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April 8, 2009

Public Utilities Commission  
State Capitol Building  
Pierre, South Dakota 57501

Re: Change Affecting Submission of Annual PAP Payment Cap Calculation under  
Qwest's Performance Assurance Plan (PAP), Section 12.1

Dear Commissioners:

Section 12.1 of the PAP calls for Qwest to calculate and submit to the Commission the ARMIS "Net Return," for South Dakota for purposes of establishing an annual cap on Qwest PAP payments. The purpose of this letter is (1) to inform the Commission that a recent FCC Order,<sup>1</sup> which grants Qwest forbearance from certain ARMIS reporting requirements, also thus eliminates the ARMIS "Net Return" for South Dakota used in PAP Section 12.1, and (2) to offer a simple administrative solution.

Specifically, Qwest asks that, given the elimination of the predicate report necessary for the filing pursuant to Section 12.1, the Commission consider Qwest's last-submitted cap based on ARMIS "Net Return" as satisfying PAP Section 12.1 for this and future years.

Qwest notes that, as a practical matter, its PAP payments in any year have never approached even a small fraction of the cap amount and are not expected to approach the cap in any foreseeable scenario in the future. Further, this approach to the situation will have no impact upon Qwest's obligations to CLECs under PAP provisions of existing interconnection agreements or future agreements that adopt the PAP in its present form. Should this situation change, Qwest will notify the Commission.

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<sup>1</sup> *Petition of Qwest Corporation for Forbearance from Enforcement of the Commission's ARMIS and 492A Reporting Requirements Pursuant to 47 U.S.C. § 160(c); Petition of Verizon for Forbearance Under 47 U.S.C. § 160(c) From Enforcement of Certain of the Commission's Recordkeeping and Reporting Requirements*, WC Docket Nos. 07-204, 07-273, Memorandum Opinion and Order, FCC 08-271 (rel. Dec. 12, 2008) (*ARMIS Financial Reporting Forbearance Order*).

If there are any questions, please feel free to contact me.

Sincerely,

David Ziegler