

UTAH PUBLIC SERVICE COMM'N DOCKET NO. 10-049-16
JOINT CLEC/LEVEL 3 ISSUES MATRIX

Issue	Joint Applicant Position	Joint CLEC Position	Level 3 Position
Is the proposed merger in the public interest?		No. The merger as proposed creates a substantial risk of harm to competition and is, therefore, contrary to the public interest. Among other things, there is a substantial risk that the post-merger company's efforts to realize synergy savings will adversely impact the service that the company provides to CLECs, who are not only customers but competitors.	No. If the Proposed Transaction is completed as proposed, the resulting entity will combine businesses and management that have been forced to open their markets to local competition (Qwest) with those that, for the most part, have not (CenturyLink). For the Combined Entity's management, primarily from CenturyLink, its introduction to the ways of competition may run counter to past obligations or experiences of managing a rural ILEC.
Can the public interest be adequately protected if the merger is approved subject to conditions?		Yes. With robust, comprehensive, enforceable merger conditions, the potential for harm to competition can be adequately mitigated.	Yes. With the adoption of targeted, common sense conditions, the Commission can approve the proposed transaction
What conditions are necessary to protect the public interest?		The Joint CLECs have proposed a list 30 specific conditions that are necessary to adequately protect the public interest. Those conditions, as well as the respective positions of the Joint CLECs and the Joint Applicants regarding each condition, are set forth in Joint CLECs 2SR.1, which is an exhibit to the pre-filed surrebuttal	Level 3 has proposed a list of 12 specific conditions. Those conditions are set out in the pre-filed Direct Testimony of Richard E. Thayer. Level 3's recommended conditions address, generally: 1. Virtual NXX ISP-bound traffic; 2. Billing practices; 3.8YY traffic. Other Level 3 conditions are addressed in both Mr

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		<p>testimony of Timothy J. Gates. The Joint CLECs' recommended conditions address, generally: 1) Operations Support Systems; 2) Wholesale Service Quality; 3) Wholesale Customer Support; 4) Wholesale Service Availability; 5) Wholesale Rate Stability; and 6) Compliance.</p>	<p>Thayer's Direct as Surrebuttal Testimony and the pre-filed Surrebuttal Testimony of Timothy J Gates, filed on behalf of the Joint CLECs.</p>
<p>Are the conditions agreed to by the Joint Applicants in their settlement with DPU sufficient to protect the public interest?</p>		<p>No. For reasons to be addressed in supplemental testimony to be filed in this docket and at a further evidentiary hearing, the conditions agreed to by the Joint Applicants are not adequate.</p>	<p>No. The DPU settlement will be addressed in supplemental testimony and in a November 4, 2010, Evidentiary hearing.</p>

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