

LATHAM & WATKINS LLP

September 29, 2010

EX PARTE VIA ECFS

Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

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Re: *Applications Filed by Qwest Communications International Inc. and CenturyTel, Inc. d/b/a/ CenturyLink for Consent to Transfer of Control*, WC Docket No. 10-110

Dear Ms. Dortch:

This is to inform you that on September 28, 2010, CenturyLink, Inc. (“CenturyLink”) and Qwest Communications International Inc. (“Qwest”) along with their outside counsel met with Commission staff regarding the above-captioned proceeding. Bill Cheek, Maxine Moreau, and David Bartlett attended on behalf of CenturyLink. Karen Brinkmann and Alexander Maltas of Latham & Watkins attended as counsel to CenturyLink. Melissa Newman attended on behalf of Qwest. Jon Nuechterlein of WilmerHale attended as counsel to Qwest. Nick Alexander, Carol Simpson, and Don Stockdale attended the meeting on behalf of the Commission.

CenturyLink and Qwest noted at the outset that they recently entered into a comprehensive settlement agreement in Iowa with all of the wholesale intervenors in that state. A copy of the Iowa settlement is attached to this letter. The Iowa settlement resolved all of the CLEC intervenors’ concerns regarding the combined company’s Operations Support Systems (OSS), Change Management Process (CMP), interconnection agreements (ICAs), and performance metrics. As a result, the CLEC intervenors support approval of the CenturyLink-Qwest merger by the Iowa Utilities Board.

CenturyLink explained that the types of issues raised in the recent CLEC *ex partes* in this docket, including the purported concerns cited in an *ex parte* filing of September 24, 2010, were negotiated and resolved among the parties in the Iowa proceeding, as embodied in the companies’ voluntary commitments in the recent Iowa settlement. The CLEC *ex partes* focus on the merging parties’ respective OSS and express uncertainty about the availability of those systems after closing. The terms contained in the Iowa settlement can serve as a model for satisfying those concerns. Specifically:

- The CLECs raise concerns about the possibility of changes to OSS in Qwest areas, and specifically questioned the “continued viability of Qwest’s wholesale

OSS” following the merger.¹ In the Iowa settlement, the parties agreed not to discontinue Qwest’s OSS for a minimum of 24 months after closing, to utilize the CMP if the Qwest OSS is changed, and to give at least 6 months’ notice if the Qwest OSS is retired, thereby resolving the concerns of the CLECs in Iowa.

- The CLECs raise concerns about possible changes to the CMP in Qwest service areas.² In the Iowa settlement, the parties committed to keeping Qwest’s CMP in place for at least 36 months post closing.
- The CLECs fear discontinuance of Qwest ICAs, and specifically allege (citing no facts whatsoever) that “CenturyLink appears to want to discontinue Qwest ICAs wherever possible.”³ Nothing of the kind has been suggested by CenturyLink. In fact, the Iowa settlement provides for a tiered extension of all Qwest ICAs for up to 36 months, depending on how long the existing agreement has been in place or expired, and depending upon whether TRRO-compliant terms are contained in the ICAs.
- The CLECs raise concerns about CenturyLink continuing Qwest’s performance metrics.⁴ The Iowa settlement extends the Qwest Performance Assurance Plan for at least 36 months after closing.

The Iowa settlement thus addresses and resolves the same major categories of concerns as raised by the CLECs in their recent *ex parte* filings. CenturyLink and Qwest are committed to working with their wholesale customers, and through the Iowa settlement, they have demonstrated their willingness to engage in good faith negotiation and to provide reasonable assurances to their wholesale customers. CenturyLink and Qwest are confident that they can reach amicable resolution with any CLECs who are similarly interested in negotiation, as opposed to simply seeking to hold up the transaction. CenturyLink noted to the Commission staff that it has made several attempts to set up meetings with Integra, and that Integra has postponed meeting with CenturyLink for several weeks, even while it has filed multiple *ex partes* with this Commission. CenturyLink remains open and willing to sit down with Integra and other CLECs if they are prepared to engage in a meaningful discussion of these matters and resolve them to the benefit of consumers.⁵

¹ See CBeyond, Integra Telecom, Socket Telecom and tw telecom Presentation, at 1, attached to September 24, 2010 *ex parte*.

² *Id.* at 2.

³ *Id.* at 3-4.

⁴ *Id.* at 5.

⁵ CenturyLink and Qwest do acknowledge one inadvertent error in their Reply Comments. The statement that tw telecom lacked an EASE account is incorrect; the Reply Comments should have referred to Time Warner Cable rather than tw telecom.

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CenturyLink next discussed its integration activities, both in its ongoing integration of Embarq and in its planned integration of Qwest. CenturyLink explained that it has devoted extensive resources to the integration of Embarq, which is progressing on or ahead of schedule. CenturyLink noted that it intends to take the appropriate amount of time to ensure proper completion of the Embarq integration, and thus has no intention of needlessly hastening its integration of Qwest.

CenturyLink also explained that it has both unmatched experience and adequate resources to integrate Qwest's operations after closing. CenturyLink stated that it had recently announced a number of significant personnel decisions for the combined company, including the naming of Qwest's current Vice President of Customer Service Operations as post-merger CenturyLink's Vice President-Wholesale Operations, and the naming of Qwest's current Vice President of Product Management as post-merger CenturyLink's Vice President-Product and Marketing. These personnel decisions ensure that key Qwest executives will remain with the combined company in charge of wholesale operations and product. The applicants are continuing to work through their normal integration planning process to complete the teams who will ensure continuity of services for wholesale as well as retail customers.

Please contact me if you have any questions.

Sincerely,

/s/

Karen Brinkmann
Alexander Maltas
LATHAM & WATKINS LLP

Counsel for CenturyLink, Inc.

cc: Nick Alexander
Carol Simpson
Don Stockdale