

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.)
)

TESTIMONY

OF

BILLY H. PRUITT

REGARDING STAFF'S STIPULATION

ON BEHALF OF

CHARTER FIBERLINK OR-CCVII, LLC

NON-CONFIDENTIAL VERSION

December 14, 2010

TABLE OF CONTENTS

	<u>Page</u>
I. Introduction.....	1
II. Purpose of Testimony	1
III. The Stipulation Fails to Address Critical Concerns Raised by Other CLECs.....	2
A. Charter’s Operations Differ From Integra’s Operations in Several Important Ways.....	2
B. OSS	8
C. Interconnection Agreement Porting.....	10
D. Single Point of Interconnection	12
E. Rural Exemption	14
F. Directory Assistance & Listing Practices	16
IV. Conclusion	18

1 **I. INTRODUCTION**

2
3 **Q. PLEASE IDENTIFY YOURSELF.**

4 A. My name is Billy H. Pruitt. I am a Manager of Interconnection Services at
5 Charter Communications, Inc., and I provide support to its subsidiary, Charter
6 Fiberlink OR-CCVII, LLC, an intervener in this case (collectively “Charter”).

7 **Q. ARE YOU THE SAME BILL PRUITT WHO FILED DIRECT**
8 **TESTIMONY ON AUGUST 24, 2010 IN THIS MATTER?**

9
10 A. Yes.

11 **II. PURPOSE OF TESTIMONY**

12 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

13
14 A. My testimony addresses several concerns with the Stipulation and conditions
15 CenturyLink, Inc. (“CenturyLink”), Qwest Corporation (“Qwest”) (CenturyLink
16 and Qwest, collectively, the “Joint Applicants”), Staff of the Public Utility
17 Commission of Oregon (“Staff”), and the Citizens’ Utility Board of Oregon
18 (“CUB”) (collectively, the “Parties”) filed with the Commission on December 2,
19 2010. Specifically, I will explain why the Stipulation: (i) fails to provide an
20 adequate assurance that CenturyLink will not prematurely discontinue Qwest’s
21 OSS; (ii) should include an obligation to port interconnection agreements; (iii)
22 should include a commitment from CenturyLink to discontinue its use of the rural
23 exemption to avoid Section 251 obligations; (iv) should re-affirm a CLECs’ right
24 to utilize a single point of interconnection per LATA; and (v) should include a
25 condition that requires CenturyLink to provide non-discriminatory access to
26 directory listing and directory assistance functions.

1 **III. THE STIPULATION FAILS TO ADEQUATELY ADDRESS CRITICAL**
2 **CONCERNS RAISED BY OTHER CLECS**

3 **A. Charter's Operations Differ From Integra's Operations In Several**
4 **Important Ways**

6 **Q. DO YOU HAVE ANY GENERAL CONCERNS WITH THE**
7 **STIPULATION?**

9 A. Yes. While the Stipulation addresses a number of the risks and potential harms of
10 the Proposed Merger, it does so primarily from Integra's perspective and fails to
11 adequately address other critical issues of concern to Charter and competitors
12 generally. To that end, the Stipulation reflects compromises that Integra believed
13 were in its own best interests, presumably taking into account its strategy for
14 competing in the market and its own systems and operations. Indeed, in addition
15 to the conditions that will be discussed in Mr. Gates' testimony,¹ the Stipulation
16 fails to address at all, or to adequately address, a number of critical concerns
17 identified by Charter (and other CLECs) and therefore should be modified to
18 include the following:

- 19 1. A commitment from the Joint Applicants to (i) retain Qwest's current OSS for
20 at least three years following close of the Proposed Merger; (ii) apply third-
21 party testing at commercial volumes to ensure that any successor OSS
22 deployed after the three year period is equivalent to the current Qwest OSS;
23 and (iii) benchmark current operational standards to ensure that the Qwest
24 OSS is not degraded during or after the three year period. (*See* Joint CLEC
25 Condition 19).
- 26 2. A commitment that prevents CenturyLink from avoiding its obligations as an
27 ILEC under Section 251(c) by using the rural exemption as a shield against
28

¹ I understand that Mr. Gates will also file testimony to address additional conditions (including OSS related conditions) that should be added to the Stipulation such as conditions concerning: (1) the Applicable Time Periods for non-UNE commercial and wholesale agreements and tariffs; (2) the extension of non-UNE commercial and wholesale agreements and tariffs, including term and volume discount plans, (3) non-UNE wholesale interstate tariffs; (4) the APAP; (5) the moratorium on Qwest requests to reclassify as "non-impaired" wire centers and for forbearance; and (6) a Most Favored State provision.

1 network interconnection obligations which promote competition. (*See* Joint
2 CLEC Condition 12, 10.b and footnote 5).

- 3
- 4 3. A condition that provides CLECs with the right to utilize a single point of
5 interconnection per LATA for all of the Merged Company's entities operating
6 within that LATA provided that this condition only applies to those places
7 where the Merged Company chooses to interconnect the networks of its
8 affiliates within the LATA. (*See* Joint CLEC Condition 28).
- 9
- 10 4. A commitment from the Merged Company that it will comply with federal
11 and state law as it relates to its directory assistance and directory listings
12 responsibilities in all of its ILEC territories just as Qwest currently does today.
13 (*See* Joint CLEC Condition 23).
- 14
- 15 5. A condition that permits a competitor to adopt, or opt-into, any
16 interconnection agreement to which Qwest is a party, in the same state, or in
17 any state to which Qwest is an ILEC. (*See* Joint CLEC Condition 29).
- 18

19 **Q. WHY DO YOU BELIEVE THAT THE STIPULATION IS BASED ON**
20 **INTEGRA'S PERSPECTIVE?**

21 A. Integra entered into a settlement agreement with the Joint Applicants on or about
22 November 6, 2010 which was filed with the Commission on November 9, 2010
23 ("Integra Settlement"). Shortly thereafter, the Parties entered into the Stipulation
24 which contains many of the exact same terms and conditions as the Integra
25 Settlement. The fact that the wholesale conditions in the Stipulation are almost
26 identical to those in the Integra Settlement suggests that the Parties used the
27 Integra Settlement as the starting point for their discussions relating to wholesale
28 issues and is, therefore, the baseline for the terms and conditions provided in the
29 Stipulation.

1 **Q. DOES THE FACT THAT THE STIPULATION LARGELY MIRRORS**
2 **THE INTEGRA SETTLEMENT RAISE CAUSE FOR CONCERN?**
3

4 A. Yes. Because the Stipulation largely mirrors the Integra Settlement, it is
5 predicated on the business interests of only one CLEC, rather than all of the
6 competitors in this proceeding, not to mention the other competitors in Oregon.
7 This is problematic for several reasons.

8 **Q. PLEASE EXPLAIN.**

9 A. Conditions that reflect the compromises of one CLEC will not adequately protect
10 the interests of a broader array of competitive interests represented by other
11 CLECs in this proceeding. Because the other CLECs differ from Integra in
12 various ways, including, but not limited to, differences in their internal systems,
13 the types of customers they target, the geographical areas they serve, and the mix
14 of wholesale products they require from the ILEC, their interests are not entirely
15 uniform. Other CLECs with different business models have different issues and
16 concerns with the Joint Applicants' operations, post-merger.

17 **Q. HOW DO CHARTER'S OPERATIONS AND WHOLESALE**
18 **INTERCONNECTION NEEDS DIFFER FROM INTEGRA'S NEEDS?**
19

20 A. As I explained in my Direct Testimony, Charter's perspective is unique because it
21 provides service in areas of the state where few other entities provide competitive
22 residential and business wireline voice services on a standalone basis, or as part
23 of a "bundle" (i.e., voice bundled with video and/or broadband Internet service).
24 To the best of my knowledge, Integra does not provide competitive residential or
25 business wireline voice services in the many rural parts of Oregon that Charter
26 competes with Qwest and CenturyLink. In fact, in most communities, Charter is

1 the only wireline competitor that competes with CenturyLink to provide
2 residential or business voice services. Even where another competitor exists in
3 such communities, they generally do not provide bundled voice, video and
4 broadband services, as Charter does. Thus, consumers in these communities rely
5 upon Charter to provide competitive alternatives to the incumbent's (i.e.,
6 CenturyLink's) services.

7 **Q. WHERE DOES CHARTER COMPETE WITH CENTURYLINK IN**
8 **OREGON?**

9 A. Charter competes with CenturyLink in five counties in Oregon: *****BEGIN**
10 **HIGHLY CONFIDENTIAL INFORMATION** [REDACTED]

11 [REDACTED] **END HIGHLY CONFIDENTIAL INFORMATION**

12 ******* In these counties Charter competes with CenturyLink in the following towns
13 and communities: *****BEGIN HIGHLY CONFIDENTIAL INFORMATION**

14 [REDACTED]

15 [REDACTED]

16 [REDACTED] **END HIGHLY CONFIDENTIAL**
17 **INFORMATION ***** These Oregon communities are not densely populated

18 and, for the most part, exist outside of the Portland and Salem metropolitan areas
19 and the relatively more populated areas in the I5 corridor.

20 **Q. HOW LARGE ARE THESE CITIES IN OREGON WHERE CHARTER**
21 **COMPETES WITH CENTURYLINK?**

22 A. Only two of the cities where CenturyLink provides service in Oregon have a
23 population of greater than 13,000. In the eighteen Oregon cities in which Charter
24 competes with CenturyLink, the average population (excluding Medford) is
25 3,351, according to 2000 U.S. Census data. Based upon my rough calculations,

1 all of the eighteen cities are more than 52 miles from the Salem area and more
2 than 73 miles from the Portland area. Thus, Charter competes with CenturyLink
3 in many of Oregon’s smaller, less densely populated communities.

4 **Q. DOES CHARTER COMPETE WITH QWEST IN OREGON?**

5 A. Yes, Charter also competes with Qwest in nine (9) counties in Oregon.

6 **Q. ARE THERE ANY OTHER UNIQUE ASPECTS OF CHARTER’S**
7 **OPERATIONS THAT DIFFER FROM INTEGRA?**

8
9 A. Yes. Charter competes directly with Qwest and CenturyLink to provide
10 competitive voice services to Oregon consumers using the expansive hybrid-fiber
11 networks of its cable company affiliates to reach end user customers. Other
12 competitive wireline voice providers in Oregon use Qwest’s unbundled network
13 elements (“UNE”), and/or commercial wholesale equivalents, to provide service
14 to their customers. However, because Charter is a facilities-based carrier with its
15 own ubiquitous networks within its service territories, it does not use the ILEC’s
16 UNEs (including UNE loops), resale, dark fiber, or other commercial wholesale
17 equivalents used by other wireline competitors to serve their end user customers.
18 Nor does Charter generally establish collocation with the ILEC, preferring instead
19 to interconnect its network with the ILEC at a point outside of the central office.

20 **Q. HOW IS THIS DISTINCT FROM INTEGRA’S OPERATIONS?**

21 A. Unlike Charter, Integra relies upon Qwest’s UNE loops to provide
22 telecommunications and Internet service to its customers. This is likely the
23 reason that the Integra Settlement includes specific terms concerning the
24 conditioning of copper loops necessary to support the provision of xDSL services.

1 Thus, the Integra Settlement terms governing the conditioning of copper loops to
2 support the provision of xDSL services do not provide any benefit to Charter.

3 **Q. DOES CHARTER RELY ON QWEST OR CENTURYLINK FOR ANY OF**
4 **THE SERVICES THAT IT PROVIDES TO CONSUMERS IN OREGON?**

5
6 A. Yes. Although Charter does not rely upon incumbents to provide unbundled
7 elements or collocation in Oregon, it does rely upon Qwest and CenturyLink to
8 provide interconnection facilities to allow Charter to interconnect with their ILEC
9 networks. Charter also relies on Qwest and CenturyLink for critical wholesale
10 processes that facilitate competition by ensuring that competitors can seamlessly
11 acquire and migrate customers that choose our competitive voice services. In
12 particular, Charter requires efficient number porting and directory listing
13 processes.

14 **Q. SHOULD THESE DIFFERENCES BETWEEN INTEGRA'S AND**
15 **CHARTER'S BUSINESS MODELS HAVE ANY BEARING ON THE**
16 **COMMISSION'S ANALYSIS OF THE ADEQUACY OF THE**
17 **STIPULATION?**

18 A. Yes. Because the Stipulation is largely based on issues that arise from Integra's
19 particular service arrangements, it does not adequately address the unique service
20 and operational issues that Charter faces, in part, by competing with CenturyLink
21 in smaller communities for residential and business customers. As explained in
22 my prior testimony in this case, these problems include CenturyLink's reliance on
23 the rural exemption to avoid its Section 251(c) interconnection obligations, its
24 refusal to interconnect via a single point per LATA, and, its failure to provide
25 non-discriminatory access to wholesale directory functions.

1 **B. OSS**

2 **Q. WHY IS HAVING CONDITIONS THAT ADEQUATELY ADDRESS**
3 **THE OSS POST MERGER A CRITICAL CONCERN FOR CHARTER?**

4
5 A. As I explained in my earlier testimony, Charter relies upon the wholesale
6 operations support systems (“OSS”) of Qwest and CenturyLink to obtain pre-
7 ordering information (i.e. customer service records), to submit “orders” for
8 interconnection facilities, to submit requests for number porting and directory
9 services, and to engage in other carrier-to-carrier communications that facilitate
10 subscriber migrations from one carrier to another.

11 **Q. PLEASE EXPLAIN.**

12 A. The subscriber acquisition and migration process frequently includes a request to
13 port the end user customer’s telephone number from the incumbent to the
14 competitor, and to list that number in appropriate directories. Thus, in order for
15 Charter to compete effectively to “win” new customers, it must be able to access
16 the incumbent’s OSS systems to engage in a seamless subscriber migration
17 process with incumbents that permits Charter to port numbers and to list those
18 numbers in the local white and/or yellow pages directories.

19 **Q. DOES INTEGRA RELY UPON THE QWEST OSS FOR THE SAME**
20 **REASONS?**

21
22 A. Although Integra also relies upon the Qwest OSS, it does so for those and
23 different reasons, and in a different manner than Charter. Integra relies upon the
24 Qwest OSS, to a significant degree, to place orders for UNE loops and similar
25 inputs.

1 **Q. HOW DOES THIS COMPARE WITH CHARTER'S USE OF THE**
2 **QWEST OSS?**

3
4 A. Contrary to Integra's use of the Qwest OSS, Charter relies upon the Qwest OSS
5 primarily to complete the subscriber migration functions described above. In
6 addition, *****BEGIN HIGHLY CONFIDENTIAL INFORMATION** [REDACTED]

7 [REDACTED]

8 [REDACTED]

9 [REDACTED]

10 [REDACTED]

11 [REDACTED] **END HIGHLY CONFIDENTIAL**

12 **INFORMATION ***** In contrast, much of the OSS functionality that Integra
13 obtains from Qwest (like submitting trouble tickets, receiving electronic line loss
14 notices, and receiving FOCs) is not via an e-bonded interface.

15 **Q. WHAT ARE THE SHORTCOMINGS OF THE OSS CONDITIONS**
16 **PROVIDED IN THE STIPULATION?**

17
18 A. Although Mr. Gates' testimony discusses this issue in more detail, it is worth
19 noting that even though the Stipulation includes certain OSS conditions, it is not
20 sufficient to ensure that competitors that rely upon e-bonded solutions (like
21 Charter) are not impaired by the discontinuance of Qwest's OSS. Because
22 Charter relies upon e-bonding to submit and process orders in the Qwest OSS for
23 customer migration processes like obtaining customer records, porting numbers,
24 and incorporating directory listings into appropriate databases, changes to those
25 systems will have a significant impact on Charter. And, the impact on Charter is
26 likely to be greater than it may be on Integra, who generally does not rely upon on
27 e-bonded interfaces to the same degree as Charter.

1 **C. Interconnection Agreement Porting**

2 **Q. DOES THE STIPULATION INCLUDE ALL CONDITIONS NECESSARY**
3 **TO ENSURE THAT COMPETITORS' TRANSACTION COSTS WILL**
4 **NOT INCREASE AS A RESULT OF THE MERGER?**

5 A. No. While the Stipulation includes several important conditions related to
6 interconnection agreements that will help reduce competitors' transaction costs, it
7 does not include conditions that will eliminate the possibility that competitors'
8 transaction costs will increase as a result of the Merged Company's actions post-
9 closing. The lack of any interconnection agreement "porting" (also known as
10 cross-state adoption) provision constitutes a significant omission of necessary
11 conditions to ensure that competitors' transaction costs do not increase as a result
12 of the Proposed Merger.

13 **Q. DO YOU THINK THAT THE DIFFERENCES BETWEEN THE**
14 **OPERATIONS OF CHARTER AND INTEGRA LEAD TO THE**
15 **EXCLUSION OF THIS NECESSARY CONDITION FROM THE**
16 **STIPULATION?**

17 A. Yes. Charter's experience competing with both Qwest and CenturyLink, in their
18 respective service areas, extends to Qwest's and CenturyLink's respective
19 wholesale practices and policies concerning negotiations, arbitration and
20 implementation of interconnection agreements. Because of its competitive
21 operations within the service territories of both Qwest and CenturyLink in eleven
22 different states,² Charter has also negotiated and arbitrated a number of
23 interconnection agreements with both companies. As a result, Charter is very
24 familiar with the interconnection terms and wholesale policies of both Qwest and
25 CenturyLink.

² Charter's affiliates compete with Qwest and/or CenturyLink ILEC affiliates in the following states: Alabama, Minnesota, Missouri, Nebraska, North Carolina, Oregon, Tennessee, Texas, Virginia, Washington and Wisconsin.

1 **Q. PLEASE ELABORATE.**

2 A. Based upon my understanding of the record in this proceeding, and the
3 competitive marketplace in Oregon, Integra does not compete with CenturyLink
4 in Oregon, and therefore has no reason to have negotiated or arbitrated an
5 interconnection agreement with CenturyLink in Oregon. On the other hand,
6 Charter has negotiated and arbitrated interconnection agreements with
7 CenturyLink in a number of states in the Midwest, including Wisconsin,
8 Minnesota and Missouri. In fact, Charter recently negotiated and arbitrated an
9 interconnection agreement with Qwest in Minnesota. That arbitration proceeding
10 was conducted in 2009. The parties to that proceeding (Qwest and Charter) now
11 operate under the terms of that agreement. The arbitrated agreement in Minnesota
12 better reflects Charter's specific operational needs and preferences than Qwest's
13 template agreement.

14 **Q. HAS CHARTER'S EXPERIENCE NEGOTIATING AND ARBITRATING**
15 **INTERCONNECTION AGREEMENTS WITH CENTURYLINK AND**
16 **QWEST GIVEN IT CAUSE FOR CONCERN?**

17 A. Yes. Charter is concerned that interconnection agreement terms and rates may not
18 be stable over the foreseeable future because the Merged Company may use its
19 size and market power to force competitors into negotiations of a new agreement.
20 This is particularly true for competitors like Charter that operate in multiple
21 CenturyLink and Qwest service areas, and who therefore have many different
22 agreements (on a state-by-state basis) with both Qwest and CenturyLink. Charter
23 is also concerned that the Merged Company may direct its integration efforts to
24 the detriment of wholesale customers by withdrawing services, or significantly
25 changing the offerings Qwest currently makes available.

1 **Q. HOW SHOULD THE COMMISSION ADDRESS THESE CONCERNS?**

2 A. To address these concerns the Commission should adopt an additional condition
3 that permits a competitor to adopt, or opt-into, any interconnection agreement to
4 which Qwest is a party, in the same state, or in any state to which Qwest is an
5 ILEC, subject to state-commission required terms and pricing being included in
6 the ported agreement.

7 **D. Single Point of Interconnection**

8 **Q. DOES THE STIPULATION INCLUDE A CONDITION THAT WOULD**
9 **GIVE COMPETITORS THE RIGHT TO UTILIZE A SINGLE POINT OF**
10 **INTERCONNECTION PER LATA?**

11
12 A. No. The Integra Settlement does nothing to address concerns that are unique to
13 facilities-based wireline competitors providing competitive services to primarily
14 residential customers in smaller towns and communities in Oregon. Specifically,
15 the Integra Settlement has no conditions that address any concerns related to
16 inadequate single point of interconnection issues.

17 **Q. WHY DO YOU THINK THE STIPULATION FAILS TO ADDRESS**
18 **CONCERNS RELATED TO SINGLE POINT OF INTERCONNECTION?**

19
20 A. Because the Stipulation reflects compromises tailored almost entirely to Integra's
21 business interests, the Stipulation is devoid of any language that addresses the
22 concerns raised by CenturyLink's burdensome, costly and inefficient practice of
23 requiring CLECs to establish multiple points of interconnection per LATA. As I
24 explained above, Integra does not provide competitive residential wireline voice
25 services in small Oregon communities so it lacks any real incentive to seek
26 conditions to address concerns that are not relevant to its business.

27 **Q. CAN THESE CONCERNS BE RESOLVED?**

1 A. Yes. The Commission can address Charters' (and other competitors') concerns
2 with respect to single point of interconnection by adopting an additional condition
3 which gives CLECs the option to interconnect with the Merged Company at a
4 single point of interconnection per LATA. Notably, the Joint CLECs have
5 revised their proposed condition to apply *only* where the Merged Company's
6 affiliates' networks are interconnected.

7 **Q. WHAT IS THE SIGNIFICANCE OF THE ADDITIONAL LIMITATION**
8 **CHARTER AND THE OTHER CLECS HAVE PROPOSED FOR THIS**
9 **CONDITION?**

10
11 A. The significance of this additional limitation is that it substantially limits the
12 application of the condition. Specifically, the Merged Company could require
13 competitors to interconnect at several points in the same LATA if there were no
14 facilities connecting the Merged Company's networks in that LATA. However,
15 if the Merged Company establishes facilities between several of its ILEC service
16 areas in the same LATA, the Merged Company would have the ability to carry
17 its own traffic between such areas. If it has the ability to carry its own traffic,
18 then it should also be required to carry the traffic of competitors that choose to
19 interconnect at only one point on the Merged Company's network. This basic
20 principle reflects the well established non-discrimination standard under Section
21 251, which requires the incumbent LEC to provide interconnection to the
22 competitive LEC on terms that are equivalent to what the incumbent provides
23 itself.³ For that reason the Commission should re-affirm that principle and
24 require the Merged Company, where it has facilities connecting several points in
25 a single LATA, to interconnect via a single point in such LATA.

³ See Section 251(c)(2).

1 **E. Rural Exemption**

2 **Q. DOES THE STIPULATION ADDRESS CHARTER’S CONCERNS**
3 **REGARDING CENTURYLINK’S USE OF THE RURAL EXEMPTION**
4 **TO AVOID ITS SECTION 251 OBLIGATIONS?**

5
6 A. No. The Stipulation does not adequately address Charters’ concerns with
7 CenturyLink’s current practice of using the rural exemption in an anticompetitive
8 manner. Although the Stipulation addresses the rural exemption issue, it is limited to
9 the rural exemption’s application to only the “Qwest ILEC service territory.”⁴ Qwest
10 has admitted that it currently does not operate under a rural exemption. In
11 contrast, CenturyLink has admitted that two of its three affiliates operating in
12 Oregon do operate under a rural exemption.⁵ Because this condition only applies to
13 Qwest and not CenturyLink, it is of limited utility to competitors like Charter who
14 provide service in Oregon’s smaller, less densely populated communities in
15 competition with CenturyLink.

16 **Q. WHY DO YOU BELIEVE THAT THE STIPULATION FAILS TO**
17 **ADEQUATELY ADDRESS CHARTER’S CONCERNS RELATING TO**
18 **THE RURAL EXEMPTION?**

19
20 A. Because the Stipulation does nothing to address CenturyLink’s general refusal to
21 accept its ILEC responsibilities under 251(c). For example, Charter had to
22 arbitrate with CenturyLink’s former CenturyTel affiliates in 3 states to get them to
23 agree to TELRIC pricing for interconnection facilities – which we still haven’t
24 implemented. Another example during arbitration in the CenturyTel states, was
25 CenturyTel’s erroneous position that LATAs only apply to Bell Operating
26 Companies and, because they weren’t a BOC, didn’t need to agree to a single POI

⁴ Stipulation at ¶ 31.

⁵ See Exhibit Charter Fiberlink/9.

1 per LATA.⁶ Thus, Charter is acutely aware, through first-hand experience, of
2 how critical it is for the Commission to impose additional conditions that would
3 appropriately assuage these concerns.

4 **Q. PLEASE EXPLAIN.**

5 A. As I explained in my direct testimony, CenturyLink’s assertion of the rural
6 exemption has the effect of increasing operational costs for Charter. In particular,
7 as a result of CenturyLink’s continued operations as a “rural” telephone company,
8 CenturyLink claims that its “rural” affiliates are exempt from the obligation to
9 interconnect with Charter at a single point of interconnection per LATA. For
10 example, in Wisconsin, for future interconnections Charter is required to
11 undertake the costly and inefficient process of interconnecting with CenturyLink
12 at multiple points of interconnection in each LATA, i.e., the agreements
13 contemplate a separate POI per LATA per CenturyLink entity when there are
14 more than one CenturyLink entity competing in a LATA, regardless of whether
15 those entities are interconnected for the exchange of traffic among themselves.

⁶ See, e.g., *Petition of Charter Fiberlink, LLC for Arbitration of an Interconnection Agreement Between the CenturyTel Non-Rural Telephone Companies of Wisconsin and Charter Fiberlink, LLC*, Initial Brief of CenturyLink at 58 (filed Jan. 14, 2009); and *Petition of Charter Fiberlink-Missouri, LLC for Arbitration of an Interconnection Agreement*, Case No. TO-2009-0037 at 68 (filed Nov. 20, 2008).

1 **Q. WOULD THE IMPOSITION OF ADDITIONAL CONDITIONS ADDRESS**
2 **THESE CONCERNS?**

3
4 A. Yes. The Commission should go beyond the limited terms of the Stipulation by
5 securing commitments from the Merged Company to waive its right to seek
6 exemption for rural telephone companies under Section 251(f)(1), and to waive
7 its right to seek suspensions and modifications for rural carriers under Section
8 251(f)(2) of the Act. Keep in mind that Charter is only advocating that
9 CenturyLink act like the third largest carrier in the country by relinquishing its
10 rights to avoid obligations under Section 251(b) and (c). Charter is not advocating
11 that CenturyLink give up its access to its substantial Universal Service support
12 payments.⁷

13 **F. Directory Assistance & Listing Practices**

14 **Q. DOES THE STIPULATION INCLUDE ANY CONDITIONS THAT**
15 **SECURE SUFFICIENT COMMITMENTS FROM THE MERGED**
16 **COMPANY REGARDING DIRECTORY LISTING AND ASSISTANCE**
17 **PRACTICES?**

18
19 A. No. The Stipulation fails to address any of Charter's concerns with respect to
20 CenturyLink's failure to provide wholesale access to directory listing and
21 directory assistance functions in a nondiscriminatory manner. In fact, there is not
22 a single provision in the Stipulation that secures a commitment that the Merged
23 Company will comply with existing federal law with respect to its responsibilities
24 to provide nondiscriminatory access to directory listing and directory assistance,
25 or that the Merged Company will not attempt to shift its directory listing and

⁷ See W. David Gardner, *AT&T, Verizon Receive Billions From FCC Phone Fund*, Information Week (July 12, 2010), <http://www.informationweek.com/story/showArticle.jhtml?articleID=225702855> (explaining that CenturyTel received \$931 million from the Universal Service Fund over the past three years).

1 directory assistance responsibilities to a third party vendor and then claim that it
2 no longer has any such responsibilities under the Act.

3 **Q. HAVE THE JOINT CLECS PROPOSED A CONDITION THAT WOULD**
4 **ADDRESS THIS CONCERN?**

5
6 A. Yes, the Joint CLECs have proposed a condition (i.e., CLEC Condition 23) that
7 would require the Joint Applicants to commit to comply with federal and state law
8 as it relates to their directory assistance and directory listings responsibilities in all
9 their ILEC territories just as Qwest currently does today.

10 **Q. HOW DOES QWEST DEAL WITH DIRECTORY LISTINGS AND**
11 **DIRECTORY ASSISTANCE TODAY?**

12
13 A. Qwest allows CLECs to submit Directory Service Requests to retain, add or
14 change a CLEC directory listing in the white and yellow pages directories that
15 Qwest causes to be published for its own customers, without charge. In addition,
16 the listing automatically flows to its directory listing database which ensures that
17 the CLEC's customers' name, address and/or phone numbers can be obtained by
18 Qwest's customers when they dial Qwest's directory assistance number
19 requesting a CLEC customer's number. That is without charge to the CLEC too
20 and for the obvious reason that it benefits the ILEC to have the CLEC's
21 customers' listing in its directories and DA databases. It furthers the perception
22 that the ILEC's directories and DA includes listings from the entire service
23 territory – whether those customers are ILEC or CLEC customers.

1 V. **CONCLUSION**

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

3 A. Yes.

CERTIFICATE OF SERVICE
UM 1484

I hereby certify that **Testimony of Billy H. Pruitt Regarding Staff's Stipulation on Behalf of Charter Fiberlink OR-CCVII, LLC** was served on the following persons on December 14 2010, by email to all parties and by U.S. Mail to parties who have not waived paper service:

Kelly Mutch PriorityOne Telecommunications Inc. PO Box 758 La Grande, OR 97850-6462 managers@p1tel.com	William E. Hendricks CenturyLink, Inc. 805 Broadway St. Vancouver, WA 98660-3277 tre.hendricks@centurylink.com
Gordon Feighner Energy Analyst Citizens' Utility Board of Oregon 610 SW Broadway, Suite 400 Portland, OR 97205 gordon@oregoncub.org	Robert Jenks Executive Director Citizens' Utility Board of Oregon 610 SW Broadway, Suite 400 Portland, OR 97205 bob@oregoncub.org
G. Catriona McCracken Legal Counsel / Staff Attorney Citizens' Utility Board of Oregon 610 SW Broadway, Suite 400 Portland, OR 97205 catriona@oregoncub.org	Raymond Myers Attorney Citizens' Utility Board of Oregon 610 SW Broadway, Suite 400 Portland, OR 97205 ray@oregoncub.org
Kevin Elliott Parks Staff Attorney Citizens' Utility Board of Oregon 610 SW Broadway, Suite 400 Portland, OR 97205 kevin@oregoncub.org	Jason W. Jones Assistant Attorney General Department of Justice Business Activities Section 1162 Court St. N.E. Salem, OR 97301-4096 jason.w.jones@state.or.us
Michael Dougherty Public Utility Commission of Oregon P.O. Box 2148 Salem, OR 97308-2148 michael.dougherty@state.or.us	Alex M. Duarte Corporate Counsel Qwest Corporation 310 SW Park Ave, 11 th Floor Portland, OR 97205-3715 alex.duarte@qwest.com

<p>Mark Reynolds Qwest Corporation 1600 7th Ave., Room 3206 Seattle, WA 98191 mark.reynolds3@qwest.com</p>	<p>Barbara Young United Telephone company of the Northwest 902 Wasco St. ORHDRA0305 Hood River, OR 97031 barbara.c.young@centurylink.com</p>
<p>Katherine K. Mudge Director, State Affairs & ILEC Relations Covad Communications Co. 7000 N. MOPAC EXPWY, 2nd Floor Austin, TX 78731 kmudge@covad.com</p>	<p>Edwin Parker Parker Telecommunications P.O. Box 402 Gleneden Beach, OR 97388 edparker@teleport.com</p>
<p>Greg L. Rogers Sr. Corporate Counsel Level 3 Communications LLC 1025 Eldorado Blvd. Broomfield, CO 80021 greg.rogers@level3.com</p>	<p>Adam Lowney McDowell Rackner & Gibson PC 419 SW 11th Ave., Suite 400 Portland, OR 97205 adam@mcd-law.com</p>
<p>Lisa Rackner McDowell Rackner & Gibson PC 419 SW 11th Ave., Suite 400 Portland, OR 97205 lisa@mcd-law.com</p>	<p>Lyndall Nipps Vice President, Regulatory Affairs twtelecom of oregon, llc 9665 Granite Ridge Drive, Suite 500 Palm Springs, CA 92123 lyndall.nipps@twtelecolm.com</p>
<p>Rex M. Knowles Regional Vice President-Regulatory XO Communications Services, Inc. 7050 Union Park Ave., Suite 400 Midvale, UT 84047 rex.knowles@xo.com</p>	<p>Arthur A. Butler Ater Wynne LLP 601 Union Street, Suite 1501 Seattle, WA 98101-3981 aab@aterwynne.com</p>
<p>Joel Paisner Attorney Ater Wynne LLP 601 Union Street, Suite 1501 Seattle, WA 98101-2327 jrp@aterwynne.com</p>	<p>John Felz Director Regulatory Operations Century Farm Court 5454 W 110th St. KSOPKJ0502 Overland Park, KS 66211 John.felz@centurylink.com</p>

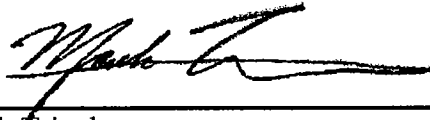
<p>Michel Singer Nelson 360Networks(USA), Inc. 370 Interlocken Blvd., Suite 600 Broomfield, CO 80021-8015</p>	<p>Penny Stanley 360Networks(USA), Inc. 370 Interlocken Blvd., Suite 600 Broomfield, CO 80021-8015 penny.stanley@360.net</p>
<p>Rhonda Kent CenturyLink 805 Broadway 8th Fl. Vancouver, WA 98660 rhonda.kent@centurylink.com</p>	<p>Marsha Spellman Converge Communications Co. 10425 SW Hawthorne Ln. Portland, OR 97225 marsha@convergecomm.com</p>
<p>K.C. Halm Davis Wright Tremaine LLP 1919 Pennsylvania Ave. NW, 2nd Fl. Washington, DC 20006-3458 kchalm@dwt.com</p>	<p>William Sargent Tillamook County 1134 Main Avenue Tillamook OR 97141 wsargent@oregoncoast.com</p>
<p>Karen L. Clauson Vice President, Law & Policy Integra Telcom Inc. 6160 Golden Hills Dr. Golden Valley, MN 55416-1020 klclauson@integratelecom.com</p>	<p>Wendy McIndoo Office Manager McDowell Rackner & Gibson PC 419 SW 11th Ave., Suite 400 Portland, OR 97205 wendy@mcd-law.com</p>
<p>Adam Haas WSTC 10425 SW Hawthorne Ln. Portland, OR 97225 adamhaas@convergecomm.com</p>	<p>Michael R. Moore Charter Fiberlink OR-CCVII LLC 12405 Powerscourt Dr. St. Louis, MO 63131 michael.moore@chartercom.com</p>
<p>Judith Endejan Graham & Dunn PC 2801 Alaskan Way, Suite 300 Seattle, WA 98121 jendejan@grahamdunn.com</p>	<p>Diane Browning Sprint Communications Co. LP 6450 Sprint Parkway Overland Park, KS 66251 diane.c.browning@sprint.com</p>
<p>Kenneth Schifman Sprint Communications Co. LP 6450 Sprint Pkwy Overland Park, KS 66251 kenneth.schifman@sprint.com</p>	<p>Kristin L. Jacobson Sprint Nextel 201 Mission St., Suite 1500 San Francisco, CA 94105 kristin.l.jacobson@sprint.com</p>

Richard Stevens Central Telephone Inc. P.O. Box 25 Goldendale, WA 98620 rstevens@gorge.net	Frank G. Patrick Corporate Lawyers PC P.O. Box 231119 Portland, OR 97281 fgplawpc@hotmail.com
Bryan Conway Public Utility Commission of Oregon P.O. Box 2148 Salem, OR 97308-2148 bryan.conway@state.or.us	Dave Conn T-Mobile USA Inc. 12920 SE 38 th St. Bellevue, WA 98006 dave.conn@t-mobile.com
Gregory Merz Gray Plant Mooty 500 IDS Center 80 S. Eighth St. Minneapolis, MN 55402 gregory.merz@gpmlaw.com	Patrick L. Phipps Vice President QSI Consulting, Inc. 3504 Sundance Dr. Springfield, IL 62711
David Hawker City Manager City of Lincoln City 801 SW Highway 101 Lincoln City OR 97367 davidh@lincolncity.org	Douglas R. Holbrook City of Lincoln City PO Box 2087 Newport OR 97365 doug@lawbyhs.com
Charles Jones, Manager Communication Connection 14250 NW Science Park Dr, Ste B Portland OR 97229 charlesjones@cms-nw.com	Wayne Belmont Lincoln County Counsel 225 W Olive Street Newport OR 97365 wbelmont@co.lincoln.or.us
Greg Marshall, President Northwest Public Communications Council 2373 NW 185 th Ave, Ste 310 Hillsboro OR 97124 gmarshall@corbantechologies.com	Randy Linderman Pacific Northwest Payphone 1315 NW 185 th Ave, Ste 215 Beaverton OR 97006-1947 rlinderman@gofirestream.com

Charles L. Best
Attorney at Law
1631 NE Broadway, Ste 538
Portland O 97232-1425
chuck@charleslbest.com

Brian Nixon
Davis Wright Tremaine LLP
1919 Pennsylvania Avenue N.W.
Washington, DC 20006-3401
briannixon@dwt.com

Dated: December 14, 2010



Mark Trinchero
Davis Wright Tremaine, LLP
1300 SW 5th Avenue
Suite 2300
Portland, OR 97201