

TC01-009

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TC01-009

EXHIBIT NO.

IN THE MATTER OF THE FILING FOR APPROVAL OF A FIFTH AMENDMENT TO AN INTERCONNECTION AGREEMENT BETWEEN QWEST CORPORATION AND MCLEODUSA TELECOMMUNICATIONS SERVICES, INC.

In the Matter of

Public Utilities Commission of the State of South Dakota

EXHIBIT NO.

DATE

EXHIBIT NO.	DATE
1/26 01	1/26 01
Friedman & Associates	
2/1 01	2/1 01
Healy & King	
3/9 01	3/9 01
Value Appraising Firm, Investment in Agreement	
3/9 01	3/9 01
Archibald Clark	

TC01-009

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January 24, 2001

William Bullard, Executive Director
Public Utilities Commission of the State of South Dakota
500 East Capitol Avenue
Pierre, SD 57501

Re: Filing of Amendment No. 5 to the Interconnection Agreement between McLeodUSA Telecommunications Services, Inc. and Qwest Corporation f/k/a U S WEST Communications, Inc.
Our File No. 2104.078

Dear Mr. Bullard:

Pursuant to ARSD 20:10:32:21 enclosed for filing are an original and ten (10) copies of Amendment No. 5 to the Interconnection Agreement between McLeodUSA Telecommunications Services, Inc. ("McLeod") and Qwest Corporation f/k/a U S WEST Communications, Inc. ("Qwest") for approval by the Commission. The Agreement is a negotiated agreement with the parties adopting the negotiated interconnection agreement between McLeodUSA Telecommunications Services, Inc. and U S WEST Communications, Inc. which was approved by the Commission effective July 23, 1999 in Docket No. TC99-057.

Four amendments have since been filed and approved: 1st and 2nd amendments approved September 29, 2000 in Docket No. TC00-107, a 3rd amendment approved September 29, 2000 in Docket No. TC00-119 and a 4th Amendment approved January 10, 2001 in Docket No. TC00-180. The Fifth Amendment amends Attachment 3, Section 2 of the Agreement, Unbundled Network Elements, to add the terms, conditions and rates for xDSL-I Loop ("IDSL").

McLeod has authorized Qwest to submit this Agreement on McLeod's behalf.

Sincerely yours,
BOYCE, MURPHY, MCDOWELL
& GREENFIELD, L.L.P.

Thomas J. Welk

RECEIVED

JAN 26 2001

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

TJWA/vj

Enclosures

cc: Ms. Laurainne Harding - McLeod (enclosure letter only)
Ms. Colleen Sevold
Ms. Mary Sullivan (enclosure letter only)

**Amendment No. 5 to the Interconnection Agreement
Between
Qwest Corporation
f.k.a. U S WEST Communications, Inc.
and
McLeodUSA Telecommunications Services, Inc.
for the State of South Dakota**

RECEIVED

JAN 26 2001

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

The Amendment No. 5 ("Amendment") is made and entered into by and between McLeodUSA Telecommunications Services, Inc. ("CLEC"), a Delaware corporation, and Qwest Corporation f.k.a. U S WEST Communications, Inc., ("Qwest") a Colorado corporation. CLEC and Qwest shall be known jointly as the "Parties"

RECITALS

CLEC and Qwest entered into that certain Interconnection Agreement for service in the state of South Dakota which was approved by the South Dakota Public Utilities Commission on July 23, 1999 (the "Agreement"), and

CLEC and Qwest wish to amend the Agreement under the terms, conditions, and rates contained herein

NOW THEREFORE, the Parties agree to the following:

1. DESCRIPTION OF AMENDMENT AND MODIFICATIONS:

Attachment 3 of the Agreement, Section 2, Unbundled Network Elements is hereby amended to add the terms, conditions and rates for xDSL-I Loop ("IDSL"). A new section 2.9 is added as follows (Rates follow as Exhibit A):

2.9 xDSL-I Loop (IDSL")

2.9.1 Description

2.9.1.1 The xDSL-I ("IDSL") transports bi-directional, two-wire, Digital Subscriber Line signals with a nominal transmission rate of 160 kbit/s and will meet the performance requirements specified in U S WEST's Technical Publication 77384. It shall permit access from 128 kbit/s to 144 kbit/s, unchannelized payload bandwidth for transport of IDSL Services.

2.9.2 Terms and Conditions

2.9.2.1 Qwest shall provide to CLEC, on a non-discriminatory basis, Unbundled IDSL Loops of substantially the same quality as the Loop that Qwest uses to provide service to its own end-users within a reasonable timeframe and with a minimum of service disruption.

2.9.2.2 IDSL Digital Capable or Qualified Loops – IDSL. Unbundled digital loops are transmission paths capable of carrying specifically

formatted and line coded digital signals. Unbundled IDSL loops may be provided using a variety of transmission technologies including but not limited to metallic wire, metallic wire based digital loop carrier and fiber optic fed digital carrier systems. Qwest will determine the specific transmission technology by which the IDSL Loop will be provided. Such technologies are used singularly or in tandem in providing service. DC continuity is not inherent in this service. Charges shall apply if conditioning of the IDSL capable loops is determined to be necessary and is requested by CLEC.

2923 When CLEC requests an IDSL Loop, Qwest will dispatch a technician to provide Extension Technology (as defined in the Interconnect and Resale Resource Guide), that may include the placement of repeaters, in either the Central Office or in the field, or BRITE cards in both the Central Office Terminal ("COT") and Remote Terminal ("RT") in order to make the Loop IDSL capable. The IDSL Loop may also require conditioning (e.g., removal of loads or bridged tap). CLEC will be charged an Extension Technology recurring charge in addition to the Unbundled Loop recurring charge as specified in Exhibit A of this Amendment. If Qwest uses Integrated Digital Loop Carrier (IDLC) systems to provide the Unbundled Loop, to the extent possible, Qwest will make alternate arrangements, which could include Line and Station Transfers (LST), to permit CLEC to order a contiguous Unbundled Loop.

2924 Qwest is not obligated to provision IDSL in areas served by Loop facilities and/or transmission equipment that is not compatible with the requested service. To avoid spectrum conflict within Qwest facilities, Qwest may control the use of certain cables for spectrum management considerations.

2925 CLEC has four installation options available when ordering an IDSL Unbundled Loop. Depending on the type of Loop ordered, the rates for the installation options will vary. Rates are contained in Exhibit A of this Amendment.

29251 Basic Installation Option for Existing Service. The Basic Installation option may be ordered for existing (reuse) service only. For an existing Qwest or other CLEC end user changing to CLEC, the Basic Installation option has no associated circuit testing. Qwest disconnects the Loop from its current termination and delivers it via the ITP to the point of demarcation. Qwest will notify CLEC when the work activity is complete. Basic Installation Rates apply for this option and are contained in Exhibit A of this Amendment.

29252 Basic Installation with Performance Testing Option for New Service. The Basic Installation with Performance Testing option is the minimum level of installation required for new service. For new service that has not previously existed, Qwest will complete the circuit wiring per the WORD document

and/or the service order. Qwest will perform the required performance tests to ensure the new circuit meets basic required parameter limits. The test results are recorded as benchmarks for future testing purposes. The test results are forwarded to CLEC by Qwest. Basic Installation with Performance Testing rates apply for this option and are contained in Exhibit A of this Amendment.

2.9.2.5.3 Coordinated Installation with Cooperative Testing Option. The Coordinated Installation with Cooperative Testing option may be ordered for new or existing service. For an existing Qwest or other CLEC end user changing to CLEC, the Coordinated Installation option includes cooperative testing. CLEC has the option of designating a specific appointment time when the order is placed. If no appointment time is specified when the order is initiated, CLEC will provide such information to Qwest at least 48 hours prior to the desired appointment time. At the appointment time, Qwest will disconnect the Loop from its current termination and deliver it to the point of demarcation in coordination with CLEC. Qwest will complete the required performance tests and perform other testing as requested by CLEC. Testing requested by CLEC that exceeds testing requirements contained in U S WEST's Technical Publication 77384 will be billed to CLEC. Test results will be recorded as benchmarks for future testing and will be forwarded to CLEC. Coordinated Installation with Cooperative Testing rates apply for this option and are contained in Exhibit A of this Amendment.

▪ **IDSL Loops**

No Load Coils, Opens, Grounds, Shorts or Foreign Volts

Insertion Loss = < 42 dB at 40 kHz

Errored Second and Severely Errored Second Testing per Technical Publication 77384, where test capability exists

2.9.2.6 Unbundled IDSL Loops are provided in accordance with the specifications, interfaces and parameters described in U S WEST's Technical Publication 77384. Qwest's sole obligation is to provide and maintain IDSL Unbundled Loops in accordance with such specifications, interfaces and parameters. Qwest does not warrant that IDSL Unbundled Loops are compatible with any specific facilities or equipment or can be used for any particular purpose or service. Transmission characteristics may vary depending on the distance between CLEC's end user and Qwest's end office and may vary due to characteristics inherent in the physical network. Qwest, in order to properly maintain and modernize the network, may make necessary modifications and changes to the IDSL Unbundled Loops, ancillary and finished services in its network on an as needed basis. Such changes may result in minor changes to transmission parameters. Changes that affect network interoperability require advance notice pursuant to the Notices Section of the Agreement.

2.9.3 Rate Elements

The following rate elements are contained in Exhibit A of this Amendment.

2.9.3.1 IDSL Digital Capable Loops – IDSL capable Loops should be requested when the 2/4 wire non-loaded Loop is either not available or the non-loaded Loop does not meet the technical parameters of CLEC's service(s). IDSL Unbundled digital Loops are transmission paths capable of carrying specifically formatted and line coded digital signals from the NI on an end user's premises to a Qwest CO-NI. IDSL capable unbundled digital Loops may be provided using a variety of transmission technologies including but not limited to metallic wire, metallic wire based digital loop carrier and fiber optic fed digital carrier systems. Qwest will determine the specific transmission technology by which the Loop will be provided. Such technologies are used singularly or in tandem in providing service. DC continuity is not inherent in this service. Charges shall apply for conditioning of the digital capable Loops, as requested by CLEC, if necessary.

2.9.3.2 Unbundled Loop recurring monthly rates for IDSL, which also includes Extension Technology recurring charges, are described in Exhibit A and includes the following:

- a) Installation charges;
- b) Conditioning charge.

2.9.3.3 Miscellaneous Charges may include Due Date Change Charges, Design Change Charges, Cancellation Charges, Additional Dispatch Charge, Expedite Order Charge, Additional Engineering, Installation Out of Hours, Maintenance of Service, Premises Work Charges, Additional Cooperative Testing, Non-Scheduled Testing, Automatic Scheduled Testing, Cooperative Scheduled Testing, Manual Testing, Manual Scheduled Testing. Rates are found in Exhibit A.

2.9.3.4 Out of Hours Coordinated Installations

2.9.3.4.1 For purposes of this Section, Qwest's installation hours are 8:00 a.m. to 5:00 p.m., Monday through Friday. Out of hours installations are only 5:00 p.m. to 10:00 p.m., local time, Monday through Friday and 8:00 a.m. to 12:00 p.m., local time, Saturday.

2.9.3.4.2 Out of Hours installations permit CLEC to select a coordinated installation outside of Qwest's installation hours. For planning purposes, CLEC shall provide Qwest with a forecast of out of hours coordinated installations at least two weeks prior to CLEC placing an order in a particular state. Forecasts should include the anticipated coordinated installation appointment times and volumes to be installed out of hours.

2.9.3.4.3 CLEC shall request out of hours coordinated installations by submitting a Local Service Request (LSR) and designating the desired appointment time outside. In the Remarks section of the LSR, CLEC must specify an Out of Hours coordinated installation.

2.9.3.4.4 The date and time for out of hours coordinated installations may need to be negotiated between Qwest and CLEC because of system downtime, switch upgrades, switch maintenance, and the possibility of other CLECs requesting the same appointment times in the same switch (switch contention).

2.9.3.4.5 CLEC will incur additional charges for out of hours coordinated installations. These charges will be the overtime rates. Refer to Exhibit A for these charges.

2.9.3.4.6 Qwest will provide FOCs (Firm Order Commitments) to CLECs according to the PO-5 performance measure. For unbundled loops, the FOC is an acknowledgment that Qwest has received the service request. The FOC does not indicate that Qwest has compatible facilities to fulfill the service order by the requested due date. The FOC for orders requesting over 24 unbundled loops will be treated on an ICB basis.

2.9.3.5 CLEC is responsible for its own end user base and has responsibility for resolution of service problems. CLEC will perform trouble isolation on IDSL Unbundled Networks Elements prior to reporting trouble to Qwest. Qwest will work cooperatively with CLEC to resolve service problems. When the trouble is not in Qwest's network, the trouble report will be referred back to CLEC and Defective Service Isolation Charges will apply.

2.9.4 Ordering Process

2.9.4.1 All IDSL Unbundled Loops are ordered via an LSR. Ordering processes are contained in the Agreement.

2.9.4.2 Prior to placing orders on behalf of the end user, CLEC shall be responsible for obtaining and have in its possession a Proof of Authorization as set forth in the Terms and Conditions Section of this Amendment.

2.9.4.3 Based on the pre-order loop make-up, CLEC can determine if the circuit can meet the technical parameters required by the IDSL service.

2.9.4.4 The installation intervals for the IDSL Capable Loops are defined in the Interconnect & Resale Resource Guide. The interval will start when Qwest receives a complete and accurate Local Service Request (LSR). This date is considered the start of the service interval if

the order is received prior to 7:00 p.m. The service interval will begin on the next business day for service requests received after 7:00 p.m. This interval may be impacted by order volumes and load control considerations. If more than twenty-five orders are issued at the same address, the request will be handled on an individual case basis.

2.9.4.5 Installation intervals for IDSL Unbundled Loops apply when facilities and/or network capacity is in place. In addition, exceptions may occur in the event of central office conversions, system outages, severe weather conditions, and during emergency preparedness situations. Under these circumstances, service intervals will be quoted on an individual case basis (ICB).

2.9.4.6 The service intervals that have been established for IDSL are set forth in Exhibit B to this Amendment.

2.9.4.7 When ordering IDSL Unbundled Loops, CLEC is responsible for obtaining or providing facilities and equipment that are compatible with the service.

2.9.5 Maintenance and Repair

2.9.5.1 CLEC is responsible for its own end user base and will have the responsibility for resolution of any service trouble report(s) from its end users. CLEC will perform trouble isolation on the IDSL Unbundled Loop and any associated ancillary services prior to reporting trouble to Qwest. Qwest will work cooperatively with CLEC to resolve trouble reports when the trouble condition has been isolated and found to be within a portion of Qwest's network. The Parties will cooperate in developing mutually acceptable test report standards. When the trouble is not in Qwest's network, CLEC shall be assessed the applicable time and materials charges.

2.9.5.2 Qwest will perform tests to isolate the service trouble. If no trouble is found, Qwest will notify CLEC. If the trouble is isolated to the Central Office, or a Qwest facility, Qwest will repair, without charge, as long as the trouble is not attributed to CLEC's Collocation equipment, cabling, and/or cross connects. If the trouble is attributed to CLEC's Collocation equipment, cabling or cross connects, Qwest will notify CLEC and charges will apply. If the trouble is on the end user's side of the NID, the trouble will be referred back to CLEC and charges will apply for trouble isolation.

2.9.5.3 When combining separately ordered elements or an element to collocated equipment, CLEC will have responsibility for testing its equipment, network facilities and the IDSL Unbundled Loop facility. If Qwest performs tests of the IDSL Unbundled Loop facility at CLEC's request, and the fault is not in Qwest's facilities, a trouble isolation charge/Defective Service Isolation charge shall apply.

2. Effective Date.


This Amendment shall be deemed effective upon approval by the appropriate state Commission; however, the Parties may agree to implement the provisions of this Amendment upon execution. To accommodate this need, CLEC must generate, if necessary, an updated Customer Questionnaire. In addition to the Questionnaire, all system updates will need to be completed by Qwest. CLEC will be notified when all system changes have been made. Actual order processing may begin once these requirements have been met.

3. Further Amendments.

Except as modified herein, the provisions of the Agreement shall remain in full force and effect. Neither the Agreement nor this Amendment may be further amended or altered except by written instrument executed by an authorized representative of both parties.

The Parties intending to be legally bound have executed this Amendment as of the dates set forth below, in multiple counterparts, each of which is deemed an original, but all of which shall constitute one and the same instrument.

**McLeodUSA Telecommunications
Services, Inc.**



Authorized Signature

David R. Conn

Name Typed or Printed

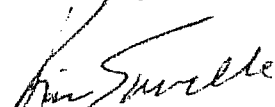
Vice President

Title

11/30/00

Date

Qwest Corporation



Authorized Signature

Kevin Swille

Name Typed or Printed

GM - Wholesale

Title

12/8/00

Date

**Exhibit A
SOUTH DAKOTA RATES ***

	Recurring	Nonrecurring
Conditioning		\$58.50
Digital Capable Loops		
Basic Rate IDSL Capable Loop	\$21.09	
Loop Installation Charges		
Basic Installation		
First Loop		\$106.29
Each Additional Loop		\$58.44
Basic Installation with Performance Testing		
First Loop		\$170.79
Each Additional Loop		\$86.61
Coordinated Installation with Cooperative Testing		
First Loop		\$220.19 ¹
Each Additional Analog Loop		\$157.58 ¹
Coordinated Installation without Cooperative Testing		
First Loop		Under Development
Each Additional Loop		Under Development
Network Interface Device (NID)		\$58.58

NOTES:

- * Unless otherwise indicated, all rates are pursuant to the U S WEST and AT&T Interconnection Agreement approved by the South Dakota Public Utilities Commission in Docket Number TC-184, effective March 4, 1999.
- [1] Rates not addressed in U S WEST/AT&T Interconnection Arbitration Docket. (TELRIC based where required.)

Exhibit B

Established Service Intervals for IDSL:

		High Density	Low Density
a)	1-8 lines	5 business days	8 business days
b)	9-16 lines	6 business days	9 business days
c)	17-24 lines	7 business days	10 business days

South Dakota Public Utilities Commission

WEEKLY FILINGS

For the Period of January 25, 2001 through January 31, 2001

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact Delaine Kolbo within five business days of this filing. Phone: 605-773-3705 Fax: 605-773-3809

NATURAL GAS

NG01-003 In the Matter of the Filing by MidAmerican Energy Company for Approval of a Refund Plan for 2001 Distribution of Kansas Ad Valorem Tax Refund.

Application of MidAmerican Energy to refund amounts received from Northern Natural Gas Company as a result of final resolution of Kansas Ad Valorem Tax proceedings. On December 27, 2000, the Federal Energy Regulatory Commission issued an order approving a settlement between the parties relating to excessive prices paid for natural gas which included Kansas Ad Valorem taxes. As a result of the Order, final distribution of the refund by Northern is expected by February 10, 2001, and MidAmerican wishes to make the refund available to customers through its purchased gas adjustment in the month of March.

Staff Analyst: Dave Jacobson
Staff Attorney: Karen Cremer
Date Docketed: 01/29/01
Intervention Deadline: N/A

TELECOMMUNICATIONS

TC01-009 In the Matter of the Filing for Approval of a Fifth Amendment to an Interconnection Agreement between Qwest Corporation and McLeodUSA Telecommunications Services, Inc.

On January 26, 2001, a Fifth Amendment to the Interconnection Agreement between Qwest Corporation (Qwest) and McLeodUSA Telecommunications Services, Inc. (McLeodUSA) was filed with the Commission for approval. The agreement is a negotiated agreement with the parties adopting the negotiated interconnection agreement between McLeod USA and Qwest which was approved by the Commission effective July 23, 1999, in Docket TC99-057. According to the parties the Amendment adds terms, conditions and rates for xDSL-I Loop (IDSL) to Attachment 3, Section 2, on Unbundled Elements. The Amendment also adds a new section 2.9 entitled "xDSL-I Loop (IDSL)". Any party wishing to comment on the agreement may do so by filing written comments with the Commission and the parties to the agreement no later than February 15, 2001. Parties to the agreement may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Kelly D. Frazier
Date Docketed: 01/26/01
Initial Comments Due: 02/15/01

TC01-010 In the Matter of the Application of Long Distance Billing Services, Inc. for a Certificate of Authority to Provide Interexchange Telecommunications Services in South Dakota.

Long Distance Billing Services, Inc. is seeking a Certificate of Authority to provide resold interexchange services throughout South Dakota. They intend to provide 1+ and 101XXXX outbound dialing, 800/888 toll-free inbound dialing, directory assistance, data services, and travel card service.

Staff Analyst: Michele Farris
Staff Attorney: Kelly Frazier
Date Docketed: 01/31/01
Intervention deadline: 02/16/01

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

IN THE MATTER OF THE FILING FOR)	ORDER APPROVING FIFTH
APPROVAL OF A FIFTH AMENDMENT TO AN)	AMENDMENT TO
INTERCONNECTION AGREEMENT BETWEEN)	AGREEMENT
QWEST CORPORATION AND MCLEODUSA)	
TELECOMMUNICATIONS SERVICES, INC.)	TC01-009
)	

On January 26, 2001, Qwest Corporation (Qwest) filed for approval by the South Dakota Public Utilities Commission (Commission) a fifth amendment to an interconnection agreement between McLeodUSA Telecommunications Services, Inc. (McLeod) and Qwest. The fifth amendment amends Attachment 3, Section 2 of the agreement, Unbundled Network Elements, to add the terms, conditions and rates for xDSL-I Loop (IDSL).

On February 1, 2001, the Commission electronically transmitted notice of the filing of the fifth amendment to interested individuals and entities. The notice stated that any person wishing to comment on the parties' request for approval had until February 15, 2001, to do so. No comments were filed.

At its duly noticed March 6, 2001, meeting, the Commission considered whether to approve the negotiated fifth amendment to the agreement between Qwest and McLeod. Commission Staff recommended its approval.

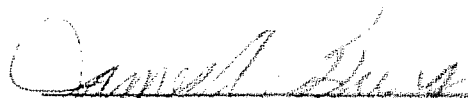
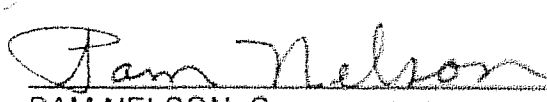
The Commission has jurisdiction over this matter pursuant to SDCL Chapter 49-31, and the Federal Telecommunications Act of 1996. In accordance with 47 U.S.C. § 252(e)(2), the Commission found that the fifth amendment does not discriminate against a telecommunications carrier that is not a party to the fifth amendment and the fifth amendment is consistent with the public interest, convenience, and necessity. The Commission unanimously voted to approve the fifth amendment to the agreement. It is therefore

ORDERED, that the Commission approves the negotiated fifth amendment to the agreement as described herein.

Dated at Pierre, South Dakota, this 9th day of March, 2001.

CERTIFICATE OF SERVICE
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.
By: <u>Melaine Kalbs</u>
Date: <u>3/12/01</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

 _____ JAMES A. BURG, Chairman
 _____ PAM NELSON, Commissioner