



State of Utah
Department of Commerce
Division of Public Utilities

FRANCINE GIANI
Executive Director

THAD LEVAR
Deputy Director

PHILIP J. POWLICK
Director, Division of Public Utilities

JON HUNTSMAN Jr.
Governor
GARY HERBERT
Lieutenant Governor

May 8, 2008

TO: PUBLIC SERVICE COMMISSION

FROM: DIVISION OF PUBLIC UTILITIES

Philip J. Powlick, Director
Bill Duncan, Manager, Telecommunications
Casey J. Coleman, Technical Consultant

RE: In the Matter of Qwest Corporation's Request for Approval of a Stipulation Regarding Certain Performance Indicator Definitions and Qwest Performance Assurance Plan Docket No. 07-049-31

RECOMMENDATION:

The Division recommends that the Commission approve the Stipulation submitted by Qwest in this Docket.

ISSUES:

On June 27, 2007 Qwest filed a Notice of a Stipulation detailing changes to the method for calculating the Tier 1 and Tier 2 payments for certain Qwest Performance Assurance Plan (QPAP) payments. Since the filing of this petition the Division has worked with Qwest to determine the impact of the Stipulation to the Tier 1 and Tier 2 Payments. Information was provided to the Division by Qwest and submitted to the Commission on October 18, 2007.

While the Division was evaluating the Stipulation filed by Qwest and examining the data showing the impacts to the Tier 1 and Tier 2 payments, the Commission issued a Request for Comments from interested parties. Only one CLEC, XO, submitted comments. From the comments filed by XO it appears that they were concerned about the Commission using a 60 day clock to evaluate the stipulation. In phone conversations with representatives from XO, the Division also learned that another concern was ensuring that a process of evaluation and proper analysis occurred.

The Division believes that there has been sufficient time to evaluate the Stipulation and gain an understanding of the impacts of the proposed changes to all parties involved. Therefore the Commission should move forward and approve the Stipulation.

Finally, over the course of the past few months, the Regional Oversight Committee (ROC) was considering evaluating the Stipulation as a collaborative effort. Through a variety of emails, phone conferences, and other meetings, with ROC members and Qwest employees, it is apparent that each state will need to deal with the Stipulation individually.

Because there is no collaborative effort happening from the ROC with the stipulation, and most if not all of the issues presented by XO have been resolved through the analysis and review by the Division; therefore the Division recommends that the Commission approve the Stipulation submitted by Qwest.

cc: Jim Farr, Qwest
Michael Ginsberg, Assistant Attorney General