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January 31, 2008

TO: PUBLIC SERVICE COMMISSION

FROM: DIVISION OF PUBLIC UTILITIES

Jeffrey P. Millington, 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 per Docket No. 07-049-31.

UPDATE:

On November 6, 2007, the Commission requested that the Division keep the Commission informed of the work done with the ROC through at least quarterly reports. This memo is an update of the proceedings as requested by the Commission.

During November and December, members of various state Commissions collaborated to determine what action, if any, was necessary in dealing with the Stipulation filed by Qwest and Eschelon Telecom, Inc. ("Eschelon"), DIECA Communications, Inc. d/b/a Covad Communications Company ("Covad"), US Link, Inc. d/b/a TDA Metrocom, and McLeodUSA Telecommunications Services, Inc. ("McLeodUSA") in Qwest's 14 state region.

One of the efforts of the collaborative was to formulate a data request that was submitted by the ROC to Qwest.¹ In the interest of having definitive answers concerning some remaining questions the data request dealt with procedural Requests/Clarifications, as well as a variety of questions aimed at gaining a better understanding of the impact of changing the Tier 1 and Tier 2 payments.

A couple of weeks later, Qwest responded that the approach they were following, in their opinion, was reasoned and efficient; therefore they did not answer the regional data request.² Qwest also indicated that many states had taken different approaches to the filing. Oregon and

¹ See Attached Memo from the Nebraska Public Service Committee

² See Attached Memo from Qwest dated December 11, 2007

Wyoming allowed the changes to take effect in September, Colorado approved the changes with an effective date in September, without hearing. Iowa and Idaho³ also acted to allow the changes to take effect.

Qwest also indicated that of the nine remaining states, one, North Dakota, had kept its six month review docket open in anticipation of the filing. Two others, Arizona and Washington, opened dockets and have procedural schedules in place setting forth agreed upon timeframes for evaluation, while Minnesota, has an open meeting scheduled to determine the resolution. For the above mentioned states, Qwest preferred to follow the orders that are in place and move forward accordingly.

Utah falls into the last category which was one of the five states that was granted a request to allow further time to review the proceedings. The other four states in the same category as Utah are Montana, Nebraska, New Mexico, and South Dakota.

Since the letter written by Qwest, Nebraska also approved the stipulation.⁴

At this point it does not look likely that anything else will materialize on a Regional effort with the QPAP and PID. The Division recommends that the Commission continue to move forward individually and determine if they accept the stipulated agreement.

One potential issue that still remains is the Intervention by XO communications in this Docket. The Division will contact XO and determine if there is merit to the issues that need to be addressed with this company and their intervention. Additionally, as requested by the Commission, the Division will continue to participate in any efforts by the ROC.

cc: James Farr - Qwest Corporation.
Michael Ginsberg, Assistant Attorney General

³ See Attached Orders from Idaho and Iowa.

⁴ See Attached Order from Nebraska