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Jason D. Topp
Corporate Counsel



June 22, 2007

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

**Re: Notice of Stipulation Regarding Certain Performance Indicator
Definitions and Qwest Performance Assurance Plan Provisions and
Joint Motion to Approve Same on Behalf of the Stipulating Parties**

Dear Ms. Van Gerpen:

Enclosed is the Notice of Stipulation Regarding Certain Performance Indicator Definitions and Qwest Performance Assurance Plan Provisions and Joint Motion to Approve Same on Behalf of the Stipulating Parties regarding the above-referenced matter.

Very truly yours,

A handwritten signature in black ink, appearing to be "J. Topp", written over the typed name "Jason D. Topp".

Jason D. Topp

JDT/bardm

Enclosures

cc: Service List

CERTIFICATE OF SERVICE

I hereby certify that on this 22nd day of June, 2007, the foregoing **NOTICE OF STIPULATION REGARDING CERTAIN PERFORMANCE INDICATOR DEFINITIONS AND QWEST PERFORMANCE ASSURANCE PLAN PROVISIONS AND JOINT MOTION TO APPROVE SAME ON BEHALF OF THE STIPULATING PARTIES** 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:

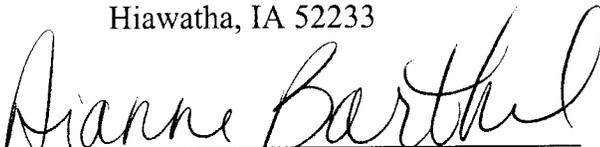
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Dianne Barthel

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

**NOTICE OF STIPULATION REGARDING
CERTAIN PERFORMANCE INDICATOR
DEFINITIONS AND QWEST PERFORMANCE
ASSURANCE PLAN PROVISIONS AND
JOINT MOTION TO APPROVE SAME ON
BEHALF OF THE STIPULATING PARTIES**

Docket No. _____

Qwest Corporation (“Qwest”) on behalf of itself, DIECA Communications, Inc. d/b/a Covad Communications Company (“Covad”) and McLeodUSA Telecommunications Services, Inc. (“McLeodUSA”) (collectively, the “Stipulating Parties” and each individually a “Party”)¹ submits the Stipulation Regarding Certain Performance Indicator Definitions and Qwest Performance Assurance Plan Provisions (“2007 Stipulation”). The Stipulating Parties respectfully recommend that the Commission approve the 2007 Stipulation, apply the agreed upon changes to the Qwest Performance Assurance Plan (“PAP”), to any interconnection agreements containing the PAP and allow the Performance Indicator Definitions (“PIDs”) modifications to go into effect.

1. This submission results from discussions that took place between May 23, 2006 and May 17, 2007 between certain CLECs and Qwest. The participants identified and agreed upon a number of modifications to the PIDs and PAPs that would be generally fair, aid efficiency and continue to provide payments to CLECs should Qwest’s performance so require. The Stipulating Parties’ agreement has been documented in the 2007 Stipulation attached as Exhibit 1.

¹ US Link, Inc. d/b/a TDS Metrocom (“TDS Metrocom”) and Eschelon Telecom, Inc. (“Eschelon”) are additional Stipulating Parties, however, are not certified in South Dakota as a CLEC and therefore do not join in the motion.

2. All of these changes were discussed by the participants in one or more of the sessions. Qwest provided notice of the opportunity to participate in the process as well as the issues presented for discussion to each CLEC in its fourteen states; 19 CLECs in the region elected to continue to receive notification of updates and meetings while seven regularly participated.
3. The Stipulating Parties recommend that the Stipulation be approved by the Commission and the changes implemented in each of the fourteen states in Qwest's local region. *2007 Stipulation*, page 1.
4. The Commission previously approved two sets of changes, sometimes referred to as the Washington Stipulation and the Arizona Stipulation, agreed upon by Qwest and multiple CLECs regarding the PAP and PID. *See* TC04-201 and TC04-257.
5. In a separate filing (June 15, 2007), Qwest recently withdrew its Statement of Generally Available Terms and Conditions ("SGAT") except as to Exhibit B, the PID. Retaining Exhibit B, which contains measurements applicable in the 14 local states, provides the Commission with a mechanism to both become aware of non-PAP impacting PID changes that can not be managed through the PAP and foster regional consistency. Regional consistency provides support for more efficient joint reviews or audits such as the 2005 ROC audit now underway.
6. Nonetheless, as stated in that June 15, 2007 filing, Qwest continues to make the PID and PAP available to CLECs until such time as the PAP is withdrawn or otherwise eliminated. Thus, as has been the case historically, when a CLEC elects to have the terms of the PAP apply to its CLEC business with Qwest, the PAP is incorporated into its interconnection agreement as Exhibit K and utilizes the most current version of the PID (Exhibit B) as the measurements through which PAP results are calculated.
7. The Commission continues to retain its authority under Section 16 of the PAP to order changes to the PAP consistent with due process and other rights of all parties and to apply agreed upon changes as well as changes occurring during the 6-month review to agreements between Qwest and CLECs containing the PAP.
8. A comprehensive redline version of the PAP changes contemplated by the 2007 Stipulation, is attached as Exhibit 2. The clean version incorporating the agreed upon changes is attached as Exhibit 3.
9. The impacted PIDs of the current Exhibit B to the SGAT. A comprehensive redline of the PID is attached as Exhibit 4. A clean version of the PID incorporating the agreed upon changes is attached as Exhibit 5.
10. The Stipulating Parties have reviewed the proposed changes to both documents and agree that they appropriately delineate both the agreement and appropriate administrative changes, and that the 2007 Stipulation should be approved.

11. The Stipulating Parties believe that the 2007 Stipulation provides a fair resolution and is in the public interest. *See 2007 Stipulation*, page 1.
12. The Stipulating Parties seek to have the Commission approve the Stipulation and implement the described changes without further hearing. *2007 Stipulation*, page 2.
13. Each of the other Stipulating Parties, i.e. Eschelon, Covad, TDS Metrocom and McLeodUSA, has authorized Qwest to file the 2007 Stipulation and jointly requests with Qwest the applicable changes be implemented in South Dakota through this 6-month review docket.

Summary of Agreed Upon Changes

14. The agreed upon revisions include several provisions that do not apply in some states; for convenience, a summary of the portions applicable to South Dakota are provided below.
15. Agreements Applicable to all 14 States
 - a. Eliminate resale DSL from PIDS and Modify PID and PAP references to Qwest DSL.
 - b. Change the MR-11 PID title to “LNP Trouble Reports Cleared within Specified Timeframes.”
 - c. Update the PID references to unbundled 2-wire non-loaded loop and unbundled ISDN capable loop disaggregations to reflect the retail analogue of ISDN BRI “(designed)”, which is how Qwest has historically measured these products.
 - d. Update PO-20 to reflect it is fully implemented by making PID and PAP revisions specified in the 2007 Stipulation.
 - e. Remove the PIDs specified in the 2007 Stipulation from PAP payment mechanisms to the extent they currently are included in a specific state’s PAP, subject to a Reinstatement/Removal process. Also, add a root cause analysis provision.
 - f. Add exclusion to MR-6 PID that allows No Trouble Found (NTF) and Test Okay (TOK) trouble reports to be removed when the ticket’s duration is one hour or less.

- g. Change the standard for BI-3A PID to a 98% benchmark and add a provision to the PAP for the BI-3A PAP payment calculation, creating a tiered structure of per occurrence amounts and modifying the per measurement cap for the sub-measure.

16. Agreements Applicable to all States except CO

- a. Add one allowable miss provision to the PAP for individual CLEC results when the CLEC aggregate results have met the standard.
- b. Revise the PAP to change the flat minimum payment amounts of \$300/\$600 (MN) and \$2000 (the 12 remaining states) with a tiered minimum payment approach that establishes a relationship between the monthly PAP payment and the required minimum payment amount. In MN the monthly minimum payment approach and CLEC certification process is replaced by the annual minimum payment determination applicable to the other 12 states.
- c. Remove the following list of product disaggregations from all applicable OP and MR PIDs in the 13 state PAPs:

Resale Centrex, Resale Centrex 21, Resale DS0, E911/911 Trunks, Resale Frame Relay, Resale Basic ISDN, Resale Primary ISDN, Resale PBX, Sub-loop Unbundling, UNE-P POTS, UNE-P Centrex and UNE-P Centrex 21s.

17. Agreements applicable in MT, NE, NM, SD, UT, WA and WY

- a. Adopt the MT Tier 2 provision to modify Sections 7.3 and 9 of the PAP such that Tier 2 payments will be based on the number of performance measurements exceeding critical z-value for three consecutive months unless there have been two misses in any three consecutive months during the past 12 months. If there have been two misses in any three consecutive months during the last 12 months, Tier 2 payments will be triggered by either two additional consecutive months' misses (for PIDs that are classified as both Tier 1 and Tier 2) or the current month's miss (for PIDs that are Tier 2 only)

Information Regarding Changes Provided to CLECs in the 14 States

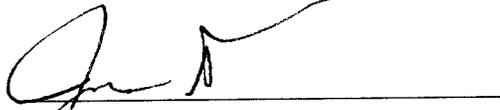
18. Qwest will also post a summary of all of the changes to its website and provide information regarding the anticipated PID and PAP changes by electronic mail.

Qwest, on behalf of itself and the Stipulating Parties, respectfully requests that the Commission approve the 2007 Stipulation describing proposed changes to the PAP and PID, apply the changes to any interconnection agreements containing the PAP and allow the PID

to go into effect no later than 60 days after this submission in accordance with 47 U.S.C.
§ 252(f)(3).

Submitted this 22th day of June 2007.

QWEST CORPORATION

A handwritten signature in black ink, appearing to read "Jason D. Topp", written over a horizontal line.

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