



Qwest
310 SW Park Ave.
11th Floor
Portland, Oregon 97204
Telephone: 503-242-5420
Facsimile: 503-242-8589
e-mail: carla.butler@qwest.com

Carla M. Butler
Lead Paralegal

January 7, 2011

Annette Taylor
Oregon Public Utility Commission
550 Capitol St., NE
Suite 215
Salem, OR 97301

Re: UM-1484

Dear Ms. Taylor:

Enclosed for filing in the above entitled matter please find two copies of the Affidavit of Michael G. Williams Regarding Alternate Plan of Regulation, along with a certificate of service.

Mr. Williams' original Affidavit will be forward to the Commission on Monday, January 10, 2011.

If you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink that reads "Carla". The signature is written in a cursive, flowing style.

Carla M. Butler

Enclosures
cc: Certificate of Service

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM 1484

In the Matter of
CENTURYLINK, INC.
Application for an Order to Approve
the Indirect Transfer of Control of
QWEST CORPORATION

AFFIDAVIT OF MICHAEL G. WILLIAMS
REGARDING ALTERNATE PLAN OF
REGULATION

I, Michael G. Williams, being duly sworn or oath, depose and say:

1. My name is Michael G. Williams. I am Senior Director of Public Policy for Qwest Corporation International, Inc. ("Qwest"). I am appearing as a witness in the proceeding for Qwest. My business address is 1801 California Street, Denver, Colorado 80202.
2. I sponsored pre-filed testimony in this matter: Qwest Exhibit Qwest/5 (Rebuttal Testimony of Michael G. Williams).
3. In addition to my pre-filed testimony, I make the following statements for the record in this matter, as agreed by the Parties at hearing on December 17, 2010.
4. On October 26, 2010 and again on November 4, 2010, before the Public Service Commission of Utah, I presented oral testimony regarding the "additional performance assurance plan" ("APAP") proposed by the Joint CLECs. The relevant portions of this testimony can be found in the Utah transcripts for October 26, 2010 on page 187 and for November 4, 2010 on pages 582 to 583.

5. In my Utah testimony, I offered an analysis, based on "real-world data" from the Qwest Performance Assurance Plan (QPAP), that demonstrated the impact the APAP would have had if the merger had closed on 31 December 2009 and, further, if Qwest's service performance in 2010 (i.e., the first post-merger year) had been precisely the same as it was in 2009. In other words, the same data from 2009 was used for both the pre- and post-merger years in this analysis.

6. I also performed that same analysis for Oregon, based on the Oregon QPAP and using actual Oregon data from 2009. For Oregon, this analysis shows that the APAP would have penalized Qwest \$1.4 million for the first post-merger year, as compared with about \$70,000 under the QPAP, or about 20 times what the QPAP would have done - even though Qwest's post-merger performance was precisely the same as in the pre-merger year in this analysis.

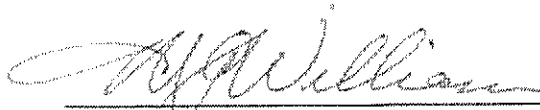
7. In addition, I would note that, with such a large additional penalty for "same" performance, the Merged Company would have to significantly improve performance, above the already-high levels, to attempt to suffer no payments under the APAP. Using the same analysis, I found that even a ten percent improvement in post-merger service performance, across all metrics, would not eliminate APAP payments.

7. In Utah, a proposed modification to the APAP was offered by Integra's witness, Douglas Denney, on October 26, 2010, as indicated on pages 372 and 373 of the Utah transcript. In response, I would note that this modification would not prevent the APAP from penalizing the Merged Company even when service performance has not degraded.

8. Finally, as I testified in Utah, "... the APAP is a bad plan that is beyond repair and has no place in any settlement or as a condition in a merger."

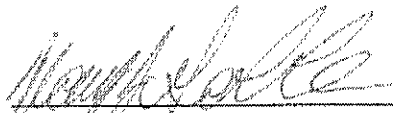
I DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF COLORADO THAT THE FOREGOING IS TRUE AND CORRECT BASED ON MY INFORMATION AND BELIEF.

Signed this 7th day of January, 2011.



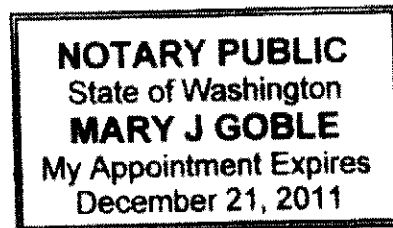
Michael G. Williams

Subscribed and sworn to before me this 7th day of January, 2011.

Signed: 

Printed: Mary J Goble

My Commission Expires: 12/21/11



CERTIFICATE OF SERVICE

UM 1484

I hereby certify that on the 7th day of January, 2011, I served the foregoing **AFFIDAVIT OF MICHAEL G. WILLIAMS REGARDING ALTERNATE PLAN OF REGULATION**, in the above entitled docket on the following persons via e-mail, and via U.S. Mail by mailing a correct copy to them in a sealed envelope, with postage prepaid, addressed to them at their regular office address shown below, and deposited in the U.S. post office at Portland, Oregon.

William Sargent (w)
Tillamook county
1134 Main Avenue
Tillamook, OR 97141
wsargent@oregoncoast.com

** Arthur A. Butler (w)
Ater Wynne LLP
601 Union Street, Site 1501
Seattle, WA 98101-3981
aab@aterwynne.com

Joel Paisner
Ater Wynne
601 Union St., Suite 5450
Seattle, WA 98101-2327
jrp@aterwynne.com

William E. Hendricks (w)
Rhonda Kent
CenturyLink
805 Broadway Street
Vancouver, WA 98660-3277
Tre.hendricks@centurylink.com
Rhonda.kent@centurylink.com

Michael Moore (w)
Charter Fiberlink OR-CCVII LLC
12405 Powerscourt Dr.
St Louis, MO 63131
Michael.moore@chartercom.com

**Gordon Feighner (w)
Citizens' Utility Board of OR
610 SW Broadway, Suite 308
Portland, OR 97205
Gordon@oregoncub.org

**Robert Jenks (w)
Citizens' Utility Board of OR
610 SW Broadway, Suite 308
Portland, OR 97205
bob@oregoncub.org

**G. Catriona McCracken (w)
Citizens' Utility Board of OR
610 SW Broadway, Suite 308
Portland, OR 97205
catriona@oregoncub.org

**Raymond Myers (w)
Citizens' Utility Board of OR
610 SW Broadway, Suite 308
Portland, OR 97205
ray@oregoncub.org

Kenneth Schifman (w)
Sprint Communications
6450 Sprint Pkwy
Overland park, KS 66251
Kenneth.schifman@sprint.com

Marsha Spellman
Converge Communications
10425 SW Hawthorne Ln.
Portland, OR 97225
marsha@convergecomm.com

Katherine K. Mudge
Covad Communications Co.
7000 N. Mopac EXPWY
2nd Floor
Austin, TX 78731
kmudge@covad.com

**K.C. Halm (w)
Davis Wright Tremaine
1919 Pennsylvania Ave. NW
2nd floor
Washington DC 20006-3458
kchalm@dwt.com

Diane Browning (w)
Sprint Communications
6450 Sprint Pkwy
Overland park, KS 66251
Diane.c.browning@sprint.com

** Mark Trincherro (w)
Davis Wright Tremaine
1300 SW 5th Ave., Suite 2300
Portland, OR 97201-5682
marktrincherro@dwt.com

**Jason Jones
Department of Justice
1162 Court St., NE
Salem, OR 97301-4096
Jason.w.jones@state.or.us

Edwin Parker (w)
Economic Dev. Alliance
P.O. Box 402
Gleneden Beach, OR 97388
edparker@teleport.com

Karen Clauson (w)
Integra Telecom
6160 Golden Hills Dr.
Golden Valley, MN 55416
klclauson@integratelecom.com

*Greg Rogers (w)
Level 3 Communications, LLC
1025 Eldorado Blvd.
Broomfield, CO 80021
Greg.rogers@level3.com

*Lisa Rackner (w)
McDowell Rackner
520 SW 6th Ave., Suite 830
Portland, OR 97204
lisa@mcd-law.com

Mark Reynolds (w)
Qwest Corporation
1600 7th Ave., Rm. 3206
Seattle, WA 98191
Mark.reynolds3@qwest.com

Adam Haas (w)
WSTC
10425 SW Hawthorne Ln.
Portland, OR 97225
adamhaas@convergecomm.com

Michel Singer Nelson
Penny Stanley
360networks (USA) Inc.
370 Interlocken Blvd.
Suite 600
Broomfield, CO 80021
Penny.stanley@360.net

Frank G. Patrick, Esq.
P.O. Box 121119
Portland, OR 97281
fgplawpc@hotmail.com

John Felz (w)
CenturyLink
5454 W. 110th St.
KSOPKJ0502
Overland Park, KS 66211
John.felz@centurylink.com

**Adam Lowney (w)
McDowell Rackner
520 SW 6th Ave., Suite 830
Portland, OR 97204
adam@mcd-law.com

* Kelly Mutch (w)
PriorityOne Telecommunications
P.O. Box 758
La Grande, OR 97850-6462
managers@p1tel.com

* Lyndall Nipps
TW Telecom of Oregon, LLC
9665 Granite Ridge Dr., Suite 500
San Diego, CA 92123
Lyndall.nipps@twtelecom.com

Rex Knowles
XO Communications Services
7050 Union Park Ave., Suite 400
Midvale, UT 84047
Rex.knowles@xo.com

* Judith Endejan (w)
Graham & Dunn PC
2801 Alaskan Way, Suite 300
Seattle, WA 98121
jendejan@grahamdunn.com

Richard Stevens (w)
Central Telephone, Inc.
1505 S. Grant
P.O. Box 25
Goldendale, WA 98620
rstevens@gorge.net

David Hawker (w)
City of Lincoln City
801 SW Highway 101
Lincoln City, OR 97367
davidh@lincolncity.org

*Wendy McIndoo (w)
McDowell Rackner
520 SW 6th Ave., Suite 830
Portland, OR 97204
wendy@mcd-law.com

**Michael Dougherty
Oregon Public Utility Comm.
P.O. Box 2148
Salem, OR 97308-2148
Michael.dougherty@state.or.us

Barbara Young
United Telephone of the NW
902 Waco St., ORHDRA0305
Hood River, OR 97031
Barbara.c.young@centurylink.com

*Kristin Jacobson (w)
Sprint Nextel
201 Mission St., Suite 1500
San Francisco, CA 94105
kristin.l.jacobson@sprint.com

Dave Conn
T-Mobile USA, Inc.
12920 SE 39th St.
Bellevue, WA 98006
Dave.conn@t-mobile.com

**Gregory Merz (w)
Gray Plant Mooty
500 IDS Center
80 S Eighth Street
Minneapolis, MN 55402
Gregory.Merz@Gpmlaw.Com

Douglas R. Holbrook
P.O. Box 2087
Newport, OR 97365
doug@lawbyhs.com

Charles Jones (w)
Communication Connection
15250 SW Science Park Dr.,
Suite B
Portland, OR 97229
charlesjones@cms-nw.com

Wayne Belmont, Esq. (w)
Lincoln County Counsel
225 W. Olive St.
Newport, OR 97365
wbelmont@co.lincoln.or.us

Greg Marshall (w)
NPCC
2373 NW 185th Ave., # 310
Hillsboro, OR 97124
gmarshall@corbantechologies.com

Randy Linderman
Pacific NW Payphone
2373 NW 185th Ave., #300
Hillsboro, OR 97124-7076
rlinderman@gofirestream.com

Edwin B. Parker (w)
Parker Telecommunications
P.O. Box 402
Gleneden Beach, OR 97388
edparker@teleport.com

**Bryan Conway
Oregon Public Utility Comm.
P.O. Box 2148
Salem, OR 97308-2148
Bryan.conway@state.or.us

Patrick L. Phipps
QSI Consulting, Inc.
3504 Sundance Drive
Springfield, IL 62711

DATED this 7th day of January, 2011.

QWEST CORPORATION



By: _____
ALEX M. DUARTE, OSB No. 02045
310 SW Park Ave., 11th Flr.
Portland, OR 97205
Telephone: 503-242-5623
Facsimile: 503-242-8589
e-mail: alex.duarte@qwest.com
Attorney for Qwest Corporation

(w) denotes waiver of paper service

* denotes signed Protective Order No. 10-192

** denotes signed Protective Order Nos. 10-192 and 10-291