Midco to begin provisioning resale customers in the North Sioux City, SD area. Brenda Sheets will provide status by 11/16/01. **11/15/01** Qwest is working to clarify how border town situations are to be provisioned and billed. **01/10/02** Qwest is continuing to work this issue. **02/14/02** This issue is with the Qwest Regulatory group for review and Ann will provide a status to Mid Continent as it is received. **03/07/02** Qwest is still working internally to resolve this issue.
21. Resale rates for Midco were changed from 84.50% to 88% when when Qwest completed a contract clean up based on the contract library web database. Midco's current resale contract was not posted on the web	Ann Binkley	Brenda Sheets verified that the request to change the rates back to 84.50% was issued on 10/29/01. Qwest will be crediting back to 1998 on bill. Tentative schedule is that billing will be corrected by the December bill cycle at the latest. This credit completed by end of year 2001. **11/15/01** Qwest anticipates having this credit completed by end of year 2001. **12/13/01** Mid Continent acknowledges that credits are coming through, however in some cases credits are not going back far enough. An example would be that Mid Continent received a credit for a customer who disconnected, however the credit does not go back for the life of the customer. Ann will investigate.

02/14/02 Nancy clarified this issue – MidCo was back billed in October 2000 based on a previous contract. This was quickly identified and credits were issued and showing on the November 2000 bill, however not all accounts received the same credit as the back billing. Since October 2000 some accounts are still being billed at the incorrect rate.		**01/10/02** This specific issue is being worked with Susie Turner and Gia Butters in Billing. Ann will continue to monitor the progress. **02/11/02** Spoke with Gia Butters, she has completed the R04, 07, 10, 13, 16, 28, and is working on the R19, 22, 25 BANS. Plan is to complete all BANS by month end. **02/14/02** Nancy will provide Ann with the specific detail. **02/15/02** Ann has received the detail and has forwarded on to billing management for investigation. **02/28/02** All disputes for North Dakota have been cleared. **03/05/02** The Qwest CRIS Database Table updates are in process. These updates will be retroactive to 1/14/99 and will encompass 1FRs and Centrex lines. **03/07/02** Qwest has scheduled the update for CRIS Database Tables for March 15th. This update will encompass Residential USOCs as well as Centrex USOCs. Mid Continent should begin seeing credits on their bills with April billing.	
Over billing on Collocation in South Dakota	Ann Binkley	**03/05/02** MidCo contacted Qwest indicating that the Collocation Bill on C9TLC01 is billing for 120 AMPS for the Collocation, when MidCo ordered 60 AMPS. **03/06/02** Per the original Collocation Order, Mid Co ordered 2 – 48 volt DC Power Cabling at 60 AMP a piece. Billing is accurate. **03/07/02** Per MidCo's request Qwest will investigate this further as MidCo believes that an error occurred between the original order and the final documents.	
CABS Data Qwest was requested via CMP SCR111901-1 to break out the Access and Usage DUF files into separate files.	Ann Binkley Mary Lohnes	Updates for Change Management Requests can be found on the Qwest Wholesale Web Site at: http://www.qwest.com/wholesale/downloads/2002/cmp/CLEC_Change_Request-Systems_Interactive_Reports **03/06/02** Qwest contacted Mid Continent requesting information on how Mid Continent would like to receive this data. Qwest is awaiting Mid Continent's response. Qwest anticipates having a report available to Mid Continent in April. **03/07/02** MidCo is concerned that they are not getting Qwest records in order to generate billing. Qwest is going to provide separate DUF files for MidCo and has requested MidCo trap calls they are receiving from Qwest so that Qwest can investigate the records being received.	
UNE-P Bill was incorrect	Qwest Mid Continent	**03/06/02** Qwest requested Mid Continent provide the necessary information to Qwest Billing for investigation. **03/07/02** MidCo is concerned that Qwest did not bill install charges on their UNE-P bill. This has been forwarded to Qwest billing for resolution.	**03/07/02**
UNE-P Usage is not coming through	Mid Continent	**03/06/02** Qwest is in need of further information before this can be investigated. Is there a specific report that Mid Continent is looking at that does not include UNE-P Usage? **03/07/02** MidCo set up a separate e-mail for the UNE-P DUF and was anticipating receiving this information via e-mail. Qwest explained that DUF files are not separated by product, and that MidCo would receive their UNE-P DUF the same as they receive all products.	**03/07/02**
IMA does not accept @ address	Qwest	**02/25/02** Mid Continent informed Qwest that @ address is not working in IMA 9.0 as it is suppose to be. A Wholesale System Help Desk ticket (1-888-796-9102 opt 3) was opened by Qwest. **02/27/02** Qwest has been able to replicated the problem and a Change Request (CR) has been issued to correct this problem.	
Why does Qwest accept and bill customers with "No PIC". These customers should be blocked and have to use a calling card.	Qwest	**03/06/02** Mid Continent presented this issue today, and Qwest is requesting additional information (specific customer numbers) associated with this situation so an investigation can take place. **03/07/02** Qwest has sent this issue to billing for investigation.	

Area Wide Calling Plan – There are new prefixes in South Dakota that appear not to be included in this Plan. 605-347 (Sturgis), 605-718 (Rapid City), 605-210 (Belle Fourche)	Qwest	**03/06/02** These new prefixes will be added to the Area Wide Calling Plan effective Friday, March 8th.	03/07/02
Mid Continent was attempting to Resell a McLeod customer and Qwest has indicated that the number is not portable. Why is the number not portable?	Mid Continent	**03/04/02** The NPA-NXX in question (605-764) belongs to McLeod and is not marked as portable in the LERG, so Qwest is unable to port this number from McLeod to enable Mid Continent to resell the customer. **03/06/02** Does Mid Continent have access to the LERG and are you able to verify portability via the LERG?	03/07/02
Jeopardy Notifications – Qwest will send mechanically.	Mid Continent	**03/06/02** Currently when a service request is in jeopardy, Qwest notifies you via a status update, e-mail, Jeopardy Notification, telephone call, and/or a FOC. If you are using a mechanized tool to submit your requests, please refer to that tool to receive, access, or view your jeopardy notice. If you choose to receive your jeopardy notices in an alternate method, you must submit a written request to your Qwest Service Manager to implement the new method of delivery	03/07/02

CONTINUATION

[10]

Scan ~ ~ # Pgs [ ]

Qwest.

For billing questions, call 1-800-452-9716
For service questions, call 1-800-279-8806

DAWN NICKELSON
Bill Date: Feb 19, 2002
Account No: 605 347-0104 452

▼LONG DISTANCE SERVICES

LONG DISTANCE CALLS

NO.	DATE	TIME	PLACE		AREA-NUMBER	TYPE	MIN	AMOUNT
			AREA WIDE PLAN					
9.	FEB 4	745PM	TO RAPID CITY	SD	605 718-3895	E	52.8	5.28
10.	FEB 6	535PM	TO RAPID CITY	SD	605 718-3895	E	8.7	.87
11.	FEB 6	620PM	TO RAPID CITY	SD	605 718-0303	E	3.5	.35
12.	FEB 7	534PM	TO RAPID CITY	SD	605 718-0303	E	3.0	.30
13.	FEB 7	816PM	TO RAPID CITY	SD	605 718-0303	E	.7	.07
14.	FEB 10	1050AM	TO RAPID CITY	SD	605 718-0303	N	1.9	.19
		(SUBTOTAL OF AREA WIDE PLAN					70.6	7.06)

Type of Long Distance Calls:
E-EVENING *N-NITE/WKEND*

TOTAL LONG DISTANCE CALLS	70.6	7.06

Customer has
Valuechoice package
shows has area wide plan (ctts!)

Qwest.

For billing questions, call 1-800-452-9716
For service questions, call 1-800-279-8806

BRAD CRISP
Bill Date: Feb 19, 2002
Account No: 605 347-0226 800

▼ UNREGULATED SERVICES

DIRECTORY ASSISTANCE

5 CALLS @ $1.06 PER CALL 5.30

A WHOLESALE DISCOUNT HAS BEEN APPLIED.

TOTAL DIRECTORY ASSISTANCE 5.30

▼ LONG DISTANCE SERVICES

LONG DISTANCE 5.94

QWEST LONG DISTANCE SERVICES CHARGES $5.94

LONG DISTANCE CALLS

NO.	DATE	TIME	PLACE		AREA-NUMBER	TYPE	MIN	AMOUNT
			AREA WIDE PLAN					
7.	DEC 19	1211PM	TO BALTIC	SD	605 529-5762	D	1.8	.18
8.	DEC 24	756PM	TO BALTIC	SD	605 529-5762	E	12.6	1.26
9.	FEB 3	130PM	TO MCLAUGHLIN	SD	605 823-4290	N	5.9	.59
10.	FEB 6	608PM	TO RAPID CITY	SD	605 718-4829	E	.8	.08
11.	FEB 7	542PM	TO RAPID CITY	SD	605 718-4829	E	.6	.06
12.	FEB 9	1227AM	TO BALTIC	SD	605 529-5425	N	37.7	3.77
		(SUBTOTAL OF AREA WIDE PLAN					59.4	5.94)

Type of Long Distance Calls:
D-DAY *E-EVENING*
N-NITE/WKEND

TOTAL LONG DISTANCE CALLS 59.4 5.94

Qwest.

For billing questions, call 1-800-452-9716
For service questions, call 1-800-279-8806

PAT STURIS
Bill Date: Feb 19, 2002
Account No: 605 347-0216 524

▼ LOCAL SERVICES

MONTHLY SERVICE-FEB 19 THRU MAR 18
347-0216 — 21.09

OPTIONAL SERVICES
These services are provided at your request and are not required as part of your basic telephone service.
SMARTPAK — 21.09

FEDERAL ACCESS CHARGE — 5.00
FEDERAL CHARGE - SERVICE PROVIDER NUMBER PORTABILITY — .43

QWEST LOCAL SERVICES — $26.52

ADJUSTMENTS
TRANSFERS
TOTAL ADJUSTMENTS — 28.65% / 28.65%

▼ LONG DISTANCE SERVICES
LONG DISTANCE — 1.43

QWEST LONG DISTANCE SERVICES CHARGES — $1.43

LONG DISTANCE CALLS

NO.	DATE	TIME	PLACE		AREA-NUMBER	TYPE	MIN	AMOUNT
			AREA WIDE PLAN					
1.	JAN 20	622PM	TO BELLEFORCH	SD	605 210-0102	N	1.2	.12
2.	JAN 22	748PM	TO BELLEFORCH	SD	605 210-0102	E	.5	.05
3.	JAN 23	928AM	TO RAPID CITY	SD	605 718-3652	D	.5	.05
4.	JAN 23	622PM	TO RAPID CITY	SD	605 718-3652	E	.7	.07
5.	JAN 24	544PM	TO BELLEFORCH	SD	605 210-0102	E	.5	.05
6.	JAN 27	131PM	TO RAPID CITY	SD	605 718-3652	N	.9	.09
7.	JAN 27	233PM	TO RAPID CITY	SD	605 718-3652	N	.5	.05
8.	JAN 29	656PM	TO RAPID CITY	SD	605 718-3652	E	2.9	.29
9.	FEB 3	1008AM	TO BELLEFORCH	SD	605 210-0102	N	.5	.05
10.	FEB 8	530PM	TO RAPID CITY	SD	605 718-3652	E	3.5	.35
11.	FEB 9	1221PM	TO RAPID CITY	SD	605 718-3652	N	2.6	.26
			(SUBTOTAL OF AREA WIDE PLAN				14.3	1.43)

Type of Long Distance Calls:
D-DAY
N-NITE/WKEND
E-EVENING

TOTAL LONG DISTANCE CALLS — 14.3 — 1.43

Area Wide Plan (Calling Plans) - SD (WY Border Towns Only) Bus

Availability/Interactions

- Available to Business classes of service.*

- Effective 2/4/02 this plan will no longer require customers to subscribe to a package bundle.

- Customer must subscribe to Qwest LPIC 5123 on at least one line. On multi-line accounts only lines with Qwest LPIC 5123 will have their usage rated by the Area Wide Plan.

- Only customers residing in the following communities are eligible. Click on the specific community to see a list of eligible prefixes.

  - South Dakota - Bell Fourche , Deadwood , Hill City , Lead , Rapid City , Spearfish , Sturgis and Whitewood .

  - Wyoming - West Spearfish and West Bell Fourche .

*This plan is also available to Residence customers. See Area Wide Plan (Calling Plans) - SD (WY Border Towns Only) Res for more information.

Border Towns

Wyoming/ South Dakota border towns are eligible for the plan. Click here for specifics on order writing and account access.

Feature Interactions

Product/Service	Compatible	Product/Service	Compatible
Account Code Billing	Y	Other Qwest calling plans	N
Centrex 21	Y	PAL (Public Access Line)	N
Foreign Central Office	N	Qwest DSL	Y
Foreign Exchange	N	Resale	Y
Hearing & Speech Impaired Persons Discount	N	Shared Pay Phone Service	N
Independent Company Territories (where billing capabilities exist)	Where billing capabilities exist	Suspend in Service	N, see removal rules
ISDN	Y	Toll Only Account	N
Market Expansion Line	Y (IntraLATA w/LPIC 5123 only)	UNE-P accounts	N

Critical Information

This plan does not change the dialing patterns (i.e. 1+ number) for customers calling inside or outside of the designated calling area . If customer would normally dial a "1" before the number they would continue to do so. CRIS programming gives the discount before the bill is printed.

Do NOT add a calling plan USOC to accounts with restricted service (i.e. RBE1X.)

Customer must have Qwest LPIC 5123 to qualify for this plan. On multi-line accounts at least one line must have LPIC 5123, only those lines with the LPIC 5123 will have usage rated by this calling plan.

If removing LPIC 5123 from all lines on an account, the calling plan USOC must be removed.

Customer Handling

This plan does not change the dialing patterns (i.e. 1+ number) for customers calling inside or outside of the designated calling area .

Description

- Eligible subscribers receive free unlimited direct-dial calling and Operator-Assisted calling* (see call types) to prefixes inside the designated calling area .

**Only the per-minute toll charges will be included in the plan. All surcharges will be assessed to the customer at their usual rates. . See Operator-Assisted calling for more information.*

- Direct dial calls outside of the designated calling area but within the home LATA are rated at a reduced per-minute charge.

Note: Customers calling outside of the designated calling area do not receive Operator-Assisted calls at the discounted rate. They will be charged at the usual rate. See Operator-Assisted calling for more information.

- There are no monthly or non-recurring charges for the plan.

This plan does not change the dialing patterns (i.e. 1+ number) for customers calling inside or outside of the designated calling area . If customer would normally dial a "1" before the number they would continue to do so. CRIS programming gives the discount before the bill is printed.

Rates & USOCs

Originating number location	USOC	Rate per minute					
		Terminating number is inside of the designated calling area .			Terminating number is outside of the designated calling area		
Inside of the designated calling area *	OFFS2#	Note: No charge for direct dial and Operator-Assisted calling.			Note: Only direct dial calls are eligible for discount.		
		Initial 6 seconds	Each Addl. 6 seconds	Average rate per minute	Initial 6 seconds	Each Addl. 6 seconds	Average rate per minute
		$0.00	$0.00	$0.00	$0.045	$0.009	$0.09

**Customer calls originating outside of the* designated calling area *are not eligible for the plan. See* availability *for more information.*

#Eastern only: OCP FID is YA (OFFS2/OCP YA.) SONAR automatically adds FID.

Bell Fourche prefixes

Eligible NPA/ Prefix combination	
Qwest	Other company ownership
605-892	605-723

Deadwood prefixes

Eligible NPA/ Prefix combination	
Qwest	Other company ownership
605-578	605-585 605-631 605-920

Hill City prefixes

Eligible NPA/ Prefix combination	
Qwest	Other company ownership
605-574	None

Lead prefixes

Eligible NPA/ Prefix combination	
Qwest	Other company ownership
605-584	605-580 605-588 605-591 605-641

Rapid City prefixes

Eligible NPA/ Prefix combination	
Qwest	Other company ownership
605-341	605-381
605-342	650-389
605-343	605-390
605-348	605-391
605-355	650-430
650-385	605-431
650-388	605-484
605-393	605-719
605-394	605-721
605-399	
605-727*	
605-737	
605-786	
605-787*	
605-877	
605-923	

*Rapid City prefixes 605-727 & 605-787 were added to the availability list on 10-12-00. Calls before that date were not eligible.

Spearfish prefixes

Eligible NPA/ Prefix combination	
Qwest	Other company ownership
605-642 605-644	605-639 605-640 605-645 605-722

Sturgis prefixes

Eligible NPA/ Prefix combination	
Qwest	Other company ownership
605-347 605-423	605-490 605-499 605-720 605-990

Whitewood prefixes

Eligible NPA/ Prefix combination	
Qwest	Other company ownership
605-269	None

West Spearfish prefixes

Eligible NPA/ Prefix combination	
Qwest	Other company ownership
307-643	None

West Bell Fourche prefixes

Eligible NPA/ Prefix combination	
Qwest	Other company ownership
307-896	None

Description

Call Types

Call Type	Compatible	Call Type	Compatible
Calling Card	Y*	Local	N
Collect	Y*	Operator Handled	Y*
Direct Distance Dialed	Y	Pay Phone Originated	Y*
State-to-State/ IntraLATA	Y	Third Number	Y*
In-State/ IntraLATA	Y	1-800-U S WEST Calling Services	N

*Only the usage is included in the plan. The typical surcharges will be assessed to the customer.

Designated calling area

The following NPA/ Prefix combinations are inside of the designated calling area. See also Availability .

Community	Eligible NPA/ Prefix combination	
	Qwest	Other company ownership
Bell	605-892	605-723

Fourche, SD		
Deadwood, SD	605-578	605-585 605-631 605-920
Hill City, SD	605-574	None
Lead, SD	605-584	605-580 605-588 605-591 605-641
Rapid City, SD	605-341 605-342 605-343 605-348 605-355 650-385 650-388 605-393 605-394 605-399 605-727* 605-737 605-786 605-787* 605-877 605-923	605-381 650-389 605-390 605-391 650-430 605-431 605-484 605-719 605-721
Spearfish, SD	605-642 605-644	605-639 605-640

		605-645 605-722
Sturgis, SD	605-347 605-423	605-490 605-499 605-720 605-990
Whitewood, SD	605-269	None
West Spearfish, WY	307-643	None
West Bell Fourche, WY	307-896	None

*Rapid City prefixes 605-727 & 605-787 were added to the availability list on 10-12-00. Calls before that date were not eligible.

LATA

Go to the LATA Database to find out if call is within LATA.

Operator-Assisted calling

- Operator-Assisted calls are included when the call terminates inside the designated calling area.
- Operator-Assisted calls are not included when the call terminates outside of the designated calling area .
- Customers always pay the additional applicable surcharges.

Calling area	Rate per minute*		Additional surcharges**
	Weekday	Evening/ Night/ Weekend	
In-State	$0.29	$0.27	Rates and Charges (Local Long Distance) - All States Bus Res
State-to-State (border towns)	$0.25	$0.12	Rates and Charges (Local Long Distance) - All States Bus Res

**Only the surcharges are assessed on Operator Assisted calls inside the designated calling area.*

***Customers always pay the additional applicable surcharges.*

Service Orders

SOLAR - Eastern-Business

Add New:

- R Order - Add new with existing CCFB - Bus
- R Order - Add new with existing Centrex 21 (1AESS) - Bus

Remove:

- R Order - Remove Area Wide Plan , keep existing CCFB - Bus

Remove and add different calling plan:

- R Order - Remove Area Wide Plan and add different calling plan - Bus

Suspend & Restore removal rules

Calling plans cannot be on suspended accounts. Use the following table for customers with suspended accounts.

Step	Action
1	Issue R order to remove plan prior to suspend order.
2	Issue suspend order.
3	Issue restore order.
4	Issue R order to add plan, waive any non-recurring plan charges. Note: LPIC must be Qwest LPIC 5123 to add a calling plan USOC.

negligence as a standard (i.e., requiring willful or intentional conduct), as Qwest proposed, is appropriate under the commercial circumstances here. With certain changes, AT&T's approach to dealing with the customer fraud issue should be incorporated into the SGAT.

8. Third-Party Indemnification

AT&T commented specifically that Qwest should bear responsibility for damages that CLECs pay their own end users as a result of poor Qwest performance and, more generally, that the SGAT's indemnity provisions should be broadened to more closely mirror those found in competitive commercial settings. AT&T also argued for the creation of incentives to make Qwest, as a monopolist, more apt to perform adequately in serving CLECs. The question of incentives will be addressed in connection with the Performance Assurance Plan; the issue here should be limited to responsibility for damages. Qwest's SGAT limitations are generally consistent with the available evidence of what might be expected in a competitive marketplace. However, the SGAT should be amended to provide that Qwest will indemnify CLECs (and vice versa) for bodily harm and damage to tangible property that results from Qwest's negligence or intentional or willful conduct.

9. Responsibility for Retail Service Quality Assessments Against CLECs

XO commented that Qwest should bear responsibility for assessments that state commissions levy against a CLEC for meeting retail performance standards, in cases where Qwest failed to provide the CLEC with related wholesale services that met SGAT standards. Such an immutable rule is neither necessary nor appropriate. CLECs may argue questions of third-party responsibility for their failure to meet retail standards in proceedings that set or enforce such standards. Commissions can then decide on the basis of a full record, as opposed to the presumption that would be effectively created by XO, whether and what assessments should be levied against a CLEC.

10. Intellectual Property

AT&T presented SGAT language that it said would resolve its concerns about the mutual obligations of SGAT parties to deal with intellectual property issues. The frozen SGAT contained language largely incorporating AT&T's proposal; however, the lack of briefing made it difficult to determine whether this issue had been resolved to all parties' satisfaction. Absent comments to the individual commissions on this report, it should be assumed that such agreement has been reached.

11. Continuing SGAT Validity After the Sale of Exchanges

AT&T proposed a series of provisions that would apply should Qwest seek to sell exchanges: transferring SGAT obligations to the exchange purchaser, providing CLECs with prior notice of the sale, facilitating CLEC discussions with the transferee, and waiving objections to commission authority to impose SGAT obligations on the transferee or CLEC participation in commission proceedings. Qwest agreed to provide notice and to facilitate discussions. AT&T's proposal to require Qwest to waive objections to commission authority or to CLEC participation in commission proceedings

EXHIBIT
mi&co
13

MIDC013

or death of any person or persons, or for loss, damage to, or destruction of tangible property, whether or not owned by others, alleged to have resulted directly from the negligence or intentional conduct of the employees, contractors, agents, or other representatives of the Indemnifying Party.

9. Responsibility for Retail Service Quality Assessments Against CLECs

XO argued that Qwest should bear responsibility for assessments or fines levied against a CLEC that fails to meet a state commission's retail performance standards because of a failure by Qwest to provide the CLEC with SGAT-compliant service.[65]

Proposed Issue Resolution: The XO request establishes an immutable rule about who should ultimately be responsible for state-commission imposed assessments for violating retail service requirements. The problem with this approach is that it may not be consistent with each state's policy regarding such assessments. For example, a commission could legitimately seek to penalize a CLEC whose failure to demand proper performance from its wholesale supplier (or perhaps even to be watchful enough to know that its end users were getting poor service due to the actions of Qwest as a vendor) contributed to the poor service that the commission may find cause to penalize. The fact that the vendor in this case is a competitor with a monopoly to protect may mitigate the usual prudence rule that requires a utility to manage its suppliers effectively, but it by no means should be read to obviate that important customer-protection rule ab initio.

The superior way to deal with CLEC concerns about such "vicarious" liability is for them to make arguments in proceedings that either establish such standards and assessments in the first place, or in cases that are opened to enforce them. This approach, as opposed to the inclusion of XO's language in the SGAT, is better designed to give commissions the ability to impose their view of what customer-protection demands in their individual jurisdictions.

10. Intellectual Property

There were disagreements at the workshop about SGAT Section 5.10, which deals with intellectual property. AT&T represented that agreement had been reached on a revised Section 5.10, the terms of which AT&T included in Exhibit C of its brief. AT&T said that this issue could be considered resolved, in the event that Qwest continued to agree to the Exhibit C language.[66] Qwest did not brief this issue, but its frozen SGAT contained language identical to that of AT&T, except as to several particulars.

Proposed Issue Resolution: There is no way from the record to verify that the differences between AT&T brief Exhibit C and frozen SGAT Section 5.10 are material to AT&T. It should, however, be presumed that this issue is closed, in the absence of

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[65] XO GT&C Brief at pages 6 through 8. XO's argument would also obligate Qwest to make a CLEC whole for any payments it made to its customers for poor service, when Qwest caused it. That argument should fail for the same reasons set forth in the discussion of the immediately preceding issue.

[66] AT&T GT&C Brief at page 22.

End bandwidth deprivation...Gain amazing productivity. Experience proven reliability and responsiveness. In one great offer.

QWEST DEDICATED INTERNET ACCESS

Dear Telecommunications Manager:

Piecing together "best-of-breed" solutions to get dedicated Internet access can make you crazy. And you still may not get the bandwidth you need. ***What you need is the simple, cost effective, comprehensive solution that you get with Qwest Dedicated Internet Access.***

Qwest's Dedicated Internet Access (DIA) provides the productivity that was only a promise before. Get highly reliable, high-speed Internet connectivity. All from a leading source of Internet broadband technology. All in one great offer.

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*Three-year service agreement required to obtain this special promotional pricing. Internet Service Provider cost is additional. Internet Access Service availability objective is 99.9%. Please refer to the Service Agreement for more information. Customers in the states of AZ, CO, ID, IA, MN, MT, NE, NM, ND, OR, SD, UT, WA and WY will have their Qwest Internet services provided in conjunction with a separate Global Service Provider (GSP). This provider will supply customers with connectivity to the global Internet in those states. Services not available in all areas. Some restrictions apply. Call Qwest for details.

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are against public policy and the normal rules of construction applicable to statutes conferring authority on state agencies. The SGAT should be changed to provide a short period during which the SGAT will continue to apply while the commission exercises any existing power it may have to examine and condition the transfer of exchanges by Qwest.

12. Misuse of Competitive Information

AT&T cited one instance from Minnesota of an abuse of competitive information to support a requirement that Qwest be made to offer a comprehensive showing that Qwest retail marketing personnel have no access to CLEC confidential customer information. The issue AT&T raised is very serious, but its evidence falls far short of proving a failure to meet Section 271 requirements or of supporting an extensive remedial plan. However, the record does not contain substantial evidence of what Qwest does to: (a) minimize the possibility of, (b) discourage, (c) detect, and (d) punish inappropriate contact by its resources. Therefore, in order to provide an adequate baseline for determining that adequate measures are in place, Qwest should within 30 days provide each state commission with a description of its programmatic efforts in these four key steps in controlling the use of sensitive customer information.

13. Access of Qwest Personnel to Forecast Data

AT&T argued that Qwest did not adequately identify the persons to whom access to individual CLEC forecast information (recognized by the SGAT to be sensitive) could be made available. XO and AT&T both objected as well to Qwest's refusal to restrict access to aggregated CLEC forecast data. The SGAT would properly limit access to individual CLEC forecast data, if it were to include a recommended limitation on access to that data by Qwest legal representatives. The SGAT should be interpreted as not allowing access to aggregated data to any population broader than that entitled to receive individual data. Moreover, the SGAT should be changed to require Qwest to take precautionary steps in cases where it is ordered to provide CLEC forecast data by a state commission.

14. Change Management Process

The process that Qwest calls CICMP constitutes the change management process that Qwest offers to comply with FCC requirements. Qwest was making significant changes to this process while the workshops took place. Therefore, the record did not allow an assessment of Qwest's compliance with FCC requirements applicable to change management processes. No constructive recommendations for the state commissions or, in turn, the FCC about CICMP can thus be made.

15. Bona Fide Request Process

AT&T raised three discrimination concerns about the SGAT bona fide request (BFR) process: (a) Qwest failed to show that it required a similar internal process when its end users asked for non-tariffed services, (b) Qwest did not provide CLECs with sufficient notice of the existence of prior, similar BFRs, and (c) there were no objective standards for standardizing products and services made available under repeated BFR requests. First, AT&T failed to demonstrate that there is an actual retail analogue for the BFR

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commission may impose SGAT transition requirements, provided that it already has the power to do so (i.e., the SGAT will not confer any such power, nor, if there is no such power, will the SGAT effectuate a continuation of the SGAT for more than the prescribed period). This clause excludes AT&T's no-contest clauses related to intervention or jurisdiction to condition transfers. Commissions are creatures of statute; their jurisdiction cannot be expanded by agreement. Moreover, commissions are competent to determine the public interest involved in requests for intervention; their decisions should be informed by what all parties in interest have to say on the relevant considerations.

This leaves the question of serving applications. It is unnecessarily burdensome to require Qwest to determine which of the more than 100 CLECS serving in its territory have end users in the exchanges involved or to send each a lengthy application. It is sufficient for Qwest, should it choose, merely to inform all CLECs of the pendency of a transfer of identified facilities. CLECs may then determine for themselves their interest in the transfer and seek intervention as appropriate.

12. Misuse of Competitive Information

AT&T provided evidence that it said showed an abuse of Qwest's obligation not to disclose information to it marketing and sales personnel. Specifically, AT&T provided evidence that Qwest contacted a Minnesota end user to secure a rescission of the customer's election to transfer to AT&T, between the time that AT&T submitted the necessary LSR and the time that the transfer was to take place. AT&T took the position that Qwest's marketing and sales personnel must have learned of the switch through the LSR, which means that Qwest can similarly misuse information throughout its region, because it employs a system-wide OSS.[68] AT&T said that Qwest should not be deemed to comply with the requirements of Section 271 until it "demonstrates that it has corrected every mechanism through which Qwest's retail marketing personnel gain access to CLEC confidential customer information". Qwest did not brief this issue.

Proposed Issue Resolution: Abuse of information that Qwest gains through the ordering systems that CLECs use to secure facilities or services that will deprive Qwest of existing end users is a very serious matter. For competition to succeed, there must be a high level of confidence that Qwest will limit its use of such systems to serve CLECs, not to gain competitive advantage over them. Certainly, CLECs have no fully comparable method for learning of other carrier efforts (including those of Qwest) that will do them competitive injury.

The problem on this record becomes one of deciding what to make of the single incident cited by AT&T. It did not describe the kind of effort it undertook to uncover incidents of this type. Such a description would have helped to decide whether this case was symptomatic or isolated. There are surely circumstances where Qwest may learn of CLEC attempts to win its end users by means other than illicit access to LSR information. Qwest serves millions of access lines throughout its region. It would not be surprising for a telemarketer selling new services to Qwest end users to encounter by chance a household member who says that there has just been a decision to switch to another

[68] AT&T GT&C Brief at page 23.

carrier. Given these possibilities, citing a single incident (although AT&T does correctly observe that the state involved is not per se material) does not support a broad conclusion that Qwest's performance fails in meeting Section 271 requirements, or that there exists a need for imposing a potentially very substantial remedial plan.

However, the record does not allow a determination of whether Qwest takes reasonable steps to: (a) minimize the possibility of, (b) discourage, (c) detect, or (d) punish inappropriate conduct. Moreover, Qwest said at the workshop that it did not know whether its customer service representatives could determine from customer account screens whether a CLEC had recently issued through the OSS interface an order affecting that account.[69] Given the importance of this issue, therefore, Qwest should submit a report to the commissions within 30 days detailing its programmatic efforts addressing all four of these key steps in assuring that reasonable steps are taken to control the use of sensitive information. This report should be designed to allow the commissions to make a finding that Qwest has in place a reasonable and comprehensive program for assuring that the possibility for inappropriate use of information received through its GUI and EDI interfaces with CLECs is appropriately minimized.

13. Access of Qwest Personnel to Forecast Data

XO commented that Qwest's legal personnel should not have free access to aggregated CLEC forecast information to use in regulatory filings. XO considers the information in forecasts to be competitively sensitive. It said that Qwest should seek the information through discovery requests if it considers it important for regulatory purposes. XO concluded that the SGAT should preclude use of CLEC confidential information for any purpose other than that for which it was provided.[70]

AT&T expressed concerns about both the sufficiency of the description of those who can see individual CLEC forecast information (it said it could not determine all those to whom Qwest considered disclosure appropriate) and about the ability of Qwest to make free use of aggregated CLEC forecast information. AT&T argued that Qwest receives only a limited license to use CLEC information, not a more general right to transform it and use it for other purposes.[71]

Qwest responded that the language of SGAT Sections 5.16.9.1 and 5.16.9.1.1 would prohibit the disclosure of both individual and aggregated CLEC forecast data to its marketing, sales, and strategic planning personnel. Qwest also said that the language in question allows access to individual CLEC forecasts only by those Qwest personnel who need to have it for use in responding to the forecasts at issue. The positions that Qwest said this need extends to include wholesale account managers, wholesale LIS and collocation product managers, network and growth planning personnel. Qwest would also allow access by its attorneys when a legal issue arises about a specific forecast.[72]

Proposed Issue Resolution: Qwest's language does generally limit individual forecast information to those with a need to use the information to manage Qwest's contractual

[69] June 28, 2001 transcript at page 240.
[70] XO GT&C Brief at pages 2 and 3.
[71] AT&T GT&C Brief at pages 25 through 27.
[72] Qwest GT&C Brief at pages 30 and 31.

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Discussion: It should probably come as no surprise that parties who have described much of their opponents' positions as bald-face attempts to move payments in a self-serving direction, should bring the Internal Revenue Service into the argument. However, we consider it safe to presume that the prior plans considered by the FCC were also conceived in the shadow of our ever-watchful federal government revenuers. We see no reason unique to Qwest that would justify a tax-netting factor here. Neither, by the way, do we see any reason why the nomenclature of the QPAP, as opposed to the substance of the payments contemplated, would put the hounds off the scent in any case. We have confidence that what the thing is, as opposed to what those interested in the result call it, is the more material fact bearing on the question of taxability.

B. Magnitude of QPAP Payout Levels

Total economic exposure addresses only part of the broader issue of the sufficiency of payments under the QPAP to provide a meaningful and significant incentive to Qwest. Equally material is the question of what level of event-specific payments apply. A total exposure of even much more that 36 percent of net intrastate revenues might not deter substandard performance, if payments per event of non-compliance are so low that:

- They do not compensate CLECs, as a baseline consideration, for the harm that poor performance causes them
- Their accumulation is at so slow a rate as to make it improbable that they will rise to economically significant levels, no matter how bad performance becomes
- They fail to communicate to Qwest that compliance is preferable to defiance.

Qwest presented an analysis of the payments that the QPAP would have produced for the months of February through May 2001, on the basis of the assumption that the QPAP had been in effect for at least six months prior to that February. The calculations to which Qwest testified showed that payments would have been ***CONFIDENTIAL*** and would have produced the equivalent of ***CONFIDENTIAL*** free years of service for CLECs. Qwest considered these payment levels to be very substantial in light of the fact that Qwest measured its overall performance level under the applicable performance measures at 92 percent during this period. A principal premise underlying Qwest's belief in the validity of this analysis is that the prices that CLECs pay reflect a relevant measure of the value of the services that they receive for paying those prices. This premise takes the view that the price of goods or services in a free economy is a persuasive measure of their value.[34]

Qwest also presented analyses of the combined Tier 1 and Tier 2 payments it would have made for the 2001 months of February through May for unbundled loops and coordinated cuts. Qwest's analysis showed that its QPAP payments for those measures would have exceeded the total revenue it would have received for the services measured by them. [35]

Qwest addressed as well the "significance" of payments for individual occurrences where it failed to meet the standards for which the QPAP requires payment. Qwest said that the

[34] Qwest Initial PAP Brief at pages 7 and 8.
[35] Qwest Initial PAP Brief at page 9.

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individual payments were significant in their own right, but it was also necessary to recognize that the same order or activity could produce multiple payments.[36] Thus, even if there were concern that the payments set for an individual measure were insufficient to compensate CLECs for damages, Qwest felt that the QPAP's provision of multiple payment opportunities for the same activity or closely related activities would assuage it.

CLECs broadly attacked this analysis, asserting, for example that:

- AT&T was among the CLECs who said that the fact Qwest would still have been paying substantial amounts even after escalation of payments for six-months (see the discussion of payment escalation under the subject *Limiting Escalation to Six Months* below) shows the inadequacy of the payment structure[37]

- ATT testified to a calculation that there was only a one in 96 billion chance that Qwest's claimed 10 separate payments would occur for a single activity or set of related activities[38]

- AT&T also argued that the Qwest analysis of sample payouts for the February-March 2001 period should have assumed that the QPAP began in February, which would have eliminated the accelerated payments and reduced the sample payouts by over 60 percent.

- Qwest escalated payment amounts for misses for more than six months, but the QPAP limits escalation in payments to only six consecutive months[39]

- The total payment amounts shown by Qwest were paltry when compared with its third-quarter projected total revenue.[40]

The New Mexico Advocacy Staff said, as was addressed above under the discussion of *The 36 Percent of Net Revenues Standard*, that the proper inquiry was not the size of the payments provided to CLECs, but Qwest's marginal costs of not complying with the standards, which the staff's testimony presented as the alternative course of action that the QPAP should seek to discourage.[41]

Qwest responded that the calculations showed the effects of full implementation, and therefore did account for escalation properly.[42] Qwest also argued that no CLEC had presented any evidence to show that the sample payout levels testified to by Qwest failed to fully compensate CLECs for their damages.[43] Qwest also said that CLECs did not

[36] Exhibit S9-QWE-CTI-5, page 6.
[37] AT&T Initial PAP Brief at page 23.
[38] AT&T Initial PAP Brief at page23; WorldCom Initial PAP Brief at page 6, citing the fact that Qwest's purported combination of payments was "statistically unlikely;" Covad Initial PAP Brief at page 16, terming the maximum $750 payment cited by Qwest as difficult to get.
[39] Covad Initial PAP Brief at page 11.
[40] Covad Initial PAP Brief at page 12.
[41] AT&T Initial PAP Brief at page 22.
[42] Qwest Reply PAP Brief at page 7.
[43] Qwest Reply PAP Brief at page 6.

support a more direct assessment of their losses; they declined to provide to Qwest information that would have allowed such an exercise.[44]

AT&T responded to the claim that there was no CLEC evidence of damages. An AT&T brief contained an extensive list of qualitative factual assertions about areas of damage. The brief did not cite to the portions of the transcript where evidence in support of those assertions could be found.[45]

Discussion: The arguments made against the relevance or the accuracy of Qwest's calculations were inapplicable or incorrect. First, the argument that the Qwest payout calculations show the ineffectiveness of the QPAP as a motivator of compliant performance is illogical. The presumed payments were, of course, not actually made. They were modeled for an historical period of time during which payments were not required. Not having been payable or paid, they obviously could not have motivated performance as they might have had they been payable.

Second, AT&T's statistical calculation of the probability of multiple payments from single or related activities was flawed, because it failed to recognize a central aspect of Qwest's argument, which was that the variables affecting payment levels are not independent; i.e., the same failing that causes one measure to be missed can cause another to be missed. AT&T's strict multiplication of probabilities can only be applied to independent variables.[46] AT&T's simple exercise could be very far from the mark in this case, where the variables are not all independent. Even if we do not reach the maximum coincidence of payment opportunities from the same or related activities, we can nevertheless accept as established the fact that causally linked payment opportunities and resultant increases in payment levels are proper to assume.

Third, it is curious for AT&T to argue that Qwest's sample calculations should not have assumed that the QPAP had been in existence for at least six months. AT&T, among

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[44] Qwest Reply PAP Brief at page 8.

[45] AT&T Reply PAP Brief at page 4. Footnote 9 of that brief indicated that AT&T was prohibited from exploring additional areas of cost. That statement is disingenuous. First, AT&T was not prohibiting from bringing any evidence into these proceedings in proper order. The objection sustained was to a question that went well beyond the bounds of the rebuttal testimony to which AT&T's witness was responding. By that time AT&T had already passed on two fully unconstrained opportunities to tell us what its additional costs were. It was merely denied an opportunity to go beyond the clear and pre-established bounds of questioning to get into new subjects. Moreover, a review of the transcript indicates that the question sought yet more qualitative, not quantitative, evidence. See the August 29, 2001 transcript, starting at page 91.

[46] For example, assume that: (a) it must be cloudy and less than 32 degrees for snow to happen, (b) the random chance of clouds for a given locale is 20 percent, (c) the random chance of temperatures below 32 degrees for a given day is 10 percent, (d) it snows 50 percent of the time that such conditions are met, and (e) we want to know the odds that it will snow on any given day at that locale. If we calculate the odds of snowfall as if these variables were independent, then the chance of snow is 0.2 times 0.1 times 0.5, which equals 1 percent. However, we can note that clouds affect temperature; therefore, there is a greater coincidence between cloudiness and temperature than the previous arithmetic would suggest. Let us suppose that it is more often sunny in the summer in this locale, and that it is in fact cloudy on 75 percent of the days when the temperature is less than 32 degrees. We would now more accurately calculate the odds of snowfall on cloudy days of less than 32 degrees as being six times more likely; the arithmetic follows: 0.75 times 0.1 times 0.5, which equals 6 percent. Obviously, if we are dealing with more than two linked variables among many, the effects of accurately depicting the linkages with arithmetical accuracy would be much more dramatic.

others, has placed strong emphasis on the need for escalating QPAP payments. It is not consistent to argue that payments need to be escalated to provide a proper inducement, yet to suggest that the effects of that escalation should be ignored when assessing whether payments are sufficient to provide the inducement being sought. The QPAP will start only once; we can presume that it would continue indefinitely in the event of 271 approval. It cannot be true that the best way to assess the operation of an ongoing plan is to examine its inception period, where that inception period will not allow for the full display and impacts of features that will be ongoing.

Fourth, the record does not show that Qwest increased payments beyond the six-months of escalation that is provided for in the QPAP. The evidence shows that the Qwest analysis accounted for escalation, where appropriate, up to and including, but not in excess of six months.

Fifth, how the QPAP payments relate to consolidated Qwest net income does not bear upon the issue addressed in the analysis or the issue before us. There was no proposal for payments that are a function of revenue sources that have nothing to do with local exchange service; moreover, none would be appropriate. The proper base for assessing overall exposure is, as the FCC appears repeatedly to have accepted, intrastate net revenue. Moreover, at the overall level of performance Qwest reached in serving CLECs during the period in question, it is not clear why Covad would suggest that significantly higher payments would have been anticipated. Surely Covad would not argue that payments not be made a function of performance to CLECs, but rather a parent's consolidated income.

Qwest offered the payout information to show that its costs of noncompliance would be substantial under a fully operational and mature QPAP. The evidence was useful, its intent and its characteristics were overtly demonstrated, and its application of memory was appropriate to the use that the sponsor intended.

C. *Compensation for CLEC Damages*

1. Relevance of Compensation as a QPAP Goal

Z-Tel discounted substantially the relevance of the goal of compensating CLECs for damages incurred as a result of non-compliant Qwest wholesale performance. In fact, Z-Tel said that the point of a performance assurance plan is to create incentives to detect and sanction poor wholesale performance, not to compensate CLECs for harm. Apart from the question of whether the QPAP should address CLEC compensation at all, Z-Tel also argued that it is not appropriate to subject such compensation to a liquidated damages test, because Qwest has not shown that the legal standard applicable in deciding the propriety of allowing liquidated damages has not been met here.[47] In support of its position with respect to the insignificance of the question of damages in connection with the QPAP, Z-Tel asserted that the FCC has not yet faced an application that specifically requires CLECs to waive their other contractual claims and other rights of action.[48]

[47] Z-Tel Initial PAP Brief at page 37.
[48] Z-Tel Initial PAP Brief at page 33.

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Discussion: Many participants disputed the centrality of actual CLEC harm to the question of determining payment levels to CLECs, but none so strongly as Z-Tel. All of the other participants at least implicitly made the sufficiency of the QPAP to compensate CLECs for harm they suffered a matter of interest to these proceedings. The FCC does couch its test in terms of incentives, but an elementary legal principle in the field of remedies is the public interest in holding contract parties, tort feasors, and other culpable perpetrators of injury responsible for the damages they cause to induce them to behave in ways that will avoid such harm. There certainly exist, in some cases, additional remedies not related directly to harm but designed to provide strong incentives to avoid certain forms of conduct. Punitive damages are one example; the escalation of Tier 1 payments (in part) here and the Tier 2 payments here are others. However, the existence of those added remedies does not signify that the award of compensatory damages at law or equity has no relationship to the inducement of publicly acceptable behavior.

Moreover, even if the case were otherwise, there is sound reason for addressing the recovery of traditional damages together with the inducement features of a QPAP. Quite obviously, if one were to ask how much it takes to cause a BOC to act in manners considered acceptable, it would be incongruous to ignore substantial payments that are reasonably certain to be ordered by other authorities for the same behaviors or activities.

Despite the common sense of the matter, there does remain the question raised by Z-Tel's suggestion that one cannot read prior FCC decisions as embodying the belief that those PAPs going before this one contain a significant CLEC compensatory element. The Michigan Public Service Commission Opinion and Order on the Ameritech Michigan PAP,[49] which the Commission noted was based on the Texas plan, for example, did the following:

- Talked about the plan's "remedies" for "violations" [page 4]
- Called the Tier 1 payments "liquidated damages" [page 5]
- Responded to CLEC arguments that Tier 1 payments would not "adequately compensate them for the harm they suffer" in some cases [page 5]

The Texas PAP[50] that was part of the 271 application approved by the FCC says the following about damages:

- The BOC will pay CLECs 'liquidated damages" [Section 5.2]
- The parties agree that damages are liquidated because proof of them would be difficult to ascertain and because the provisions of the PAP reasonably approximate contractual damages [Section 6.1]
- The only remedies explicitly preserved for CLECs are "noncontractual" ones [Section 6.1]

Even the joint CLEC performance incentive plan submitted to Qwest recognizes the compensatory nature of material portions of Qwest payments.[51] Page 1 talks about a

[49] Provided as WorldCom Exhibit S9-WCM-CEW-7.
[50] Exhibits S9-ATT-JFF-7 and 8.
[51] Exhibit S9-ATT-JFF-9.

"system of self-enforcing consequences for discriminatory ILEC performance" and about the inability of CLECs to rely upon the "extensive delays inherent in the adjudication and appeals process." Page 4 talks about the need to minimize litigation and regulatory delays associated with imposing "financial consequences." Page 6 expresses the joint CLEC view that "Tier I provides a form on non-exclusive liquidated damages payable to individual CLECs."

History demonstrates that state public service commissions, the FCC, and other CLECs all recognize the compensatory nature and the liquidated damages elements of performance assurance plans. In fact, it could be construed as generous even to say that Z-Tel stands alone in its position on this issue. Z-Tel itself suggested on several occasions that, should certain of its QPAP adjustment proposals be viewed as overcompensating CLECs, the added payments could be transferred to Tier 2. Were the sole purpose of the QPAP unrelated to compensating CLECs or limiting their outside damage recovery opportunities, it is not clear why Z-Tel was proposing that any compensation at all go to CLECs, in whatever tier it be placed. We can be reasonably comfortable that even Z-Tel accepts at some level the CLEC-compensatory nature of the QPAP.

It is appropriate for the QPAP to address the question of compensating CLECs for contractual damages, and it is appropriate that the QPAP liquidate such damages, given the difficulty in measuring them precisely, and given that the QPAP payments approximate such damages. A central feature of this QPAP, like others before it, is its ability to replace costly and protracted litigation and its uncertain results with a system that is more appropriate to creating and maintaining an efficient and balanced commercial relationship. If the intention of the FCC for a PAP were otherwise, we might well wonder just what litigation and uncertainty would be avoided. Nearly all of it would loom under Z-Tel's approach, yet we know avoiding such clouds to be a central purpose of performance assurance plans.

2. Evidence of Harm to CLECs

Covad said that a cap would necessarily leave CLECs less than whole for the harm that they suffer from Qwest conduct. Covad did not present any quantitative evidence that would correlate the harm it suffers either with the amounts it would receive under the QPAP, or with the 36 percent revenue cap.[52]

WorldCom objected to the CLEC lost-profits analysis presented by Qwest because it was based on a one-line business analog service rate. WorldCom said that Qwest's analysis failed to include the loss of profits that would come to CLECs when other services were bundled or when customers had more than one line. WorldCom also argued that Qwest failed to consider customer acquisition, local-service-request, maintenance and repair, or coordinated-cut costs in its analysis. WorldCom also said that the commissions could consider Qwest's labor rates as surrogates for CLEC costs in assessing damage resulting from poor Qwest performance.[53]

[52] Covad Initial PAP Brief at page 29.
[53] WorldCom Initial PAP Brief at pages 5 and 6.

AT&T noted that intangible CLEC losses were "impossible to quantify;" therefore, they should not be limited.[54] Qwest said that Covad failed to support its argument that Tier 1 payments did not compensate it sufficiently; as Qwest noted,[55] there was no Covad accounting of the tangible or intangible costs or damages it suffered through substandard performance from Qwest. Qwest argued further that no CLEC presented any evidence that would verify any customer loss due to Qwest's performance or that would address the frequency with which they would lose customers for such reasons. Qwest also said that there was no CLEC evidence about the expenses or investments that they incurred due to poor Qwest performance.[56]

Discussion: There certainly was extensive criticism of Qwest's attempt to relate QPAP payments to the level of damage or harm suffered by CLECs as a result of poor Qwest performance. However, Qwest was correct in arguing that CLECs did not present substantial evidence to show what their damages had been or would be. Covad presented no such evidence. AT&T, in fact, appeared to say that a quantified assessment of all CLEC damages could not be undertaken by anyone, because of the inability to quantify intangible damages at all.

This AT&T argument actually supports liquidating such damages, as opposed to merely abdicating the responsibility to prove an "unprovable" to some other decision maker. Because such damages will prove no easier to quantify after the fact or by some other trier of fact, we should address them here; they fit precisely the kinds of liquidation needs for which such damage provisions are intended. It may not often be admitted candidly, but if judges and juries in the civil system were better at pondering the magnitude of damages of this type, we would not need liquidated damages clauses. We conclude that such a clause is indeed appropriate here, given the nature of the harm and the disagreement not only about how to measure it, but also about whether it can be measured at all.

The question therefore remains whether the QPAP payments represent a reasonable approximation of the harm that CLECs suffer. Qwest's principal evidence of consequence on that question was not lost CLEC profits, or a direct analysis of CLEC costs. Rather it was an approximate equation of service price with service value. Lost CLEC profits, while comprising another line of Qwest evidence, was not alone, or in our judgment, even weighty. The CLEC community is, we suspect, probably nearly unanimous in arguing that Qwest's UNE prices substantially exceed its economic costs. In light of that consensus, it would be curious to argue that price is not, in fact, a very generous representation of value.

Turning then to the lost profits analysis, we first noted that, while criticizing Qwest for not addressing a variety of charges, WorldCom failed to present an analysis seeking to quantify harm. Moreover, it would appear that Qwest's analysis did implicitly consider all CLEC costs by translating QPAP non-recurring-charge payments into equivalent months of service. If there is a more direct way of considering these payments, neither WorldCom nor any other participant has chosen to provide even a gross quantitative

[54] AT&T Initial PAP Brief at page 23.
[55] Qwest Reply PAP Brief at page 10.
[56] Qwest Initial PAP Brief at page 10.

measure of it. Certainly, it has not been shown to be sound merely to layer a refund of those payments on top of the QPAP payments proposed by Qwest. What else we might constructively do with the WorldCom evidence is not at all clear. Covad similarly failed to provide its own evidence of lost profits, choosing to stand on a criticism of Qwest's method.

We found Qwest's analysis to be largely based not on its own knowledge, but upon what another party said about CLEC profits. It was not compelling testimony and it had only marginal weight in our analysis. In its complete absence, we would conclude that the suitability of the QPAP payment levels as an approximation of CLEC damages was sufficient. Thus, the CLEC criticisms, which in any event did little to change the weight to be given to Qwest's evidence, would have made little difference even had they been better developed. We might have faced another situation had CLECs chosen to present their own quantification of lost profit and other harm for comparison to the QPAP payments. The record clearly would have benefited from CLEC presentations of a structured and comprehensive attempt to measure their harm. Uniformly, however, they chose not to do so.

Moreover, in the final analysis, we note that any particular CLEC can decide that the QPAP payments are insufficient; they will then retain the opportunity to choose not to elect them.

3. Preclusion of Other CLEC Remedies

Sections 13.5 and 13.6 of the QPAP treat Tier 1 payments as liquidated damages, which are designed to provide, for CLECs that opt into the QPAP, an exclusive remedy to compensate for damages resulting from Qwest service in fulfilling its wholesale performance obligations. Qwest said that Sections 6.1 of the Texas, Oklahoma, and Kansas plans make the same provision. In return for the right to such payments without the necessity to prove harm, Qwest in return would secure what it considers a commonly provided consideration; i.e., that other damages arising from the same, or analogous performance will be waived.[57]

ELI/Time Warner/XO Utah said that one of the distinguishing features of the QPAP from other PAPs that have formed part of 271 applications that the FCC approved is Qwest's insistence that CLECs waive other remedies for recovery of damages.[58] ELI/Time Warner/XO Utah argued that a CLEC should not be foreclosed from opting to take other remedies, such as those available under state public service commission rules, even where it has chosen to avail itself of QPAP remedies.[59]

AT&T proposed the approach of the Colorado Special Master for addressing other remedies. AT&T described that approach as allowing CLECs to seek contract remedies even after accepting PAP payments, in those cases where CLECs could demonstrate to an arbitrator or mediator a reasonable damage theory that would show that the PAP payments it has received were not fully compensatory.[60] Qwest did agree that the QPAP

[57] Qwest Initial PAP Brief at page 66.
[58] ELI/Time Warner/XO Utah Initial PAP Brief at page 12.
[59] ELI/Time Warner/XO Utah Initial PAP Brief at page 23.
[60] AT&T Reply PAP Brief at page 9.

award of $200,000 for direct harm for contract breach, and a tripling of that amount, the base $200,000 should be considered as duplicative of the QPAP payments, while the $400,000 adder should not.

To make the QPAP conform to these principles, all the quoted portions of Section 13.6, following the phrase "in its interconnection agreement with Qwest" should be stricken. Qwest may replace them with a simple provision requiring a CLEC to elect either: (a) the remedies otherwise available at law, or (b) those available under the QPAP and other remedies as limited by the QPAP. Those limits are the bar on other contractual remedies and on double recovery (although the propriety of the latter remains to be discussed).

The Colorado Special Master's Report, as AT&T interprets it, would produce a substantially imbalanced result. That interpretation would allow a CLEC added compensation under contract theories where it could prove that its harm exceeded its payments. It would, not, however, allow Qwest to take back any of the PAP payments, even where it could show that they exceeded CLEC harm. It would be one thing to delete the Tier 1 payments altogether, requiring CLECs to show harm and to demonstrate its amount. This approach could be accompanied by moving the Tier 1 accelerated payments to Tier 2. However, it is not reasonable to allow CLECs to keep Tier 1 base payments and Tier 1 accelerated payments when it suited them, but to seek more when it did not.

One of the things that make liquidated damages appropriate is that they liquidate them for both sides. There is no reasonable basis for requiring one party to take the risk that payments will exceed actual harm while allowing the other party to avoid the risk that the payments will be less than actual harm.

We are similarly not persuaded of the reasonableness of the ELI/Time Warner/XO Utah recommendation that CLECs retain the right to choose to take other remedies even after electing to take advantage of QPAP payments. It is reasonable to require CLECs to choose to take all or none of the QPAP remedies. Otherwise, we would invite debate about which specific QPAP payment elements correspond to those otherwise available remedies. The QPAP represents a comprehensive payment structure for compensating CLECs for harm. They have the right to elect all of it or none of it. It would not be reasonable to allow them to select those portions of it that are on balance more favorable than other remedies, while choosing to take other remedies in cases where they are more favorable. Qwest has no right to do so; a proper sense of balance with respect to liquidated damages should require the same of CLECs.

4. Indemnity for CLEC Payments Under State Service Quality Standards

AT&T proposed that Qwest be required to compensate CLECs for any payments that CLECs must make for failing to meet state or federal service quality rules, provided that Qwest wholesale service deficiencies cause the CLEC failures.[65] ELI/Time Warner/XO Utah noted that the issue of Qwest indemnity for CLEC payments for failing to meet state service quality standards was addressed earlier in these workshops. ELI/Time Warner/XO Utah believed that this provision, which could involve dispute and litigation,

[65] AT&T Initial PAP Brief at page 18.

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should therefore be addressed elsewhere in the SGAT, not in the QPAP. ELI/Time Warner/XO Utah sought to assure that the QPAP not preclude such indemnification.[66]

Qwest objected to an added requirement that it compensate CLECs for assessments that state commissions make against CLECs for violating state service quality standards. Qwest noted that the QPAP's liquidated damages provision contemplates full payment for harm arising from the same performance; therefore, there should not be any added payment for this element of damages. Moreover, Qwest observed, such a provision would engender litigation about whether Qwest's performance did or did not lead to the failure of a CLEC to meet retail standards.

Discussion: The merits of requiring such indemnification were fully addressed in prior workshops.[67] AT&T's reasons for supporting such indemnification here are not materially different from those it advanced in earlier workshops. There is sufficient justification for precluding such indemnity in the QPAP, as it was precluded elsewhere in the SGAT.

5. Offset Provision (Section 13.7)

Qwest changed Section 13.7 to respond to concerns about its breadth. After the change, QPAP Section 13.7 provides that:[68]

> *13.7 If for any reason Qwest is obligated by any court or regulatory authority of competent jurisdiction to pay to any CLEC that agrees to this QPAP compensatory damages based on the same or analogous wholesale performance covered by this PAP, Qwest may reduce such award by the amount of any payments made or due to such CLEC under this PAP, or may reduce the amount of any payments made or due to such CLEC under this PAP by the amount of any such award, such that Qwest's total liability shall be limited to the greater of the amount of such award or the amount of any payments made or due to such CLEC under this QPAP. By adopting this QPAP, CLEC consents to such offset.*

AT&T objected to this section as revised on several grounds:[69]

- That no FCC order has allowed a BOC a unilateral right to make an offset and that the right to an offset is the province of the finder of fact under common law
- That there was confusion about the intent of the language about "analogous performance."

With respect to the question of who should determine an offset entitlement, Qwest was concerned about continuing to allow a compensating reduction in PAP payments where an outside decision maker; e.g., a court, would not permit QPAP payments to offset any damages it might award. With respect to the question of analogous performance, Qwest

[66] ELI/Time Warner/XO Utah Reply PAP Brief at page 11.
[67] See the *Report on Checklist Items 1, 11, 13, and 14*, issued on May 15, 2001.
[68] See Attachment 1 to *Qwest Corporation's Responses to Oral Questions by Mr. Antonuk at the August 14-17, 2001 Hearings*, which changed this and a number of other SGAT sections that were included in the original QPAP filing.
[69] AT&T Initial PAP Brief at pages 4 and 5.

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MIDCONTINENT SERVICE ISSUES

ISSUE	OWNER	CURRENT STATUS	DATE CLOSED
1. Accounts are lost because Qwest retail install dates appear to be earlier than the due dates that Midco gets from Qwest Wholesale.	Brenda Sheets	Brenda will provide follow up regarding the root cause analysis by 11/16/01. Qwest does not have a separate process for retail and wholesale orders. Orders are processed as in a FIFO type method. Without the Qwest telephone numbers that were assigned to these customers, we are unable to do additional investigation.	11/15/01
2. Technicians make comments to Midco customers that they would have better service response if they were Qwest customers.	Mary Lohnes	CLOSED; Midco will provide information on a case by case basis.	11/6/01
3. Midco customers are receiving calls from Qwest telemarketers about install due dates better from Qwest than Midco.	Mary Lohnes	CLOSED; Midco will provide information on a case by case basis.	11/6/01
4. Qwest telemarketers called Midco customer in Box Elder saying that Qwest could offer them the "Northern Hills Calling Plan". Box Elder is not available in Qwest tariffs and no notice that it will be.	Mary Lohnes	CLOSED: Wide Area Calling is NXX specific.	11/6/01
5. Service Order Error Initiative a. (#5)Midco gets features added to accounts that are not ordered. b. (#7)Qwest typists don't carry Midco remarks over from their orders to the typed order that goes to the technician. c. (#8)Service is taken out improperly. d. (#17)SmartPak w/ caller ID feature is included with SmartPak but Midco resold end users are being billed separately for it.	Ann Binkley	Qwest is randomly checking 10% of typed Midco service orders to validate order accuracy and is providing immediate typist or group feedback. This initiative has been undertaken to alleviate problems encountered during provisioning and it will be ongoing until typing errors are at a minimum. Brenda Sheets will verify the results monthly prior to the status call with Midco. 11/15/01 Qwest is continuing to monitor Midco service orders for errors and is providing feedback for improvemetn to the individual typist or group managers as appropriate. **12/13/01** Item D is still an open issue. Not all Value Choice customers are being billed separately for Caller ID. Ann asked Mary for a few examples so we can investigate further.	
6. Tickets get closed without call backs on resolution and many times the problem has not been fixed		CLOSED:	11/6/01
9. Limitations of being able to convert an account to Midco UNE from another reseller	Mary Lohnes	Mary Lohnes will verify that the process shared and discussed with Midco is working and will provide feedback to Brenda Sheets by 11/16/01. Brenda Sheets will verify the availability of a job aid to provide to Midco's by 11/9/01. Brenda Sheets sent Mary Lohnes an email on 11/9/01 stating that she was not able to locate a specific job aid to provide to Midco for process these types of requests. Qwest does not have a specific job aid to share with Midco regarding this order process, however conversation did take place with Midco practitioners	12/13/01

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		to directly provide direction regarding how to process orders for converting Centrex resold accounts to Midco resale. Qwest is waiting on feedback from Midco regarding how the current process is working. **12/13/01** Mid Continent and Qwest (Ray Burton and Brenda Sheets) held a call to discuss how both parties could improve. Mid Continent has seen improvement and stated this could be closed.	
10. Technicians dispatched when Midco doesn't request one. Tech leaves a bill behind with the customer for the service call and the customer becomes very concerned.	Mary Lohnes	CLOSED: Mary is verifying that Midco end users are being educated regarding the repair process. Mary is also pursuing CEMR as a repair mechanism for Midco to utilize for Qwest repair reporting.	11/6/01
11. Customers in the Hills area called not able to make long distance calls. Midco called repair and was unaware of any problems and couldn't find anything.		CLOSED: Pete Skorczewski at Midco is set up to receive emergency outage notifications.	11/6/01
12. Midco is requesting that Qwest send them copies of all orders for their review.		CLOSED: This issue should be resolved with Qwest's initiatives to correct service order input.	11/6/01
13. Midco has encountered problems with provisioning service to No. Sioux City, SD (Border town switched in Sioux City, IA).	Ann Binkley	Brenda Sheets will provide status of BAN establishment to Mary Lohnes by 11/9/01. 11/9/01 Brenda Sheets sent email to Mary Lohnes advising that additional investigation is required to ascertain that the BAN is established and ready for Midco to begin provisioning resale customers in the North Sioux City, SD area. Brenda Sheets will provide status by 11/16/01. 11/15/01 Qwest is working to clarify how border town situations are to be provisioned and billed. **12/13/01** Qwest is continuing to work this issue.	
13a. Midco has resold customer physically located in Wyoming but switched out of West Belle Fourche, SD.	Brenda Sheets	Brenda Sheets will follow up with Mary Lohnes regarding her request to clarify if their agreement allows this situation and the rate application by 11/16/01. 11/15/01 – See 13 above	Included in 13 above.
14. Billing Adjustment Root Cause Documentation		CLOSED: The root cause documentation was shared with Midco on a conference call 10/4/01 with Qwest's initiatives to correct service order input.	11/6/01
15. UNE P and SPOP amendment status	Mary Lohnes	CLOSED: Midco received the amendments for signature 11/2/01	11/6/01
16. Midco is being billed $18.50 for voicemail USOC VVMAD; SD tariff shows rate as $16.00.	Brenda Sheets Susie Turner	CLOSED: Rate in tariff is incorrect; product management will correct tariff and agreed to adjust VVMAD rate to $16.00 through November 2001.	11/6/01
18. Midco would like some sort of alert system to tell them when an account has a lot of calls from correctional facilities		CLOSED: At this time Qwest does not offer a product to meet this need.	11/6/01
19. Midco reserves telephone numbers for new installs but when the install takes place the customer is given a different number and the one they reserve is no longer available. Also, said that they have reserved telephone numbers for		CLOSED: Qwest deployed a change in IMA to extend the IMA telephone reservation period in IMA from 24 IMA hours to 30 days; assignment of duplicate numbers at this time appears to be reduced.	11/6/01

customers in Deadwood but were given Lead number; Midco experiences additional install delays.			
20. Midco says that they found out "the hard way" that when a CSR shows both ground and loop start and they ask for the service to convert as is, the lines/trunks will convert to loop as the default. This was a huge problem and they are also asking why they weren't advised of the change in the process.	Brenda Sheets	Brenda Sheets will provide status of investigation to Mary Lohnes by 11/16/01. 11/15/01 Qwest is continuing to investigate this situation. **12/13/01** Mid Continent stated that this issue was brought up as an FYI to Qwest on notification of process changes. Process changes are being addressed in the CMP meetings and Mid Continent requested this be closed from this list.	12/13/01
21. Resale rates for Midco were changed from 84.50% to 88% when when Qwest completed a contract clean up based on the contract library web database. Midco's current resale contract was not posted on the web.	Ann Binkley	Brenda Sheets verified that the request to change the rates back to 84.50% was issued on 10/29/01. Qwest will be crediting back to 1998 on bill. Tentative schedule is that billing will be corrected by the December bill cycle at the latest. 11/15/01 Qwest anticipates having this credit completed by end of year 2001. **12/13/01** Mid Continent acknowledge that credits are coming through, however in some cases credits are not going back far enough. An example would be that Mid Continent received a credit for a customer who disconnected, however the credit does not go back for the life of the customer. Ann will investigate.	
22. Midco LRN status in LERG	Brenda Sheets	CLOSED: Brenda Sheets will check and provide status of Midco LRN in Section 12 of LERG by 11/16/01. 11/15/01 Midco's LRN is in the LERG, Qwest has loaded the LRN to the billing tables and the ports have posted.	11/15/01
23. Midco has TN's PIC'd to them for toll that they cannot identify. Was told that they need to "unPIC" them in RSS.	Brenda Sheets	Brenda Sheets will investigate how to "unPIC" TN's in RSS and provide status by 11/16/01. 11/15/01 Qwest is working to identify a resource to assist Midco with RSS.	
23A. Midco would like some training /coaching for RSS.	Brenda Sheets	Brenda Sheets will provide status by 11/16/01 relative to availability of a resource to assist Midco. 11/15/01 See 23 above	
24. Midco received an email from another CLEC (SB CSI) requesting a change to EMR records that would designate collect calls from correctional facilities with a different format.	Nancy Vogel/Mary Lohnes Brenda Sheets/Ann Binkley	Nancy Vogel or Mary Lohnes will provide an email detailing their request. **12/13/01** Mid Continent has notified Qwest that they are in support of this CMP request. This issue will be removed from this list and tracked through the CMP process.	12/13/01
25. Midco does not feel that the voice messaging help desk is "helpful".	Mary Lohnes	Mary Lohnes will forward examples for investigation. **12/13/01** Mid Continent will provide examples to Qwest for investigation.	

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no measures should be considered low. Z-Tel suggested averaging the low and medium payment amounts to reduce the weights from three classes to two classes. [138]

Qwest argued that CLECs presented no evidence to support a change in measurement weighting for PAP purposes. Qwest said that these changes would not improve the PAP, but would merely provide increased payments to CLECs.[139]

Discussion: Little support was provided for these requested changes. Certainly, no case was made that the QPAP may be found inadequate for failing to incorporate them. Finally, some of them suffer from the same balance problem that we addressed in the immediately preceding section of this report. All CLECs might agree on increasing the payments associated with all measures. But upon imposing what we feel is a proper balancing requirement, that consensus would likely disappear as parties began to focus on making their particular needs "winners" in the process, while seeking not to suffer any "losers" of importance to their operations. We believe that the three categories of weights that came out of the PEPP collaborative process should remain.

3. LIS Trunks Weighting

AT&T said that LIS trunks should be considered as particularly high value services, which therefore should carry higher non-performance payments. AT&T said that it could not sign up new customers where Qwest failed to deliver LIS Trunks. [140] ELI/Time Warner/XO also considered LIS Trunks to be of high value.[141]

Qwest said that the argument that CLECs are "out of business" without LIS trunks is applicable only to the first LIS trunk order, which is not the common order. The much more typical order is for added trunks, where, Qwest argued, the trunk blocking measure, N-1, would already provide payments in cases where Qwest cannot provision incremental trunks on time.[142]

Discussion: From a broad perspective, it is a significant overstatement to say that LIS trunks are of particularly high value because CLECs are "out of business" if Qwest fails to deliver them. Qwest correctly notes that trunk blocking, as opposed to an inability to take on new customers is the more common issue. In that regard, orders for incremental LIS trunks are not categorically different from other services that Qwest may be slow to deliver. In fact, a review of the CLEC testimony makes it appear as if what LIS Trunks mean to AT&T and ELI/Time Warner/XO Utah, high capacity loops or line sharing mean to others. The QPAP needs to address value in a more balanced way, because taking each CLEC's claim of particular importance at face value would inevitably make all measures of high weight. We continue to believe that the QPAP payment structure already reflects an adequate treatment of measure weights. No change is recommended here.

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138 ELI/Time Warner/XO Utah Initial PAP Brief at page 18. Covad Initial PAP Brief at page 34, Z-Tel Initial PAP Brief at page 34.
139 Qwest Initial PAP Brief at page 27.
140 AT&T Initial PAP Brief at page 25.
141 ELI/Time Warner/XO Utah Initial PAP Brief at page 17.
142 Qwest Reply PAP Brief at page 25.

EELs,[152] which makes it possible for CLECs to bring services under the terms and conditions of an interconnection agreement or an SGAT, should they elect to do so. In that case, CLECs would have all the rights and expectations applicable under such agreements, rather than, as they would effectively do here, mixing tariff and agreement and federal and state jurisdictional purchase rights and remedies.

G. Proper Measure of UNE Intervals

Covad argued that QPAP payments should be based on the intervals of SGAT Exhibit C, rather than on the intervals set forth in the PID.[153] Qwest responded that there is a logical relationship between SGAT Exhibit C and the PID performance measures.[154]

Discussion: This issue is similar to the one addressed as the first unresolved *Loops* issue (*Standard Loop Provisioning Intervals*) in the August 20, 2001 *Unbundled Network Elements Report* in these workshops. There is, as was discussed there, consistency between PID performance measure OP-3 (percent of installations completed on or before the due date) and PID performance measure OP-4 (number of days to complete installations), and SGAT Exhibit C (Qwest's Standard Interval Guide). For the reasons expressed in the August 20, 2001 report, it is appropriate for the QPAP to apply the PID performance measures, not SGAT Exhibit C, as the payment standard.

H. Low Volume CLECs

Covad argued that Qwest designed the QPAP primarily to compensate high-volume CLECs, with the result that lower volume CLECs, such as itself, will be under-compensated.[155] Qwest argued that the evidence refutes any claim that the QPAP's reliance upon a per-occurrence compensation structure would disadvantage CLECs with small wholesale-service volumes. Qwest presented evidence showing that a number of smaller CLECs, including Covad, would for the period from February through March of 2001 have received payments much larger than CLECs of greater size. At the same time, some of the largest CLECs would have received disproportionately small payments.[156]

Covad also objected, more particularly, to the QPAP provision that it said would provide Qwest with one free miss each month in the case of CLECs with small order volumes. In order to compensate for that phenomenon, Covad recommended setting minimum payments at five times the baseline amount for CLECs subjected to the free miss standard.[157]

Qwest objected to Covad's characterization of this aspect of the QPAP. Qwest defended this provision as a necessary adjustment to provisions that would make its performance standard one of perfection in the case of very small order volumes, because even one miss would put Qwest below the required level of performance. For example, for order

[152] See for example the proposed resolution of the third disputed *EELs* issue (*Waiver of Termination Liability Assessments for EELs*) from the August 20, 2001 *Unbundled Network Elements Report*.
[153] Covad Initial PAP Brief at page 23.
[154] Qwest Reply PAP Brief at page 40.
[155] Covad Initial PAP Brief at page 27.
[156] Qwest Initial PAP Brief at page 30.
[157] Covad Initial PAP Brief at page 33.

volumes of five, the best Qwest could do, unless it were perfect, would be to reach 80 percent, i.e., four out of five. Qwest said its analysis of the February to May 2001 period showed that the so-called "one-miss" standard would only have come into play 8 percent of the time, which falls far short of justifying minimum payments 100 percent of the time.[158]

Discussion: As a general matter, Qwest provided substantial evidence that the QPAP would not serve to under-compensate smaller volume CLECs. Qwest's evidence, which was credible and which was not rebutted by CLEC evidence to the contrary, demonstrated that, for the sample period of February through May of 2001, it could not be demonstrated that there was any disturbing correlation between QPAP payment levels and CLEC order volumes, thus disproving the claim that would be relative under compensation to those with lower order volumes.

Turning to the "free miss" issue, as parties termed it, the goal of excluding one miss from compensation was to prevent (in the case measurements with CLEC volumes of 5 or fewer) turning a 90 percent benchmark into a 100 percent one.[159] Qwest's illustration calls to mind the way that the Sun illuminates the Moon: it can get only half the job done at a time. The occult side of Qwest's point about the problem of rounding "up" is that rounding "down" turns a 90 percent standard to an 80 percent one. A rolling average applied yearly would serve much better to correct the problem of rounding. It would not, however, alone solve the issue of escalating payments for consecutive-month misses. That problem can be solved by providing that the escalation provision will be applicable in any month where any miss occurred for CLECs with order volumes at the level in question, and where the annual calculation shows violation of the applicable requirement. The SGAT should incorporate these changes.

VI. Structure to Detect and Sanction Poor Performance as It Occurs

A. 6-Month Plan Review Limitations

Section 16 of the QPAP provides the means for amending the plan. This section allows for the following changes:

- Addition, deletion, or change of measurements (based on whether there was an omission or failure to capture intended performance)
- Change of benchmark standards to parity standards (based on whether there was an omission or failure to capture intended performance)
- Changes in weighting of measurements (based on whether the volume of "data points" was different from what was expected)
- Movement of a measure from Tier 1 to Tier 2 (based on whether the volume of "data points" was different from what was expected).

[158] Qwest Initial PAP Brief at page 33.
[159] Qwest Reply PAP Brief at page 21.

volumes of five, the best Qwest could do, unless it were perfect, would be to reach 80 percent, i.e., four out of five. Qwest said its analysis of the February to May 2001 period showed that the so-called "one-miss" standard would only have come into play 8 percent of the time, which falls far short of justifying minimum payments 100 percent of the time.[158]

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[158] Qwest Initial PAP Brief at page 33.
[159] Qwest Reply PAP Brief at page 21.

The section requires any change to the QPAP to be approved by Qwest.

AT&T noted that the New York and the Texas plans allow any aspect thereof to be examined at the six-month reviews. AT&T urged this approach, in order to allow for a consideration of the public interest. Specifically, AT&T would make all plan aspects open to review, and would rest authority for deciding to accept any changes with the state public service commissions. AT&T would also eliminate the number of data points as the sole basis for determining performance measure reclassifications.[160] AT&T would also take away Qwest veto power over QPAP changes, and allow more extensive PID review.[161]

ELI/Time Warner/XO Utah proposed that the QPAP be treated like any other SGAT or interconnection agreement provision in terms of its amendment.[162] WorldCom objected to the failure of the QPAP to permit state commissions to amend the substance of the plan and to the veto power that Qwest has under the QPAP.[163] Covad said that the plan-review provisions of the QPAP were neither appropriate nor what has been included by other BOCs.[164]

Qwest objected to an obligation to open the QPAP generally to amendment, because of its need to have certainty about the extent of the obligations it was agreeing to undertake. Qwest also said that effective administration of the plan required a substantial degree of stability in its provisions. Qwest said that the QPAP limits on the scope of the 6-month reviews reflect the same provisions included in the Texas, Kansas, and Oklahoma PAPs existing as of FCC 271 application decisions there.

Discussion: The Texas PAP is in almost all respects consistent with what Qwest has proposed. The four types of permissible changes are the same. The requirement that the BOC agree to changes in existing performance measures is also the same. One material difference is that questions related to the addition of new measures may be resolved by arbitration. The Colorado Special Master's Report sets forth similar constraints on revising the PAP under the six-month review process. Specifically, it would:

- Prohibit revisiting the statistical methods applicable to parity determinations
- Prohibit revisiting the payment structure and the categorization of payments by tiers
- Prohibit revisiting the methods for capping payments
- Allow measures to be added or deleted
- Allow shifts in the weighting given to existing measures.

The Colorado Special Master's Report would grant state public service commissions authority to decide on the propriety of any identified changes, which the commissions would then ask Qwest to include in an amended SGAT filing. That report also recommends a separate review process (assisted by an outside expert under funding

[160] AT&T Initial PAP Brief at page 14.
[161] AT&T Initial PAP Brief at page 14.
[162] ELI/Time Warner/XO Utah Initial PAP Brief at page 27.
[163] WorldCom Initial PAP Brief at page 9.
[164] Covad Initial PAP Brief at page 37.

provided through Tier II payments), which would take place after three years of PAP operation, and which could examine broader changes to the PAP. That process would address:

- An assessment of the effectiveness of the PAP
- Revisions to PAP payment amounts (based solely upon evidence of harm produced by particular wholesale performance deficiencies)
- Removal of measures from the payment structure (based on the degree to which commercial alternatives to the use of Qwest services have become available or on a demonstration that Qwest can deliver reliable wholesale performance)
- Deletion of measures no longer needed to be measured or subjected to payments
- Whether the six-month interval for routine consideration of changes remains appropriate.

There are two basic economic issues that appear to concern Qwest when it comes to QPAP changes; i.e., the matters of payment ceiling and payment trajectory. We have already addressed the question of the ceiling in the discussion of the *Total Payment Liability* section of this report. We see no reason here to change the recommendation that total financial liability remain predictable and thus fixed. The question of trajectory; i.e., how fast payments move toward the ceiling, we began to address earlier in the *Measure Weighting* section of this report. The kinds of changes to the performance measures that are in dispute would clearly affect that trajectory; providing a too liberal mechanism for changing them would be problematic. Qwest would solve that problem by requiring its agreement to all changes. In contrast, the Texas plan would use arbitration in a limited number of cases. The Texas plan's approach is more appropriate to addressing the need for and financial consequences of new performance measures that meet the QPAP's standard, which here is whether there was an omission or failure to capture intended performance.

The market of concern is young and in many cases yet to be tested by substantial experience under new ways of doing business. We should also recall that the performance measures at issue came from a process conducted under the auspices of the ROC. It is reasonable to anticipate the possibility of substantial need for new measures if we are to assure that the QPAP will continue to detect and sanction poor performance as it occurs. Because we are uncertain of the continued role of the ROC in performance measure development and administration, the Texas arbitration provision is therefore appropriate to assure that the QPAP meets the applicable standards without unduly exposing Qwest to indeterminate increases in its financial exposure.

The Colorado Special Master's Report made several creative suggestions that may provide for an effective alternative. In particular, the establishment of a mechanism for dispute resolution and PAP administration, funded through Tier 2 payments may prove quite effective and efficient when applied in a multi-state context that includes a large number of states with significant resource limitations. We have discussed that concept in the *Tier 2 Payment Use* section of this report.

The three-year PAP review process recommended in the Colorado Special Master's Report would also serve a useful purpose in examining the continuing effectiveness of the QPAP as a means of inducing compliant performance without applying payment requirements that experience may prove excessive or unnecessary. That process should also be adopted, with the understanding that its results would not be intended to open the QPAP generally to amendment, but would serve to assist the commissions in generally determining then existing conditions and reporting to the FCC on the continuing adequacy of the QPAP to serve its intended functions.

In summary, we believe that the QPAP is not fundamentally different from either the Texas plan or the Colorado Special Master's Report in the matter of changing the plan. With the following changes, we believe that the present QPAP provisions can function effectively to respond to external changes, without creating insufficiently defined financial exposure to Qwest. Those changes are:

- Provide for normal SGAT dispute resolution procedures in the event that there is disagreement with a six-month review process recommendation regarding proposed addition of new measures to the QPAP payment structure
- Recognize and support multi-state efforts (should they occur) to create a Tier 2 funded method and a regular administrative structure for resolving QPAP disputes
- Provide for biennial reviews of the QPAP's continuing effectiveness for the purpose of allowing state commissions to regularly report to the FCC on the degree to there are adequate assurances that Qwest's local exchange markets remain and can be expected to continue to remain open.

B. *Monthly Payment Caps*

Several CLECs expressed concern over the QPAP Section 13.9 provision that allows Qwest to place Tier 1 payments that exceed a monthly cap into escrow, and to ask for relief from the obligation to pay such amounts.[165]

Discussion: Except for the problem of a CLEC that first experiences deficient performance late in the year, which was addressed under the subject of *Procedural Caps* earlier in this report, there is no reason under the QPAP for calculating or using monthly caps. There is not a basis for relieving Qwest of the obligation to pay amounts up to the total annual cap, regardless of how quickly those amounts accumulate. There should be no other reference to the calculation or use of monthly caps in the QPAP.

C. *Sticky Duration*

Z-Tel stated that the best evidence of the sufficiency of payments to provide an incentive to Qwest would be actual performance under the QPAP.[166] It therefore proposed that base payment levels escalate if Qwest, after suffering an initial episode of non-compliance, should suffer a second or third episode of similar magnitude. For example,

[165] AT&T Initial PAP Brief at page 20; ELI/Time Warner/XO Utah Initial PAP Brief at page 24.
[166] Z-Tel Initial PAP Brief at page 20.

cause, perhaps on grounds similar to those provided by the Uniform Commercial Code for cases of commercial uncertainty.

D. *Effective Dates*

1. Initial Effective Date

AT&T and WorldCom asked that the QPAP become effective when a state public service commission issues its consultative report. The goal of this recommendation is to prevent backsliding while the FCC considers a Qwest 271 application.[210] ELI/Time Warner/XO Utah and Covad also argued for making the QPAP effective essentially immediately.[211]

Qwest proposed that the QPAP be effective state-by-state as of the date when Qwest may receive FCC 271 approval in each. Qwest proposed this date because it offered the QPAP as a means for assuring compliance after it gets such approval, and because there are significant issues concerning the statutory authority of the state commissions to order its application under state law, independent of section 271 considerations. Qwest said that the QPAP is self-executing; it does not even require a complaint. Qwest said that no CLEC has demonstrated that the laws of any of the nine states provide the authority necessary for a commission to compel the adoption of the QPAP as a requirement under state law.[212]

Qwest also said that there are sufficient methods for addressing Qwest performance pending FCC consideration of a 271 application. Qwest said that there already exists an opportunity for states and CLECs to supplement the record made in these workshops with evidence that is current through the date that they can present comments to the FCC.[213] Qwest also argued that it will have more than sufficient incentive not to backslide while its 271 application is pending before the FCC. Qwest also said that Covad erred in arguing that the Telecommunications Act of 1996 gives states authority to impose self-executing payment programs.[214] Qwest also objected to the Covad claim that Qwest's consent to impose the QPAP generally could be inferred; Qwest cited the explicit condition it has placed on its agreement to be bound; i.e., its prior receipt of in-region, InterLATA authority under section 271.[215]

ELI/Time Warner/XO Utah said that the issue of commission authority to order institution of the QPAP was not material, because the commission role in approving SGATs and checklist consulting to the FCC would allow it merely to withhold approval or endorsement failing Qwest's agreement to make the QPAP effective immediately. At the least, ELI/Time Warner/XO Utah said, the commissions should require monthly reports of payments that would have resulted under the QPAP, had it been in effect earlier than 271 approval.[216]

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210 AT&T Initial PAP Brief at page28; WorldCom Initial PAP Brief at page 16.
211 ELI/Time Warner/XO Utah Initial PAP Brief at page19; Covad Initial PAP Brief at page 6.
212 Qwest Initial PAP Brief at page 80.
213 Qwest Initial PAP Brief at page 84.
214 Qwest Reply PAP Brief at page 42.
215 Covad Initial PAP Brief at page 5.
216 ELI/Time Warner/XO Utah Reply PAP Brief at page 10.

Discussion: Qwest's consent to the immediate effectiveness of the QPAP cannot be implied from any action it has taken. However, such consent is not necessary, because the issue at hand is not whether commissions can implement something like the QPAP under their own authority. The issue more accurately stated is whether the commissions should tell the FCC that they consider the QPAP sufficient to meet the public interest standard even if it is not made effective prior to FCC approval of a 271 application.

In that context, we note that PAPs were not part of the landscape when BOC obligations were being addressed in the context of mediations, arbitrations, and SGAT approvals. No participant has cited FCC support for such a thing outside the context of 271 approval. The very reason cited by the FCC in support of the adoption of a PAP is the need for assurance that local exchange markets will remain open after Qwest may receive the power to provide in-region interLATA service. Given the reasonably long history of operating without PAPs in the pre-271 context and given the purpose ascribed to them, it is logical to conclude that it should become effective when the QPAP proposes, absent special circumstances.

The only circumstances cited were by the New Mexico Advocacy Staff, which argued that there is a risk of deteriorating performance, because Qwest can present a dated record of more adequate performance to the FCC, while allowing more current performance to deteriorate. No other special circumstances were cited; for example, there were no claims that Qwest's wholesale performance history to date was of a nature that would require unique or special inducements. The risk of short-term backsliding is mitigated by the fact that current information can and presumably will be provided to the FCC, should it be relevant. The virtual certainty that such information will become a part of the FCC's deliberations means that there is no change in Qwest's current incentives.

There remains the issue of whether Qwest should report performance and presumed payment levels between now and any grant of 271 approval. That recommendation is sound. It will provide focus to the interim performance information that was of concern to the New Mexico Advocacy Staff. It will also be helpful in accommodating CLECs to the QPAP reports, to their independent confirmation efforts, and to the general relationship that exists between the performance they are receiving and the payments they are getting. The QPAP should therefore require Qwest to provide monthly QPAP reports as if the QPAP had become effective on October 1, 2001.

2. "Memory" at Initial Effective Date

AT&T said that when the QPAP becomes effective it should effectively calculate performance for as many prior months as are necessary to provide that escalated, rather then baseline, payments apply from the first month. Otherwise, said WorldCom, there would be insufficient incentive to Qwest and a failure to meet the FCC requirement that poor performance be sanctioned when it occurs. [217] Qwest said that this proposal is no different conceptually from one recommending the imposition of the QPAP's payment requirements before 271 approval.[218]

[217] AT&T Initial PAP Brief at page 24.
[218] Qwest Initial PAP Brief at page 84.

Discussion: Having decided that the QPAP should be limited to performance post-dating section 271 approval and that other remedies apply before that time, and thereafter for CLECs not opting into the QPAP for compensation purposes, it would be inappropriate to start the QPAP payment structure in "mid-stream." Otherwise, the effect would be to mix remedies inappropriately, given that CLECs retain for the historical period in question whatever remedies are applicable under their existing interconnection agreements.

3. PAP Effectiveness if Qwest Exits InterLATA Market

AT&T and ELI/Time Warner/XO Utah would continue the QPAP payment obligations should Qwest exit the in-region, interLATA market.[219]

Discussion: For the same reasons that the QPAP should only be effective upon entry by Qwest into that market, it should terminate upon the end of Qwest's authority to serve that market.

E. QPAP Inclusion in the SGAT and Interconnection Agreements

WorldCom said that Qwest failed to address the question of how the QPAP should be made a part of the SGAT, which requires commission consideration of the issue.[220]

Discussion: There does need to be some SGAT context for the QPAP and there should also be clarity about the scope of what a CLEC with an interconnection agreement would be required to elect. Qwest's 10-day comments on this report should address these issues.

F. Form of Payment to CLECs

The QPAP provides for QPAP payments to be made by bill credit, rather than by cash or check. Qwest argued that it would not be administratively more efficient to provide for payment by check. Qwest agreed to commit to a sample bill credit format, which it said would obviate any concern about the ability to identify the source and calculation of the credits.[221] Qwest also said that the QPAP already provides for the use of wire transfers in cases where a CLEC's PAP credit exceeds the amount it owes Qwest.[222]

WorldCom recommended that QPAP payments be made by monthly checks.[223] Covad requested that payment forms be limited to cash or check. Covad also asked that there be no offset of any payments due for unrelated debts of CLECs.[224]

Discussion: The CLEC arguments about the administrative convenience of requiring payment by the equivalent of cash were not persuasive. They missed the point that it would be inappropriate to require Qwest to make payments to CLECs in cases where CLECs were not current in paying Qwest for the same kinds of services. The QPAP

[219] AT&T Initial PAP Brief at page14; ELI/Time Warner/XO Utah Initial PAP Brief at page 21.
[220] WorldCom Initial PAP Brief at page 3.
[221] Qwest Initial PAP Brief at page 39.
[222] Qwest Reply PAP Brief at page 28.
[223] WorldCom Initial PAP Brief at page 14.
[224] Covad Initial PAP Brief at page 40

III. Public Interest Issues Raised

A. UNE Prices

An AT&T witness testified that recurring and non-recurring UNE prices exceed Qwest's retail rates, which is a primary cause of the failure of Qwest retail markets to be open to competition. The evidence that AT&T cited in support of this conclusion came from a state-by-state comparison of 1FR rates against established wholesale prices. AT&T said that this comparison showed that local entry was unprofitable on its face at prevailing UNE prices.[8] Sprint joined in AT&T's argument about UNE prices.[9] ASCENT, an industry group formerly known as the Telecommunications Resellers Association, also joined in the concern about cost-based UNE prices.[10]

Qwest argued that the FCC has already determined that the ability of CLECs to profit after leasing UNEs is irrelevant – the only test being whether the prices for UNEs are cost based.[11]

Discussion: It is clear that checklist compliance requires UNE pricing to meet the standards of the Act. However, as we noted many times in the preceding reports of these workshops, we have not taken evidence on or given consideration to the satisfaction of the applicable standard by Qwest wholesale prices. Therefore, we have pointedly avoided any conclusion about those wholesale prices in connection with checklist compliance. That issue remains one for the states to address through some other means.

CLECs such as AT&T demonstrated at the workshops that they did have concerns about whether Qwest's wholesale prices satisfied the checklist requirements, and they recognized that those issues would be addressed elsewhere. The parallel and perhaps interrelated argument that they have made here is that the 1FR rate comparison demonstrates that Qwest's local markets are closed to competition.

That analysis failed to persuade for many reasons. First, it did not recognize that local rates consist of much more than the basic monthly charge for service. Vertical features and intrastate toll revenues must be considered, as another CLEC, WorldCom, pointed out when criticizing Qwest's analysis of lost CLEC profits in connection with consideration of the QPAP.[12] AT&T conceded that it had made no effort to measure or to take account of such other revenues. Second, AT&T's analysis did not consider the existence of resale as an option for certain service classes that do not lend themselves to economical competition through the use of UNEs. Third, AT&T did not provide any evidence of business rates; it did not even provide its simple comparison of basic rates for such service. Fourth, AT&T did not address the issue of what

[8] Brief of AT&T Regarding Public Interest and Track A, (AT&T Initial Public Interest Brief) at pages 6 and 7.
[9] Sprint Communications Company L.P.'s Brief Regarding Track A and the Public Interest (Sprint Initial Public Interest Brief) at page 4.
[10] Comments of the Association of Communications Enterprises Regarding Qwest Corporation Compliance with the Public Interest Requirements of Section 271 of the Telecommunications Act (ASCENT Comments) at page 21.
[11] Qwest's Reply Brief Regarding its Compliance with the Track A Entry Requirements of 47 U.S.C. §271(c)(1)(A) and the Public Interest Test of 47 U.S.C. §271(d)(3)(C)
[12] Comments of WorldCom, Inc. in response to Qwest Corporation's Proposed Performance Assurance Plan, 7/27/2001.

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[8]

"subsidies" might be available to it in the event that it should serve qualifying residential lines through facilities-based competition.[13]

Having conducted, advised in, or otherwise participated in numerous arbitrations, many of them involving AT&T, we have seen substantially more robust and useful analyses of revenues to be secured through leasing UNEs. Moreover, those came generally before efforts by CLECs, AT&T included, to bundle yet additional services (such as cable television) with basic monthly service. The revenue analysis that AT&T presented here was by comparison so incomplete as to render it of inconsequential value in assessing the state of local markets in Qwest's local exchange serving areas. Whether or not Qwest's UNE rates meet the checklist remains a question not resolved by these workshops. We can say, however, that the dimensions of that question have not been altered by AT&T's simplistic comparison of basic 1FR rates with UNE prices.

Even were it founded on substantial evidence, AT&T's argument would still be of questionable relevance, given the FCC's holding at paragraph 92 of the *SBC Kansas/Oklahoma Order*, which provides:

> *The Act requires that we review whether the rates are cost-based, not whether a competitor can make a profit by entering the market. Were we to focus on profitability, we would have to consider the level of a states' retail rates, something which is within the state's jurisdictional authority, not the Commission's.*

B. *Intrastate Access Charges*

AT&T presented testimony that Qwest's intrastate access charges in the seven participating states range from a low of 1.25 to 4.91 cents per minute, while the FCC has established rates at 0.55 cents per minute (assuming single carrier origination and termination) as a cost-based target for interstate access rates. AT&T said that, even with imputation of these access rates to Qwest retail revenues, CLECs would be squeezed out of the local market.[14] Qwest said that it should be sufficient that its 272 interLATA affiliate pay the same access rates as Qwest charges to competitors.

Discussion: We begin by questioning Qwest's view that it is sufficient that its affiliate pays the same access charges that competitors do. The difference, and it can be a material one, is that the access charges paid by the Qwest affiliate inure to the family of companies to which Qwest and that affiliate belong. CLECs do not pay those access charges to an entity with whom it shares an interest in bottom line results; instead, it pays them to Qwest as a competitor. A proper inquiry into this issue must go beyond equality of payment; it must address the uses to which the access charges paid by or imputed to a Qwest affiliate are put. Whether they go to a universal service fund or offset facilities costs (for purposes of retail and wholesale rates), for example, has much to do with whether competitors are squeezed out of certain local markets.

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[13] AT&T did say in its brief that other services would not change its analysis, and that the resold services discounts were inadequate. These assertions by its lawyers, unsupported by any cited evidence whatsoever, have no foundation in the record before us.

[14] AT&T Initial Public Interest Brief at pages 12 through 14.

Since the adoption of the Telecommunications Act of 1996, there has been recognition that the introduction of competition and the maintenance of cases where rates were set substantially in excess of costs would be very problematic. The challenge has been to assure that those "subsidies" that remain important (ability to pay, rural service cost premiums, and service to public institutions being most often cited among them) are structured in a way that makes them more compatible with competitive pricing. It would be overly generous to say that the FCC has fully met this challenge in interstate service pricing; we expect that the seven participating states have, at least for the most part, significant ground to cover as well.

Our problem here is that there is no evidence before us to examine this issue as it absolutely must be examined, on a state-by-state basis. The size of any argued "subsidy" in intrastate access costs is not the only issue. For one example, how the fruits of any revenues that exceed full economic costs are allocated is equally relevant. Imputation can substantially mitigate the competitive barriers that above-cost services can create, provided that they are distributed and accounted for in ways that reflect the needs of competition and of competitors.

The lack of evidence in this record on these related questions leaves us limited to a general observation that a sensitive examination of how intrastate costs are recovered and how any added margins are distributed is self-evidently critical to assuring that undesirable barriers to competition are avoided. We must leave to each of the participating commissions an analysis of how far they feel that their states have come in leveling the competitive playing field in a manner that they consider to be consistent with public policy in their jurisdiction.

C. Post-Entry Assurance Plan

A number of participants have addressed the need to assure that there exists a sound performance assurance plan. That issue was addressed in the accompanying *QPAP Report*. As that report found, with the changes recommended, the so-called QPAP will provide adequate incentives to assure that Qwest's local-exchange-service markets remain open after it may receive 271 approval from the FCC.

D. Lack of Competition

The New Mexico Advocacy Staff has argued that Qwest's New Mexico local market has been shown not to be open due to the lack of competition in sizeable amounts.[15] A number of other parties have made similar arguments, citing the same evidence that we examined in considering satisfaction of Track A requirements.[16]

The initial brief of the Iowa Office of Consumer Advocate has discussed generally the difference between expectations and current reality about the growth of local exchange competition, the difficulties that CLECs (and BOCs who have made some inroads into local markets outside their local serving regions), about its view that high profits are being earned by Qwest in Iowa, about Qwest's failure to compete against other local exchange carriers in its region, about the lack of cable television to emerge quickly as a facilities-based alternative, about an uneven distribution of competition that is weighted toward high-end customers, and about the struggles of CLECs to

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[15] New Mexico Advocacy Staff Initial Public Interest Brief at page 6.

[16] See for example the AT&T Initial Public Interest Brief at page 3 and the Sprint Initial Public Interest Brief at page 2.

Nancy Vogel

From: Nancy Vogel
Sent: Tuesday, December 12, 2000 12:14 PM
To: Jim Kilian; Brian Beck; Pete Skorczewski
Cc: Tom Simmons
Subject: Problems with CABS tapes

Kyle [illegible] called me today with some questions. You probably recall that Brian had provided me with some examples of strange looking type 11 call records. The phone #'s looked invalid. Kyle and Pam have taken a look at those examples and these are their concerns:

1) It appears that Qwest is overriding all of the originating NPA-NXX's to be 274 numbers. These are on all the records coming from Qwest. M&A can still bill these calls, but if we are ever challenged on the billing by the carriers we are billing, we will have absolutely no backup on the originating #. He said we need to get Qwest to stop doing this.

2) It appears that when Qwest overrides the calling #, the last digits of the originating number all end in a 20.

3) [illegible]% of the #'s being called are to ported numbers. There were only two calls to 605-274 numbers. Why isn't Qwest giving us the information for calls going to 274#'s?

4) Do we have the ability to bill for Une's. Kyle said this should be part of our interconnection agreement. Also, are we authorized to bill at the same rate as our regular tariff price.

I am uncertain where to go with these questions. Perhaps, we need to call someone on our interconnection team or would [illegible] Lewis be a good starting point?

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Nancy Vogel

From:	Nancy Vogel
Sent:	Monday, February 19, 2001 10:02 AM
To:	Brian Beck; Jim Kilian; Kyle Norberg (E-mail)
Cc:	Tom Simmons; Pete Skorczewski
Subject:	CABS taps

Kathy Pierce (402-422-2654) from Qwest called me today about our CABS tape questions:

1) Why are they stamping over the originating # and why does that originating # always end in a 20?

Kathy said they have been doing an overlay of that record for quite sometime. The overlay, in effect, moves the NXX over into the next field. The 20 that appears at the end of each number is actually the beginning two digits of the next field in the record layout. I asked her if that posed problems with carriers requesting backup for the billing that we're sending and she said that this is the way it has always been done in their region and carriers in their states are familiar with this.

2) Why are all our terminating numbers ported numbers vs. 605-274 numbers?

She said that she reviewed several bill pulls and that there were no 605-274 numbers until the 25th of January. I explained to her that we had had several customers take 605-274 numbers, in particular, a college campus, so I would have expected to see much more terminating traffic to those numbers. She recommended that I do more checking with our switch people to determine why we now have terminating traffic to 605-274 numbers. She asked if there could be a piece of equipment, the college's pbx for example, that would be making the numbers appear ported? I can check with Pete to see if he knows of any reason. Kyle, could you verify that this is true and that we are now picking up more 605-274 terminating traffic after the 1/25 bill pull.

[illegible]

– Shared RAO – [illegible] – US
vs.
[illegible]

[illegible]

Overlay used for Shared RAO. [illegible]
Our TNs are JS [illegible] The orig # is true to
Qwest still overlaying.

[illegible]

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February 1, 2002

Mr. Jeffrey Thompson
Directory Business Solution Design

Re: AT&T Escalation SCR090601-1-E05

Dear Mr. Thompson:

Thank you for your response dated January 30, 2002 to AT&T's formal escalation of SCR090601-E05, requesting that UNE-P orders be billed on a CABS bill

AT&T is pleased that Qwest will provide UNE-P bills in a CABs billing format in all regions beginning with the July 2002 bill cycle. It is unfortunate that it has taken so long for Qwest to provide billing in the manner that has been called for since 1997 in many of our interconnection agreements. AT&T expects that this implementation will proceed promptly and that we will experience no further delays.

AT&T would like to clarify that Qwest will deliver OBF compliant CABS billing for all UNE-P and UNE-L products. AT&T also requests that AT&T and Qwest coordinate a transmission test of this new format sometime prior to implementation.

AT&T would like to set up a conference call to clarify these and other issues to ensure that the expectations of both companies are satisfied. I will work on coordinating this call in the next week or so, and include the other CLECs joining this escalation.

Thank you for your time and consideration.

Carla Dickinson Pardee
LSAM Manager
303-298-6101

Supplemental Pre-filed Testimony
Mr. W. Tom Simmons

Before the Public Utilities Commission
State of South Dakota

In the Matter of the Analysis of
Qwest Corporation's Compliance
With Section 271(c) of the
Telecommunications Act of 1996

Docket No. TC01-165

April 17, 2002

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE ANALYSIS	)	TC01-165
INTO QWEST CORPORATION'S	)	
COMPLIANCE WITH SECTION 271(C)	)	
OF THE TELECOMMUNICATIONS ACT	)	
OF 1996	)	

Midcontinent Communications' Supplemental Testimony to Docket TC01-165

Q. Please state your name, business address, and position with Midcontinent Communications, which we will shorten up to just Midcontinent.

A. My name is W. Thomas Simmons. I am employed by Midcontinent Communications, 5001 West 41st Street, Sioux Falls, South Dakota, 57106, as the Vice President of Telephone and Network Services.

Q. Why do you seek to offer supplemental testimony?

A. When I prepared my initial testimony, all exhibits to substantiate that testimony were not available. We needed time to identify, collect and organize exhibits that would best substantiate the points I wished to make. We are a small company. One person, who has many operational responsibilities within the company, has the ability to collect the information. Thus, it has only been recently that all exhibits became available.

Q. And what is the purpose of your supplemental testimony?

A. It is solely to provide identification and foundation for exhibits that will substantiate my initial testimony. I do not intend to expand upon the issues raised in my initial testimony.

Q. Please provide your testimony on the exhibits as they relate to the issues raised in your initial testimony.

Issue: 14	Checklist # 8, White Pages Directory Listings	Description: Parity of Treatment for CLEC Listings

We have shortened Midcontinent to Midco and identified the exhibits as Midco 1, Midco 2, and so on. Midco 1 is a confidential exhibit which lists 68 accounts showing an error with the residential listing being entered with a semicolon (;) rather than a comma (,). The semicolon (;) placed the listing into the business section of the white pages rather than the residential section where they should have appeared. Midco 2 is a confidential file that shows 23 residential listings with other errors such as misspelled names, request for non-published listing that did not get processed, request for non-listed treatment, which did not get processed, and request for an address omission, which was not processed. Additionally, there are four examples of business directory listing errors (identified with a B in the margin) where spelling errors occurred or the order was otherwise not completed as specified. Midco 3 is a confidential exhibit. It is a copy of a BID file showing a customer who requested a non-published listing and who ended up in the McLeod telephone book, contrary to the order. While we were able to catch the mistake and keep it out of the Qwest telephone book, Qwest had sold its listing to McLeod who had already published the listing in error. Midco 4 is a confidential document. This document describes the situation mentioned in my initial testimony involving a business customer who was left out of the August 2002 directory resulting in a threatened suit for damages.

Issue: 15	Checklist # 1, 11, 13, 14 Lack of Available Facilities	Description: Collocation delays due to lack of Qwest facilities, particularly DC power.

Midco 5 is a confidential document. The exhibit contains the collocation price quote and payment for the installation in full. Midco 6, a confidential document, shows billing for 120 amps of power. Midco 7 is an electrical schematic of the installation as installed which makes only 60 amps of power supplied usable, but Midcontinent is being billed for 120 amps. Midcontinent ordered one 60 amp A and B power feed. The feeds are fused at 133%, explaining why F1 and F2 are shown at 80 amps each. The A and B power feeds operate in a load sharing arrangement meaning that each feed can only be loaded to 50%, or 30 amps, so if either F1 or F2 would happen to fail the remaining fuse can support the entire 60 amp load.

Issue: 52	Checklist # 11, Number Porting	Description: Qwest's Ability and Willingness to Port Numbers.

Midco 8 is a confidential exhibit. It is a copy of a trouble ticket where Qwest began the porting process too early.

Issue: 68	Checklist # 2, Subloop Unbundling	Description: Determining Ownership of Inside Wire

Midco 9 is a copy of the relevant portions of Qwest's statement of generally available terms relevant to my testimony on this subject. The exhibit shows Qwest's intent to charge CLECs for inventorying its own facilities. Midco 10 is a copy of Qwest's wholesale product catalog also supporting my testimony on this issue.

Issue: 90	Checklist # 4, Access to Unbundled Loops	Description: Reciprocity of Trouble Isolation Charges

Midco 11 is a confidential exhibit. It contains examples of instances where Midcontinent customers' problems were found to be in Qwest's network.

Issue: 139	General Terms and Conditions	Description: Comparability of Terms for New Products or Services

Midco 12 is a summary of that which is reflected in Midco 12-A, a confidential exhibit. Essentially, both exhibits provide further detail concerning the problems outlined in my testimony with timing of the availability of Qwest products. Midcontinent encountered considerable difficulty with a Qwest product, Smart-Pak, which was offered and sold by Qwest before it was known to Midcontinent, and when Midcontinent made the product available to its customers it did not work properly.

Issue: 147	General Terms and Conditions	Description: Responsibility for Retail Service Quality Assessment Against CLECs

Midco 13 reflects the Liberty Consulting Group recommendation for responsibility for retail service quality assessments against CLECs. Essentially, it supports my testimony that the wholesale service provider bear responsibility for sanctions occasioned by failure of the wholesale provider to competently provide service to its retail customers. Midco 14 is a confidential exhibit. It is an issues list from the monthly issues meetings that occur between Qwest and Midco. It is representative of the issues that develop CLECs and Qwest, and the need for Qwest to assume responsibility for substandard provisioning of service.

Issue: 150	General Terms and Conditions	Description: Misuse of Competitive Information

Midco 15 is representative of several marketing mailings made by Qwest to "win back" its customers. A copy of one of these mailings was given to Larry Toll, Qwest's South Dakota Manager, at a luncheon with me. Midco 16 is a copy of the Liberty Consulting Group report discussing the issue of misuse of competitive information. It substantiates the point I made in my testimony that it is improper for sales and marketing personnel to have access to confidential marketing information. Midco 17 is a confidential document. It shows a situation where Qwest appeared to improperly use competitive information, advising a new Midcontinent customer that she could not get her line installed from Midcontinent but needed to order it from Qwest.

Issue: 166	Section 272:	Description: Internal Controls

Midco 18 is a confidential document. It substantiates my testimony beginning on page 14, line 4, involving a customer with a "hunting" problem. This issue took nearly a year to resolve. The first three pages of the exhibit are a summary of the backup documentation that follows in the exhibit. Midco 19 is a confidential exhibit, documenting the improper rate cataloging issue mentioned at page 14 of my testimony, line 10. The first two pages show that the issue was raised on November 6, 2000. It was still an issue on Midcontinent's outstanding issues sheet on May 23, 2001. Midco 20, a confidential exhibit, provides backup to billing problems encountered by Midcontinent concerning Smart-Pak features. This has to do with my testimony on page 14, line 17.

Issue: 176	Section 272	Description: Posting Billing Detail

Midco 21 is a confidential document. It is a Midcontinent service issues document, and at issue 21 discusses re-rating to cure the initial billing problem. Midcontinent 22, another confidential document, substantiates my statement at page 15, line 21, that Qwest had permitted the billing discrepancy to accumulate to an amount in excess of $200,000.

Issue: 198	Public Interest	Description: Meaningful and Significant Incentive, Magnitude of QPAP Payout Levels

Midco 23 is an excerpt from the Liberty Consulting Group Report on QPAP, dated October 22, 2001. It is the report referred to at page 16 of my testimony, line 10.

Issue: 199	Public Interest	Description: Relevance of Compensation as a QPAP Goal

Exhibit Midco 24 is the Liberty Consulting Group QPAP Report except referred to in my testimony on page 17, line 2.

Issue: 202	Public Interest	Description: Indemnity for CLEC Payments Under State Service Quality Standards

Midco 25 is the Liberty Consulting Group QPAP Report discussing CLEC payments under service quality standards, supporting my testimony in this category. Midco 26 is a copy of the Midcontinent Service Issues statement for November 6 which shows a constant problem with Qwest's departure from service quality standards.

Issue: 223	Public Interest	Description: LIS Trunks Weighting

Midco 27 is an excerpt from the Liberty Consulting Group QPAP Report discussing the relative importance of local interconnect service (LIS) trunks. While the weight to be given the delivery of LIS trunks can be debated, clearly they are important to CLECs and merit treatment in the QPAP payment structure.

Issue: 227	Public Interest	Description: Clearly Articulated and Pre-determined Measures-Low Volume CLECs

Mideo 28 is an excerpt from the Liberty Consulting Group QPAP Report dealing with low volume CLECs. The report essentially agrees that rounding out averages would allow Qwest too much leeway.

Issue: 228	Public Interest	Description: Structure to Detect and Sanction Poor Performance as it Occurs – 6 Month Plan Review Limitations

Mideo 29 incorporates the QPAP Report discussion of the six-month plan review. The report essentially supports the concept of regulatory approval of plan changes as distinguished from Qwest approval.

Issue: 240	Public Interest	Description: Initial Effective Date

Mideo 30 is that portion of the QPAP Report dealing with its initial effective date. Midcontinent believes it supports my testimony on this issue.

Issue: 253	Public Interest	Description: UNE Prices

Mideo 31 is the Liberty Consulting Group Public Interest Report, page 5, on UNE prices. While the consultant leaves the decision to the state commissions to another day, Midcontinent believes that the CLECs position is closer to the mark. Mideo 32 is a confidential exhibit identifying comparative costs of UNE, UNE-P, residential resold and commercial resold. Clearly, it shows that UNE prices are overstated when compared to residential resold prices.

Issue: 254	Public Interest	Description: Intrastate Access Charges

Midco 33 is the Liberty Consulting Group Report on Intrastate access charges, relevant to my testimony on that subject.

Issue: Additional	Public Interest	Description: Carrier Access Billing Issues with Termination of Qwest toll calls on Midcontinent Network

Midco 34 and Midco 35 are representative of correspondence between Midcontinent and Qwest on carrier access issues. Midco 36 shows that AT&T has the same problem.

This concludes my testimony concerning the foundation for Midcontinent's exhibits.

Pre-filed Testimony
Mr. W. Tom Simmons

Before the Public Utilities Commission
State of South Dakota

In the Matter of the Analysis of Qwest Corporation's Compliance With Section 271(c) of the Telecommunications Act of 1996

Docket No. TC01-165

March 18, 2002

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE ANALYSIS INTO QWEST CORPORATION'S COMPLIANCE WITH SECTION 271(C) OF THE TELECOMMUNICATIONS ACT OF 1996	)))))	TC01-165

Midcontinent Communications' Testimony to Docket TC01-165

Q. Please state your name, business address, and position with Midcontinent Communications.

A. My name is W. Thomas Simmons. I am employed by Midcontinent Communications, 5001 West 41st Street, Sioux Falls, South Dakota, 57106, as the Vice President of Telephone and Network Services.

Q. What are your current responsibilities?

A. I am the executive responsible for the development of telephone services throughout Midcontinent's service areas, primarily in the states of South Dakota and North Dakota and have been so since Midcontinent's entry into local exchange services. Additionally, I serve as the responsible executive for commercial service sales, public relations, media relations, and regulatory affairs.

Q. What is your educational and professional background?

A. I am a 1972 graduate of Concordia College with a BA degree in psycholo..., and hold a masters degree in psychology from North Dakota State University. I became the Vice President and General Manager of Midco Communications in 1995 and a Vice President of Midcontinent Communications in 2000 when Midcontinent Media, Inc. merged its cable television and telecommunications companies with AT&T Broadband. Prior to 1995, I worked as a radio general manager for three separate companies from 1979 to 1995.

Q. Have you previously testified before this Commission?

A. Yes. I have participated in numerous issues and meetings, and formally testified "In the Matter of the Establishment of Switched Access Rates for US West Communications, Inc.", Docket TC 96-107.

Q. What is the purpose of your testimony in this proceeding?

A. The purpose of my testimony is to provide information to the Commission from Midcontinent's position and experience as a South Dakota based Competitive Local Exchange Carrier that may be helpful in the Commission's decision of whether Qwest Corporation has met the competitive checklist and other requirements of 47 U.S.C. Section 271 to provide in-region interLATA services and rely upon that finding to provide a favorable recommendation to the Federal Communications Commission.

Q. How do you propose to offer testimony to the Commission?

A. At a pre-hearing conference held with Commission staff on February 7, 2002, it was determined that staff and participants would determine how to proceed. No issues were identified by intervening parties on Checklist items 9 and 12. Therefore, Midcontinent considers Checklist items 9 and 12 satisfied. It was also determined that there are issues that can be handled through legal briefs, specifically, Track A and B determination issues. Remaining issues were to be further narrowed in a conference call with all participants on February 19, 2002. Prior to that conference call, participants were provided with a checklist of issues prepared by QSI Consulting, consultants to Commission staff. During the call, participants came to an agreement over which additional items could be handled by legal briefs, which had been satisfied, and which remained as open items. This testimony will address those open items which remain as a concern for Midcontinent Communications. We will offer testimony by stating the QSI issue number on the February 1, 2002 matrix, the referenced FCC Checklist number, and issue description along with a brief narrative.

Q. Please provide your testimony on the agreed upon issues.

A.

Issue: 14	Checklist # 8, White Pages Directory Listings	Description: Parity of Treatment for CLEC Listings

Midcontinent Communications has experienced numerous problems with directory listings for resold customers. A review of records in January and February, 2002 revealed 80 separate problems with residential directory listings all relating to typing errors. The majority of the errors caused residential customer listings to fall in the business listings category. Subsequently, Midcontinent residential customers were called by Qwest Dex sales representatives inquiring about yellow page advertising. Customers also complained they could not be found by directory assistance operators in the residential section, because they were listed in the business section. Careless other errors resulted in name misspellings, requests for non-listing were not honored, requests for the omission of addresses were not honored. In one instance, a residential customer requested non-published status, which means directory information is not published and not available from directory assistance. Qwest failed in that they did not honor the non-published request and a third party publisher using Qwest's data published their book before Midcontinent could catch and correct the error. The customer complained that this error put him in personal jeopardy. After complaints and discussion, Qwest has agreed to take Midcontinent's issues on as a project to improve performance with directory listings issues. Midcontinent has learned that directory listings training is optional within Qwest's interconnection department. Given Midcontinent's experience with a very high error rate in the directory listings area, we would expect that this would become a target area for improvement. We would also expect that training would be given a higher priority than "optional status" for Qwest personnel. Midcontinent's experience with directory listings associated with services provided over Qwest unbundled local loops statistically is better than the resold product performance. However, Midcontinent has experienced directory listings problems with unbundled loops as well. Unbundled loops are usually purchased to support facilities based business lines, and generally errors have been caught before the annual publication of the Dex phone book. In one instance, however, the directory listing of a business customer was missed in the August 2002 directory, which launched a series of liability negotiations, which have not yet been resolved. We hope this case represents a very isolated case.

Midcontinent Communications believes directory listings problems go directly to the issue of competition. Directory listings issues directly and immediately impact customers. If customers can't be found with directory listings, their calling parties will certainly let them know of the inconvenience. If a listings error is not caught prior to the publication of the annual directory book, the issue will not be resolved for a year. Failure to list a business customer raises the issue of potential lost business and surely will launch a liability dispute between the customer and the provider. We are totally at the mercy of Qwest for this important performance. The competitive issue is the comparison a customer would naturally make between the level of quality received from Qwest in the past, vs. service received from any new provider.

Issue: 15	Checklist # 1, 11, 13, 14 Lack of Available Facilities	Description: Collocation delays due to lack of Qwest facilities, particularly DC power.

Midcontinent Communications is concerned about the availability of collocation facilities particularly in wire centers in smaller communities where it intends to offer facilities based services in the future. Much of our planning depends on the accuracy of information supplied during the feasibility study conducted by Qwest as part of a collocation request. As part of its initial collocation in Sioux Falls, Midcontinent received a feasibility result calling for a certain level of DC power required for the collocation. While Midcontinent was billed for the level of power determined in the feasibility study, it was much later discovered that Midcontinent actually received substantially less power than was originally proposed and billed. Midcontinent is working with Qwest personnel to resolve this discrepancy. It's important to note, however, that the initial proposal should have been accurate. Under a more normal vendor/customer relationship, it would be expected that the vendor sales representative would have a customer care concern that the customer is getting what they need, and what they asked for.

Issue: 52	Checklist # 11. Number Porting	Description: Qwest's Ability and Willingness to Port Numbers.

Midcontinent Communications does not have major problems porting numbers, perhaps due to a larger percentage of customers who choose Midcontinent's facility based HFC (cable) network. Porting problems, have occurred however, when some business customers were ported to unbundled local loops. Business customers generally require a coordinated cut to minimize downtime during normal business hours. Some customers have been left without service when Qwest technicians begin the port ahead of the scheduled time, and before Midcontinent switch technicians are ready to accept the traffic. It has also placed a burden on telephone equipment vendors who are sometimes a party to the cut over process. The competitive issue here is in the inconvenience and potential downtime suffered by a customer. Stories of problems get around quickly in a small market about any lack of coordination. It is easy to understand why a customer may reach a conclusion that regardless of price, billing, and continuing customer service issues, they just can't afford to be out of service during normal business hours during a cut over of service. The fear of loss of service may unfairly move their decision to stay with their current provider.

Issue: 68	Checklist # 2. Subloop Unbundling	Description: Determining Ownership of Inside Wire

If Midcontinent understands this issue correctly, we find it curious that Qwest will charge the CLEC a non-recurring amount to verify their own information. One would assume that Qwest maintains a database of information on all their facilities including MTE wiring with specific details of where their network begins and ends. To date, Midcontinent has not experienced an issue with ownership of inside wiring. Most of our commercial customers are small business accounts where the inside wiring clearly belongs to the customer. However, as our customer list expands, we anticipate that this could become a larger issue. We do not believe a CLEC should be charged to update Qwest's database. Qwest should be able to ascertain whether they own the wiring within a very short period of time, without the need to come back well after service has been established and add another cost component to the CLECs product.

Issue: 90	Checklist # 4, Access to Unbundled Loops	Description: Reciprocity of Trouble Isolation Charges

Under the current arrangement for unbundled local loops, a trouble ticket must be investigated by the CLEC prior to contacting Qwest for a repair of a Qwest network problem. If an investigation by the CLEC has not been conducted, Qwest has the right to reject the trouble ticket. Under an optional testing arrangement, Qwest will investigate a "trouble" at the CLECs request. If the "trouble" is found to be in the CLEC network, Qwest will charge the CLEC for the test as well as any maintenance performed. If trouble is found to be in the Qwest network, Qwest will make the repair and close the ticket. No charge will be rendered for the maintenance, but the CLEC will be charged for the test to verify the problem on Qwest's network. Midcontinent maintains that the burden of testing a "trouble" should ultimately fall to the owner of the troubled network. If the trouble is caused by a failure in the CLEC network, the CLEC should be responsible for costs associated with the test. If the trouble is caused by a failure in Qwest's network, Qwest should bear the cost of testing whether provided by their technicians or by CLEC technicians. The competitive issue here is the assumption that Qwest's network is somehow more reliable than the CLEC network, or a customer's equipment. Midcontinent has found that not to be the case. Further, we have found cases where Qwest technicians were dispatched only to close the trouble ticket commenting that the problem is not a Qwest problem. Upon escalation, sometimes with a Midcontinent technician, the problem was discovered as a Qwest problem and ultimately resolved. In the meantime, the unnecessary delay burdened the customer. Midcontinent only asks that the issue of testing be equally shared by Qwest and the CLEC, and that all initial efforts be directed toward resolving problems, and not determining whose network is superior.

Issue 130	General Terms and Conditions	Description: Comparability of Terms for New Products or Services

Midcontinent Communications agrees that a new section 1.7.2 should be added requiring Qwest to offer new products and services at the same rates, terms, and conditions as existing products and services when these products and services are comparable.

Our first concern rests with a possible replacement of some Qwest products. What would prevent Qwest from substituting products with slightly different features at higher prices, or substituting products that eliminate unique features that may be necessary for a CLEC offering?

Our second concern is the timing of the availability of a product. Midcontinent is concerned that new products and services may be withheld from CLECs until after they are offered to Qwest retail customers. According to Midcontinent's records, the "SmartPak" product was introduced on September 14, 2000. Part of the "SmartPak" includes an area wide calling plan option that makes a toll call between the Rapid City area and the Northern Hills area of South Dakota appear to be a local call. Midcontinent first learned of this product from our customers in the Rapid City area. We began our investigation into the product immediately. Qwest billing systems were not set up to permit ordering the product until November 10, 2000. Midcontinent received notice that we could begin ordering the product on November 13, 2000. Even after November 13, 2000, Midcontinent experienced a wide variety of billing problems with the product. Midcontinent's billing platform had to be modified to accommodate billing, and isolated billing problems still remain. We also understand that this product is limited for resale only, and can not be ordered as a UNE-P product due to its combination of wholesale and retail products. Further, the only intraLATA toll option with this product is Qwest, which may have initially been believed necessary to suppress toll calls between Rapid City and the Northern Hills. We learned, however, that Qwest was not able to suppress billing of these calls. Midcontinent modified it's billing platform to suppress billing of these calls. There were also problems with specific features associated with the SmartPak product, specifically call waiting ID. This feature was to be included in the package, but Midcontinent was billed separately for the feature. Outstanding credits are still pending. SmartPak, as a product, has been grandfathered. Current customers can keep it, but new customers must purchase "ValueChoice", which include more features, but a higher price. Midcontinent does not expect that new products should be offered to CLECs and their customers before Qwest offers new products to theirs. Midcontinent does expect that new products should be made available to CLECs at the same time they are offered to Qwest customers, and that when offered, they are ready for wholesale purchase by the CLEC. Anything less puts the CLEC at a distinct competitive disadvantage.

A final concern centers on Qwest's product and area definitions. With the Area Wide Calling Plan, the definition provided to CLECs in the tariff included the availability in specific communities. The internal definition appears to include the availability in specific switches (NXX). This caused considerable confusion when ordering the product. While Qwest was providing the product in a specific community, Midcontinent orders for the same community were rejected. After much discussion and debate with our Qwest service manager, we were informed that Qwest would allow Midcontinent to place orders based on community or NXX definition. While this seemed to resolve the issue, Midcontinent most recently discovered that new NXXs have not been added to the plan in a timely manner. Midcontinent has had to request NXX updates to allow ordering, as well as prevent toll access for local calls originating or terminating on these new NXXs.

Issue: 147	General Terms and Conditions	Description: Responsibility for Retail Service Quality Assessment Against CLECs

Midcontinent Communications agrees that a provision should be included in the SGAT which would transfer state commission levied sanctions against the retail provider to the wholesale provider if violation of service standards are due to poor provisioning of service by the wholesale provider. Midcontinent is most concerned that without a provision in the SGAT, the wholesale provider may be indemnified leaving the retail provider or CLEC subject to commission sanctions for something over which the CLEC has little control. It is hoped, however, that the relationship between Qwest and the CLEC in pursuit of providing a quality service for customers may be such that service standard issues would be resolved long before they would require commission attention.

Issue: 150	General Terms and Conditions	Description: Misuse of Competitive Information

Midcontinent Communications is concerned about the access Qwest's sales and marketing personnel may have to confidential CLEC information. We are aware that Qwest is involved in an aggressive "win back" strategy. Midcontinent customers have complained that they receive a "win back" pitch almost immediately following their conversion to Midcontinent. This does not mean, however, that Qwest is necessarily improperly using confidential CLEC information. They may simply be mining their own disconnect list. Midcontinent did become concerned when a Midcontinent customer received a mailing addressed to "Midco Resold Customer", which caused concern that our customers may have been specifically targeted. It also implied that at the very least, our customers records were reviewed by Qwest sales personnel.

Issue: 166	Section 272:	Description: Internal Controls

Midcontinent Communications has experienced a wide variety of billing issues which typically take months to resolve. The problems often seem due to difficulties in relating information between Qwest departments or not getting rate information properly catalogued. In one instance, a customer was having a "hunting" problem. Qwest's solution required the customer to order market expansion lines from one central office switch, and a T-1 with direct inward dialing from another central office switch. The market expansion lines were a patch fix to resolve a customer's problem until a permanent solution could be identified. Midcontinent was informed that we would not be billed for the patch, but we were. It took nearly a year to resolve the billing problem. An example of improper rate cataloguing became apparent with a rate change in the voice mail product. The voice mail rate was changed from $16.00 to $18.50 in the Qwest billing system, but not in the tariff. After several conversations with Qwest representatives over a period of months, Qwest discovered that the billing problem was not an overcharge issue. Rather it was due to their failure to update the tariff with the internal rate change. Midcontinent was ultimately credited to the point where the tariff was corrected. Another feature package which, according to the tariff, includes caller ID waiting at no additional cost, was charged as a separate feature on Midcontinent bills. Qwest is offering credits to Midcontinent for this discrepancy, but has not yet resolved the problem. The competitive issue is the amount of time and trouble necessary to take care of product issues after the fact and the potential problems customers may experience when errors flow through to them and they accuse the CLEC of "not being able to get anything right".

Issue: 176	Section 272	Description: Posting Billing Detail

During a standard bill review on October 10, 2001, Midcontinent discovered a bill from Qwest for resold services has risen substantially. Midcontinent immediately contacted Qwest personnel to discuss and dispute the bill. Initially Midcontinent was told this specific bill was in error and credits would be offered. Subsequent bills, however, were likewise extraordinarily high. Working with Midcontinent and upon closer examination, Qwest personnel discovered that Qwest had conducted a rate review of their CLEC agreements. In doing so, Qwest apparently adjusted Midcontinent's resale rate to the amount stated on the original Interconnect Agreement. That initial rate, however, had been adjusted as a result of the first Interconnection Agreement amendment. Midcontinent's discussion with Qwest representatives urged a resolve of this issue before the dispute amounts grew beyond control. While the problem had been identified and a resolution was promised, Qwest's representatives reported that response was slow due to personnel changes and lack of available personnel. The issue was escalated to the most senior levels available to us. We understand that Qwest has now promised resolution of this issue by the end of March 2002. The amount in dispute has grown to over $200,000. While not yet resolved, Midcontinent believes that this issue has moved closer to resolution only after the direct involvement of local Qwest personnel, who have provided direct assistance on several dispute issues. In addition to the difficulties in resolving this issue, Midcontinent remains concerned that we discovered the problem, not Qwest. Midcontinent personnel have spent many overtime hours manually sorting and reconciling the bills, paying the amount we believe to be correct. The competitive issue is that this additional accounting burden has continued for six months to date, unfairly costing us time and money.

Issue: 198	Public Interest	Description: Meaningful and Significant Incentive, Magnitude of QPAP Payout Levels

According to the Liberty Consulting Group QPAP Report, October 22, 2001, page 24, the New Mexico Advocacy Staff addressed the 36 percent of net revenues standard, and that the proper inquiry was not the size of the payments, but Qwest's marginal costs of not complying with the standards. Midcontinent is most concerned about repeated problems that go on without correction. An example may be the billing problem discussed at length in issue 176 above. Midcontinent feels there should be a penalty of sufficient size to catch Qwest's attention and make it worth their while to correct the problem as quickly as possible. Anything less would put a small CLEC competitor at a disadvantage against Qwest and even a large volume CLEC.

Issue: 199	Public Interest	Description: Relevance of Compensation as a QPAP Goal

According to "The Liberty Consulting Group", QPAP Report, October 22, 2002, pages 26-28, Z-Tel stated that the point of a performance assurance plan is to create incentive to detect and sanction poor wholesale performance, not to compensate CLECs for harm. However, history demonstrates that state public service commissions, the FCC and other CLECs all recognize the compensatory nature and the liquidated damages elements of performance assurance plans. It is appropriate for the QPAP to address the question of compensating CLECs for contractual damages, and it is appropriate that the QPAP liquidate such damages, given the difficulty in measuring them precisely, and given that the QPAP payment approximate such damages. Midcontinent questions whether there are appropriate consequences for poor performance on Qwest's part that causes Midcontinent's loss of a customer.

Issue: 202	Public Interest	Description: Indemnity for CLEC Payments Under State Service Quality Standards

Midcontinent raises the same question as was raised in Issue 147. If the solution to Issue 147 leaves the CLEC with full responsibility before a state or federal regulatory body for a failing of service standards, should the CLEC be entitled to compensation from Qwest if the failing is on Qwest's part? Poor service in the eyes of customers will certainly prove damaging enough. Must the CLEC also bear the full regulatory and financial responsibility to regulatory bodies as well?

Issue: 223	Public Interest	Description: LIS Trunks Weighting

LIS trunks hold an extraordinarily high value for Midcontinent in communities where we may not be able to deliver services on our own facilities. A delay on Qwest's part to make these trunks available is clearly a delay in our ability to provide service. This may represent an unfair advantage for Qwest in that they control the timing and availability of LIS trunks, and allow Qwest the competitive advantage of being able to respond more quickly to a customer request.

Issue: 227	Public Interest	Description: Clearly Articulated and Pre-determined Measures-Low Volume CLECs

Midcontinent Communications imagines that we would fall into the category of small volume CLECs. We are less concerned with the under compensation issue expressed by some CLECs, than we are with the possibility that Qwest may be permitted to round out averages allowing Qwest too much leeway in meeting performance standards. Poor performance for services provided to Midcontinent may have little effect on the overall performance of Qwest given Midcontient's small volumes.

Issue: 228	Public Interest	Description: Structure to Detect and Sanction Poor Performance as it Occurs – 6 Month Plan Review Limitations

The QPAP provides for review every six months of its contents, with certain limits. Qwest requested final approval of any plan changes. Midcontinent believes final approval should rest with the State Commission after appropriate parties have been given an opportunity to offer suggestions for change and improvement.

Issue: 240	Public Interest	Description: Initial Effective Date

Midcontinent suggests that the effective date for QPAP performance measurements be upon State Commission issuance of its consultative report. Payments for poor performance would be assessed after the FCC approves Qwest's 271 application.

Issue: 253	Public Interest	Description: UNE Prices

Some CLECs have argued that UNE prices are too high to permit CLEC entry into the local exchange market in a profitable way. While profitability should not be a direct issue, lack of profitability is usually considered a major barrier to entry. A CLEC simply cannot enter a market with a plan to lose money. In the QSI Consulting report, it was noted that AT&T provided evidence to support the conclusion that Qwest 1FR rates were lower than UNE prices. Midcontinent's experience confirms AT&T's conclusion. As a part of early facilities based testing, we provided residential local exchange services over UNE local loops. The combination of a high UNE local loop price and the non-recurring set up charge proved this network option too costly for residential services. Midcontinent has chosen to provide local exchange services through its own hybrid fiber coax network, where available, or via Qwest's resold services. At current prices, a UNE local loop is simply not competitive for residential services.

Issue: 254	Public Interest	Description: Intrastate Access Charges

Midcontinent Communications has a variety of mixed feelings over this issue, perhaps dating back to the last exhaustive review of intrastate access charges "In the Matter of the Establishment of Switched Access Rates for US West Communications, Inc.", Docket TC 96-107. We agree that the state commission solely bears the responsibility for establishing these cost based rates. Care must be taken to prevent any additional profit margin from Qwest carrier access revenues to off-set Qwest's cost of providing intrastate access to Qwest customers, thereby giving Qwest an unfair advantage over other competitors.

Issue: Additional	Public Interest	Description: Carrier Access Billing Issues with Termination of Qwest toll calls on Midcontinent Network

An additional issue not included in QSI Consulting prepared Section 271 Issues List is one Midcontinent Communications is experiencing related to IntraLATA carrier access billing. Facilities based local exchange lines (non-resold) are entitled to switched access fees. Midcontinent has been successful in obtaining interLATA and intraLATA switched access data from all carriers other than Qwest. Qwest personnel have noted that there appears to be a large volume of calls that should be charged for switched access, but we have been unsuccessful in obtaining the data flow making billing possible. Midcontinent has followed every suggestion offered by Qwest, but the data appears to remain suppressed. Midcontinent imagines that intraLATA toll for the state's largest provider of local exchange service would represent a significant amount of intraLATA toll termination revenue. The obvious competitive issue is the inability of communicating data which may be taken up in the future OSS discussion. However, a major fairness issue remains. We must pay Qwest for toll access terminated on their network, and we are not being paid for toll access terminated on our network.

Q. Do you wish to make a final statement?

A. Yes. Midcontinent Communications is not interested in playing an obstructionist role in these proceedings. Midcontinent is interested in resolving issues and moving toward a more conventional vendor/customer relationship with Qwest. Midcontinent has maintained a positive relationship with many members of the Qwest team, and, more often than not, has found Qwest personnel willing to assist to the best of their ability. In earlier discussions, Qwest representatives expressed a desire to place Midcontinent issues and comments in a separate category, presumably because our focus appeared only on our problems, and not the South Dakota "big picture". It is impossible for us to separate our problems from a theoretical South Dakota "big picture", because our problems and concerns are the ones we know. Further, we believe our problems and concerns relate to, and may be a result of, the South Dakota "big picture". If our problems were not a part of the "big picture", and small by comparison, and nothing more than a large collection of "trouble tickets", I believe the good people at Qwest would have helped us solve them long ago. My primary concern is that our issues may have no easy and ready solution, and a resolution may not be available soon. If that's the case, our problems and concerns go directly to the issue of the establishment of fair competition.

CONTINUATION

13 -

Midcontinent Communications Testimony

Docket TC01-165

Qwest Compliance with Section 271(c) Of the Telecommunications Act of 1996

Summary

W. Tom Simmons
April 29, 2002

Midcontinent
COMMUNICATIONS

Fifty Years of Service

EXHIBIT
33

Midcontinent
COMMUNICATIONS

Overview

Midcontinent Communications Telephone Services

Network Options

- Qwest Resold Services: Residential Customers
- Qwest UNE Local Loops: Business Customers
- Qwest UNE-P Service: Business Customers
- Midcontinent Fiber Facilities: Business Customers
- Midcontinent HFC Facilities: Residential and Small Business Customers

Past Experiences

Qwest's Ability and Willingness to Port Numbers

Checklist #11
Simmons direct, p. 7,8

- Timing issue that caused service outage for customers.

Misuse of Competitive Information

General Terms and Conditions
Simmons direct, p. 13

- Questionable mailing that may have been an example of data mining confidential information.

Internal Controls

Section 272
Simmons direct, p. 13-15

- Specific service issues
- Billing problems that took nearly a year to resolve

Midcontinent
COMMUNICATIONS

Current Experiences

Directory Listings Issues

- High error rate and training issues.

Checklist #11
Simmons direct, p. 4-6

Ownership of inside wiring

- Issue of charges for verification of network

Checklist #2
Simmons direct, p. 8

Carrier access billing issues

- Continuing problem of not being able to receive carrier access data from Qwest for toll terminated calls from Qwest customers.

Public Interest
Simmons direct, p. 21

Midcontinent
COMMUNICATIONS

Current Experiences (Continued)

UNE prices

Public Interest
Simmons direct, p. 19

- UNE or UNE-P prices not effective option for residential customers.

Cost per line	Res. UNE	Res. UNE-P	Res. Resold	Bus. UNE	Bus. UNE-P	Bus. Resold
Local Loop	$18.00	$22.00	$15.42	$18.00	$22.00	$32.45
Long Distance	$ 4.50	$ 4.50	$4.50	$24.00	$24.00	$24.00
Carrier Access	$ 0.00	$ 0.00	$2.00	$0.00	$0.00	$10.00
Total	$22.50	$ 26.50	$21.92	$42.00	$46.00	$66.45
Billing	$21.95	$21.95	$21.95	$69.96	$69.96	$69.96
Carrier Access Revenue	$ 2.00	$ 2.00	$0.00	$8.00	$8.00	$8.00
Total Revenue	$23.95	$23.95	$23.95	$77.96	$77.96	$69.96
NET REVENUE	$1.45	- $2.55	$.03	$35.96	$31.96	$3.51

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Future Experiences

Lack of Available Facilities

Checklist #1, 11, 13, 14
Simmons direct, p. 6,7

- Will facilities be available in small South Dakota communities?

Comparability of Terms for New Products and Services

General Terms and Conditions
Simmons direct, p. 10

- Will new products be available to CLECs in a timely manner? Will current products change?

Responsibility for Retail Service Quality Assessment Against CLECs

General Terms and Conditions
Simmons direct, p. 12

- A CLEC needs reassurance that it will not be left "holding the bag" before the Commission for Qwest service quality issues.

Working Relationship Going Forward

QPAP
Simmons direct, p. 16,17

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Quest for a Qwest

True Business Relationship