

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska) Application No. C-3895/
Public Service Commission, on) PI-134
its own motion, to review the)
Final Report on the 2005 Audit) ORDER
of Qwest's Performance Assurance)
Plans.) Entered: March 18, 2008

BY THE COMMISSION:

O P I N I O N A N D F I N D I N G S

The Nebraska Public Service Commission (Commission) initiated this proceeding to review and seek public comment on the "Final Report on the Audit of Qwest's Performance Assurance Plans" ("2005 Audit Report"). On November 30, 2007, the 2005 Audit Report of the QPAP was completed by Liberty Consulting, a consulting firm chosen by the Regional Oversight Committee (ROC) to oversee the QPAP performance audit for fourteen states in Qwest Corporation's (Qwest's) service territory (collaborative states). ROC requested Liberty Consulting verify the accuracy of 1) 2005 Qwest Performance Assurance Plan (QPAP) payments to competitive local exchange carriers (CLECs) and the states participating in the audit, and 2) the performance results for selected measures.

Comments were filed on February 8, 2008, by Qwest Corporation. Qwest stated it agreed with a majority of Liberty's findings. Liberty identified 14 findings. Qwest indicates that 12 of Liberty's findings are applicable to Nebraska's PAP and PIDs. Qwest states that it has taken action or will take action to resolve all but one of the findings. Qwest further acknowledges the content and accuracy of the one remaining finding by Liberty, Finding No. 1. Qwest, however, finds no demonstrated need to modify the PID language as indicated in Finding No. 1. Liberty's own statement concerning Finding No. 1 indicated that correction of the PID as they recommend may not change Qwest's reported results or QPAP payments and the magnitude of the change is unknown. However, Liberty recommended that if Qwest does not make the suggested changes contained in Finding No. 1, that in the alternative Qwest provide clarifying language in the PID. Qwest requests the Commission accept the audit and retain the current PID language.

The Commission finds that the 2005 Final Audit Report of the QPAP by Liberty Consulting should be accepted in its entirety. The Commission further finds that the recommended changes contained in Liberty's Findings No. 1 should be implemented by Qwest or, in the alternative, Qwest should

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incorporate the clarifying language suggested by Liberty into the appropriate PID. The Commission leaves the decision of which option to implement entirely to the discretion of Qwest.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the 2005 Audit Report be accepted including the options contained in Finding No. 1 as outlined above.

MADE AND ENTERED at Lincoln, Nebraska, this 18th day of March, 2008.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Gerald L. Vop

Anne C. Boyle
Chair

Reg. Journal

Tim Schram

ATTEST:

Michelle H. H.
Executive Director

//s// Anne C. Boyle
//s// Frank E. Landis