

September 24, 2010

VIA ECFS

EX PARTE

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW, Room TW-A325
Washington, DC 20554

Re: *Applications Filed By Qwest Communications International Inc. And CenturyTel, Inc., d/b/a CenturyLink For Consent To Transfer Of Control, WC Dkt. No. 10-110*

Dear Ms. Dortch:

Yesterday, Greg Darnell, Director of Local Exchange Carrier Relations for Cbeyond, Inc. (“Cbeyond”), and Julia Strow, Vice President of EAS Consulting, Inc., and outside consultant to Cbeyond; Jeff Oxley, Executive Vice President and General Counsel for Integra Telecom, Inc. (“Integra”), and Roger Fleming, Vice President of Federal Government Affairs for Integra; Matt Kohly, Director of Government and Carrier Relations for Socket Telecom, LLC (“Socket Telecom”); Don Shephard, Vice President of Federal Regulatory Affairs for tw telecom inc. (“tw telecom”); and the undersigned, outside counsel to Cbeyond, Integra, Socket Telecom, and tw telecom, met with Staff from the Wireline Competition Bureau and the Office of General Counsel regarding the above-referenced proceeding. From the Wireline Competition Bureau, Nick Alexander, Jean Ann Collins, Bill Dever, Pamela Megna, Carol Simpson, Don Stockdale, and Matt Warner were in attendance, and Alex Johns participated by phone. From the Office of General Counsel’s Transaction Team, Jim Bird, Neil Dellar, and Virginia Metallo were in attendance.

The participants discussed the potential harms posed by the proposed transaction between CenturyLink and Qwest and emphasized that the proposed transaction cannot be deemed in the public interest unless the Commission imposes comprehensive, enforceable conditions to address these harms. The presentation documents on which these discussions were based are attached.

Marlene H. Dortch
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Please do not hesitate to contact me at (202) 303-1111 if you have any questions or concerns about this submission.

Respectfully submitted,

/s/ Thomas Jones
Thomas Jones
Nirali Patel

*Counsel for Cbeyond, Inc., Integra Telecom, Inc.
Socket Telecom, LLC, and tw telecom inc.*

cc (via email): Nick Alexander
Jean Ann Collins
Bill Dever
Alex Johns
Pamela Megna
Carol Simpson
Don Stockdale
Matt Warner
Jim Bird
Neil Dellar
Virginia Metallo

**CBEYOND, INTEGRA TELECOM, SOCKET TELECOM AND TW TELECOM
PRESENTATION ON THE CENTURYLINK-QWEST TRANSACTION
WC Docket No. 10-110
September 23, 2010**

EXECUTIVE SUMMARY

- A. The Proposed Transaction Represents A Major Structural Change In The Telecommunications Industry And Poses A Serious Threat To Competition And Consumer Welfare In The Applicants' Territories.** CenturyLink's insufficient expertise and experience, the risk that key Qwest employees will leave, the Merged Company's increased incentive (due to an increased footprint and pressures to increase revenues and achieve synergies) and increased opportunity (due to fewer benchmarks) to deny, delay and degrade wholesale inputs all add up to serious problems for competition and consumer welfare.
- B. There Is A Substantial Risk That The Merged Company Will Be Unable To Provision Wholesale Inputs In Compliance With Sections 251 and 271 Of The Act.**
1. The proposed transaction threatens the continued viability of Qwest's OSS and change management process.
 2. Interconnection agreements—the product of years of regulatory proceedings and negotiations—are at risk.
 3. There is also a risk that the Merged Company will not adhere to performance assurance plans, a critical protection against service degradation.
- C. There Is A Substantial Risk That The Merged Company Will Be Unwilling To Provision Wholesale Inputs In Compliance With Existing Obligations.** Qwest already has an established track record of refusing to provide conditioned copper loops, a key input to broadband deployment, to competitors.
- D. Competitors' Experiences With CenturyLink Since The CenturyTel-Embarq Merger Demonstrate That Their Concerns About The Proposed Transaction Are Well-Founded.** While CenturyLink points to the Embarq integration as evidence that it can accomplish the proposed merger with little harm to consumer welfare, actual experience demonstrates that this is not the case (e.g., numerous problems with CenturyLink's EASE system; absence of a change management process; and deterioration in loop provisioning).
- E. There Is A Substantial Risk That The Merged Company Will Be Unable Or Unwilling To Provision Special Access Inputs In Compliance With Sections 201, 202 And 272 Of The Act.** The proposed transaction places at risk special access performance reporting, OSS functionalities (e.g., electronic bonding for quoting and for maintenance trouble ticketing), prices and discount plans as well as the availability of wholesale finished Ethernet.
- F. Conditions Are Necessary To Address These Harms.** The proposed transaction cannot be deemed to be in the public interest unless the FCC adopts comprehensive, enforceable conditions that address these harms.

**CBEYOND, INTEGRA TELECOM, SOCKET TELECOM AND TW TELECOM
PRESENTATION ON THE CENTURLINK-QWEST TRANSACTION
WC Docket No. 10-110
September 23, 2010**

- A. The Proposed Transaction Represents A Major Structural Change In The Telecommunications Industry And Poses A Serious Threat To Competition And Consumer Welfare In The Applicants' Territories.**
- B. There Is A Substantial Risk That The Merged Company Will Be Unable To Provision Wholesale Inputs In Compliance With Sections 251 and 271 Of The Act.**
- 1. Operations Support Systems ("OSS").** CLECs and Qwest have expended enormous financial and human resources, including during the Section 271 review process, to achieve the level of wholesale OSS functionality that currently exists in the Qwest territory. CenturyLink's OSS have not undergone anywhere near the same level of scrutiny and development as Qwest's OSS.
- a. The proposed transaction poses a serious threat to the continued viability of Qwest's wholesale OSS.**
- i. As the Joint Commenters have explained in their Comments,¹ there are many reasons to expect the performance of the OSS in the legacy Qwest territory to deteriorate significantly as a result of the proposed transaction (e.g., pressure to achieve projected synergies; pressure to increase retail market share; an increased incentive and opportunity to degrade wholesale service due to an increased footprint; and a smaller number of benchmark incumbent LECs remaining post-transaction).
- ii. Such deterioration would occur if, for example, the Merged Company fails to competently operate the legacy Qwest OSS or if it replaces the legacy Qwest OSS with less effective systems. Notably, CenturyLink has made no commitment as to the time period during which it will retain Qwest's OSS or as to any plans for retaining the staffing and expertise necessary to operate and maintain Qwest's OSS.
- iii. Nor have the Applicants provided any reason to believe that, when changes are made to the OSS, the Merged Company will be able to avoid the numerous problems that have resulted from recent

¹ See generally Comments of Cbeyond, Integra Telecom, Socket Telecom, and tw telecom, WC Docket No. 10-110 (filed July 12, 2010) ("Comments").

incumbent LEC mergers, including the Frontier,² FairPoint, and Hawaii Telcom transactions.

- b. **Robust conditions are needed to prevent backsliding.** It is therefore necessary for the FCC to ensure that the Merged Company continues to operate the legacy Qwest OSS to provide service that is at least equal to Qwest's performance prior to the merger. If and when the Merged Company either integrates any part of the legacy Qwest OSS with another system or replaces the legacy Qwest OSS with another system, such a change must undergo the same exacting review required of Qwest's OSS during the Section 271 process. For instance, for any Qwest system that was subject to third-party testing as part of the Section 271 process, robust, transparent third-party testing should be conducted for any replacement/integrated system to ensure that it provides the necessary functionality, can appropriately handle commercial volumes, and meets the Merged Company's Section 251 and Section 271 obligations. Conditions must also be adopted to address the risks described below.

2. Change Management Process ("CMP").

- a. **Continued viability of CMP is critical.** As explained by the Joint Commenters (Comments at 32), the CMP provides an important mechanism through which CLECs can propose changes and comment on, or object to, Qwest's proposed changes to its systems and processes. In its CMP governing document, which was developed as part of the Section 271 proceedings, Qwest expressly recognizes that product, process, and systems changes may impact CLECs, and that, in many cases, such changes have a "major effect on existing CLEC operating procedures."³ CenturyLink has no experience in establishing or maintaining a viable CMP. Moreover, CenturyLink has made no commitment as to any time period during which it will retain Qwest's CMP.
- b. **CenturyLink's assertion that it has CMP experience is meritless.** In its Reply Comments, CenturyLink claims that it "has its own streamlined

² See, e.g., FiberNet, LLC Petition To Reopen, West Virginia PSC Case No. 09-0871-T-PC, at 3 (filed July 21, 2010) (explaining that since the cutover from Verizon to Frontier's systems in West Virginia, "FiberNet has experienced significant and ongoing problems with the proper functionality of Frontier's OSS and ha[s] unfortunately been compelled to conclude that Frontier's OSS as presently constituted is substantially less sophisticated and far less automated than the former Verizon OSS it was intended to replace").

³ See Qwest Wholesale Change Management Process Document § 5.4.5, available at <http://www.qwest.com/wholesale/cmp/index.html>.

change management process,”⁴ but CenturyLink is merely referring to: (1) its notification-only process (e.g., CenturyLink notifies CLECs of systems and process changes after it has already decided to implement such changes); and (2) the one annual meeting and two semi-annual meetings it holds with CLECs. Short-term or after-the-fact notices and infrequent meetings are insufficient to allow CLECs to meaningfully participate in proposed changes and to prepare for changes that have a major impact on their operations. The reality is that CenturyLink does not have a CMP as that term is described in the Commission’s *Section 271 Orders*.⁵ Furthermore, CenturyLink’s claim that its notification process constitutes a streamlined CMP suggests that CenturyLink is unfamiliar with the CMP that Qwest has developed in order to comply with Section 271 and that CenturyLink is willing to consider something far less as being compliant with the CMP requirements.

3. Interconnection Agreements (“ICAs”). As explained by the Joint Commenters (Comments at 36-37), it has taken years of (1) Section 271 regulatory proceedings as well as (2) negotiations, and in some cases, arbitration and litigation, to develop the terms of the Joint Commenters’ wholesale relationships with Qwest. The FCC must ensure that CLECs can continue to rely on the ICA terms that have now finally been developed.

a. CenturyLink’s ICAs are insufficient to support robust competition. CenturyLink’s ICAs lack many of the critical details regarding wholesale provisioning that are contained in the Qwest ICAs.⁶ In many cases, the Qwest ICAs, as well as portions of the Qwest ICA negotiations template, are based on terms developed during extensive Section 271 workshops. In addition, the rates for many services and facilities in CenturyLink’s ICAs

⁴ See Reply Comments of CenturyLink, Inc. and Qwest Communications International Inc., WC Docket No. 10-110, at 24 (filed July 27, 2010) (“Reply Comments”).

⁵ See, e.g., *In re Application by Qwest Communications International, Inc. for Authorization To Provide In-Region, InterLATA Services in the States of Colorado, Idaho, Iowa, Montana, Nebraska, North Dakota, Utah, Washington and Wyoming*, Memorandum Opinion and Order, 17 FCC Rcd. 26303, Appendix K, ¶¶ 41-42 (2002).

⁶ Indeed, in contrast to CenturyLink, Qwest has recently acknowledged elsewhere the need for detailed ICA terms. See Qwest Post Hearing Brief, Washington UTC Docket No. UT-093035, at 5-6 (filed Aug. 10, 2010) (“The importance of a new ICA, with specific and detailed terms and conditions[] is . . . highlighted by [North County Communications Corp.’s] testimony that the ICA is more like a ‘guideline.’ This is completely contrary to Qwest’s view, which is that the ICA is a contract – it contains a binding set of terms and conditions, and clearly defines the parties [*sic*] rights and obligations. NCC does not want an updated ICA because it contains much more detail about the interconnection terms and conditions, but that is precisely why it is so important to have the new ICA.”).

are much higher than the rates for the same services and facilities in Qwest's ICAs. See "Comparison of UNE and Collocation Rates in CenturyLink and Qwest Interconnection Agreements" (attached hereto as "Attachment A").

b. CenturyLink appears to want to discontinue Qwest ICAs wherever possible.

- i. *First*, while many of the ICAs under which Qwest and CLECs have been operating for years are in "evergreen" status (i.e., the ICAs are in effect but may be terminated upon notice), CenturyLink has made no commitment as to any time period during which it will retain these ICAs.
- ii. *Second*, CenturyLink contends (Reply Comments at 33) that "if an agreement was negotiated years ago and is nearing expiration, such agreement should be subject to bilateral renegotiation, and it makes no sense to require CenturyLink to extend it absent negotiation." But CenturyLink's argument ignores the fact that the Qwest ICAs have been updated regularly over time through multiple contract amendments. In addition, each carrier's respective network configuration (trunking, collocation arrangements, points of interconnection, traffic exchange, etc.) and operating processes are based on those ICA terms and conditions. Thus, CenturyLink seeks to deprive competitors of the benefit of their enormous investment in time and resources to develop and maintain ICAs and associated processes in the legacy Qwest region.
- iii. *Third*, CenturyLink has suggested (Reply Comments at 33) that it will not use Qwest's pre-existing ICAs as the basis for negotiating replacement ICAs, further increasing the likelihood that competitors' tremendous investment in developing the Qwest ICAs will be lost.

4. Performance Assurance Plans ("PAPs"). As the Joint Commenters have explained (Comments at 44-48), the Merged Company will likely attempt to achieve synergies at the expense of wholesale service quality.⁷ In order to ensure compliance with its obligations under Section 271 as well as its obligations to

⁷ In state commission proceedings, the Department of Defense has expressed similar concerns regarding retail service quality. See Answer Testimony of Charles W. King on Behalf of the Department of Defense and All Other Federal Executive Agencies, Colorado PUC Docket No. 10A-350T, at 17-21 (filed Sept. 15, 2010) (explaining that the proposed transaction may result in substantial service quality degradation due to "cost cutting [by the Merged Company] in the form of reduced resources, including capital investment and manpower devoted to plant maintenance and customer service").

provide just, reasonable, and nondiscriminatory service under Sections 201, 202 and 251 of the Act, the Merged Company must be subject to performance metrics and related financial remedy regimes.

- a. CenturyLink lacks experience with the performance metrics and associated penalties applicable to Qwest.** The wholesale service performance measurement (i.e., “Performance Indicator Definition” or “PID”) reporting and self-executing remedy regimes (i.e., PAPs) currently applicable to Qwest provide an essential mechanism for detecting and penalizing backsliding from its Section 271 obligations. *See* Comments at 33-34.
- i. As a non-BOC, CenturyLink has little experience in complying with such requirements. And CenturyLink has made no commitment as to any explicit time period during which it will retain Qwest’s PIDs and PAPs without modification.
 - ii. Furthermore, although CenturyLink claims (Reply Comments at 24) to “have extensive experience” in complying with performance measurement plans in two states (i.e., Florida and Nevada), these two states are in the legacy Embarq territory. Thus, CenturyLink’s “extensive experience” in this area dates back to only July 2009 (when the CenturyTel-Embarq merger closed) at the earliest.
- b. Current PAPs must be supplemented to remedy merger-related service problems.** The PAPs currently applicable to Qwest compare its retail performance with its wholesale performance to CLECs (and are intended to ensure that Qwest does not provide discriminatory service) and would not capture deteriorating wholesale performance if, for example, the Merged Company’s performance deteriorated for both wholesale and retail services simultaneously or if wholesale performance deteriorated, but remained above the minimum benchmarks.⁸ Accordingly, the Merged Company should be subject to additional remedy payments for merger-related service quality degradation.⁹ This “Additional PAP” would compare the Merged Company’s current level of wholesale performance

⁸ *See* Direct Testimony of Douglas Denney on Behalf of Integra Telecom, Minnesota PUC Docket No. P-421 et al./PA-10-456, at 10-11 (filed Aug. 19, 2010) (“Denney Testimony”).

⁹ *See, e.g., id.* at 9-11; Direct Testimony of Timothy Gates on Behalf of Cbeyond Communications, LLC et al., Minnesota PUC Docket No. P-421 et al./PA-10-456, at 128 (filed Aug. 19, 2010) (“Gates Testimony”); *see also* Pre-Filed Direct Testimony and Exhibits of Jasper Gurganus on Behalf of Intervenor CWA, Colorado PUC Docket No. 10A-350T, at 17 (filed Sept. 15, 2010) (recommending improvements to “reporting requirements and service quality penalties to ensure that the merger does not adversely affect service quality”).

to CLECs with legacy Qwest's past level of wholesale service provided to CLECs and require remedy payments for deteriorating performance.¹⁰

C. There Is A Substantial Risk That The Merged Company Will Be Unwilling To Provision Wholesale Inputs In Compliance With Existing Obligations.

- 1. Merger conditions are appropriate to ensure compliance.** Where there is a material risk that the Merged Company will fail to comply with existing legal requirements, merger conditions are appropriate to redress this harm. Indeed, in response to concerns expressed by wholesale customers,¹¹ the FCC conditioned its approval of the CenturyTel-Embarq merger on the requirement that “[o]rders will be processed in compliance with federal and state law, as well as the terms of applicable interconnection agreements.”¹² Similar conditions are needed in this proceeding to help ensure compliance with the law and ICAs.

- 2. The Applicants have already shown an unwillingness to comply with existing obligations.** For instance, Qwest has failed to provide CLECs with conditioned copper loops in compliance with applicable ICAs and state and federal law. *See* Comments at 54-56. Among other things, when installing and repairing loops, Qwest refuses to test conditioned copper loops to digital levels despite the Commission's requirement that testing not be limited to voice levels.¹³ Qwest also refuses to remove bridge taps consistent with the definition of line conditioning under the Commission's rules,¹⁴ and Qwest is attempting to charge higher rates than the rates approved by the state commissions for line conditioning. This conduct already impedes the ability of CLECs to deliver xDSL services to their small and medium-sized business customers. As explained by the Joint Commenters (Comments at 49-61), the Merged Company's enlarged footprint will increase this incentive to discriminate against competitors.

¹⁰ *See* Comments, Attachment C, at 4 & Attachment D, at 2-3; Denney Testimony at 9-15 & Exhibit DKD-1 (“Additional Performance Assurance Plan”); *see also* Gates Testimony at 126-129.

¹¹ *See, e.g.*, NuVox and Socket Telecom, LLC Joint Comments in Opposition to Merger of Embarq Corporation and CenturyTel, Inc., Attachment B, Declaration of R. Matthew Kohly on Behalf of Socket Telecom, WC Docket No. 08-238, at 3-5 (filed Jan. 8, 2009); Reply Comments of DeltaCom, Inc., Declaration of D. Anthony Mastando and Kim Sharp on Behalf of DeltaCom, Inc., WC Docket No. 08-238, at 3-6 (filed Jan. 23, 2009).

¹² *In re Applications Filed for the Transfer of Control of Embarq Corporation to CenturyTel, Inc.*, Memorandum Opinion and Order, 24 FCC Rcd. 8741, Appendix C, at 27 (2009).

¹³ 47 C.F.R. § 51.319(a)(1)(iii)(C).

¹⁴ *Id.* § 51.319(a)(1)(iii)(A).

D. Competitors' Experiences With CenturyLink Since The CenturyTel-Embarq Merger Demonstrate That Their Concerns About The Proposed Transaction Are Well-Founded.

- 1. Wholesale service quality has deteriorated since the CenturyTel-Embarq merger.** Although the Applicants insist (Reply Comments at 9-12) that the Embarq integration has been successful and that concerns about CenturyLink's ability to integrate Qwest are purely speculative, the Joint Commenters' experiences with CenturyLink following the CenturyTel-Embarq merger show that competitors' concerns are legitimate.
- 2. Socket Telecom's experience.**
 - a. CenturyLink's EASE system has failed Socket in numerous respects.** Socket has experienced many problems with EASE, including system outages, slow response times, and the inability to submit orders. In addition, CenturyLink frequently fails to notify Socket of such outage and impairment issues. Socket often discovers these problems only after it unsuccessfully attempts to use EASE and calls the EASE helpdesk.
 - b. EASE does not allow CLECs to populate LSRs efficiently or to access directory listing information.** Socket has found that the EASE system offers less functionality than Embarq's legacy IRES system. For instance, EASE does not populate a CLEC's LSR with information from the pre-order validation form,¹⁵ and, unlike the legacy Embarq interface for directory listings, EASE does not provide CLECs with access to full directory listing information for a customer. *See* Comments at 30.
 - c. EASE does not allow CLECs to perform hot cuts in a commercially sustainable manner.** Socket has found that certain fields in EASE do not work properly. For instance, even though Socket indicates in the "hot cut" field on an LSR that an order should be "coordinated," CenturyLink processes the order without coordination, thereby resulting in a service outage for customers migrating from CenturyLink to Socket. Socket has therefore avoided using the CenturyLink hot cut process.
 - d. CenturyLink fails to provide sufficient notice of changes to wholesale systems and processes.** Socket has found that, since the CenturyTel-Embarq merger, the combined company has failed to provide CLECs with sufficient notice of major changes in wholesale service processes.

¹⁵ CenturyLink has stated only that "[t]his functionality . . . is currently being evaluated" and CenturyLink has made no commitment to adding this functionality to EASE. *See* CenturyLink Responses to Integra's First Set of Information Requests Nos. 1 Through 168, Montana PSC Docket No. D2010-5.55, at 200 (filed Aug. 24, 2010).

- i. **Loop ordering.** CenturyLink instituted a new requirement in the legacy CenturyTel territory that CLECs must identify whether they are ordering an initial loop or an additional loop into a customer premises when they are placing orders via EASE. CenturyLink failed to provide Socket with advanced notice of this change, thereby causing several Socket orders to fail.
 - ii. **Change in Service Provider Identification Number (“SPID”).** After the merger, CenturyLink stopped processing orders that had the legacy CenturyTel SPID. However, CenturyLink failed to notify CLECs of this change until the day after it took effect, thereby causing all of Socket’s pending port orders to fail. Socket was forced to quickly change its order templates and resubmit all pending port orders.
 - iii. **Collocation.** Prior to the CenturyTel-Embarq merger, outside plant coordination was part of the legacy CenturyTel collocation process and was covered by the collocation applications that Socket submitted to CenturyTel. Since the merger, CenturyLink instituted a new policy under which Socket must sign a pole attachment and conduit license agreement in order to coordinate the fiber pull into the CenturyLink central office. Socket was not provided with advanced notice of this change, resulting in missed due dates for Socket’s pending collocation projects. Socket is working with CenturyLink to resolve this issue, but Socket’s pending collocation projects are still being delayed.
- e. **Loop provisioning has deteriorated in the legacy Embarq territory since the merger.** Socket has found that legacy Embarq’s performance in the area of loop provisioning has declined since the merger with CenturyTel. For example, with respect to xDSL loop provisioning, legacy Embarq’s Socket-specific performance data shows that, in recent months, legacy Embarq has been underperforming in the areas of Percent Completed Within Standard Interval and Percent of Due Dates Missed.
- i. **No reporting in the legacy CenturyTel territory.** Because CenturyLink does not provide performance reports in the legacy CenturyTel territory, Socket Telecom does not have corresponding data for the legacy CenturyTel territory.
 - ii. **No ability for CLECs to monitor CenturyLink’s performance in the legacy CenturyTel territory.** Prior to the CenturyTel-Embarq merger, Socket conducted its own tracking of CenturyTel’s performance in the area of on-time provisioning — first using e-mail notifications it received from CenturyTel and subsequently using CenturyTel’s EZLocal system. However, since the merger, the EASE system has not enabled Socket to track

changes in the status of its orders in a timely and efficient manner (e.g., EASE does not indicate the date and time that the status of an order changed). This lack of timely notification of order status changes requires Socket to continually monitor all of its orders and makes it extremely difficult for Socket to conduct its own tracking of legacy CenturyTel's performance.

3. tw telecom's experience.

- a. **tw telecom has experienced numerous outages and impairment issues with EASE.** Following CenturyLink's cutover from the legacy IRES GUI to the successor EASE system for LSR ordering in the legacy Embarq territory in late 2009, tw telecom began to experience numerous problems, including system outages, with the EASE system. *See* Comments at 29-30. Since the beginning of 2010, tw telecom has received at least 12 different outage or impairment notices from CenturyLink indicating that, among other things, users could not access, connect, or log in to the EASE system; users were unable to complete preordering; and users experienced slow response times when preordering or submitting orders. *See* Declaration of Crista Farrer on Behalf of tw telecom inc. ¶ 5 ("Farrer Declaration") (attached hereto as "Attachment B"). These delays in the LSR ordering process have resulted in delays in the delivery of service by tw telecom to its end-user business customers.
- b. **CenturyLink's assertion that tw telecom does not use EASE is incorrect.** CenturyLink claims (Reply Comments n.75) that "tw telecom does not have an EASE account and is not a direct user of EASE, and thus has no direct knowledge of CenturyLink's performance." This is false. *See* Farrer Declaration ¶ 4.

E. There Is A Substantial Risk That The Merged Company Will Be Unable Or Unwilling To Provision Special Access Inputs In Compliance With Sections 201, 202 And 272 Of The Act.

1. **CenturyLink does not provide monthly special access performance reports throughout its territory.** As the Joint Commenters have explained (Comments at 39-41), unlike Qwest, CenturyLink does not provide tw telecom with monthly special access performance reports for the entire CenturyLink territory. Such reporting is important given that both CenturyTel and Embarq's special access service performance is poor, especially in relation to that of Qwest. The Commission's ARMIS data clearly demonstrates this. *See* Comments at 41.
2. **CenturyLink's OSS for special access lacks the functionality and capabilities of Qwest's OSS.** In tw telecom's experience, CenturyLink does not currently provide electronic bonding for quoting or electronic bonding for maintenance trouble ticketing of special access circuits, thereby resulting in delays and inefficiencies in the delivery of service to tw telecom's customers.

3. **CenturyLink’s special access prices are significantly higher than Qwest’s (already very high) prices.** There is a risk that the Merged Company will increase special access rates. As explained by the Joint Commenters (Comments at 42), CenturyLink’s base rates for special access are significantly higher than Qwest’s rates (which are themselves unreasonably high). CenturyLink’s Ethernet prices are also significantly higher than Qwest’s. *See* Comments at 43-44.
 4. **CenturyLink does not offer special access discount plans similar to Qwest’s, and even Qwest’s discount plans are degrading.** There is a risk that the Merged Company will discontinue the special access discount plans offered by Qwest. For example, while Qwest offers via contract tariff an “Annual Incentive” special access discount plan for DS1, DS3, OCn, and Ethernet services, CenturyLink does not offer a similar plan. In addition, as the Joint Commenters have pointed out (Comments at 43), Qwest has already made changes that limit the value of its “Regional Commitment” special access discount plan.
 5. **CenturyLink does not support wholesale finished Ethernet.** There is a risk that the Merged Company will be unable or unwilling to continue to make available Qwest’s Ethernet and OCn offerings, including product features and service level agreements. For instance, CenturyLink had not been able to develop a wholesale Ethernet product until recently.
- F. The Proposed Transaction Cannot Be Deemed To Be In The Public Interest Unless The FCC Adopts Comprehensive, Enforceable Conditions That Address These Harms.**

ATTACHMENT A

COMPARISON OF UNE AND COLLOCATION RATES IN CENTURYLINK AND QWEST INTERCONNECTION AGREEMENTS

Element	Colorado			Minnesota			Oregon			Washington		
	CenturyTel ¹	Embarq ²	Qwest	CenturyTel ¹	Embarq	Qwest	CenturyTel ¹	Embarq	Qwest	CenturyTel ¹	Embarq	Qwest
2-wire Loop (zone 1) MRC	N/A	N/A	\$ 5.91	N/A	\$ 24.78	\$ 5.83	N/A	\$ 25.11	\$ 13.95	N/A	\$ 18.45	\$ 11.26
2-wire Loop (zone 2) MRC	N/A	N/A	\$ 12.31	N/A	\$ 55.12	\$ 8.95	N/A	\$ 41.08	\$ 25.20	N/A	\$ 31.38	\$ 13.63
2-wire Loop (zone 3) MRC	N/A	N/A	\$ 32.74	N/A	\$ 94.88	\$ 10.62	N/A	\$ 51.38	\$ 56.21	N/A	\$ 46.35	\$ 16.92
2-wire Loop (zone 4) MRC				N/A		\$ 15.66	N/A	\$ 96.70		N/A	\$ 82.51	\$ 28.23
2-wire Loop (zone 5) MRC												\$ 67.77
2-wire Loop NRC	N/A	N/A	\$ 55.27	N/A	\$ 98.24	\$ 10.50	N/A	\$ 92.27	\$ 10.75	N/A	\$ 91.17	\$ 37.53
DS1 Loop (zone 1) MRC	N/A	N/A	\$ 55.27	N/A	\$ 134.02	\$ 27.14	N/A	\$ 76.14	\$ 87.37	N/A	\$ 67.29	\$ 68.86
DS1 Loop (zone 2) MRC	N/A	N/A	\$ 62.25	N/A	\$ 76.47	\$ 33.23	N/A	\$ 102.17	\$ 87.37	N/A	\$ 88.24	\$ 69.41
DS1 Loop (zone 3) MRC	N/A	N/A	\$ 84.55	N/A	\$ 149.99	\$ 36.54	N/A	\$ 118.93	\$ 87.37	N/A	\$ 112.47	\$ 69.08
DS1 Loop (zone 4) MRC				N/A		\$ 46.61	N/A	\$ 192.96		N/A	\$ 171.60	\$ 68.96
DS1 Loop (zone 5) MRC												\$ 74.33
DS1 Loop NRC	N/A	N/A	\$ 55.72	N/A	\$ 347.96	\$ 43.57	N/A	\$ 312.62	\$ 107.49	N/A	\$ 310.08	\$ 96.68
Collocation Floor Space, per foot	\$ 3.99	N/A	\$ 4.00	N/A	\$ 11.47	\$ 2.78	N/A	\$ 10.68	\$ 3.07	N/A	\$ 10.07	\$ 2.97
DC Power, per Amp Ordered	\$ 7.63	N/A	\$ 11.47	N/A	\$ 18.51	\$ 9.24	N/A	\$ 18.52	\$ 7.52	N/A	\$ 19.89	\$ 12.47

Source: Integra Telecom internal research, July 2010.

¹ Legacy CenturyTel does not offer unbundled 2-wire loops or DS1 loops in its interconnection agreements in Colorado, Minnesota, Oregon, or Washington. With the exception of Colorado, legacy CenturyTel does not offer collocation in its interconnection agreements in these states.

² Legacy Embarq does not provide service in Colorado.

ATTACHMENT B

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)
)
Applications Filed by Qwest Communications) WC Dkt. No. 10-110
International Inc. and CenturyTel, Inc., d/b/a/)
CenturyLink for Consent to Transfer of Control)

**DECLARATION OF CRISTA FARRER
ON BEHALF OF TW TELECOM INC.**

1. I am Crista Farrer, Access Manager, Performance Management, for tw telecom inc. (“tw telecom”). In this role, I manage tw telecom’s accounts with a number of incumbent local exchange carriers (“LECs”). My responsibilities include, among other things, administering usernames and passwords for access to incumbent LECs’ operations support systems (“OSS”); ensuring that tw telecom is updated on any changes to incumbent LECs’ business processes and procedures in order to ensure flow-through of tw telecom’s orders; and serving as the internal point of contact for escalation of service or performance issues experienced by tw telecom with incumbent LECs. Between September 2009 and July 2010, I was the primary manager of tw telecom’s accounts with Tier 2 incumbent LECs, including CenturyLink. Since July 2010, I have been one of two managers of tw telecom’s accounts with Tier 2 incumbent LECs, including CenturyLink. I have more than 20 years of experience in the telecommunications industry. Prior to joining tw telecom in September 2009, I held positions at Charter Communications, Comcast, Comcast Cable, Level 3 Communications, ICG Communications, Sprint, and Bell Labs.

2. tw telecom (formerly Time Warner Telecom Inc.), headquartered in Littleton, Colorado, provides managed network services, specializing in converged services, Ethernet and

data networking, Internet access, local and long distance voice, VPN, VoIP and network security, to enterprise organizations and communications services companies throughout the U.S. and globally.

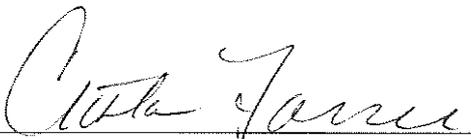
3. tw telecom provides service in markets throughout the CenturyLink territory. The purpose of my declaration is to describe tw telecom's recent experience with CenturyLink's EASE system for local service request ("LSR") ordering.

4. tw telecom uses CenturyLink's EASE system to submit LSRs in the legacy Embarq territory, and in particular, in North Carolina and Texas. tw telecom regularly uses EASE to place orders for, among other things, number portability and directory listings in these markets. I am one of tw telecom's two administrators for CenturyLink's EASE system. Currently, 88 tw telecom employees have unique usernames and passwords to enable them to access and place orders via EASE.

5. After CenturyLink's cutover from the Integrated Request Entry System ("IRES") graphical user interface for LSR ordering to EASE in the legacy Embarq territory in December 2009, tw telecom began to experience numerous problems, including system outages, with EASE. Since the beginning of 2010, tw telecom has received at least 12 "Interface Outage Bulletins" and e-mails from CenturyLink indicating that users (1) could not access, connect, or log in to the EASE system; (2) were receiving errors when attempting to log in; (3) were unable to complete preordering; (4) were receiving errors when attempting to submit purchase order numbers; (5) were experiencing slow response times when pre-ordering or submitting orders; and (6) were experiencing timeout issues when obtaining preorder information for large accounts. These problems in the LSR ordering process ultimately result in delays in the delivery of service by tw telecom to its end-user business customers.

6. On July 30, 2010, tw telecom discussed some of these EASE outage and impairment problems with CenturyLink and requested information on the root causes of these problems as well as CenturyLink's future plans for improvement with respect to EASE. To date, tw telecom has not received this information from CenturyLink.

I declare under penalty of perjury that the foregoing is true and correct to the best of my information and belief.


Crista Farrer

Dated: 9/17/2010

CenturyLink-Qwest Merger Review Proceedings Timeline



	COMMENTS/TESTIMONY	HEARINGS	POST-HEARING DEADLINES
FCC	Comments - July 12, 2010 Reply Comments - July 27, 2010		
ARIZONA	Direct Testimony - September 27, 2010 Surrebuttal Testimony - November 10, 2010 CLQ Rebuttal Testimony - October 27, 2010	Prehearing Conference November 12, 2010 Hearing - November 15-16, 2010	Post-Hearing Briefs December 15, 2010
COLORADO	CLQ Direct Testimony - July 2, 2010 Answer Testimony - September 15, 2010 Rebuttal/Cross Testimony - October 15, 2010	Hearing - November 8-10, 2010	Statements of Position November 24, 2010
MINNESOTA	Direct Testimony - August 19, 2010 Rebuttal Testimony - September 13, 2010 Surrebuttal Testimony - September 27, 2010	Pre-Hearing Conference September 28, 2010 Hearing - October 5-7, 2010	Initial Briefs - October 21, 2010 Reply Briefs - October 28, 2010 ALJ Report - October 30, 2010 Exceptions to ALJ Report December 8, 2010 Reply to Exceptions December 15, 2010
MONTANA	Direct Testimony - September 17, 2010 Rebuttal Testimony - October 15, 2010	Pre-Hearing Motions/Memoranda November 19, 2010 Hearing - November 22-23, 2010	Initial Briefs - December 6, 2010 Reply Briefs - December 13, 2010
OREGON	Direct Testimony - August 17, 2010 Staff Direct Testimony - August 20, 2010 CLQ Rebuttal Testimony - September 10, 2010	Settlement Conference September 27, 2010 Hearing - October 20-21, 2010	
UTAH	Direct Testimony - August 30, 2010 Rebuttal Testimony - September 30, 2010 Surrebuttal Testimony - October 14, 2010	Hearing - October 26-27, 2010	
WASHINGTON	Responsive Testimony - September 27, 2010 CLQ Rebuttal Testimony/Staff Intervenor Cross-Answering Testimony November 1, 2010	Hearing - January 5-7, 2011	Post Hearing Briefs - February 7, 2011