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August 24, 2010

## VIA ELECTRONIC FILING AND U.S. MAIL

PUC Filing Center  
Public Utility Commission of Oregon  
PO Box 2148  
Salem, OR 97308-2148

**Re: Docket No. UM 1484**

Enclosed for filing in the above-referenced docket are an original and five copies of Level 3 Communications, LLC's Direct Testimony of Richard E. Thayer.

A copy of this filing has been served on all parties to this proceeding as indicated on the attached certificate of service.

Very truly yours,

A handwritten signature in cursive script that reads "Wendy McIndoo".

Wendy McIndoo  
Legal Assistant

cc: Service List

1 **CERTIFICATE OF SERVICE**

2 I hereby certify that I served a true and correct copy of the foregoing document in  
3 Docket UM 1484 on the following named person(s) on the date indicated below by email  
4 and U.S. Mail addressed to said person(s) at his or her last-known address(es) indicated  
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DATED: August 24, 2010

  
\_\_\_\_\_  
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**BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON**

**UM 1484**

**In the Matter of**

**CENTURYLINK, INC.,**

**Application for Approval of Merger  
between CenturyTel, Inc. and Qwest  
Communications International, Inc.**

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**DIRECT TESTIMONY  
OF  
RICHARD E. THAYER  
ON BEHALF OF  
LEVEL 3 COMMUNICATIONS, LLC**

**August 24, 2010**

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS?**

2 **A.** My name is Richard E. Thayer. I am employed by Level 3 Communications, LLC  
3 ("Level 3"). My business address is 1025 Eldorado Boulevard, Broomfield, CO  
4 80021.

5 **Q. PLEASE DESCRIBE YOUR RESPONSIBILITIES AT LEVEL 3?**

6 **A.** I am Senior Corporate Counsel at Level 3. In that role I am primarily responsible  
7 for negotiating and finalizing interconnection agreements between Level 3 and  
8 other carriers in the U. S. Additionally, I am responsible for dispute resolution  
9 between Level 3 and other carriers when the subject matter of those disputes lies  
10 within the areas of interconnection agreements or the regulations regarding the  
11 exchange of traffic.

12 **Q. PLEASE DESCRIBE YOUR PROFESSIONAL BACKGROUND?**

13 **A.** From 1989 until 2002, I worked as an attorney for AT&T. My responsibilities  
14 included acting as managing counsel for an AT&T subsidiary company, American  
15 Transtech, a General Attorney responsible for all commercial affairs for AT&T in  
16 the Pacific Northwest (including interconnection agreements, and a Vice  
17 President responsible for AT&T's wireless regulatory activities in the Pacific  
18 Northwest and AT&T Broad, formerly TCI. I joined Level 3 in 2003 in my present  
19 position. A more comprehensive CV describing my qualifications is attached  
20 hereto as Exhibit 101.

21 **Q. PLEASE PROVIDE LEVEL 3's POSITION ON THE PROPOSED MERGER OF**  
22 **QWEST WITH CENTURY LINK?**

23 **A.** Level 3 believes that with the adoption of targeted, common sense conditions,  
24 the Commission can approve the proposed transaction between "Qwest", "Qwest  
25 Operating Companies" and "CenturyLink," and the "CenturyLink Operating  
26 Companies" as those terms are defined in the joint applicants' application for

1 approval.<sup>1</sup> For ease of reference, when speaking about the transaction I will refer  
2 to it as the "Proposed Transaction," the involved company's will be referred to as  
3 the "Applicants" and I will refer to the post transaction company as the  
4 "Combined Entity."

5 **Q. WHY DOES THIS TRANSACTION RAISE CONCERNS FOR LEVEL 3?**

6 **A.** This merger is one of first impression because the entire operation of a Regional  
7 Bell Operating Company ("RBOC") will be taken over by an Independent  
8 Incumbent Local Exchange Carrier ("ILEC") that serves predominately rural  
9 territories. If the Proposed Transaction is completed, the resulting entity will  
10 combine businesses and management that have been forced to open their  
11 markets to local competition with those that, for the most part, have not. For the  
12 Combined Entity's management, primarily from CenturyLink, their introduction to  
13 the ways of competition may run counter to past obligations or experiences  
14 managing a rural ILEC. In order to ensure that the Combined Entity understands  
15 and meets its obligations, the Commission will need to adopt common sense  
16 conditions before it approves the transaction. Level 3 also believes that the  
17 Commission must be vigilant to ensure that the Combined Entity does not meet  
18 the same fate as Hawaii Telephone or Fairpoint .

19 **Q. WHAT CONDITIONS DOES LEVEL 3 BELIEVE ARE NECESSARY BEFORE**  
20 **THE COMMISSION CAN APPROVE THE PROPOSED TRANSACTION?**

21 **A.** Level 3 believes the Commission should:

22 1. Promote stable and predictable interconnection rights by:

- 23 a. Extending the term of existing interconnection agreements as set  
24 forth in the Joint CLEC testimony;

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<sup>1</sup> *Application For Approval of Merger Between CenturyTel, Inc. and Qwest Communications International, Inc.* Docket UM 1484 (May 24, 2010) ("Application").

- 1           b.       Requiring the Combined Entity to allow the portability from one  
2           state to another of the existing interconnection agreements between the  
3           Combined Entity and that CLEC; and
- 4           c.       Requiring Qwest to extend its existing Statements of Generally  
5           Available Terms ("SGATs") for a period of five years.
- 6           2.       Provide explicit guidance that, in light of the decision by the United States  
7           Court of Appeals for the District of Columbia upholding the order of the Federal  
8           Communications Commission ("FCC") in the Core Communications Mandamus  
9           case,<sup>2</sup> all ISP-bound traffic is now subject to the rate set by the FCC including  
10          what has been labeled in the past as "virtual NXX" traffic. Specifically, the  
11          Commission should impose the following conditions:
- 12           a.       The Combined Entity will compensate terminating carriers at the  
13           appropriate rate for ISP-bound traffic and that ISP-bound traffic shall  
14           include traffic provisioned using virtual NXX Codes; and
- 15           b.       The Combined Entity shall treat all locally-dialed ISP-bound traffic  
16           including Virtual NXX traffic as local traffic in the calculation of relative  
17           use factors for purposes of 47 C.F.R. §703(b).
- 18          3.       Take steps to prevent the Combined Entity from arbitraging the Rural  
19          CLEC exemption to circumvent the CLEC access rate cap;
- 20          4.       Ensure that the Combined Entity passes through to competitors synergies  
21          captured through network integration and the establishment of new routes or  
22          capacity;
- 23          5.       Require all contracts between the affiliates of the Combined Entity for  
24          telecommunications services and network interconnection to be made publicly  
25          available;

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<sup>2</sup> *Core Communications, Inc. v. FCC*, 592 F.3d 139 (D.C. Cir. 2010).



1           6.       Prohibit the Combined Entity from using billing disputes with one entity to  
2 threaten disconnection of services or refusing to provision new orders across the  
3 Combined Entity;

4           7.       Prohibit the Combined Entity from continuing or expanding improper 8YY  
5 homing switched access arbitrage practices. All telecommunications carrier  
6 entities of the Combined Entity will assess tandem transport switched access  
7 charges based upon call routing to the nearest tandem according to the currently  
8 published LERG, even when such a tandem is a non-Embarq tandem;

9           8.       Require Qwest to cease its practice of denying dispute claims purely on  
10 the basis that they are older than 90 days from the date originally billed;

11          9.       Require Qwest to cease its practice of using its interstate tariffs as a  
12 claimed basis for establish billing analogs for intrastate charges that are not  
13 tariffed in its intrastate tariffs.

14 **Q.       ARE THESE THE ONLY CONDITIONS THAT THE LEVEL 3 BELIEVES THE**  
15 **COMMISSION SHOULD CONSIDER?**

16 **A.**       No. Level 3 supports the conditions proposed by the Joint CLECs, and is one of  
17 the sponsors of the testimony offered by Messrs. Gates and Ankum in support of  
18 those conditions. In addition, Level 3 agrees with most if not all of the conditions  
19 proposed by Commission Staff. My testimony, however, is intended as a  
20 complement to testimony offered by the Joint CLECs and Staff, but with a  
21 particular focus on Level 3's particular concerns.

22 **Q.       PLEASE EXPLAIN LEVEL 3's POSITION ON INTERCONNECTION**  
23 **AGREEMENTS.**

24 Interconnection agreements are the lifeblood of a competitive  
25 telecommunications infrastructure. Without them, a carrier cannot exchange  
26 traffic or provide services within a specific area. Because of their importance,

1 companies invest substantial time and effort in those agreements before they  
2 invest funds in their networks. It is crucial that the Commission ensure that the  
3 interconnection process continues as smoothly as possible while the Combined  
4 Entity goes about integrating its systems and streamlining its operations. It can  
5 do so by adopting three, common sense conditions related to interconnection.  
6 They are:

7 1. The Combined Entity shall allow competitive providers to extend existing  
8 interconnection agreements as described in the testimony of Mr. Gates and as  
9 stated in the Joint CLEC combined Conditions List.

10 2. The Combined Entity shall allow competitive providers to import any  
11 interconnection agreement between the CLEC and an affiliate of the Combined  
12 Entity into the operating territory of another affiliate. For example, Level 3 should  
13 be able to import the Embarq-Level 3 interconnection agreement into the Qwest  
14 region.

15 3. Qwest shall agree to keep its existing Schedule of Generally Available  
16 Terms ("SGAT") available, without changes, for five years

17 **Q. WHY SHOULD THE COMMISSION REQUIRE AN EXTENSION OF THE**  
18 **INTERCONNECTION AGREEMENTS?**

19 **A.** In order to ensure that the Combined Entity can focus on integrating its  
20 operations and meeting its wholesale commitments, the Commission should  
21 require the Combined Entity to allow competitive providers to elect to extend the  
22 existing interconnection agreement between the parties for a period of three  
23 years from the closing date of the transaction. This requirement must expressly  
24 include all agreements in "evergreen" status.

25 The competitive industry is concerned that the Combined Entity will  
26 decide to terminate those agreements and force carriers into renegotiations that

1 will eventually result in the CLECs filing for arbitration. The CLECs and the  
2 Combined Entity have limited resources to devote to any project. Level 3 would  
3 prefer that the parties devote those resources, personnel and financial, toward  
4 ensuring the wholesale commitments are met.

5 **Q. WOULD A CONDITION EXTENDING THE INTERCONNECTION**  
6 **AGREEMENTS BE UNIQUE TO THIS TRANSACTION?**

7 **A.** No it would not. Similar conditions have been adopted in orders approving the  
8 mergers of AT&T and Bell South, SBC and Ameritech, Fairpoint and its purchase  
9 of the Verizon territories in New Hampshire, Vermont and Maine; and the Frontier  
10 acquisition of certain Verizon territories.

11 **Q. PLEASE DISCUSS LEVEL 3's PROPOSAL TO REQUIRE PORTABILITY OF**  
12 **INTERCONNECTION AGREEMENTS?**

13 **A.** Level 3 believes that the Commission should require the Combined Entity to  
14 allow a competitive carrier to import into Oregon any interconnection agreement  
15 that it maintains in another state. So for example, Level 3 would have the option  
16 of extending an interconnection agreement it already has in Oregon or it could  
17 notify the Combined Entity that it wants to use the interconnection agreement  
18 between Level 3 and Embarq that is in place in Nevada. Only state-specific  
19 pricing changes would be required and those changes should be automatic. The  
20 Combined Entity should not be allowed to delay implementation of an imported  
21 agreement by claiming that negotiations are required to make the agreement  
22 state specific.

23 **Q. WOULD A PORTABILITY REQUIREMENT FOR INTERCONNECTION**  
24 **AGREEMENTS BE UNIQUE TO THIS TRANSACTION?**

25 **A.** No it would not. A similar condition was imposed by the FCC in the  
26 *AT&T/BellSouth Order*. In doing so, the FCC found that such conditions "should

1 reduce any incremental effect on the pending merger on the incentive to  
2 discriminate.”<sup>3</sup>

3 **Q. PLEASE EXPLAIN LEVEL 3’s CONCERNS REGARDING THE QWEST**  
4 **SGATs?**

5 **A.** Since the Combined Entity will be focused on integrating its operations and  
6 meeting its wholesale commitments, it is important that competitors limit friction  
7 caused by expiring interconnection agreements. That’s why Level 3 believes it is  
8 important to extend the existing agreements and allow for the importation of other  
9 interconnection agreements the Combined Entity maintains. There is a third step,  
10 however, that Level 3 believes the Commission should take to allow competitors  
11 with flexibility and that is requiring Qwest to agree to keep its SGAT available for  
12 five years. By doing so, the Commission will ensure that competitive providers  
13 have sufficient options to establish interconnection arrangements with the  
14 Combined Entity. Everyone will then be focused on integration, implementation  
15 and exchanging traffic instead of arbitrating new interconnection agreements.  
16 Five years is the appropriate time period for offering the SGATs because it  
17 provides a consistent approach to interconnection for competitors to rely upon.  
18 When it comes to interconnection, the public interest requires certainty so that  
19 appropriate investments can be made in the respective networks. With the  
20 adoption of this simple, common sense solution, Level 3 believes the  
21 Commission can promote a competitive playing field in the marketplace.

22 **Q. IF THE COMMISSION PROVIDES AN OPTION TO EXTEND THE**  
23 **INTERCONNECTION AGREEMENTS OR TO IMPORT IN AN AGREEMENT**  
24 **FROM ANOTHER STATE, DOES THAT RESOLVE ANY DISPUTES OR**

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<sup>3</sup> *Memorandum Opinion and Order*, In the Matter of AT&T Inc. and BellSouth Corporation  
Application for Transfer of Control, WC Docket No. 06-74, released March 26, 2007.

1           **ISSUES SURROUNDING THE COMBINED ENTITY'S WHOLESALE**  
2           **OBLIGATIONS?**

3   **A.**    While those two steps would go a long way in ensuring that the parties focus on  
4           operating their businesses and providing services to end-users, the Commission  
5           must resolve the outstanding issues with respect to contract interpretation. It  
6           won't do much good to extend an agreement when the parties have serious  
7           policy disagreements over the interpretation or implementation of the  
8           agreements. It's in everyone's best interests to resolve interconnection issues.

9   **Q.    WHAT ISSUES SHOULD THE COMMISSION RESOLVE?**

10 **A.**    One important issue the Commission should resolve involves intercarrier  
11          compensation for ISP-bound traffic. Any condition regarding agreements will be  
12          hollow unless the question is explicitly addressed. Without clear guidance,  
13          regulatory and judicial litigation involving the interpretation of interconnection  
14          agreements will drag on and agreements ported into a state will spur new  
15          conflicts.

16                 The most litigated issue that Level 3 has experienced in the Qwest  
17                 service territory for the past 10 years has been the treatment of locally dialed  
18                 ISP-bound traffic. Qwest has taken every opportunity to oppose its obligation to  
19                 pay terminating compensation for that traffic, arguing that the ISP must be  
20                 physically located in the same local calling area as the Qwest end user making  
21                 the call. The dockets of the state commissions as well as state and federal courts  
22                 are full of proceedings interpreting and reinterpreting the *ISP Remand Order*<sup>4</sup>.

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<sup>4</sup> *In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, Developing a Unified Intercarrier Compensation Regime, Intercarrier Compensation for ISP-bound traffic*, CC Docket Nos 96-98, 99-68, 01-92 *et. al.*, Order on Remand and Report and Order and Further Notice of Proposed Rulemaking, FCC 08-262, 24 FCC Rcd. 6475, 2008 WL 4821547, (rel. Nov. 5, 2008) ("*Core ISP Order*").

1 With each conflicting interpretation, the unsuccessful party pushes the matter  
2 further up the appellate ladder.

3 **Q. WHY SHOULD THE COMMISSION RESOLVE THE TREATMENT OF ISP-**  
4 **BOUND TRAFFIC HERE?**

5 **A.** Resolution of the applicable interconnection obligation concerning ISP-bound  
6 traffic is necessary to ensure that the Combined Entity does not force its  
7 competitors to litigate issues that have been finally resolved by the United States  
8 Court of Appeals for the District of Columbia Circuit in its review of the *Core ISP*  
9 *Order*.<sup>5</sup> As incumbents, CenturyLink, Qwest and Embarq have every incentive to  
10 dispute the application of the intercarrier compensation regime for ISP-bound  
11 traffic by pressing invalidated arguments in order to avoid paying their  
12 competitors for traffic that their end users originate. In the context of this merger,  
13 however, the question isn't just whether the Combined Entity will thwart  
14 competition, but it also goes to the basic economic assumptions the applicants  
15 have made when examining this transaction and whether they will force  
16 competitors to subsidize the operations of the Combined Entity.

17 **Q. PLEASE EXPLAIN WHAT YOU MEAN BY THE BASIC ECONOMIC**  
18 **ASSUMPTIONS MADE BY THE COMPANIES?**

19 **A.** In preparing for this transaction, CenturyLink has made some basic assumptions  
20 about the expenses that Qwest incurs, such as reciprocal compensation, and the  
21 revenue it receives, such as inter- and intrastate access charges. In the case of  
22 ISP-bound traffic, Qwest and CenturyLink have taken the position that unless the  
23 ISP's modem is in the same local calling area as their customer, then the call is a  
24 toll call and that access charges apply. While the *Core ISP Order* and the D.C.  
25 Circuit Court's affirmation reject this interpretation—and while the Oregon

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<sup>5</sup> *Core Communications, Inc. v. FCC*, 592 F.3d 139 (D.C. Cir. 2010). (“*D.C. Circuit Decision*”).

1 Commission has at least in part rejected this interpretation of the federal law—  
2 Level 3 expects Qwest to continue to argue—wherever and whenever it can—  
3 that “VNXX” traffic is not covered by the FCC’s established regime for ISP-bound  
4 traffic. One question for the Commission is whether the Combined Entity is  
5 assuming it will receive access charges for ISP-bound traffic, thus inflating its  
6 revenue, or whether it will pay the reciprocal compensation rate, thus reducing  
7 some revenue. The second question is how either outcome impacts the ability of  
8 the Combined Entity to meet its commitments based on its financial projections.

9 **Q. IS THE ONLY QUESTION SURROUNDING ISP-BOUND TRAFFIC THE**  
10 **TERMINATION RATE FOR THE TRAFFIC?**

11 **A.** No. The classification of ISP-bound traffic impacts more than compensation. It  
12 goes to whether the Combined Entity can shift the cost of interconnection for  
13 facilities on its side of the network to its competitors.

14 **Q. PLEASE EXPLAIN.**

15 **A.** In the past, Qwest has used the now discredited legal theory that ISP-bound  
16 traffic falls under Section 251(g) to argue that such traffic cannot be counted as  
17 local traffic when calculating the relative use charges that apply to local  
18 interconnection facilities. RUF charges apportion the cost of an interconnection  
19 facility based on the flow of the traffic. So if all the traffic on a facility was local  
20 and Qwest delivered 80 percent, Qwest credits the terminating carrier for that  
21 percentage of the usage. However, Qwest has argued that ISP-bound traffic  
22 must be excluded from the calculation of RUF charges because it does not fall  
23 within the scope of Section 251(b)(5). That argument was cut out from under  
24 Qwest and CenturyLink by the *D.C. Circuit Decision*. It's unfortunate but the  
25 acceptance of this Qwest's flawed position by a number of states has resulted in

1 millions of dollars in subsidies by competitive carriers for the network operations  
2 of Qwest.

3 **Q. CAN YOU PLEASE BRIEFLY SUMMARIZE THE LEGAL TREATMENT OF**  
4 **ISP-BOUND TRAFFIC?**

5 **A.** Yes, based on the DC Circuit's decision in the *Core Mandamus*, all ISP-bound  
6 traffic falls under the scope of Section 251(b)(5). The Court also upheld the  
7 Commission's ability to set the rate for ISP-bound traffic under its Section 201  
8 authority because ISP-bound traffic is interstate in nature. Since the traffic falls  
9 under 251(b)(5), it is subject to the Part 51 Rules. The application of those rules  
10 to ISP-bound traffic is not new, because even when the Commission tried to  
11 regulate ISP-bound traffic under 251(g), it was *explicit* that the finding did not  
12 "alter carriers' other obligations under our Part 51 rules, 47 C.F.R...."<sup>6</sup>. Under  
13 those rules: "A LEC may not assess charges on any other telecommunications  
14 carrier for telecommunications traffic that originates on the LEC network."<sup>7</sup> Now  
15 that FCC's legal basis for treating such traffic as covered by Section 251(b)(5)  
16 has been affirmed by the Court in the *Core ISP Order*, the application of the Part  
17 51 rules to ISP-bound traffic is settled and the Combined Entity may not assess  
18 RUF charges on ISP-bound traffic.

19 Despite the clarity of the *Core Mandamus Order*, Level 3 expects the  
20 Combined Entity to continue to argue the opposite and will unnecessarily violate  
21 this rule adding more complaints to the Commission's docket. It is in everyone's  
22 best interests to avoid any additional litigation on these issues.

23 **Q. HAS CENTURYLINK AGREED TO PAY RECIPROCAL COMPENSATION ON**  
24 **ALL ISP-BOUND TRAFFIC?**

25 **A.** Yes. Embarq, which is now a subsidiary of CenturyLink, pays \$.0004 per

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<sup>6</sup> *ISP Remand* at FN 149

<sup>7</sup> In the *ISP Remand Order*, the Commission deleted the word "local" from its original rule.



1 minute of use for ISP-bound traffic exchanged with Level 3.<sup>8</sup> In that agreement,  
2 ISP-bound traffic "includes ... traffic provisioned using virtual NXXs."

3 **Q. PLEASE SUMMARIZE LEVEL 3's POSITION ON RECIPROCAL**  
4 **COMPENSATION FOR ISP-BOUND TRAFFIC AND RUF CHARGES IN THIS**  
5 **PROCEEDING?**

6 **A.** The Commission needs to resolve the treatment of ISP-bound traffic for two  
7 reasons. The first is so that it can better understand the basic economic  
8 assumptions made by Qwest and CenturyLink that underlie this transaction. If the  
9 business model for the Combined Entity is based in part on continuing to try to  
10 charge access fees on ISP-bound traffic and shifting network expenses to  
11 competitive providers, the Commission needs to understand the impact of that  
12 since the law no longer supports that assumption and then determine whether  
13 such a transaction is in the public interest. The second reason is to bring the  
14 Combined Entity in line with the law and to make sure that companies can focus  
15 on building their networks and dealing with integration issues than fighting old  
16 battles that have been settled by federal law.

17 **Q. ARE THERE OTHER POLICY REASONS THE COMMISSION SHOULD**  
18 **CONSIDER IN RESOLVING INTERCARRIER COMPENSATION FOR ISP-**  
19 **BOUND TRAFFIC?**

20 **A.** Yes. While the country and especially regulators are focused on ensuring  
21 ubiquitous deployment of broadband facilities, the simple truth is that for the  
22 foreseeable future, dial-up internet access will remain the primary vehicle for  
23 internet access for many residents in Oregon and across the country. Whether it  
24 is because of price or lack of access to a broadband provider, dial-up access will  
25 remain a necessity for many Americans for years to come. The Commission

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<sup>8</sup> It's worth noting that the rate is lower than the .0007 set by the *ISP Remand Order*.

1 must consider the future of dial-up services as part of any state plans to roll out  
2 broadband access. Any money spent by either the Combined Entity or the  
3 competitive industry fighting over the compensation regime for dial-up services is  
4 money that could have been spent on broadband deployment.

5 When the FCC adopted the *ISP Remand Order* in 2001, it did so with the  
6 goal of stopping what it saw as an arbitrage opportunity. The FCC did that by  
7 reducing the compensation rate, capping the amount of compensable traffic and  
8 excluding new markets from any compensation regime. However a few years  
9 later, the FCC found that the arbitrage threat was gone and lifted the cap on  
10 compensable traffic and the new market exclusion. In supporting its decision, the  
11 FCC cited the decrease in dialup traffic and the increasing migration of Americans  
12 to broadband internet access services.

13 One of the “compelling” events that Qwest and CenturyLink have touted  
14 to shareholders is that the Combined Entity will be a stronger company with an  
15 “extensive 173,000 mile fiber network” and the “enhanced ability to competitively  
16 rollout strategic products such as IPTV and other high-bandwidth services”<sup>9</sup> that  
17 will be able to continue its broadband deployment. Meeting the Company’s  
18 economic assumptions will be crucial to that expanded deployment of broadband  
19 services. And while that transition occurs, it is important to ensure that all end  
20 users can access the internet, not just those who purchase broadband services  
21 from the Combined Entity. Resolving these settled issues of compensation for  
22 ISP-bound traffic and the treatment for RUF charges will ensure that companies  
23 devote their resources to broadband deployment while at the same time insure

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<sup>9</sup> See:  
<http://www.centurylinkqwestmerger.com/downloads/presentations/Investor%20Presentation-4-22-10.pdf>, Slide 8

1 that a competitive market exists for dialup services for those consumers who  
2 choose not to or are not afforded the opportunity to purchase broadband access.

3 **Q. DOES LEVEL 3 HAVE ANY SPECIFIC RECOMMENDATIONS FOR THE**  
4 **COMMISSION?**

5 **A.** Yes, Level 3 recommends that any order granting approval for the transaction  
6 include the following language:

7 1. The Combined Entity will compensate terminating carriers at the  
8 appropriate rate for all ISP-bound traffic and that all ISP-bound traffic shall  
9 include traffic provisioned using "virtual NXX codes."

10 2. The Combined Entity shall treat all locally dialed ISP-bound traffic,  
11 including any "virtual NXX traffic", as local traffic in the calculation of relative use  
12 facilities for the purposes of 47 C.F.R. § 703(b).

13 By adopting these conditions, the Commission will provide the explicit  
14 guidance that the industry, regulators and courts have sought since the release  
15 of the *ISP Remand Order*. With that issue resolved, the industry can turn its  
16 attention to deploying capital in a manner that will grow networks and help  
17 expand broadband networks across the country instead of funding litigation. It's  
18 time that the telecommunications industry stops paying by the hour to determine  
19 what it can charge by the minute.

20 **Q. PLEASE EXPLAIN LEVEL 3's CONCERN WITH RESPECT TO THE**  
21 **COMBINED ENTITY ESTABLISHING A RURAL CLEC?**

22 **A.** Traffic pumping is a growing problem in the telecommunications industry. It is  
23 one that Qwest has been aggressive in pursuing at the Federal Communications  
24 Commission and before state regulatory agencies.

25  
26

1 **Q. PLEASE DESCRIBE TRAFFIC PUMPING?**

2 **A.** There are many descriptions or variations around the concept of “traffic  
3 pumping”. For purposes of my testimony, I will focus on a specific type. That’s  
4 where a Rural CLEC that is affiliated with an ILEC, sets up operations in the  
5 territory of an RBOC adjoining its incumbent parent. Under FCC rules, a rural  
6 carrier can create a competitive local exchange carrier and can compete in the  
7 rural areas of an adjoining incumbent local exchange carrier. While that is not  
8 unique, the twist arises when the Rural CLEC takes advantage of an exemption  
9 from the FCC’s requirement that CLECs cap their interstate access charges at  
10 the rate of the incumbent local exchange carrier. While the applicants have not  
11 indicated that they will act in such a manner, that exception would allow  
12 CenturyLink to set up a Rural CLEC in qualified Qwest exchanges. This would  
13 create an incentive for the Combined Entity to move conference call, chat line,  
14 adult entertainment or other high volume customers to the Rural CLEC. The  
15 incentive may be so great that Qwest stops marketing such services in its  
16 territory and cedes them to the Rural CLEC of its parent. In either case, the Rural  
17 CLEC would be able to charge higher access rates than Qwest or its  
18 competitors.

19 **Q. COULD THIS ISSUE OCCUR IN OREGON?**

20 **A.** Level 3 believes that the arbitrage opportunities are limited to the Qwest  
21 operating territory and where CenturyLink is the incumbent provider in an  
22 adjoining territory. Using the application filed by Qwest and CenturyLink, this  
23 issue could be prevalent in Washington State, Oregon, Colorado, Wyoming and  
24 Minnesota.<sup>10</sup> There are other potential areas but these are the states where the  
25 carriers have their largest concentration of customers. For example, in Colorado,

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<sup>10</sup> See <http://www.fcc.gov/transaction/centurylink-qwest.html> Exhibit 5 (attached hereto as Exhibit 102).

1 the Combined Entity will cover more than 90 percent of the land mass of the  
2 state.

3 **Q. IF THE COMBINED ENTITY HAS NOT INDICATED ITS INTENTION TO USE**  
4 **RURAL CLECS IN THIS MANNER, WHY SHOULD THE COMMISSION ACT**  
5 **NOW?**

6 **A.** There are two reasons. First, the Commission can avoid future disputes over the  
7 payment of access charges for this type of traffic. As Qwest appreciates from its  
8 experiences with traffic pumping in Iowa and elsewhere, this type of traffic ramps  
9 up quickly, which means the amounts in dispute can reach into the millions within  
10 a short period of time. Under these circumstances, carriers will resort to self-help,  
11 which in turn will lead to litigation.

12 **Q. WOULDN'T QWEST HAVE TO PAY THE HIGHER RATES FOR CALLS**  
13 **TERMINATED TO THE RURAL CLEC?**

14 **A.** Yes, presuming that there was no contract tariff between Qwest and the rural  
15 CLEC. One issue is that Qwest and CenturyLink could reach a volume and term  
16 agreement that reduces the switched access rates. Since Qwest is the dominant  
17 provider in the state, chances are it will deliver most of the intrastate traffic to the  
18 rural CLEC. It is unlikely that another carrier would be able to get the same rates  
19 based on the volume of traffic that Qwest handles. From Level 3's perspective,  
20 the bottom line is that Qwest and CenturyLink can shift higher access charges on  
21 competitors while keeping their costs down.

22 **Q. WHY SHOULD THE COMMISSION CONSIDER THE FINANCIAL**  
23 **IMPLICATIONS OF SUCH AN ARBITRAGE SCHEME?**

24 **A.** The Commission is charged with reviewing this transaction and ensuring that it is  
25 in the public interest. Part of the public interest analysis must be an

1 understanding of the long-term financial health of the Combined Entity and its  
2 impact on competition.

3 **Q. PLEASE SUMMARIZE LEVEL 3's POSITION ON THIS ISSUE?**

4 **A.** In order to ensure that the applicants are not tempted to arbitrage the rural CLEC  
5 exemption, the Commission should condition approval with a requirement that  
6 CenturyLink mirror the rates charged by Qwest if it operates as a Rural CLEC in  
7 the Qwest RBOC territory. In the event that CenturyLink is operating as a rural  
8 CLEC in the Qwest territory at the time of the closing of this transaction, it should  
9 reduce its access rates to mirror Qwest. In addition, to the extent that Qwest  
10 negotiates an off-tariff agreement with a CenturyLink Rural CLEC for the  
11 termination of intrastate or interstate traffic, the Combined Entity must make the  
12 same rate available to other interexchange carriers without requiring volume or  
13 term commitments. These simple conditions will prevent arbitrage, prevent  
14 expansion of the traffic pumping issues that plague the industry, make it easier  
15 for the FCC to unify compensation rates by eliminating rate variations within an  
16 incumbent's operating territory, and will send appropriate pricing signals to the  
17 market

18 **Q. DOES LEVEL 3 HAVE ANY OTHER RECOMMENDATIONS FOR THIS**  
19 **COMMISSION RELATING TO THE PROVISION OF SERVICES BY QWEST**  
20 **AND CENTURYLINK IN ADJOINING TERRITORIES?**

21 **A.** Yes.

22 **Q. PLEASE DESCRIBE THAT RECOMMENDATION?**

23 **A.** One of potential benefits of this transaction could result from increased network  
24 synergies as Qwest and CenturyLink either establish new routes or upgrade  
25 existing interconnection facilities. This would allow them to reduce network  
26 expenses as they exchange traffic between their adjoining territories. Level 3

1 believes that it would certainly be in the public interest if the Combined Entity can  
2 reduce the costs of moving traffic across its footprint. In that case, though, the  
3 Combined Entity should not be the only company that benefits from network and  
4 operations synergies. Level 3 recommends that the Commission require the  
5 Combined Entity to make those benefits available to telecommunications carriers  
6 or CLECs by allowing them access to new routes or upgraded interconnection  
7 facilities to interconnect for the purposes of exchanging traffic in that adjoining  
8 territory.

9 **Q. PLEASE EXPLAIN.**

10 **A.** According to the Application filed by Qwest and CenturyLink at the FCC, Qwest  
11 states that it is adjacent to 36 CenturyLink exchanges. I have attached to my  
12 testimony the appropriate pages from Exhibit 5 of that application.<sup>11</sup> It details  
13 where the exchanges adjoin. For purposes of this discussion, I'd like to use an  
14 example. You'll notice on the bottom of the third page that the CenturyLink  
15 exchange Lincoln City is adjacent to the Siletz exchange of Qwest. Level 3  
16 expects that the Combined Entity will look to capture network synergies by  
17 increasing capacity and improving facilities. This could include eliminating  
18 tandems or rerouting their intra-entity traffic to avoid them. Level 3 urges the  
19 Commission to require the Combined Entity to make those new traffic routing  
20 arrangements available to all carriers. So for example, the Combined Entity  
21 should accept traffic bound for CenturyLink's Lincoln City exchange in the Siletz  
22 exchange. By the same token, Level 3 would be willing to accept traffic from  
23 Lincoln City in the Siletz exchange. It wouldn't make sense from an engineering  
24 and technological basis to require the continued use of separate network  
25 architectures if a shorter, more efficient route is available. In fact, Level 3

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<sup>11</sup> See Exhibit 102.

1 believes that the Commission should condition its approval of this merger on the  
2 parties implementing such network synergies. By imposing such a condition, the  
3 Commission can create the appropriate incentives for the Combined Entity to  
4 capture the promised synergies.

5 **Q. WHY IS IT IMPORTANT FOR THE COMMISSION TO ENSURE THAT THE**  
6 **COMBINED ENTITY CAPTURES NETWORK SYNERGIES?**

7 **A.** As discussed earlier, the Commission is charged with ensuring that the Proposed  
8 Transaction is in the public interest. CenturyLink and Qwest have stated publicly  
9 that the transaction will generate annual synergies of \$575 million.<sup>12</sup> It is  
10 imperative for the Commission to understand the scope of those synergies and  
11 where appropriate ensure that they are passed through to end users and  
12 customers, including interconnecting carrier customers. Level 3 believes that  
13 given the market share held by the Combined Entity, it could leverage synergies  
14 against its competitors by forcing a carrier to keep redundant facilities to reach  
15 adjacent exchanges while the Combined Entity reduces them. That result would  
16 not be in the public interest.

17 **Q. DOES LEVEL 3's RECOMMENDATION REQUIRE A CHANGE TO THE**  
18 **STATUS OF CARRIER SUCH AS ITS RURAL PROTECTIONS UNDER THE**  
19 **FEDERAL ACT?**

20 **A.** No it would not. This recommendation is designed to provide incentives for the  
21 Combined Entity to capture network synergies by reducing infrastructure costs.  
22 There would be no extension of Qwest's obligations under Section 251(c) or 252  
23 to any CenturyLink exchange that has an exemption under Section 251(f). The

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<sup>12</sup> See:  
<http://www.centurylinkqwestmerger.com/downloads/presentations/Investor%20Presentation-4-22-10.pdf>, Slide 13



1 only change would be that if the Combined Entity provided a preferential rate to  
2 its affiliate, that rate would have to be made available to other carriers.

3 **Q. WHAT IS LEVEL 3's RECOMMENDATION WITH RESPECT TO NETWORK**  
4 **SYNERGIES?**

5 **A.** In order to ensure that synergies are made available across the board and that  
6 the Combined Entity does not gain an unfair or anticompetitive advantage over  
7 its competitors, Level 3 urges the Commission to adopt the following condition on  
8 the proposed transaction:

9 1. Where Qwest operates in a territory or exchange that is adjacent to one  
10 of the CenturyLink exchanges identified by Qwest and CenturyLink in Exhibit 5 of  
11 its application with the FCC, it agrees to:

- 12 a. allow a CLEC to deliver traffic bound to or originating from the  
13 adjoining CenturyLink exchange in the Qwest exchange
- 14 b. allow an intrastate intraexchange carrier to deliver traffic bound to  
15 or originating from the adjoining CenturyLink exchange in the Qwest  
16 exchange

17 2. Where CenturyLink operates in a territory or exchange that is adjacent to  
18 one of the Qwest exchanges identified by Qwest and CenturyLink in Exhibit 5 of  
19 its application with the FCC it agrees to:

- 20 a. allow a CLEC to deliver traffic bound to or originating from the  
21 adjoining Qwest exchange in the CenturyLink exchange
- 22 b. allow an intrastate intraexchange carrier to deliver traffic bound to  
23 originating from the adjoining Qwest exchange in the CenturyLink  
24 exchange.

1 **Q. PLEASE EXPLAIN WHY LEVEL 3 WANTS ALL CONTRACTS FOR**  
2 **TELECOMMUNICATIONS SERVICES OR NETWORK INTERCONNECTION**  
3 **BETWEEN QWEST AND CENTURYLINK MADE AVAILABLE TO THE**  
4 **PUBLIC?**

5 **A.** A major theme for all parties filing testimony in this proceeding is the concern that  
6 the Combined Entity will be able to use its unique regulatory status as part  
7 RBOC, part protected rural carrier to establish preferential deals between the  
8 carriers for interconnection, access to each other's poles, ducts and conduits, the  
9 exchange of traffic, special access or other switched access services. Under  
10 these circumstances, the Combined Entity could also impose additional costs on  
11 its competitors. Level 3 believes that by making all agreements between the  
12 carriers public and available for public inspection, the public interest will be  
13 furthered.

14 **Q. WILL MAKING THE DEALS PUBLICLY AVAILABLE RESOLVE LEVEL 3's**  
15 **CONCERN?**

16 **A.** No. In addition to making the contracts available, the Combined Entity should  
17 allow any party to avail itself of any specific term or rate without regard for any  
18 volume or term commitment. As discussed, the Combined Entity will be in a  
19 unique position with respect to the levels of traffic generated in the Qwest region  
20 and where CenturyLink operates in the adjoining territory. Volume and term  
21 commitments in this context are inappropriate since the CenturyLink territories  
22 are generally free from landline competition. In the past, Qwest and CenturyLink  
23 have dealt with each other in arms lengths transactions. This merger changes  
24 that negotiating dynamic. The Commission can ensure that competition is not  
25 harmed, and the public interest met, by ensuring that transactions between the

1 companies are open for public review and that the appropriate rates can be  
2 selected by other carriers.

3 **Q. PLEASE DESCRIBE LEVEL 3's CONCERNS REGARDING HOW THE**  
4 **COMBINED ENTITY WILL TREAT 8YY TRAFFIC.**

5 **A.** This issue involves problems that Level 3 has experienced with the routing of  
6 wireless originated 8YY traffic primarily but is something that could happen with  
7 any kind of 8YY traffic. As is relevant to this proceeding, Embarq is the ILEC  
8 entity that is engaged in an access charge arbitrage scheme Level 3 seeks to  
9 address. An example of the scheme is described in the following scenario, a  
10 wireless 8YY call is originated in Boise and the call is routed to Embarq who is  
11 providing transport services to the wireless carrier. In this call flow, Level 3 is the  
12 IXC providing the 8YY service.

13 When the call hits the Embarq network, Embarq must route the call to  
14 Level 3. However, instead of handing the traffic off at the Qwest tandem in Boise  
15 or through some other interconnection point in Idaho, Embarq backhauls the  
16 traffic to its switch in or near Spokane and then sends it back to the Qwest  
17 tandem in Boise. What is troublesome about this scenario is that Embarq then  
18 bills Level 3 for all the transport from the point of picking up the call in Boise to  
19 Spokane and back to Boise. Level 3 has been disputing these transport charges  
20 and believes that Embarq should be capping the amount of transport to the  
21 distance between the Level 3 POI and the nearest tandem. Level 3's  
22 recommendation in this example also reflects the industry practice.

23 **Q. WHY IS THIS ISSUE IMPORTANT IN THIS PROCEEDING?**

24 **A.** This issue is important for a number of reasons. First, it represents the type of  
25 inefficient network routing that the Combined Entity is engaging in and could  
26 continue to engage in for the purposes of increasing the costs it imposes on

1 competitors. With Embarq, CenturyLink and Qwest all operating as incumbents in  
2 the West region, the Combined Entity has will have an incentive to home traffic  
3 across its affiliates in order to maximize transport costs. That would not be in the  
4 public interest.

5 Second, because routing can be altered relatively easily, the Combined  
6 Entity can implement this type of routing changes with no or little notice to the  
7 industry. Then like traffic pumping, the impacted carrier will not know about the  
8 excessive charges until it is too late. At that point, carriers will open disputes and  
9 some party will seek self-help, with the resulting disputes landing in either courts  
10 or before the commission.

11 The third and final reason for why it is an important issue is that the  
12 Commission needs to understand if the Combined Entity has included in its  
13 financial projections revenues from excessive transport charges for 8YY traffic.  
14 The Commission will need to have a complete understanding of those  
15 assumptions before it can determine if this transaction is in the public interest.

16 **Q. WHAT IS LEVEL 3'S RECOMMENDATION ON THIS ISSUE?**

17 **A.** With a few common sense conditions, the Commission can resolve this issue  
18 and allow the transaction to move ahead. In order to do that, Level 3 proposes  
19 the following language: "The Combined Entity agrees that it will limit any tandem  
20 transport charges for 8YY traffic to charges based upon the nearest tandem  
21 identified in the LERG to the originating point of each call." This simple  
22 requirement will eliminate any incentive for the Combined Entity to re-home 8YY  
23 traffic through inefficient routes and creates the incentive for bringing traffic to the  
24 nearest, most efficient tandem.

25

26

1 **Q. PLEASE EXPLAIN LEVEL 3's CONCERNS REGARDING EXISTING BILLING**  
2 **DISPUTES BEING LEVERAGED AGAINST A COMPETITOR?**

3 **A.** This issue focuses on the ability of the Combined Entity to leverage existing  
4 billing disputes with one ILEC affiliate to slow or refuse to provision new services  
5 by another ILEC affiliate. For example, assume that Level 3's billing dispute with  
6 Embarq for re-homing of 8YY traffic continues after the transaction closes. The  
7 concern is that one of the other entities, CenturyLink or Qwest, would refuse to  
8 provision or process a request for interconnection or some other service order  
9 based on the outstanding dispute with Embarq. Level 3 does not believe that the  
10 transaction should allow the Combined Entity to refuse to provision services  
11 because of billing disputes that existed prior to the transaction or for unique  
12 billing disputes that arise afterwards. Absent the proper conditions, the Combined  
13 Entity will be able to impair competition by throwing up new roadblocks to the  
14 provision of services. But for the completion of the transaction, the existing  
15 disputes would not allow Qwest from provisioning services by citing a billing  
16 dispute between Level 3 and Embarq. This transaction should not create that  
17 incentive.

18 **Q. WHAT IS LEVEL 3's RECOMMENDATION ON THIS ISSUE?**

19 **A.** Level 3 believes that with a simple, common sense condition, the Commission  
20 can resolve this issue and allow the transaction to proceed. Level 3 proposes the  
21 following language be added to any order

22 1. The Combined Entity shall not refuse to provision services,  
23 process orders or threaten disconnection across the entire footprint of the  
24 Combined Entity based on a billing or other commercial dispute between  
25 any telecommunications provider and any one affiliate of the Combined  
26 Entity.

1 This condition will keep the playing field level between the Combined Entity and  
2 its competitors. Since today, a dispute between Level 3 and Embarq could not  
3 be used to threaten disconnection in the Qwest territory, this condition preserves  
4 the status quo and eliminates any incentive for the Combined Entity to use its  
5 size to force parties into unreasonable settlements.

6 **Q. DOES LEVEL 3 HAVE A POSITION ON THE ISSUES REGARDING**  
7 **OPERATIONAL SUPPORT SYSTEMS RAISED BY THE JOINT CLECS?**

8 **A.** Yes. Like many parties, Level 3 is concerned about the ability of the Combined  
9 Entity to meet its obligations regarding operational support systems. Level 3's  
10 experiences in Maine, Vermont and New Hampshire following the Verizon and  
11 Fairpoint transaction are a clarion's call for vigilant oversight when a relatively  
12 untested independent ILEC takes over the significantly greater operations of a  
13 RBOC. The ink has not dried on the recent transfer of the West Virginia operation  
14 of Verizon to Frontier Communications and a complaint has been filed alleging  
15 Frontier has not met its OSS commitments.<sup>13</sup>

16 Level 3 does not rely heavily upon unbundled network elements to  
17 provide services like other competitive providers, however, Level 3's own  
18 experience for provision of wholesale services from Qwest and CenturyLink is  
19 anecdotally similar to the competitive comments. Ensuring an even playing field  
20 in the wholesale market is a crucial litmus test for whether the transaction is in  
21 the public interest. Level 3 agrees that conditions are required to ensure  
22 wholesale transactions are completed in a timely, fair and efficient manner.

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<sup>13</sup> *Commission Order*, Petition to Reopen by FiberNet LLC, Case No. 09-871-T-PC, Frontier Communications Corporation (full cite omitted), Public Service Commission of West Virginia, August 16, 2010. The Commission denied FiberNet's petition to reopen because most of the issues happened after the sale from Verizon to Frontier. The Commission also noted that the issues raised could be best handled in a complaint proceeding; the Commission ruled that the issues would be transferred to a complaint proceeding and also determined that the parties would be given time to mediate the disputes. If mediation does not resolve the issues, the parties are to notify the Commission and the matter will be handled in the compliant case. *Commission Order*, pg. 2-3.

1 **Q. WHY ARE QWEST'S CARRIER BILLING PRACTICES IMPORTANT FOR THE**  
2 **COMMISSION TO UNDERSTAND AND CHANGE AS A CONDITION OF**  
3 **APPROVAL?**

4 **A.** At a high level, Qwest's existing carrier billing practices must be modified as a  
5 condition of approval for two reasons. First, any improper or inappropriate billing  
6 practice can have a significant detrimental effect on competitors. Any delays in  
7 payment or underpayment to a competitor harms its financial situation and can  
8 even jeopardize a carrier's survival. Second, if CenturyLink is basing any of its  
9 financial projections on a continuation of some of the aggressive billing practices  
10 of Qwest, it is important for the Commission to understand this and assess the  
11 degree to which such practices not only threaten the competitive industry and  
12 other carriers such as rural carriers, but also the degree to which such practices  
13 reflect some underlying financial weakness that could jeopardize CenturyLink's  
14 commitments to the Commission and its customers.

15 **Q. CAN YOU CITE TO ANY EXAMPLES OF BILLING PRACTICES THAT**  
16 **WARRANT THE COMMISSION MAKING A CHANGE IN IT AS A CONDITION**  
17 **OF APPROVAL?**

18 **A.** Yes. A little over a year ago, Qwest informed Level 3 that it would no longer  
19 accept any billing disputes that were lodged with Qwest 90 days after the date of  
20 the invoice. When challenged on the lawfulness of establishing this apparent  
21 arbitrary barrier to lodging good faith billing disputes and asking Qwest to point to  
22 any legal authority that allows them to implement this practice, Qwest failed to  
23 provide any satisfactory legal explanation.

24 **Q. WHY IS THIS IMPORTANT?**

25 **A.** The arbitrary cut-off date imposed by Qwest curtails a CLEC's ability to lodge  
26 and collect on a legitimate billing dispute and rewards Qwest by allowing it to

1 keep monies it is otherwise not entitled to. Given the complexity of intercarrier  
2 billing, it is not uncommon for billing errors to be discovered months—or even  
3 years—after the bills have been received. Qwest’s practice in this regard is an  
4 assertion of its far greater financial and regulatory litigation resources to the  
5 effect that carriers are faced with the choice of either expending scarce resources  
6 to litigate with Qwest or just accept their unlawful practice. Qwest should not be  
7 allowed to just arbitrarily “deem” a 90 day cut-off period to be in effect to the  
8 harm of CLECs that rely upon them as an RBOC. A continuation of this practice  
9 by the Combined Entity is improper and should not be countenanced by approval  
10 of the transaction without this practice being ceased.

11 **Q. IS THERE ANOTHER BILLING PRACTICE THAT YOU CAN CITE TO THAT**  
12 **THE COMMISSION SHOULD INVESTIGATE?**

13 **A.** Yes. Level 3 is aware of another example in which Qwest has refused to follow  
14 the terms of its own tariffs and has billed Level 3 for charges that are not even  
15 included within the applicable intrastate tariff. In this case, in the absence of a  
16 specific provision in Qwest’s intrastate tariff addressing expanded  
17 interconnection, Qwest nonetheless billed, and continues to bill, Level 3 a rate far  
18 beyond what is charged in its interstate tariff, which does have the specific  
19 provision in question. In this context, it is critical that the Commission affirm the  
20 Combined Entity’s obligation to strictly abide by the terms of its tariffs, amending  
21 them as necessary to allow for the requisite Commission scrutiny and industry in  
22 put before Qwest is allowed to bill other carriers for the services it provides under  
23 tariff.

24 **Q. PLEASE SUMMARIZE YOUR TESTIMONY.**

25 **A.** In my testimony, Level 3 has highlighted a number of areas where conduct by the  
26 Combined Entity could threaten to impair competition in general and especially in



1 the Qwest operating territory. That conduct ranges from forcing competitors to  
2 subsidize the network operations of the Combined Entity through RUF or  
3 excessive tandem transport charges for 8YY traffic to threatening nationwide  
4 disconnection over unrelated billing disputes. It is imperative the Commission  
5 understand and address these concerns now to ensure that the public interest is  
6 met by this transaction. Level 3 has proposed simple, common sense solutions to  
7 the issues it has raised. Level 3 urges the Commission protect competition and  
8 adopt these conditions.

9 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

10 **A.** Yes it does. Thank you.

11

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**2003 – Present**      **Level 3 Communications**      **Broomfield, CO**  
Senior Corporate Counsel

- Responsible for management and conduct of interconnection transactions with other telecommunications carriers.

**1996 – 2002**      **AT&T**      **Denver, CO**  
2000-2002      AT&T Broadband      VP - Local Government Affairs

- Responsible for managed of Northwest division of government affairs to maintain cable franchises and introduction of telephony over the cable plant.

1996-2002      Chief Commercial Counsel, Northwest

- Responsible for managed of Northwest division intercarrier transactions including interconnection services.

**1989-1996**      **AT&T American Transtech Inc.**      **Jacksonville, FL**  
Managing Counsel and Assistant Secretary

- Responsible for overall legal department management for telecommunications company focused on customer service and internet transactions.

**Affiliations**      Massachusetts Bar  
Florida Bar  
Colorado Bar

**Education**      Boston University School of Law      JD  
Amherst College      BA, cum laude

**EXHIBIT 5**

States with Adjacent Exchanges

<u>Qwest</u>	<u>Adjacent Exchanges</u>	<u>CenturyLink</u>	<u>Adjacent Exchanges</u>
CO	51	CO	38
IA	4	IA	1
ID	6	ID	3
MN	47	MN	44
MT	1	MT	1
ND	1		
NE	5	NE	11
NM	10	NM	5
OR	36	OR	33
SD	1		
WA	41	WA	62
<u>WY</u>	<u>5</u>	WY	5
Total:	208	MO	1
		<u>WI</u>	<u>12</u>
		Total:	216

>= 5,000 Access Lines

<u>Exchange</u>	<u>State</u>
Edwards	CO
Chaska	MN
Hastings	MN
Osseo	MN
Scottsbluff	NE
Lebanon	OR
Lincoln City	OR
White City	OR
Poulsbo	WA
Sunnyside	WA

**Level 3 Communications/102  
Thayer/3**

CenturyLink/Qwest Domestic 214 Application  
EXHIBIT 5

**CenturyLink Exchanges with Adjacent Qwest Exchanges**

<u>CTL Exchange</u>	<u>ST</u>	<u>Retail Access Lines</u>	<u>Qwest Exchange #1</u>	<u>Qwest Exchange #2</u>	<u>Qwest Exchange #3</u>	<u>Qwest Exchange #4</u>	<u>Qwest Exchange #5</u>	<u>Qwest Exchange #6</u>
Akron	CO	1,143	BRUSH CO	HILLROSE CO	STERLING CO			
Allison	CO	647	AZTEC NM	BAYFIELD CO				
Antonio	CO	1,215	MONTE VISTA CO	QUESTA NM				
Branson	CO	88	TRINCHERA CO					
Canter	CO	1,288	DEL NORTE CO	MONTE VISTA CO				
Collbran	CO	824	DEBEQUE CO	GRAND JUNCTION CO	PARACHUTE CO	RIFLE CO	SILT CO	
Creech	CO	1,175	DEL NORTE CO	GUNNISON CO	SILVERTON CO			
Dinosaur	CO	209	MEEKER CO					
Dolores	CO	2,440	CORTEZ CO	MANCOS CO	TELLURIDE CO			
Dove Creek	CO	732	CORTEZ CO					
Eagle	CO	4,606	BASALT CO	VAIL CO				
Edwards	CO	6,710	VAIL CO					
Fowler	CO	739	PUEBLO CO	EL PASO CO	TRINCHERA CO			
Gardner	CO	321	WALSENBURG CO					
Gypsum	CO	2,931	BASALT CO	GLENWOOD SPRINGS CO	MEEKER CO	NEW CASTLE CO	YAMPA CO	
Howard	CO	1,543	CANON CITY CO	SALIDA CO				
Ignacio	CO	1,439	AZTEC NM	BAYFIELD CO	DURANGO CO			
La Jara	CO	1,447	ALAMOSA CO	MONTE VISTA CO				
La Junta	CO	3,624	TRINCHERA CO					
La Veta	CO	1,329	AGUILAR CO	WALSENBURG CO				
Lake City	CO	972	GUNNISON CO	OURAY CO	RIDGWAY CO	SILVERTON CO		
Lake George	CO	2,383	BAILEY CO	CRIPPLE CREEK CO	SEDALIA CO	FAIRPLAY CO	COLORADO SPRINGS CO	
Marvel	CO	418	AZTEC NM	CORTEZ CO	DURANGO CO	FARMINGTON NM	MANCOS CO	
Maybell	CO	135	CRAIG CO	MEEKER CO				
McCoy	CO	298	KREMMLING CO	YAMPA CO				
Mesa	CO	503	DEBEQUE CO	GRAND JUNCTION CO	PALISADE CO			
Norwood	CO	1,034	MONTRORSE CO	RIDGWAY CO	TELLURIDE CO			
Otis	CO	336	STERLING CO					
Pagosa Springs	CO	3,356	DEL NORTE CO	MONTE VISTA CO				
Pagosa West	CO	4,955	BAYFIELD CO					
Pikes Trail	CO	101	CANON CITY CO	CRIPPLE CREEK CO				
Rangely	CO	1,413	DEBEQUE CO	FRUITA CO	MEEKER CO			
Red Feather Lakes	CO	1,585	ESTES PARK CO	FT COLLINS CO	GRAND LAKE CO	LARAMIE WY		
Saguache	CO	563	DEL NORTE CO	GUNNISON CO	SALIDA CO			
San Luis	CO	714	ANGEL FIRE NM	CIMARRON NM	QUESTA NM			
Walden	CO	954	GRANBY CO	GRAND LAKE CO	HOT SULPHUR SPRINGS CO	KREMMLING CO	LARAMIE WY	STEAMBOAT SPRINGS CO
Westcliffe	CO	2,622	CANON CITY CO	FLORENCE CO				
Weston	CO	486	AGUILAR CO	CIMARRON NM	RATON NM	TRINCHERA CO		
Postville	IA	1,358	WAUKON IA					
Bruneau	ID	257	GLENNS FERRY ID	MOUNTAIN HOME ID				
Grand View	ID	632	MELBA ID	MOUNTAIN HOME ID				
Richfield	ID	308	HAILEY ID	SHOSHONE ID				
ALTURA	MN	273	ST CHARLES MN					
Beardsley	MN	241	MILBANK SO	ORTONVILLE MN				
Beaver Creek	MN	253	LIVERNE MN					
BENSON	MN	2,254	MONTEVIDEO MN					
BROWERVILLE	MN	947	STAPLES MN					
BROWNTON	MN	493	GAYLORD MN					
Cambell	MN	167	FERGUS FALLS MN	WAHPETON ND				
CHASKA	MN	9,496	EXCELSIOR MN	MINNEAPOLIS MN	SHANOPEE MN			
Clinton	MN	250	ORTONVILLE MN					
CROSBY	MN	1,291	BRAINERD MN					
DASSEL	MN	1,765	LITCHFIELD MN					
ELGIN	MN	763	ROCHESTER MN	ST CHARLES MN				
EYOTA	MN	607	CHATFIELD MN	ROCHESTER MN	ST CHARLES MN			
GLENCOE	MN	3,992	GAYLORD MN					
GRANITE FALLS	MN	1,670	MONTEVIDEO MN					
GROVE CITY	MN	506	LITCHFIELD MN					
Gunflint Trail	MN	589	GRAND MARAIS MN	TOFTE MN				
HASTINGS	MN	10,585	ST CROIX BCH MN	ST PAUL MN	WEST ST PAUL MN	RED WING MN		
Heron Lake	MN	480	WINDOM MN					

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CenturyLink/Qwest Domestic 214 Application  
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**CenturyLink Exchanges with Adjacent Qwest Exchanges**

<u>CTL Exchange</u>	<u>ST</u>	<u>Retail Access Lines</u>	<u>Qwest Exchange #1</u>	<u>Qwest Exchange #2</u>	<u>Qwest Exchange #3</u>	<u>Qwest Exchange #4</u>	<u>Qwest Exchange #5</u>	<u>Qwest Exchange #6</u>
Hill City	MN	631	GRAND RAPIDS MN					
Hovland	MN	750	GRAND MARAIS MN					
Itasca State Park	MN	141	PARK RAPIDS MN					
Jeffers	MN	343	WINDOM MN					
Kellogg	MN	507	WABASHA MN					
LaFayette	MN	354	GAYLORD MN	NICOLLET MN	ST PETER MN			
LAKE CITY	MN	3,480	RED WING MN	WABASHA MN				
LEVMISTON	MN	892	ST CHARLES MN	WINONA MN				
LONG PRAIRIE	MN	2,779	SAUK CENTRE MN	SWANVILLE MN				
Minnesota	MN	990	MARSHALL MN					
NEW RICHLAND	MN	547	OWATONNA MN	WASECA MN				
Orr	MN	713	COOK MN					
OSSEO	MN	9,855	ANOKA MN	MPL GRV MN	HANOVER MN	MINNEAPOLIS MN	FERNBROOK MN	
Pierz	MN	1,842	LITTLE FALLS MN	ROYALTON MN				
PLAINVIEW	MN	1,811	ST CHARLES MN	WABASHA MN				
ROGERS	MN	3,565	ANOKA MN	ELK RIVER MN	HANOVER MN			
ROLLINGSTONE	MN	745	ST CHARLES MN	WINONA MN				
Round Lake	MN	327	LAKE PARK IA					
Spring Valley	MN	1,289	CHATFIELD MN					
ST MICHAEL	MN	4,397	BUFFALO MN	ELK RIVER MN	HANOVER MN	ROCKFORD MN		
VICTORIA	MN	1,711	EXCELSIOR MN					
VILLARD	MN	475	GLENWOOD MN	SAUK CENTRE MN				
WALDORF	MN	188	WASECA MN					
Westbrook-Storden	MN	824	WINDOM MN					
ZUMBRO FALLS	MN	798	ROCHESTER MN					
Wayland	MO	715	KEOKUK IA					
Hungry Horse	MT	1,029	WEST GLACIER MT					
BAYARD	NE	705	BRIDGEPORT NE					
BROADWATER	NE	147	ALLIANCE NE	BRIDGEPORT NE				
CHAPPELL	NE	664	BIG SPRINGS NE	JULESBURG CO				
KIMBALL	NE	1,628	BRIDGEPORT NE	STERLING CO				
LEWELLEN	NE	272	BIG SPRINGS NE					
MINATARE	NE	784	BRIDGEPORT NE					
MITCHELL	NE	976	HARRISON NE					
MORRILL	NE	929	HARRISON NE					
OSHKOSH	NE	758	ALLIANCE NE					
POTTER	NE	261	SIDNEY NE					
SCOTTSBLUFF	NE	7,239	HARRISON NE					
Fence Lake	NM	85	GRANTS NM					
Pecos	NM	2,047	LAS VEGAS NM	SANTA FE NM				
Pine Hill	NM	335	GRANTS NM					
Ramah	NM	528	GALLUP NM	GRANTS NM				
Vanderwagen	NM	489	GALLUP NM					
Aurora	OR	3,107	OREGON CITY OR	WOODBURN OR				
Boardman	OR	1,593	HERMISTON OR	UMATILLA OR				
Bonanza	OR	996	KLAMATH FALLS OR					
Camas Valley	OR	264	ROSEBURG OR					
Chiloquin	OR	1,555	KLAMATH FALLS OR					
Creswell	OR	3,384	COTTAGE GROVE OR	EUGENE OR	LOWELL OR			
Depoe Bay	OR	1,164	NEWPORT OR					
Drain	OR	981	COTTAGE GROVE OR					
Durkee	OR	102	BAKER CITY OR					
Echo	OR	401	HERMISTON OR	PENDLETON OR	STANFIELD OR			
FISH LAKE	OR	124	ASHLAND OR					
Gilchrist	OR	945	LAPINE OR					
Glide	OR	1,420	OAKLAND-SUTHERLIN OR	ROSEBURG OR				
Huntington	OR	249	VALE OR	WEISER ID				
Jewell	OR	633	ASTORIA OR	SEASIDE OR	WESTPORT OR			
Knappa	OR	1,294	ASTORIA OR	WESTPORT OR				
Lebanon	OR	8,583	ALBANY OR					
LINCOLN CITY	OR	8,702	SILETZ OR					

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**CenturyLink Exchanges with Adjacent Qwest Exchanges**

<u>CTL Exchange</u>	<u>ST</u>	<u>Retail Access Lines</u>	<u>Qwest Exchange #1</u>	<u>Qwest Exchange #2</u>	<u>Qwest Exchange #3</u>	<u>Qwest Exchange #4</u>	<u>Qwest Exchange #5</u>	<u>Qwest Exchange #6</u>
Main	OR	521	KLAMATH FALLS OR					
Maupin	OR	397	MADRAS OR					
Merrill	OR	757	KLAMATH FALLS OR					
Mitchell	OR	311	PRINEVILLE OR					
Paylana	OR	190	PRINEVILLE OR					
Pilot Rock	OR	895	PENOLETON OR					
Rocky Point	OR	163	KLAMATH FALLS OR					
Scappoose	OR	3,384	BURLINGTON OR	NORTH PLAINS OR	ST HELENS OR			
Shedd	OR	256	ALBANY OR	CORVALLIS OR				
SHERIDAN	OR	2,262	DALLAS OR					
Silver Lake	OR	655	BEND OR	PRINEVILLE OR				
Sprague River	OR	453	KLAMATH FALLS OR					
Sweet Home	OR	3,944	BLUE RIVER OR	MARCOIA OR				
WHITE CITY	OR	6,985	ASHLAND OR	CENTRAL POINT OR	GOLD HILL OR	MEDFORD OR	ROGUE RIVER OR	
Yoncalla	OR	915	COTTAGE GROVE OR	OAKLAND-SUTHERLIN OR				
Almira	WA	365	COULLEE DAM WA					
Basin City	WA	542	OTHELLO WA					
Beaver	WA	394	PORT ANGELES WA					
BRINNON	WA	851	HOODSPORT WA					
Burley	WA	3,487	PORT ORCHARD WA					
Cashiamet	WA	1,278	LONGVIEW WA	WESTPORT OR				
Cheney	WA	4,430	SPOKANE WA					
Chewelah	WA	3,182	COLVILLE WA	LOON LAKE WA				
CHIMICUM	WA	646	PORT HADLOCK WA	PORT TOWNSEND WA				
Clallam Bay	WA	592	PORT ANGELES WA					
COLUMBIA	WA	86	PASCO WA					
Connel	WA	1,268	OTHELLO WA	PASCO WA				
Coulee City	WA	706	COULLEE DAM WA					
Cowiche	WA	891	YAKIMA WA					
Curtis	WA	411	CHEHALIS WA					
Davenport	WA	1,903	SPRINGDALE WA					
Elma	WA	3,195	ABERDEEN WA	ROCHESTER WA	SHELTON WA			
Etopia	WA	264	PASCO WA					
Eureka	WA	268	PASCO WA	WAITSBURG WA				
Fall City	WA	2,234	ISSAQUAH WA					
GARDINER	WA	241	PORT TOWNSEND WA	SEQUIM WA				
HARRAH	WA	806	YAKIMA WA					
Humptulps	WA	296	ABERDEEN WA	COPALIS BEACH WA				
Hunters	WA	1,294	SPRINGDALE WA					
Kahlotus	WA	161	PASCO WA					
Kettle Falls	WA	2,479	COLVILLE WA	NORTHPORT WA				
Lakebay	WA	4,831	BELFAIR WA	PORT ORCHARD WA				
Lind	WA	415	OTHELLO WA	WARDEN WA				
Mathews Corner	WA	396	PASCO WA					
MATTAWA	WA	1,937	OTHELLO WA					
McCleary	WA	920	OLYMPIA WA	ROCHESTER WA	SHELTON WA			
Medical Lake	WA	2,685	SPOKANE WA					
Montesano	WA	2,742	ABERDEEN WA					
Naspelem	WA	650	COULLEE DAM WA					
Ocosta	WA	268	ABERDEEN WA					
Odessa	WA	740	MOSES LAKE ALDER WA	WARDEN WA				
Orting	WA	3,991	GRAHAM WA	PUYALLUP WA				
Pacific Beach	WA	954	COPALIS BEACH WA					
Packwood	WA	942	CRYSTAL MOUNTAIN WA					
PATERSON	WA	217	UMATILLA OR					
Pe Ell	WA	720	CHEHALIS WA					
POULSBO	WA	19,998	SILVERDALE WA					
Puget Island	WA	349	WESTPORT OR					
QUILCENE	WA	1,131	PORT HADLOCK WA	PORT TOWNSEND WA	SEQUIM WA			
Raymond	WA	2,554	ABERDEEN WA					
Reardan	WA	1,110	DEER PARK WA	SPOKANE WA	SPRINGDALE WA			

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CenturyLink/Qwest Domestic 214 Application  
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**CenturyLink Exchanges with Adjacent Qwest Exchanges**

<u>CTL Exchange</u>	<u>ST</u>	<u>Retail Access Lines</u>	<u>Qwest Exchange #1</u>	<u>Qwest Exchange #2</u>	<u>Qwest Exchange #3</u>	<u>Qwest Exchange #4</u>	<u>Qwest Exchange #5</u>	<u>Qwest Exchange #6</u>
Royal City	WA	1,705	MOSES LAKE ALDER WA	OTHELLO WA				
Snoqualmie Pass	WA	428	EASTON WA					
South Prairie	WA	1,467	BUCKLEY WA	PUYALLUP WA	SUMNER WA			
Spangle	WA	453	SPOKANE WA					
Starbuck	WA	102	DAYTON WA	WAITSBURG WA				
SUNNYSIDE	WA	6,915	YAKIMA WA					
TOPPENISH	WA	3,622	YAKIMA WA					
Twisp	WA	1,876	PATEROS WA					
Vader	WA	839	CASTLE ROCK WA	WINLOCK WA				
Valley	WA	734	LOON LAKE WA	SPRINGDALE WA				
WAPATO	WA	2,753	YAKIMA WA					
WHITE SWAN	WA	542	YAKIMA WA					
Wilbur	WA	840	COULEE DAM WA					
Wilson Creek	WA	296	MOSES LAKE ALDER WA					
Yacolt	WA	1,631	BATTLEGROUND WA	VANCOUVER WA				
ZILLAH	WA	1,569	YAKIMA WA					
Centerville	WI	549	WINONA MN					
Cloverton	WI	395	SANDSTONE MN					
Dairyland	WI	385	SANDSTONE MN					
Danbury	WI	1,045	HINCKLEY MN					
Fountain City	WI	1,126	WINONA MN					
Maiden Rock	WI	428	RED WING MN					
Pepin	WI	836	WABASHA MN					
Prescott	WI	1,969	ST CROIX BCH MN	RED WING MN				
Seneca	WI	808	LANSING IA					
Superior	WI	1,432	CARLTON MN	DULUTH MN				
Trempealeau	WI	1,006	WINONA MN					
West Danbury	WI	1,045	HINCKLEY MN	SANDSTONE MN				
GUERNSEY	WY	588	GLENDOWY	WHEATLAND WY				
LINGLE	WY	637	GLENDOWY	LUSK WY	WHEATLAND WY			
Medicine Bow	WY	199	WHEATLAND WY					
Pinedale	WY	4,176	JACKSON WY					
TORRINGTON	WY	3,953	HARRISON NE	LUSK WY				



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**Qwest Exchanges with Adjacent CenturyLink Exchanges**

<u>Qwest Exchange</u>	<u>ST</u>	<u>Retail Access Lines</u>	<u>CTL Exchange #1</u>	<u>CTL Exchange #2</u>	<u>CTL Exchange #3</u>	<u>CTL Exchange #4</u>	<u>CTL Exchange #5</u>	<u>CTL Exchange #6</u>	<u>CTL Exchange #7</u>
AGUILAR	CO	519	La Veta CO	Weston CO					
ALAMOSA	CO	5,510	La Jara CO						
PUEBLO	CO	15,564	Fowler CO						
BAILEY	CO	9,491	Lake George CO						
BASALT	CO	4,165	Eagle CO	Gypsum CO					
BAYFIELD	CO	3,704	Allison CO	Ignacio CO	Pagosa West CO				
BRUSH	CO	2,627	Akron CO						
CANON CITY	CO	8,235	Howard CO	Pikes Trail CO	Westcliffe CO				
CORTEZ	CO	7,375	Dolores CO	Dove Creek CO	Marvel CO				
CRAIG	CO	5,091	Maybell CO						
CRIPPLE CREEK	CO	2,447	Lake George CO	Pikes Trail CO					
DEBEQUE	CO	471	Collbran CO	Mesa CO	Rangely CO				
SEDALIA	CO	417	Lake George CO						
DEL NORTE	CO	1,342	Center CO	Creede CO	Pagosa Springs CO	Saguache CO			
DURANGO	CO	16,596	Ignacio CO	Marvel CO					
EL PASO	CO	3,052	Fowler CO						
ESTES PARK	CO	8,039	Red Feather Lakes CO						
FAIRPLAY	CO	3,395	Lake George CO						
FLORENCE	CO	2,285	Westcliffe CO						
FRUITA	CO	4,816	Rangely CO						
FT COLLINS	CO	50,899	Red Feather Lakes CO						
GLENWOOD SPRINGS	CO	8,850	Gypsum CO						
GRANBY	CO	3,198	Walden CO						
GRAND JUNCTION	CO	32,117	Collbran CO	Mesa CO					
GRAND LAKE	CO	2,037	Red Feather Lakes CO	Walden CO					
GUNNISON	CO	5,528	Creede CO	Lake City CO	Saguache CO				
HILLROSE	CO	220	Akron CO						
HOT SULPHUR SPRINGS	CO	616	Walden CO						
JULESBURG	CO	838	CHAPPELL NE						
KREMMLING	CO	1,518	McCoy CO	Walden CO					
MANCOS	CO	1,183	Dolores CO	Marvel CO					
MEEKER	CO	2,502	Dinosaur CO	Gypsum CO	Maybell CO	Rangely CO			
MONTE VISTA	CO	3,093	Antonito CO	Center CO	La Jara CO	Pagosa Springs CO			
MONTROSE	CO	13,190	Norwood CO						
NEW CASTLE	CO	2,030	Gypsum CO						
OURAY	CO	1,075	Lake City CO						
PALISADE	CO	1,477	Mesa CO						
PARACHUTE	CO	2,152	Collbran CO						
RIDGWAY	CO	1,978	Lake City CO	Norwood CO					
RIFLE	CO	5,239	Collbran CO						
SALIDA	CO	4,839	Howard CO	Saguache CO					
SILT	CO	1,869	Collbran CO						
SILVERTON	CO	457	Creede CO	Lake City CO					
STEAMBOAT SPRINGS	CO	13,127	Walden CO						
STERLING	CO	8,298	Akron CO	KIMBALL NE	Otis CO				
TELLURIDE	CO	6,355	Dolores CO	Norwood CO					
TRINCHERA	CO	5,917	Branson CO	Fowler CO	La Junta CO	Weston CO			
VAIL	CO	16,104	Eagle CO	Edwards CO					
WALSENBURG	CO	2,164	Gardner CO	La Veta CO					
COLORADO SPRINGS	CO	138,820	Lake George CO						
YAMPA	CO	357	Gypsum CO	McCoy CO					
KEOKUK	IA	3,802	Wayland MO						
LAKE PARK	IA	500	Round Lake MN						
LANSING	IA	802	Seneca WI						
WAUKON	IA	2,880	Postville IA						
GLENNS FERRY	ID	1,100	Bruneau ID						
HAILEY	ID	8,005	Richfield ID						
MELBA	ID	1,078	Grand View ID						

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CenturyLink/Qwest Domestic 214 Application  
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**Qwest Exchanges with Adjacent CenturyLink Exchanges**

<u>Qwest Exchange</u>	<u>ST</u>	<u>Retail Access Lines</u>	<u>CTL Exchange #1</u>	<u>CTL Exchange #2</u>	<u>CTL Exchange #3</u>	<u>CTL Exchange #4</u>	<u>CTL Exchange #5</u>	<u>CTL Exchange #6</u>	<u>CTL Exchange #7</u>
MOUNTAIN HOME	ID	6,454	Bruneau ID	Grand View ID					
SHOSHONE	ID	1,016	Richfield ID						
WEISER	ID	2,715	Huntington OR						
ST CROIX BCH	MN	5,034	HASTINGS MN	Prescott WI					
ANOKA	MN	5,567	OSSEO MN	ROGERS MN					
BRAINERD	MN	9,237	CROSBY MN						
BUFFALO	MN	4,624	ST MICHAEL MN						
CARLTON	MN	1,576	Superior WI						
CHATFIELD	MN	1,549	EYOTA MN	Spring Valley MN					
COOK	MN	1,738	Orr MN						
ST PAUL	MN	254,464	HASTINGS MN						
DULUTH	MN	35,534	Superior WI						
ELK RIVER	MN	9,268	ROGERS MN	ST MICHAEL MN					
EXCELSIOR	MN	10,557	CHASKA MN	VICTORIA MN					
FERGUS FALLS	MN	2,697	Cambell MN						
GAYLORD	MN	1,022	BROWNTON MN	GLENCOE MN	LaFayette MN				
GLENWOOD	MN	1,863	VILLARD MN						
GRAND MARAIS	MN	2,411	Gunflint Trail MN	Hoyland MN					
GRAND RAPIDS	MN	7,270	Hill City MN						
MPL GRV	MN	2,505	OSSEO MN						
HANOVER	MN	1,113	OSSEO MN	ROGERS MN	ST MICHAEL MN				
HINCKLEY	MN	1,712	Danbury WI	West Danbury WI					
LITCHFIELD	MN	2,042	DASSEL MN	GROVE CITY MN					
LITTLE FALLS	MN	4,376	Pierz MN						
LIVERNE	MN	1,041	Beaver Creek MN						
MARSHALL	MN	2,751	Minnesota MN						
MINNEAPOLIS	MN	420,738	CHASKA MN	OSSEO MN					
MONTEVIDEO	MN	2,878	BENSON MN	GRANITE FALLS MN					
NICOLLET	MN	120	LaFayette MN						
WEST ST PAUL	MN	19,271	HASTINGS MN						
ORTONVILLE	MN	935	Beardsley MN	Clinton MN					
OWATONNA	MN	8,794	NEW RICHLAND MN						
PARK RAPIDS	MN	3,148	Itasca State Park MN						
FERNBROOK	MN	13,812	OSSEO MN						
RED WING	MN	7,187	HASTINGS MN	LAKE CITY MN	Maiden Rock WI	Prescott WI			
ROCHESTER	MN	30,177	ELGIN MN	EYOTA MN	ZUMBRO FALLS MN				
ROCKFORD	MN	1,919	ST MICHAEL MN						
ROYALTON	MN	874	Pierz MN						
SANDSTONE	MN	1,191	Cloverton WI	Dairyland WI	West Danbury WI				
SAUK CENTRE	MN	1,250	LONG PRAIRIE MN	VILLARD MN					
SHAKOPEE	MN	12,402	CHASKA MN						
ST CHARLES	MN	1,342	ALTURA MN	ELGIN MN	EYOTA MN	LEWISTON MN	PLAINVIEW MN	ROLLINGSTONE MN	
ST PETER	MN	2,178	LaFayette MN						
STAPLES	MN	1,265	BROWERVILLE MN						
SWANVILLE	MN	471	LONG PRAIRIE MN						
TOFTE	MN	947	Gunflint Trail MN						
WABASHA	MN	1,139	Kellogg MN	LAKE CITY MN	Pepin WI	PLAINVIEW MN			
WASECA	MN	1,893	NEW RICHLAND MN	WALDORF MN					
WINDOM	MN	1,795	Heron Lake MN	Jeffers MN	Westbrook-Storden MN				
WINONA	MN	5,592	Centerville WI	Fountain City WI	LEWISTON MN	ROLLINGSTONE MN	Trempealeau WI		
WEST GLACIER	MT	541	Hungry Horse MT						
WAHPETON	NO	1,534	Cambell MN						
ALLIANCE	NE	2,324	BROADWATER NE	OSHKOSH NE					
BIG SPRINGS	NE	322	CHAPPELL NE	LEWELLEN NE					
BRIDGEPORT	NE	902	BAYARD NE	BROADWATER NE	KIMBALL NE	MINATARE NE			
HARRISON	NE	201	MITCHELL NE	MORRILL NE	SCOTTSBLUFF NE	TORRINGTON WY			
SIDNEY	NE	2,893	POTTER NE						
ANGEL FIRE	NM	3,127	San Luis CO						

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CenturyLink/Qwest Domestic 214 Application  
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**Qwest Exchanges with Adjacent CenturyLink Exchanges**

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AZTEC	NM	11,595	Allison CO	Ignacio CO	Marvel CO				
CIMARRON	NM	895	San Luis CO	Weston CO					
FARMINGTON	NM	24,368	Marvel CO						
GALLUP	NM	10,476	Ramah NM	Vanderwagen NM					
GRANTS	NM	5,514	Fence Lake NM	Pine Hill NM	Ramah NM				
LAS VEGAS	NM	8,222	Pecos NM						
QUESTA	NM	1,632	Antonio CO	San Luis CO					
RATON	NM	3,974	Weston CO						
SANTA FE	NM	61,041	Pecos NM						
ALBANY	OR	14,768	Lebanon OR	Shedd OR					
ASHLAND	OR	8,007	FISH LAKE OR	WHITE CITY OR					
ASTORIA	OR	6,037	Jewell OR	Knappa OR					
BAKER CITY	OR	5,616	Dunkee OR						
BEND	OR	31,976	Silver Lake OR						
BLUE RIVER	OR	916	Sweet Home OR						
BURLINGTON	OR	1,081	Scappoose OR						
CENTRAL POINT	OR	5,079	WHITE CITY OR						
CORVALLIS	OR	15,883	Shedd OR						
COTTAGE GROVE	OR	8,092	Creswell OR	Drain OR	Yoncalla OR				
DALLAS	OR	7,224	SHERIDAN OR						
EUGENE	OR	71,281	Creswell OR						
GOLD HILL	OR	1,679	WHITE CITY OR						
HERMISTON	OR	5,152	Boardman OR	Echo OR					
KLAMATH FALLS	OR	15,191	Bonanza OR	Chiloquin OR	Malin OR		Rocky Point OR	Sprague River OR	
LAPINE	OR	4,328	Gilchrist OR		Merrill OR				
LOWELL	OR	1,459	Creswell OR						
MADRAS	OR	3,288	Maupin OR						
MARCOLA	OR	951	Sweet Home OR						
MEDFORD	OR	25,539	WHITE CITY OR						
NEWPORT	OR	5,145	Depoe Bay OR						
NORTH PLAINS	OR	2,045	Scappoose OR						
OAKLAND-SUTHERLIN	OR	4,661	Glide OR	Yoncalla OR					
OREGON CITY	OR	18,295	Aurora OR						
PENDLETON	OR	7,383	Echo OR	Pilot Rock OR					
PRINEVILLE	OR	6,127	Mitchell OR	Paulina OR	Silver Lake OR				
ROGUE RIVER	OR	3,566	WHITE CITY OR						
ROSEBURG	OR	18,206	Camas Valley OR	Glide OR					
SEASIDE	OR	5,509	Jewell OR						
SILETZ	OR	1,286	LINCOLN CITY OR						
ST HELENS	OR	6,266	Scappoose OR						
STANFIELD	OR	576	Echo OR						
UMATILLA	OR	2,651	Boardman OR	PATERSON WA					
VALE	OR	1,656	Huntington OR						
WESTPORT	OR	383	Cathlamet WA	Jewell OR	Knappa OR	Puget Island WA			
WOODBURN	OR	7,906	Aurora OR						
MILBANK	SD	1,414	Beardsley MN						
ABERDEEN	WA	11,481	Elma WA	Humtulsips WA	Montesano WA	Ocosta WA	Raymond WA		
BATTLEGROUND	WA	9,119	Yacolt WA						
BELFAIR	WA	6,731	Lakebay WA						
BUCKLEY	WA	2,229	South Prairie WA						
CASTLE ROCK	WA	3,771	Vader WA						
CHEHALIS	WA	9,327	Curtis WA	Pe Ell WA					
COLVILLE	WA	7,083	Chewelah WA	Kettle Falls WA					
COPALIS BEACH	WA	3,567	Humtulsips WA	Pacific Beach WA					
COULEE DAM	WA	2,105	Aimra WA	Coulee City WA	Nespelem WA	Wilbur WA			
CRYSTAL MOUNTAIN	WA	700	Packwood WA						
DAYTON	WA	1,894	Starbuck WA						
DEER PARK	WA	6,017	Reardan WA						

**Level 3 Communications/102  
Thayer/10**

CenturyLink/Qwest Domestic 214 Application  
EXHIBIT 5

**Qwest Exchanges with Adjacent CenturyLink Exchanges**

<u>Qwest Exchange</u>	<u>ST</u>	<u>Retail Access Lines</u>	<u>CTL Exchange #1</u>	<u>CTL Exchange #2</u>	<u>CTL Exchange #3</u>	<u>CTL Exchange #4</u>	<u>CTL Exchange #5</u>	<u>CTL Exchange #6</u>	<u>CTL Exchange #7</u>
EASTON	WA	634	Snoqualmie Pass WA						
GRAHAM	WA	11,981	Orting WA						
HOODSPORT	WA	2,041	BRINNON WA						
ISSAQUAH	WA	18,495	Fall City WA						
PORT ANGELES	WA	16,022	Beaver WA	Clallam Bay WA					
LONGVIEW	WA	23,596	Cathlamet WA						
LOON LAKE	WA	1,223	Chewelah WA	Valley WA					
MOSES LAKE ALDER	WA	13,306	Odessa WA	Royal City WA	Wilson Creek WA				
NORTHPORT	WA	1,084	Kettle Falls WA						
OLYMPIA	WA	82,217	McCleary WA						
VANCOUVER	WA	72,369	Yacolt WA						
OTHELLO	WA	4,409	Basin City WA	Connell WA	Lind WA	MATTAWA WA	Royal City WA		
PASCO	WA	17,407	COLUMBIA WA	Connell WA	Eitopia WA	Eureka WA	Kahlotus WA	Mathews Corner WA	
PATEROS	WA	796	Twisp WA						
PORT HADLOCK	WA	2,550	CHIMICUM WA	QUILCENE WA					
PORT ORCHARD	WA	17,882	Burley WA	Lakebay WA					
PORT TOWNSEND	WA	11,147	CHIMICUM WA	GARDINER WA	QUILCENE WA				
PUYALLUP	WA	22,719	Orting WA	South Prairie WA					
ROCHESTER	WA	4,567	Elma WA	McCleary WA					
SEQUIM	WA	13,192	GARDINER WA	QUILCENE WA					
SHELTON	WA	13,595	Elma WA	McCleary WA					
SILVERDALE	WA	12,772	POULSBO WA						
SPOKANE	WA	120,122	Cheney WA	Medical Lake WA	Reardan WA	Spangle WA			
SPRINGDALE	WA	1,802	Davenport WA	Hunters WA	Reardan WA	Valley WA			
SUMNER	WA	13,666	South Prairie WA						
WAITSBURG	WA	600	Eureka WA	Starbuck WA					
WARDEN	WA	1,225	Lind WA	Odessa WA					
WINLOCK	WA	2,098	Vader WA						
YAKIMA	WA	42,499	Cowiche WA	HARRAH WA	SUNNYSIDE WA	TOPPENISH WA	WAPATO WA	WHITE SWAN WA	ZILLAH WA
GLENDO	WY	228	GUERNSEY WY	LINGLE WY					
JACKSON	WY	12,121	Pinedale WY						
LARAMIE	WY	8,793	Red Feather Lakes CO	Walden CO					
LUSK	WY	1,063	LINGLE WY	TORRINGTON WY					
WHEATLAND	WY	2,241	GUERNSEY WY	LINGLE WY	Medicine Bow WY				