## BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska ) Application No. C-3943/ Public Service Commission, on its PT-137 ) own motion, to participate in a ) six month review of Owest's ) Performance Assurance Plans. ) GRANTED Petition filed by Owest Corporation d/b/a CenturyLink QC for approval of a revised ) Performance Assurance Plan. ) Entered: December 3, 2013

BY THE COMMISSION:

## OPINION AND FINDINGS

On September 27, 2013, Qwest Corporation d/b/a CenturyLink QC ("CenturyLink"), Denver, Colorado, filed an application seeking approval of revised Exhibit B and Exhibit K to the Statement of Generally Available Terms and Conditions ("SGAT") and approval of a redesigned Performance Assurance Plan ("PAP"). Notice of the application was published in <a href="The Daily Record">The Daily Record</a>, Omaha, Nebraska, on October 4, 2013. No protests were filed; therefore, this application is processed pursuant to the Commission's Rule of Modified Procedure.

Pursuant to Section 252(f) of the Telecommunications Act of 1996 (the Act), CenturyLink filed with its application what it identified as Attachment I that consists of the redesigned PAP, which constitutes a new Exhibit K to the SGAT. CenturyLink likewise included with its application what it identified as Attachment II which consists of the new Performance Indicator Definitions ("PIDs") that constitute Exhibit B of the SGAT. CenturyLink further included with its application what it designated as Attachment III that consists of a comprehensive description of the changes the redesigned PAP and PIDs would make to the existing PAP and PIDs.

In its application, CenturyLink states that its filing in the above-captioned proceeding is part of a Settlement Agreement reached by CenturyLink in Colorado with Colorado Competitive Local Exchange Carriers ("CLECs") that are party to the PAP. The Colorado Utilities Commission had ordered CenturyLink and the CLECs in Colorado to negotiate a new Colorado PAP. redesigned PAP filed in Nebraska in the above-captioned proceeding is the result of those negotiations. CenturyLink states that an integral part of the Settlement Agreement Colorado was that CenturyLink would petition the other thirteen (13) states in which the PAP operates seeking adoption of the redesigned PAP in the respective states.

The redesigned PAP proposed by CenturyLink makes the following changes to the PAP and PIDs:

The redesigned PAP institutes a three-tiered, severity-level payment structure that replaces the previous month-by-month triggering of payments. Less severe deviations from the standards trigger payment only after two to three consecutive months of deviations from the standards. Significant deviations will trigger a payment each month. The levels for each tier are defined in Table 2 in section 6.3 of the revised Exhibit K, Attachment I to CenturyLink's application.

In connection with the new severity levels, the new PAP replaces the current payment increment amounts with three levels of amounts that increase incrementally. It further revises the consecutive-month escalation provision to increase the payment amounts for each consecutive month of non-conforming performance at any level. The payment amounts for each level are set forth in Table 3 in section 7.3, with the escalation provisions contained in Table 4 in section 8.2.1 of revised Exhibit K, Attachment I to CenturyLink's application.

Further, it removes the concept of Tier 1 and Tier 2 payments and specifies all payments be made to the individual CLEC affected by the non-conforming performance level.

Next, it removes the annual Minimum Payments and Low Volume, Developing Markets provision and standardizes the statistical methods and parameters across all states with PAPs. Additionally, it sets an annual payment cap for each state. The caps for each state are contained in section 10.1. Also it sets the applicable interest rate for late payments and underpayments at the U.S. Treasury rate in section 11.4.

Finally, it refines the dispute resolution process and streamlines the process for uncontested changes.

Regarding the PIDs contained in revised Exhibit B, nine (9) PIDs will remain payment eligible, eighteen (18) PIDs will remain reportable as diagnostic only, and twenty-five (25) PIDs will be eliminated entirely.

CenturyLink requests the Commission approve the redesigned PAP and PIDs contained in the modified Exhibits B and Exhibit K, attached to its application and order them to become effective no later than January 1, 2014. CenturyLink further requests the changes automatically apply to and modify all existing

interconnection agreement that currently contain Exhibit B and Exhibit K as exhibits.

On March 19, 2002, the Commission entered an order in Docket C-2666, approving CenturyLink's Qwest's) revised SGAT, filed on January 25, 2002. On February 4, Docket C-2750, the Commission entered approving revisions to Owest's SGAT. In Docket C-3029, on January 13, 2004, the Commission entered an order approving an to Amendment the SGAT based on language developed collaboration with the Regional Oversight Committee ("ROC"). The Commission has permitted other amendments and revisions to the SGAT to go into effect in Docket Nos. C-3129, C-3176, C-3202, C-3232, C-3263, and C-3313.

The above-captioned docket was opened by the Commission to participate in a review of the previous PAP. The process was put on hold during the pendency and ensuing merger between CenturyLink and Qwest. With approval of the redesigned PAP the above-captioned docket may be closed.

Section 252(f) of the Act requires this Commission to review Statements of Generally Available Terms to ensure they comply with Sections 251 and 253 of the Act, as well as all applicable state laws. Upon consideration of the application filed herein, the Commission is of the opinion and finds that the proposed redesigned Exhibit B and Exhibit K as described by CenturyLink in its application be made effective as of January 1, 2014.

## ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the redesigned Performance Assurance Plan and Performance Indicator Definitions contained in the new Exhibit B and K of the Statement of Generally Available Terms and Conditions, be, and it is hereby, declared effective as of January 1, 2014.

IT IS FURTHER ORDERED that the executed copy of CenturyLink's redesigned Exhibits B and K to the Statement of Generally Available Terms and Conditions filed herein be, and are hereby, made the official copy on file with the Nebraska Public Service Commission.

IT IS FURTHER ORDERED that the above-captioned docket be, and is hereby, closed.

MADE AND ENTERED at Lincoln, Nebraska, this  $3^{\rm rd}$  day of December, 2013.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director

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