

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

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AUG 12 2013

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

In the Matter of the Request of Qwest
Corporation dba CenturyLink QC for
Certification Regarding its Use of Federal
Universal Service Support

Docket No. TC13-090

QWEST CORPORATION DBA CENTURYLINK QC'S
RESPONSE TO THE SOUTH DAKOTA PUBLIC UTILITIES
COMMISSION STAFF'S FIRST DATA REQUEST

Qwest Corporation dba CenturyLink QC, for its response to the South Dakota Public
Utilities Commission Staff's First Data Request, states as follows:

CENTURYLINK RESPONSES

Data Request 1-1: Is it the intent of CenturyLink QC to cover the certification
required by 47 CFR §54.313(c)(1) with the certifications provided in Attachment A?

Response:

Attachment A was provided to satisfy ARSD sections 20:10:32:43:01,
20:10:32:43:06, and 20:10:32:54. In accordance with the FCC's Public Notice DA 13-1707
released August 6, 2013, CenturyLink will file the data necessary to comply with the
requirements of 47 CFR §54.313 including the 47 CFR §54.313(c)(1) certification in its
upcoming FCC ETC filings. The FCC has created the Form 481 for the collection of these
requirements. CenturyLink will file Form 481, as required, on October 15th and a copy of the
federal filing will be provided to the State of South Dakota.

Data Request 1-2: Per ARSD 20:10:32:54(2), please provide maps detailing
CenturyLink QC's progress towards meeting its plan targets. If the company thinks this
requirement should not apply, please provide reason and justification for such.

Response:

Maps and/or construction drawing for 2014 plan targets as presented in Attachment C, have yet to be developed. CenturyLink is currently in the planning and funding phase for jobs projected for next year, 2014. Completion of this effort won't be completed until year-end 2013. The projected expenditures presented in Attachment C for 2014 are extrapolations of historical investment levels and are not tied directly to projects currently in the planning process.

Data Request 1-3: Per ARSD 20:10:32:54(2), please provide an explanation of how much universal service support was received in 2012. More specifically, please provide actual 2012 support receipts by USAC support category.

Response:

Attached Exhibit 1-3 is the USAC Funding Disbursement Detail for CenturyLink QC- Study Area 395145.

Data Request 1-4: Per ARSD 20:10:32:54(2), does CenturyLink QC have any unfulfilled network improvement targets that warrant an explanation? Further, does the company have any existing or planned network improvement targets? If so, please provide a brief description of the targets.

Response:

At present, CenturyLink QC has no unfulfilled network improvement targets that would warrant further explanation. Network improvement projects are initiated as dictated by demand, maintenance and/or provisioning of new services and constructed as needed.

Data Request 1-5: How much of the 2012 capital expenditures listed in Attachment C went towards expanding broadband services? Please provide the information by wire center.

Response:

Attached as Exhibit 1-5 is the listing of broadband expenditures by wire center.

Data Request 1-6: Describe CenturyLink QC's current broadband service offerings and any future plans for broadband. Does the company believe these services will meet the broadband obligations imposed by the FCC?

Response:

A comprehensive menu of current CenturyLink QC broadband service offerings for residential, small business and large business customers can be found on its website, www.centurylink.com.

From a residential perspective, customers have a variety of options including home phone packages that include high-speed internet and high-speed internet services without home phone service. Connections speeds vary with location and equipment availability, with speeds ranging from 768k up to 40Mps.

Small businesses can avail themselves of various internet and data services, ranging from simple, off-the-shelf solutions to customized network architecture, configuration and management. Service offerings include business class high-speed internet services, data networking services, and security services.

Finally a menu of data broadband service is available for large business customers that include internet, networking and hosting services.

CenturyLink QC has a full menu of services that provide customers with broadband services that comparable to those offered by any company anywhere in the nation.

Furthermore, it will continue to deploy upgrades to its broadband services and rollout new broadband services as feasible and dictated by the market.

CenturyLink QC is unsure of what is specifically meant by “broadband obligations imposed by the FCC” however CenturyLink does not anticipate needing to change its broadband service offerings in any way as a result of the FCC’s USF/ICC Transformation Order.

Data Request 1-7: Please describe how CenturyLink QC responds to customer requests for increased broadband services. Further, please explain the criteria CenturyLink QC uses (or will use) to determine whether a request for broadband is reasonable and how the company will decide which areas are feasible to extend broadband to.

Response:

Decisions regarding the extension of broadband services to an area where they currently do not exist are dependent on situation-specific factors. These factors include, but are not limited to, the capabilities of the equipment serving the area, the potential demand and revenue, the distance from the central office, and other economic factors. As universal service funding is expanded to include broadband capable network upgrade and deployments, the potential for reaching additional unserved areas will increase.

Data Request 1-8: Per ARSD 20:10:32:54(1) and 20:10:32:43.02, please describe with specificity the currently planned improvements or upgrades to be completed in the wire centers that have capital expenditures projected to be greater than \$100,000 in 2014 as listed in Attachment C. If project level detail is not available, at a minimum provide an explanation on how planned capital spending estimates were determined for each wire center.

Response:

Please see the response for Request 1-2.

Data Request 1-9: Per ARSD 20:10:32:54(1) and 20:10:32:43.02(2), please provide the anticipated start dates and completion dates of each improvement, as well as the estimated amount of investment for each project that is funded by high cost support, for the projects explained in CenturyLink QC's response to question 1-5. If this level of detail is not available, please provide reasoning for such.

Response:

CenturyLink QC's Frozen High-cost support and CAF ICC support is received at the Study Area level, which for CenturyLink QC equates to the state serving territory. Once accepted, it is not apportioned at the project level. The one exception is CAF Phase I Incremental Support. CAF Phase I (CAF 1) Incremental support was accepted by CenturyLink QC for South Dakota locations based on very specific and stringent FCC mandated criteria. CenturyLink QC recently updated its election to receive additional CAF I Incremental support for South Dakota and notified the Commission by letter on July 24, 2013. The initial CAF 1 project in Lake Preston is currently underway with an estimated completion date of 8.23.2013. The FCC's CAF I Incremental support program consists of a one-time payment of \$775 for each location enabled pursuant the criteria. The project in Lake Preston, as well as other CAF 1 projects, will require CenturyLink QC investment beyond the CAF I Incremental support amount. The FCC's 47 CFR §54.313 reporting requirements require certification of completion of the required number of locations in future annual filings.

Data Request 1-10: Per ARSD 20:10:32:54(1) and ARSD 20:10:32:43.02(3), please include in the two-year plan the specific geographic areas within each wire center service area where planned improvements will be made. If specific geographic areas are unavailable, please provide the reasoning for such.

Response:

Please see CenturyLink QC's response to data request 1-2.

Data Request 1-11: Per ARSD 20:10:32:54(1) and 20:10:32:43.02(4), please provide the estimated population that will be served as a result of the planned 2014 capital expenditures listed in Attachment C.

Response:

Please see CenturyLink QC's response to Request 1-2.

Data Request 1-12: Per ARSD 20:10:32:55, please confirm that new customers receive written notification of Lifeline and Linkup assistance programs within 30 days after receiving telecommunications services and all customers receive notification of the programs annually. Provide a copy of the notification CenturyLink QC mails to the customers. The bill insert provided with the initial filing does not provide specific information on the availability of the programs.

Response:

Confirmed. Attached as Exhibit 1-12 is a copy of the Lifeline "Welcome" notification which is sent to new customers within 30 days of receiving service from CenturyLink.

Data Request 1-13: Besides the flyers mailed out according to Attachment H, does CenturyLink QC annually advertise the availability of Lifeline and Linkup programs through another media of general distribution (i.e. newspaper, television, or radio)? If so, please provide the method used and further supporting evidence that this was done in 2012. If not, please provide reasoning for not advertising through newspaper, television, or radio.

Response:

In addition to the flyers and outreach through various social service organizations, CenturyLink QC advertises in all newspapers covering its service territory. Exhibit 1-13 is a copy of the articles that were published in SD newspapers on throughout the month of May 2012.

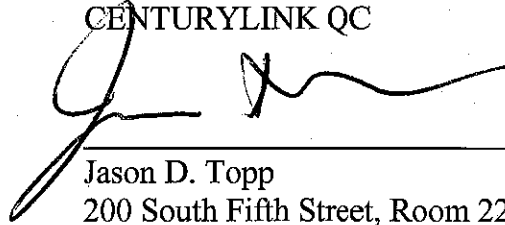
Data Request 1-14: Please confirm that no request for service went unfilled in 2012, as identified in Attachment F.

Response:

Confirmed.

Dated this 9th day of August, 2013.

QWEST CORPORATION DBA
CENTURYLINK QC

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

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CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of this document was delivered via e-mail on this 9th day of August, 2013, to the following parties:

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