CenturyLink Operating Companies

2012 Annual Access Tariff Filing

June 18, 2012

Description and Justification (Amended)

1.0 Introduction

The CenturyLink Operating Companies (CLOC)[1] hereby submits the following information in support of the accompanying revisions to CenturyLink Operating Companies Tariff F.C.C. Nos. 1, 2, 3, 6, 7, 8 and 9. This information is being filed on not less than 15 days' notice in accordance with the Commission's *2012 TRP Notice*,[2] and includes price cap adjustments consistent with the requirements of Sections 61.41 through 61.49 of the Federal Communications Commission's Rules.

In addition to the description and justification contained in this submission, the following information is submitted to provide specific support data at the proposed tariff level of detail for the CenturyLink operating companies. These forms and exhibits contain rate related information and are referenced herein only to ensure continuity between CLOC's 2012 Price Cap Revisions and its 2012 Annual Access Tariff Filing.

Description and Justification

Exhibit 1	-	CenturyLink Operating Companies and Study Area Designators
Exhibit 2	-	PCI Development
Exhibit 3	-	Explicit USAC Support (CLOC Tariff F.C.C. Nos. 2, 3 & 9)

[1] The CenturyLink Operating Companies are listed in Exhibit 1 at the end of this volume.

[2] *In the Matter of Material to be Filed in Support of 2012 Annual Access Tariff Filings*, WCB/Pricing File No. 12-08 (DA 12-575), released April 19, 2012 (*2012TRP Notice*).

Exhibit 4	-	CenturyLink LOC Pooling (CLOC Tariff F.C.C. No. 9)
Exhibit 5	-	CMT Per Line Composite Rate
Exhibit 6	-	Jurisdictional EUCL and PICC Composite Rate Development (CLOC Tariff F.C.C. Nos. 1, 8 & 9)
Exhibit 7	-	Price Cap Revenue Impact Analysis
Exhibit 8	-	Excluded Services
Exhibit 9	-	New Services Summary
Exhibit 10	-	Currently Applicable Part 69 Rule Waivers (CLOC Tariff F.C.C. No. 9)
Exhibit 11	-	Impact of Revenue Volume Discount Plan (RVDP) (CLOC Tariff F.C.C. No. 9)
Exhibit 12	-	Federal USF End User Charge Development

Tariff Review Plan (48 spreadsheets cosaAN12)
Rate Detail (8 spreadsheets CLOCA12a-h)
Access Reduction Worksheets (7 spreadsheets CLOCAR12_1-3,6-9)
Reciprocal Compensation Worksheet (1 spreadsheet CLOCRC12)
Access Recovery Charge (1 spreadsheet CLOCARC12)
Eligible Recovery Worksheet (1 spreadsheet CLOCER12)
Tariff Rate Comparison (1 spreadsheet CLOCTRC12)
Consolidated Collection Factor (1 spreadsheet CONSOL COLLECTION FACTOR)

This information replaces the Description and Justification and Tariff Review Plan document filed May 17, 2012 in its entirety.

2.0 PCI Development

In accordance with the Commission's Rules, the PCIs for each service basket were calculated as shown in Exhibit 2a RDEV-1, Page 1 of 4. A GDP-PI factor of 2.1486%[3] was used in calculating the PCIs and is based on the percentage change in the Gross Domestic Product Price Index (GDP-PI) between the 4th quarter ending December 31, 2011 and the corresponding quarter of the 2010 GDP-PI. As directed by the Commission,[4] a workpaper

[3] GDP-PI is rounded to four decimal places on all exhibits for presentation purposes.

[4] *2012 TRP Notice*, Supra., Paragraph 15.

identifying the transmittal or letter filing date where the last index changes were implemented for the price cap categories has been included as Exhibit 2b, RDEV-1,

2.1 Determination of Exogenous Changes

In accordance with the Commission's Rules, CenturyLink developed certain exogenous changes for inclusion in the price cap formula. These changes include: (1) North American Number Plan Administration; (2) regulatory fees; and (3) telecommunications relay service. CenturyLink has also adjusted the exogenous amounts to reflect any shift in revenue growth. The result is that no exogenous adjustment is made if the support rate has not changed. In other words the rate per dollar of revenue remains unchanged if the factor is unchanged.

Exogenous cost changes were individually developed for each of the items outlined above, and in the aggregate for all changes. A brief description of each change follows and a summary of the exogenous changes is shown in Exhibit 2a, RDEV-1, Pages 2 & 3 & 4 of 4. The detail of the exogenous cost changes is shown in the Tariff Review Plan, Form EXG-1, Pages 1 through 3.

North American Numbering Plan Administration

On June 27, 2001, the Federal Communications Commission released an order approving the compensation plan for the North American Numbering Plan Administration (NANPA) for fiscal year 2001[5]. The Commission issued an order establishing a new

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[5] *In the Matter of Administration of the North American Number Plan*, CC Docket No. 92-237 and *North American Number Plan Cost Recovery Contribution Factor and Fund Size*, NDS File No. L-00-72, Order (DA 01-1524), released June 27, 2001 (*NANP Order*).

contribution factor for July 2012 through June 2013. Therefore, CenturyLink is using the new factor of 0.0000254[6] to be applied to total end user revenues for the 2012 fiscal year (July 2012 to June 2013). Any impact of NANPA support changes will be included as an exogenous cost in this filing and will be shown in Exhibit 2a, RDEV-1, Page 3 of 4. Once an Order is issued setting a new factor for fiscal year 2012, CenturyLink will implement additional changes at that time.

<u>Regulatory Fees</u>

Earlier Commission decisions[7] allow local exchange companies to reflect the impact of regulatory fees as an exogenous cost in annual price cap filings. The impact of regulatory fee changes for the July 2012-June 2013 fiscal year was calculated using the current factor of .00375 as prescribed in the Commission's *Regulatory Fee Order*,[8] and has been included as an exogenous cost in this filing and is shown in Exhibit 2a, RDEV-1, Page 2 of 4. The current factor was set for July 2011 through June 2012, however, CenturyLink had not yet received the order at the time the 2011 Annual Access Filing was submitted, so the July 2011 through June 2012 impacts are included in this filing along with the use of the 0.00375 for the period of July 2012 through June 2013.

[6] *In the Matter of Administration of the North American Numbering Plan*, Proposed North American Numbering Plan Administration Fund Size Estimate and Contribution Factor for July 2012 through June 2013, Public Notice (DA 12-799), released May 21, 2012, CC Docket No. 92-237.

[7] *Price Cap Treatment of Regulatory Fees Imposed by Section 9 of the Communications Act*, 9 FCC 6060 (1994), erratum (November 2, 1994).

[8] *In the Matter of Assessment and Collection of Regulatory Fees for Fiscal Year 2011* , Report and Order, MD Docket No. 11-76, FCC11-114, released July 22, 2011 (*Regulatory Fee Order*).

Telecommunications Relay Service

The Americans with Disabilities Act (ADA) required that all common carriers providing interstate voice telecommunications provide Telecommunications Relay Service (TRS) to customers effective July 26, 1993. In its *Third Report and Order* in CC Docket No. 90-571,[9] the Commission required that all common carriers providing interstate telecommunications services contribute to an interstate shared fund to support the TRS function. The impact of the TRS exogenous cost for this filing is calculated using the .01053 contribution factor prescribed in the Commission's *TRS Notice*[10] and is displayed on Exhibit 2a, RDEV-1, Page 2 of 4.

The amount of the prospective TRS recovery at the .01053 contribution factor is applied to the 2011 Interstate end user revenues from the FCC 499a adjusted for Price Cap only revenues. Work papers reflecting this exogenous change are shown in Exhibit 2. The previous factor of 0.01058, TRS Notice[11], was set for July 2011 through June 2012, however, CenturyLink had not yet received the order at the time the 2011 Annual Access Filing was submitted, so the July 2011 through June 2012 impacts are also included in this filing.

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9 *In the Matter of Telecommunications Relay Services and the Americans with Disabilities Act of 1990*, Third Report and Order, CC Docket No. 90-571, released July 20, 1993 (*Third Report and Order*).

10 *In the Matter of Telecommunications Relay Services and Speech-to-Speech Services for Individuals with hearing and Speech Disabilities*, CG Docket No. 03-123, DA 12-696 released May 2, 2012 (*TRS Notice*).

11 *In the Matter of Telecommunications Relay Services and Speech-to-Speech Services for Individuals with hearing and Speech Disabilities*, CG Docket No. 03-123, Order FCC 11-104, released June 30, 2011 (*TRS Notice*).

3.0 Explicit USAC Support (Applicable to CLOC Tariff F.C.C. Nos. 2, 3 & 9)

As stipulated in Paragraphs 206 and 207 of the *CALLS Order*[12], Exhibit 3a displays the explicit Universal Service Administrative Company (USAC) revenue support for each CenturyLink filing entity. Interstate Access Support has been frozen for the 2012-2013 filing as part of the FCC USF/ICC Transformation Order, by company. Exhibit 3a shows the current explicit USAC support revenue, by company. This amount was used to replace the support per line used historically.

Included as a part of this filing, CenturyLink will apply explicit USAC support receipts to remove all remaining CenturyTel PICC charges before using the funds to reduce the EUCL charges. Historically, the funds were used to reduce each individual state's PICC charges and Carrier Common Line per MOU charges. Based on discussions with the FCC staff, the intent of the explicit USAC support was to remove the PICC and CCL charge first before reducing the EUCL charges. Exhibit 3b displays how the explicit USAC support funding was used to reduce all PICC charges to zero. After the elimination of the PICC charges, the worksheet shows the distribution of the remaining dollars to the remaining states to reduce the EUCL charge based on the USAC's original funding for that state.

[12] Sixth Report and Order in CC Docket Nos. 96-262 and 94-1, Report and Order in CC Docket No. 99-249, Eleventh Report and Order in CC Docket No. 96-45; In the Matter of Access Charge Reform, Price Cap Performance Review for Local Exchange Carriers, Low-Volume Long Distance Users, and Federal-State Joint Board on Universal Service (FCC 00-193), released May 31, 2001 (collectively *CALLS Order*).

For CenturyLink Operating Companies supported under Tariff F.C.C. Nos. 1, 6, 7 and 8, the FCC's Price Cap Conversion Order (DA 09-855) allows CenturyLink to continue to receive Interstate Common Line Support (ICLS), at a frozen amount as of December 29, 2011, outside of the price cap model.

4.0 CenturyLink LOC Pooling (Applicable to Tariff F.C.C. No.9)

Pursuant to Section 61.48(m)(1)(ii) of the Commission's rules, CenturyLink elected to pool local switching revenues transferred to the common line basket. Exhibit 4, Page 1, shows the local switching revenues subject to pooling along with the allocation of the shortfall between companies. Pages 2 and 3 of the exhibit display the new pooled local switching amount based on access line growth along with the allocation of the pooled revenues to the multi-line business SLC for each individual CenturyLink Tariff F.C.C. No. 9 operating company.

5.0 CMT Per Line Revenue

Part 61.3(d) of the Commission's Rules and the *CALLS Order*[13] discuss the calculation of the maximum SLC for the residential and single line business, non-primary residential, and multi-line business service categories based on the average common line, marketing, and transport interconnection charge revenue (CMT revenue) per line. Exhibit 5

[13] *CALLS Order*, Supra., Paragraphs 70-72.

displays the current CMT per line rate for each individual CenturyLink operating company and aggregated filing entity, and calculates the adjusted CMT per line rate for each state and aggregated filing entity based on 2011 access lines.

6.0 Jurisdictional EUCL and PICC Composite Rate Development (Applicable to Tariff F.C.C. Nos. 1, 8 & 9)

Exhibit 6 displays the state specific EUCL and PICC rates, along with each state's demand. State revenues are first calculated by multiplying demand times rate; composite rates are the result of dividing total revenue by total demand for each state. This exhibit is provided for the CenturyLink system wide rollup for each applicable tariff.

7.0 Price Cap Revenue Impact Analysis

Exhibit 7 is included as required by the Commission's Rules, and depicts the change in revenues associated with the rate adjustments resulting from the price cap revisions included in this filing. This exhibit details the end user and carrier common line impacts, along with the impacts for recurring and nonrecurring special access charges.

8.0 Excluded Services

Consistent with the requirements of the *TRP Notice*[14], Exhibit 8 provides a detailed listing of the services CLOC has elected to remove from price cap regulation, along with those services which have not been included under price cap.

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[14] *2012 TRP Notice*, Supra., Paragraph 24.

9.0 New Services

In compliance with the Commission's Rules, new access service offerings must be included in the first annual price cap filing following the completion of the base year in which the new services become effective. The new services included in the CLOC's filing are outlined on Exhibit 9. This exhibit contains a description of each new service, along with the associated transmittal number, effective date, price cap basket and service category.

10.0 Currently Applicable Part 69 Rule Waivers (Applicable to Tariff F.C.C. No. 9)

In compliance with the *TRP Notice*[15], CLOC is including as Exhibit 10 a list of all currently applicable Part 69 Waivers that result in rate elements different from those specified in Part 69 of the Commission's Rules. This exhibit contains the following information for each waiver: (1) the citation of the applicable waiver grant, (2) a description of the waiver to include new rate elements created, and (3) the price cap basket and service category treatment of these rate elements.

11.0 Revenue Volume Discount Plan (RVDP)
(Applicable to Tariff F.C.C. No. 9)

The RVDP provides monthly discounts off tariff rates for specific special access services included in the RVDP to any customer participating in the RVDP. The discount percentages are reflected in CenturyLink Operating Companies Tariff F.C.C. No. 9, Section 7.5.17(A)(1), page number 7-425. Interstate access revenues are less than the rate, times usage, by the amount specified by the plan. The RVDP is applied to month-to-month service

[15] *2012 TRP Notice*, Supra., Paragraph 25.

rates, and the revenue realized by CenturyLink by any changes to those rates would be impacted by the RVDP.

CenturyLink has not proposed any change to the various month-to-month service rates in this filing. However, Exhibit 12 displays the calculated impact of the RVDP on the revenue generated by the month-to-month service rates for each filing entity. The 2011 discount percent was calculated based on actual 2011 demand under the RVDP, and the total revenues subject to the RVDP. The revenues subject to the RVDP were calculated using current rates and the percent of discount reflects no change to the average monthly revenues under the RVDP. Since month-to-month rates did not change, there is no impact to the RVDP included with this filing.

12.0 Third Quarter Universal Service Support

(Applicable to Tariff F.C.C. No. 9)

Consistent with the requirements of the Commission's *USF Interim Methodology Orders*[16]. CenturyLink recovers its federal universal service contributions through per line monthly charges assessed to end users subscribing to local exchange service (i.e., primary residential, non-primary residential, ISDN-BRI, single-line business, multi-line business, ISDN-PRI, and Centrex). Contributions for end users being billed switched dedicated, special access, or other interstate access services (i.e., Presubscription Change Charges, Access Recovery Charge) are recovered by applying a surcharge equal to the third quarter

[16] *In the Matter of Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order and Second Further Notice of Proposed Rulemaking (FCC 02-329), released December 13, 2002; Order and Second Order on Reconsideration (FCC 03-58), released March 14, 2003; and Public Notice (DA 03-1909) (Collectively *USF Interim Methodology Orders*).

2012 USF contribution factor of 0.157[17] to the total of the end user customer's interstate access charges. Both the per line charge and percentage surcharge are reflected as a separate line item, clearly identified on the customer's bill.

Access Reduction Worksheet

In compliance with the FCC's USF/ICC Transformation Order,[18] CenturyLink is including Access Reduction Workbooks for CenturyLink Operating Companies Tariff F.C.C. Nos. 1, 2, 3, 6, 7, 8 & 9. To implement the Transitional Intrastate Access Service reductions required by 47 C.F.R. §51.907(b), CenturyLink prepared the "ICC-Access Reduction" templates released by the Federal Communications Commission ("FCC") on April 19, 2012, for calculating the July 3, 2012 intrastate access rate changes and eligible recovery.

The FCC spreadsheet template provides the methodology for calculating the rate reductions and identifies in detail the intrastate access rates that are required to be reduced consistent with the rules. The access rates to be reduced are referred to by the FCC as "Transitional Intrastate Access Service" and defined to include rates within the following categories:

- Terminating End Office Access Service
- Terminating Tandem-Switched Transport Access Service

[17] *In the Matter of Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Public Notice (DA 12-917), released June 11, 2012.

[18] *Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing a Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Universal Service Reform—Mobility Fund*; WC Docket Nos. 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, 26 FCC 17663 (2011) (*USF/ICC Transformation Order and FNPRM*); *pets. for review pending sub nom. In re: FCC 11-161*, No. 11-9900 (10th Cir. filed Dec. 8, 2011).

- Originating and Terminating Dedicated Transport Access Service

Section 51.907(b) of the FCC Rules sets forth the specific steps to calculate the rates for Transitional Intrastate Access Service to be effective July 3, 2012. The required rate reductions are taken to meet reduction obligations and the eligible recovery amount is determined. These models have been filed along with tariff changes in compliance with the applicable state regulations.

For some study areas, the current rate structure of intrastate Local Transport service varies from the current rate structure of interstate Local Transport service, specifically, the intrastate Local Transport rates have not undergone Local Transport Restructure ("LTR"). In these study areas, CenturyLink has completed revenue neutral calculations for the affected rate elements to synchronize intrastate and interstate rate structures for the local transport services. thus simplifying the calculations to determine the required reductions and to better align the rate structures for the required mirroring in July 2013 pursuant to the FCC rules. Exhibits were also included showing any state specific impacts on access reductions, ie. Pennsylvania Carrier Charge, South Carolina ILF (Interim LEC Fund) and Alabama TSF (Transition Service Fund).

CenturyLink has prepared redacted and non-redacted versions of the template workbooks.

Reciprocal Compensation

In compliance with the FCC's USF/ICC Transformation Order,[19] CenturyLink is

[19] *Ibid*

including a single workbook to encompass the Holding Company[20] required Reciprocal Compensation reductions. CenturyLink utilized the "Recip-Comp-Sample-Elig-Recv-Calc-Step-1" template released by the Federal Communications Commission ("FCC") on April 19, 2012 to determine the amount of eligible recovery from CMRS (Commercial Mobile Radio Service) Net Reciprocal Compensation revenues allowed by 47 C.F.R. §51.915(d)(1)(i)B and the amount of eligible recovery from non-CMRS Net Reciprocal Compensation revenues allowed by 47 C.F.R. §51.915(d)(1)(i)C.

The FCC spreadsheet template provides the methodology for calculating the CMRS Net Reciprocal Compensation. For each study area, CenturyLink's FY 2011 CMRS revenues for intraMTA non-transit usage based traffic are reduced by CenturyLink's 2011 FY expenses for intraMTA non-transit usage based traffic. The total CMRS Net Reciprocal Compensation Revenues for CenturyLink as a holding company are reduced to reflect the impact of removing disputed revenues or, revenues otherwise not recovered pursuant to paragraph 880 of the USF-ICC Transformation Order, CMRS expenses are then subtracted from the net revenue with the resulting Eligible Recovery included in the Eligible Recovery Form.

Per, §51.915(d)(1)(i)C.3 CenturyLink has elected to forgo any recovery of net non-CMRS reciprocal compensation reductions.

CenturyLink has prepared redacted and non-redacted versions of the template workbooks.

Access Recovery Charge (ARC-Rate Ceiling) Worksheet

[20] CenturyLink Operating Companies Tariff F.C.C. Nos. 1, 2, 3, 6, 7, 8 & 9 and Qwest Tariff F.C.C. No. 1

In compliance with the FCC's USF/ICC Transformation Order, CenturyLink is including the Rate Ceiling-CAF and the Tariff Rate Comparison_CAF workbooks. The Rate Ceiling- CAF workbook is utilized by CenturyLink to calculate the Access Recovery Charge ("ARC") allowed by 47 C.F.R. §51.915(e) and the CAF ICC allowed by 47 C.F.R. §51.915(f). CenturyLink's supporting calculations utilize the templates released by the Federal Communications Commission ("FCC") on April 19, 2012.

The FCC Rate Ceiling-CAF workbook template provides the methodology for calculating Expected Access Recovery Charge Revenues and any CAF ICC. For each exchange, CenturyLink totaled the Residential Rate Ceiling Components and measured against the Residential Rate Ceiling benchmark of $30.00[21]. A maximum Residential Access Recovery Charge is determined as $0.00 when the total of the Residential Rate Ceiling Components are $30.00 or greater, up to $0.50 when the total of the Residential Rate Ceiling Components is between $29.50 and $30.00 or capped at $0.50 when rate ceilings are below $29.50. Once the residential ARC per line is determined that value is multiplied by the eligible lines to result in the Residential Access Recovery Charge Revenue.

Single line business Access Recovery Charge Revenue is determined by multiplying single line business line counts by the per-line cap of $0.50. Multiline business Access Recovery Revenue is determined by multiplying the eligible multiline business line counts by the per-line cap of $1.00[22].

The total Access Recovery Charge Revenue from residential, single-line business and multiline business are compared to the total Eligible Recovery. CenturyLink's total Access

[21] 47 C.F.R. §51.915(b)(12)
[22] 47 C.F.R. §51.915(e)

Recovery Charge Revenue is less than the Eligible Recovery and therefore CenturyLink is eligible for CAF ICC support[23],

The Tariff Rate Comparison_CAF workbook demonstrates that CenturyLink has not included any tariffs which would allow for greater recovery than allowed through the Access Recovery Charge methodology included in the Rate Ceiling-CAF template. This workbook includes the ARC tariff by exchange.

CenturyLink has prepared redacted and non-redacted versions of the workbooks.

Eligible Recovery Worksheet

In compliance with the FCC's USF/ICC Transformation Order, CenturyLink is including the Eligible Recovery-TRP workbook. The Eligible Recovery-TRP workbook is utilized by CenturyLink to calculate the total Eligible Recovery allowed by 47 C.F.R. §51.915(d). CenturyLink's supporting calculations utilize the "Eligible Recovery" template released by the Federal Communications Commission ("FCC") on April 19, 2012.

The FCC spreadsheet template summarizes the eligible recovery at a study area level. CenturyLink has populated the spreadsheet with the reduction of Transitional Intrastate Switched Access Service revenues as determined pursuant to 47 C.F.R. §51.907(b)(2) which are reduced from the ICC Access Reduction described above to reflect the impact of removing disputed revenues or, revenues otherwise not recovered, pursuant to paragraph 880 of the USF-ICC Transformation Order. In addition this spreadsheet template includes the eligible recovery for Net Reciprocal Compensation reductions as described above.

Pursuant to paragraph 880 of the FCC's ICC/USF order, CenturyLink determined

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[23] 47 C.F.R. §51.915(f)

Eligible Recovery using Fiscal Year 2011 demand for which CenturyLink received payments by March 31, 2012. The systems that CenturyLink uses to track and analyze intercarrier compensation are based on billed data, however, and this necessitated the development of a collections factor to apply against billed data.

To develop this factor, CenturyLink identified the total charges billed for switch access and reciprocal compensation during the twelve months of the Fiscal Year. Next, CenturyLink determined the amounts collected for switch access and reciprocal compensation during the Fiscal Year. Late payment charges and collections were excluded from both billings and collections. CenturyLink also adjusted collections to remove payments for charges billed before the Fiscal Year and to include payments for Fiscal Year billing that were received after the Fiscal Year but before April 1, 2012.

The resulting billed and collected amounts were then used to calculate a collections factor, referenced in confidential attachment Consol Collection Factor worksheet, that represented the amount collected as a percentage of the amount billed during the Fiscal Year.

This factor was then multiplied times the reduction of Transitional Intrastate Switched Access Service revenues and Reciprocal Compensation Revenues to calculate the Eligible Recovery based upon received demand and as found columns A and C in the Eligible Recovery Worksheet, CLOCER12 .

Each Study Area amount is multiplied first by the July 1, 2012 Traffic Demand Factor of 90% as defined at 47 C.F.R. §51.915(b)(10) and then by the CALLS Study Area Factor (§51.915(b)(2)) of 90% (CLOC #2, #3 & #9) or the July 1, 2012 Non-Calls Study Area Factor (§51.915(b)(9)) of 100% (CLOC #1, #6, #7 & #8). Next the Exogenous Cost ARC Recoverable amount, which is the excess exogenous cost that can not be recovered through the subscriber line charges, included as found in Cap 5 line 610 of the included Tariff Review Plan. The final step is to add the amounts together resulting in the Eligible recovery that is used in the “Rate Ceiling” template as described above.

Conclusion

The CenturyLink Operating Companies are submitting the accompanying information consistent with the requirements of the Commission's price cap regulations for local exchange carriers. The adjustments proposed herein are demonstrated to be just and reasonable, and are supported by detailed exhibits reflecting the calculation of the required revisions, price cap indices, and exogenous costs.