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March 13, 2025

Patricia Van Gerpen
Executive Director
SD Public Utilities Commission
Capitol Building, 1st Floor
500 East Capitol Avenue
Pierre, SD 57501-5070

**Re: Notice of Anticipated Transfer of Qwest Corporation d/b/a
CenturyLink QC's Fiber to the Home Assets in South Dakota**

Ms. Van Gerpen

Qwest Corporation d/b/a CenturyLink QC ("CenturyLink") hereby provides notice to the South Dakota Public Utilities Commission (the "Commission") of its anticipated intracompany transfer of fiber-to-the-home ("FTTH")¹ assets in the State (the "Asset Transfer")² to its wholly owned subsidiary, 49 Percent Qwest Sub 1, LLC ("Qwest Sub")³. FTTH assets include optical network equipment, aerial cable, buried cable, and underground cable conduit. The Asset Transfer will be effective on or after April 15, 2025 with CenturyLink providing further notice once the Asset Transfer has been consummated.

The Asset Transfer to Qwest Sub does not involve a change in the ultimate legal ownership of CenturyLink's ILEC assets in South Dakota. Generally, the transaction involves broadband, rather than voice facilities. However, there are approximately 154 South Dakota customers who receive voice service over fiber. Most such customers are in Sioux Falls but some are in Harrisburg, Pierre, Rapid City, Box Elder, and Yankton. Thus, some facilities used for voice are to be transferred within the company. Ultimate ownership and control will not change.

We have consulted with Commission staff about whether this transaction constitutes the sale of an exchange under SDCL [49-31-59](#) which states in relevant part:

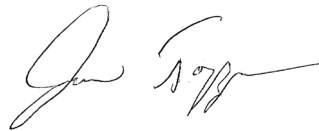
For the purposes of this section, the term, sale, means the passing, for consideration, of title to the assets comprising a telecommunications exchange, but does not include nonasset sale transactions such as mergers, consolidations, stock sales, or financing transactions. For the purposes of this section, the term, exchange, means the switching, transmission, other equipment and facilities and associated permits, authorizations, service rights, customer contracts, and related assets by which a telecommunication

company provides local exchange service throughout a local exchange area utilizing its own facilities.

This transaction does not constitute a “sale” given that the company is not transferring “assets comprising a telecommunications exchange.” CenturyLink will retain the obligation to provide service and will retain the right to use the facilities to deliver the services. Furthermore, this transaction does not involve the transfer of an “exchange.” as defined by the statute. The statute defines “exchange” for the purpose of this section as a sale of equipment, service rights, contracts and assets that provide service “throughout a local exchange area.” Here, these assets primarily provide broadband services and only provide local service to customers to a limited number of customers. Therefore, no Commission action is requested.

We appreciate staff’s assistance in helping us to analyze this transaction. If the Commission has questions or needs further information, please contact me.

Very truly yours,

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

Jason D. Topp

JDT//dmb