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November 8, 2010

VIA ELECTRONIC FILING

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
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 Docket No. 10-110

Dear Ms. Dortch:

CenturyLink, Inc. ("CenturyLink") and Qwest Communications International Inc. ("Qwest") write to offer a brief reply to the lengthy set of comments filed recently by PAETEC.[1] PAETEC's filing is nothing more than a new set of out-of-time comments, filed many months after the pleading cycle concluded. Moreover, PAETEC's filing raises no new issues whatsoever, and instead simply recycles previously-made arguments that the Applicants definitively rebutted long ago. For these reasons, the Commission should disregard PAETEC's filing in its entirety. Nonetheless, in light of the sheer volume of PAETEC's pleading, the Applicants feel compelled to offer this brief rebuttal.

First, and most notably, the Applicants wish to bring to the Commission's attention the fact that they have reached an amicable settlement with Integra Telecom. The settlement resolves Integra's concerns about this merger, and addresses many of the issues raised by PAETEC. As a result of the settlement, Integra now states that "the merger is in the public interest and should be approved." *See* Exhibit A (press release) and Exhibit B (settlement). The settlement with Integra demonstrates once again that the Applicants are prepared to negotiate with CLECs to resolve reasonable concerns, without the unnecessary Commission-ordered conditions that PAETEC proposes.

With regard to PAETEC's arguments, PAETEC makes many allegations of potential post-merger harms to OSS, but the major premise underlying those allegations is its unsupported assertion that CenturyLink plans to promptly uproot Qwest's OSS in Qwest territories and

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[1] *See* PAETEC Sur-Reply Comments, WC Docket No. 10-110 (Oct. 22, 2010). PAETEC's choice to caption its comments as a "Letter" does not change the reality that its 28-page brief, with over 700 pages of exhibits, is a new set of untimely comments.

entirely replace it with CenturyLink's OSS.[2] PAETEC apparently misinterprets CenturyLink's intention to maintain unified ordering model *standards* as somehow dictating which *systems* will be used, but that is incorrect. CenturyLink repeatedly has stated that: (1) it has made no decisions on what OSS it will employ in the long term, and will not make such decisions until after closing, (2) it is committed to keeping Qwest OSS in place in Qwest territories for at least 12 months post closing (and has committed in some states to retain Qwest OSS even longer), (3) it will make a careful, structured examination of both companies' systems and features and draw on the best of both companies' capabilities in order to employ industry leading OSS for the long term, (4) it is committed to giving CLEC customers ample notice of any changes, and (5) it will involve CLEC customers in testing of OSS changes. PAETEC's speculation thus lacks any grounding in the record.

PAETEC's conjecture about potential OSS degradation in Qwest service areas[3] ignores the key fact that CenturyLink is not simply acquiring access lines from Qwest, but rather is acquiring the entire company. Thus, CenturyLink is acquiring Qwest's existing systems, personnel, documented policies, and processes. CenturyLink will have no immediate need (or be under any time pressure) to make any alterations to OSS in Qwest areas. Qwest's OSS experience and knowledge will reside in the post-merger company. In light of these realities, PAETEC's concern that Qwest's § 271-compliant systems will simply disappear makes no sense. The merged company of course will continue to comply with applicable terms of existing interconnection agreements and other formal obligations such as Qwest's Performance Assurance Plans. And CenturyLink repeatedly has acknowledged that Qwest's OSS will continue to be subject to § 271 obligations applicable in Qwest territories. To the extent that there are disputes about the quality or availability of wholesale service, post-merger CenturyLink will continue to work with its wholesale customers to expeditiously resolve them. But nothing in the record supports PAETEC's speculation about degradation of OSS.[4]

PAETEC's proposed conditions are not supported by precedent, do not address issues arising from this transaction, and are not grounded in the record. PAETEC suggests, for example, that the merged company "should be required to dedicate the resources needed to complete pending CLEC change requests in a commercially reasonable time frame."[5] The Act creates no such obligation and there is no precedent for such a novel and vague condition. Likewise, PAETEC continues to urge multiple conditions while openly conceding that they are

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2 *See* PAETEC Sur-Reply Comments at 9.

3 *See* PAETEC Sur-Reply Comments at 7-16.

4 PAETEC also suggests that CenturyLink's EASE system somehow is inferior because it "requires human interface between it and PAETEC's own back office systems." PAETEC Sur-Reply Comments at 12. But that is entirely PAETEC's choice. PAETEC has chosen to implement e-bonding with Qwest in order to automate interface with its back office systems. It could do the same with CenturyLink's system but has elected not to.

5 PAETEC Sur-Reply Comments at 17.

not based on any merger-specific concerns. For example, PAETEC wants to cap UNE rates,[6] but it does not even attempt to show that its concerns are anything but speculative, nor does it attempt to show that its alleged concerns arise from this transaction. Existing rate setting procedures already ensure UNE stability, and PAETEC's broad-based attack on state and federal regulation of UNE rates does not present any *merger-specific* grounds to impose conditions. Likewise, PAETEC wants to cease copper loop retirement, while acknowledging that "the copper loop retirement issue is industrywide," rather than merger specific.[7] To the extent that the Commission finds that PAETEC's industry-wide arguments raise any legitimate issues, this merger proceeding is not the appropriate forum in which to resolve them.

With regard to interconnection agreements, PAETEC is attempting to use this proceeding to obtain conditions that substantially modify the existing, lawful contract terms that have been arbitrated or agreed upon by the parties and approved by the states.[8] The Commission should not permit PAETEC to bypass the good faith negotiations called for by 251 and 252 and simply cherry-pick their preferred terms outside the negotiation process. CenturyLink has stated that it will honor existing interconnection agreements, and will consider existing terms in any renegotiation process. But there is no basis for the Commission to insert itself into that process or to choose from potential contract terms in a vacuum.

PAETEC wants to import conditions from other mergers, without ever acknowledging the significant differences between those transactions and this one. Transactions such as AT&T/SBC, Verizon/MCI, or AT&T/BellSouth involved vertical as well as horizontal mergers between much larger companies that, in many locations, were direct competitors and had significant overlapping facilities. Those competitive issues simply are not present here. *This* transaction involves much smaller players with complementary footprints and no meaningful overlaps. Thus, conditions that might have been appropriate in those proceedings are neither reasonable nor appropriate in this one, based on the record evidence. PAETEC does not show otherwise.

Please contact the undersigned if you have any questions.

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6 PAETEC Sur-Reply Comments at 19-20.

7 PAETEC Sur-Reply Comments at 21.

8 PAETEC Sur-Reply Comments at 21-23.

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Best regards,

/s/

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