BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

In the Matter of the Filing by Qwest Corporation dba CenturyLink QC for Approval of Revisions to its Exchange and Network Tariff No. 1 Docket No. TC14-075

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

Qwest Corporation dba CenturyLink QC ("CenturyLink"), for its responses to the South Dakota Public Utilities Commission Staff's Data Requests, states as follows:

1-1) Provide the notice that was given to the customers.

Response:

Customers received a bill message during the period of June 16, 2014 through July 15, 2014. The language in the notice read as follows:

Our goal at CenturyLink is to provide you with the best possible service and timely information regarding changes that impact your account. Effective July 18, 2014, the late payment charge assessed on unpaid balances for your local service remaining after the due date will increase to the greater of \$2 or 2% of your unpaid balance. If you have any questions, please contact a Customer Care Representative at the telephone number printed on your bill. Thank you for choosing CenturyLink for your communication needs - we value you as our customer.

1-2) Explain how the company came to 2%.

Response:

CenturyLink's personnel and administration costs including the handling of customer late payments have risen over the years and CenturyLink's South Dakota late payment fee

has not been increased for over 20 years. In recognition of this increasing cost as well as the need to encourage timely payment of bills, CenturyLink is moving nationally toward a standard late payment fee of the higher of 2% or \$5. For South Dakota, the rate was set at the higher of 2% or \$2 to ameliorate the initial impact of the increase to the target. Our research indicates that the rate is well within the bounds or current practice for a number of utilities both nationally and in South Dakota. For example, MidContinent Communications, one of CenturyLink's chief competitors, applies a late payment fee of \$5.

1-3) Explain how the company came to \$2.00.

Response:

See response to data request No. 1-2.

1-4) Does this tariff page apply to both residential and business customers or does it only apply to 911 service and/or customers?

Response:

The Late Payment Charge in the Qwest Corporation Exchange and Network Service Tariff No. 1 only applies to customers purchasing 911 service from the Exchange and Network Services Tariff. Residential and business customers are served from the Qwest Corporation Exchange and Network Service Catalog No. 1. The Late Payment Language also appears in the Catalog.

1-5) As this is an increase in rates, why does the symbol show that it is a change and not an increase?

Response:

When a rate appears in paragraph form and not as a rate table, CenturyLink has traditionally shown the change as a (C) code. CenturyLink uses (I) and (R) codes on rate tables.

Dated this 20th day of August, 2014.

QWEST CORPORATION DBA CENTURYLINK QC

Yason D. Topp

200 South Fifth Street, Room 2200

Minneapolis, MN 55402

(651) 312-5364

Jason.topp@centurylink.com