

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

In the Matter of Qwest Corporation dba CenturyLink QC's Petition for Approval of Revisions to its Performance Assurance Plan)))))	Docket No. TC13-111
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**QWEST CORPORATION DBA CENTURYLINK QC'S RESPONSES TO THE
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION'S FIRST DATA REQUEST**

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

REQUEST NO. 1-1: How many CLECs in South Dakota currently utilize the PAP?

RESPONSE: Sixty-four CLECs in South Dakota currently utilize the PAP, based on the number of CLECs who have opted to have the PAP as part of their interconnection agreements.

REQUEST NO. 1-2: Will this redesign change the appearance of the monthly QPAP reports sent to the Commission?

RESPONSE: Currently, the PAP does not specify a required format for such reporting, but CenturyLink has been producing reports in the "pdf" format (i.e., an Adobe Reader format), with the opportunity for any party to request a report in Excel or csv format, if needed. As part of the redesign, CenturyLink reports will be provided in Microsoft Excel or equivalent format (e.g., comma-separated variable or "csv" files that are readable by spreadsheet programs like Excel). CenturyLink has already begun posting reports in Excel format, in addition to the pdf reports that have been previously posted. Eventually, the Excel formatted report will replace the pdf format entirely.

REQUEST NO. 1-3: With this redesign and removal of the 25 PID's, will we see a noticeable increase or decrease in the number of payments compared to the current design? Will the total dollar amount be higher or lower compared to the current design?

RESPONSE: There could be either a noticeable decrease or a noticeable increase in PAP payments, depending on whether CenturyLink QC keeps its performance at levels that are as good as or better than they have been recently. But in either case, that decrease or increase will be primarily due to the redesign of the PAP payment structure, rather than changes in PIDs or removals of PIDs. Most of the PIDs removed in the redesign have not generated any Tier 1 payments in South Dakota for several years, and none of the removed PIDs have contributed to the top 90 percent of PAP payments at any time since the beginning of the PAP.

Specifically, if CenturyLink's performance levels stay the same or get better, there will be a noticeable decrease in PAP payments. On the other hand, if CenturyLink QC's performance gets worse, so that there are more instances of missing standards in the Level 2 and Level 3 categories, as defined in the new plan, there would be a noticeable increase in payments. This is based on the fact that Level 2 payment increments are 1.5 times the size of the current PAP's highest payment increment level (\$150 per occurrence in South Dakota), and Level 3 payment increments are 2.0 times the size of that current payment increment.

REQUEST NO. 1-4: What is the average, per year total dollar amount paid to South Dakota CLEC's under the PAP?

RESPONSE: Payments made to CLECs (in dollars) in South Dakota:

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>YTD 2013 thru August</u>
\$4,116	\$5,093	\$10,906	\$6,081	\$3,101	\$4,021

REQUEST NO. 1-5: Why are Colorado and Minnesota payments in table 4, page 10, and other pages, higher than the “other states”?

RESPONSE: The referenced payments all start on the foundation of “base” payment increments in the current PAPs, pre-redesign. Both the Colorado and Minnesota PAPs originally contained a Tier 1A provision that the PAPs in other states did not have. Specifically, those two states’ PAPs uniquely included a table of variance factors that the other states did not have. Those variance factors were applied on a per-PID basis and utilized a modified, unique parity comparison that the other states did not use. Hence, Colorado and Minnesota started with different base payment increments, and the parties agreed to go forward in each state with their existing base payment levels.

REQUEST NO. 1-6: Why does CenturyLink feel going from the incremental late reporting payments of \$500-\$1000-\$2000 to a flat \$500 rate is appropriate?

RESPONSE: These multi-stage payment increments for late reporting were established when the process for mechanizing the data gathering and reporting was still under development, and the risk of possibly missing reports or reporting late was higher than at present. Moreover, CenturyLink has demonstrated that it both has the capability to timely report and the track record of actually doing so, based on the fact that there have never been late reports. Accordingly, the \$500-per-day late payment level is consistent with these facts.

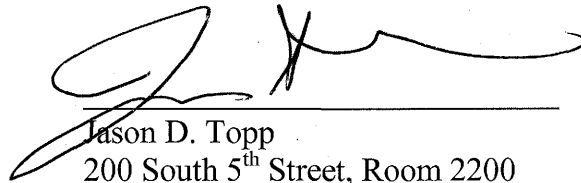
REQUEST NO. 1-7: Section 15.2.1 appears to be a new section. Why does this section need to be added? What has CenturyLink been doing in the past for any changes prior to this redesign? If this section is included in the original version, please provide reference to it.

RESPONSE: This provision reflects the way in which such changes have been handled in all past PID and PAP changes that have been approved in South Dakota. In some PAPs, such as Colorado, this provision was explicit, and in other cases, it was implied and

also it was the practice followed. Finally, the functional result of this Section was an integral, essential element of the settlement agreement among the parties – namely, all settling parties wanted this provision to be stated explicitly in the Plan as a necessary element leading to settlement. Overall, this provision is intended to reduce the burden for all concerned parties in dealing with these PID and PAP changes, thus avoiding unnecessary regulatory filings and procedures.

Dated this 26th day of September, 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

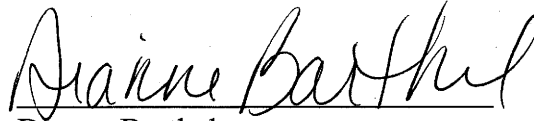
I hereby certify that a true and correct copy of the foregoing, **Qwest Corporation dba CenturyLink QC'S Responses to the South Dakota Public Utilities Commission's First Data Request** , was delivered electronically this 26th day of September, 2013, to the following:

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