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August 10, 2007

Patricia Van Gerpen
Executive Director
South Dakota Public Utilities Commission
500 East Capitol Avenue
Pierre, SD 57501

**Re: In the Matter of Revisions and/or Additions to the Commission's
Telecommunications Rules
Docket No. RM07-001**

Dear Ms. Van Gerpen:

Enclosed are Qwest Corporation's Comments regarding the above-referenced matter.

Very truly yours,

A handwritten signature in black ink, appearing to be "Jason D. Topp", with a long horizontal flourish extending to the right.

Jason D. Topp

JDT/bardm

Enclosures

cc: Service List

CERTIFICATE OF SERVICE

I hereby certify that on this 10th day of August, 2007, the foregoing **QWEST CORPORATION'S COMMENTS** was E-Filed upon the following party:

Patricia Van Gerpen
Executive Director
South Dakota Public Utilities Commission
500 East Capitol Avenue
Pierre, SD 57501

and copies sent electronically or via U.S. mail, addressed to the following:

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Denver, CO 80202



Dianne Barthel

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

In the Matter of Revisions and/or Additions to the Commission's Telecommunications Rules	Docket No. RM07-001
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QWEST CORPORATION'S COMMENTS

Qwest Corporation submits the following comments on the Commission's proposed rule changes. Qwest appreciates the efforts of the Commission and staff and generally supports the proposed rule changes. Nonetheless, these comments confirm positions communicated to the Commission at the August 2, 2007 hearing.

Petitions for Arbitration -- 20:10:32:29 and as incorporated in 20:10:32:30

The proposed additional filing requirements (8) through (12) are designed to ease the difficulty of meeting statutory arbitration deadlines by requiring the filing of extensive information with the arbitration petition and response. Qwest has no objection to the requirement to file testimony and exhibits in (8) and (9), opposes the requirement for cost studies contained in (10) and supports the requirements for filing a protective order and proposed procedural schedule in (11) and (12).

Qwest understands the desire to have written testimony and exhibits filed with a petition for arbitration and sees the proposed sections (8) and (9) as having both positive and negative impacts. On the positive side, the proposed filing will jump start an arbitration by having written testimony in place. Additionally, these requirements will eliminate parties filing for arbitration unless they are serious about moving forward. On the negative side,

however, parties will likely need to cut off negotiations earlier than they might otherwise in order to meet the Commission's requirement for an arbitration filing. Some issues that might have been resolved without the requirement may wind up the subject of an arbitration instead. The Commission should weigh these competing considerations in deciding whether or not to adopt (8) and (9).

Qwest opposes the requirement in (10) requiring that cost studies be filed with a petition for arbitration. Cost issues are complicated and heavily contested. They should be dealt with in cost dockets rather than in arbitration proceedings. To the extent a party wishes to revisit a rate set in a cost docket, that proposal should be rejected before a requirement for the filing of competing cost studies is applied. To the extent a rate has not been addressed in a cost docket, the rate should be litigated as a part of a generic proceeding with the participation of all interested parties rather than in an arbitration with limited participants.

20:10:32:31:01 (participation by non parties).

Qwest opposes this proposed rule, and suggests it be stricken entirely. The negotiating Parties are free to negotiate any terms and conditions into the ICA that they can agree to and therefore arguments by other parties are not relevant. Participation by nonparties could result in language proposals that go well beyond the requirements of the Act or the exclusion of some of the requirements.

Qwest has experienced proceedings in other states in which nonparties have participated. Occasionally, the parties will propose language that was not proposed by the negotiating parties, and will do so after the arbitration hearing. As a result, the parties are forced to argue about and the commission is forced to consider proposed language without

any evidence related to the language. Such an approach is neither fair to the parties nor to the commission.

Nonparties have the right to negotiate their own terms and conditions at the time they are entering into an ICA. Allowing them to participate in a different arbitration gives rise to the possibility that they will try to get certain terms and conditions established in some other parties' agreement so they can get them later.

Some parties could also consistently use the arbitrations as a public forum to try to get terms and conditions established that meet their interpretations of the Act.

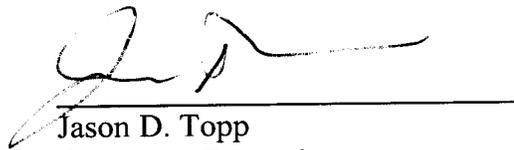
If other parties are allowed, their testimony should be limited solely to how they may be discriminated against as the result of the negotiated agreement; which is one of the two reasons that the Commission can reject the agreement (the other being that it is not in the best interest of the public).

CONCLUSION

Qwest appreciates the opportunity to comment on the Commission's proposed rules and respectfully requests that the Commission adjust the rules consistent with these comments.

Dated this 10th day of August, 2007.

QWEST CORPORTATION



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