

**STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION**

**Public Service Commission
Qwest Performance Assurance Plan
Investigation**

Case No. PU-06-58

**Public Service Commission
Qwest Performance Assurance Plan
Investigation**

Case No. PU-07-256

**Public Service Commission
Qwest Performance Assurance Plan
Investigation**

Case No. PU-08-920

**NOTICE OF OPPORTUNITY FOR COMMENT
AND NOTICE OF OPPORTUNITY FOR HEARING**

August 12, 2009

Preliminary Statement

For telecommunications companies that have, or intend to have, an agreement with Qwest Corporation (Qwest) for interconnection services, Qwest offers a Performance Assurance Plan (PAP) option. A PAP provides for self-executing payments to the competitive local exchange carrier (CLEC) if Qwest does not provide interconnection services to the CLEC at parity to the service it provides to its own retail customers, or if Qwest fails to meet certain service benchmarks.

The PAP provides for periodic reviews to determine whether performance measures should be added to, deleted from, or modified; whether benchmark standards should be modified or replaced by parity standards; and whether to move a classification of a performance measurement to High, Medium, or Low or Tier 1 to Tier 2. Participants of the review may include Qwest, CLECs, and the Commission.

PAP revisions approved by the Commission as a result of such reviews apply to existing and future interconnection agreements that incorporate the PAP. The most recent PAP revision was effective beginning January 1, 2008, as approved in Case No PU-06-58. That proceeding was continued in the event an ongoing multistate Regional Oversight Committee review might result in further PAP or performance measurement changes.

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On June 13, 2007, the Commission joined in a multistate collaborative audit of Qwest's PAP performance reporting and payment process for calendar year 2005, Case No. PU-07-256. The Final Report for the Audit of 2005 Qwest's Performance Assurance Plans by Liberty Consulting Group was issued November 30, 2007. The report is available for viewing and downloading from the Commission's internet site at <http://www.psc.state.nd.us/database/documents/07-0256/014-010.pdf>.

On December 17, 2008, the Commission joined in a multistate review of the effectiveness of the PAP and whether its continuation is necessary, Case No. PU-08-920. The review was a multistate effort organized by the Regional Oversight Committee. On February 11, 2009, the Commission issued a Notice of Qwest Performance Assurance Plan Review and Notice of Opportunity for Comment in Case No. PU-08-920, for comments from interested persons on trends in Qwest performance in providing interconnection, comments on the structural components of the PAP and performance measures, stakeholder recommendations and experiences with the PAP and performance measures, and comments on the competitive environment. The Notice stated that the Commission would receive written comments until March 27, 2009. On March 27, 2009, Integra Telecom of North Dakota, Inc. filed comments and petitioned to intervene.

The Regional Oversight Committee contracted with Liberty Consulting Group (Liberty) to perform the review. Based on comments received from Integra Telecom of North Dakota, Inc. and other competitive local exchange carriers and data provided by Qwest, Liberty issued its June 30, 2009 Analysis of Qwest's Performance Assurance Plans Final Report. Liberty concluded that the PAP is still serving a useful purpose. The report also offers several recommendations for changes to the PAP and performance measures, and makes several findings that may have affected Qwest's reported performance results or payments under the PAP.

The report is available for viewing and downloading from the Commission's internet site at:

<http://www.psc.state.nd.us/database/documents/08-0920/018-020.pdf>

with appendices at:

<http://www.psc.state.nd.us/database/documents/08-0920/018-010.pdf>.

Comments and requests for hearing must be filed by September 30, 2009.

Comments should address the following:

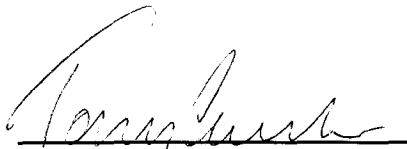
1. Whether there exists an omission or failure of existing performance measures to capture intended performance.
2. Where there is duplication of another performance measurement.
3. Whether such omission, failure, or duplication of a performance measure justifies the addition, modification, or removal of a performance measure.
4. Whether any benchmark standards should be modified or replaced by parity standards.

5. Whether the actual volume of data points have been less or greater than anticipated, and, if so, whether there is justification for the reclassification of a performance measurement.

Any disputes regarding adding, deleting, or modifying performance measurements will be resolved by the Commission.

A copy of Qwest's performance measures and the PAP may be obtained from the Commission. For more information contact the North Dakota Public Service Commission, State Capitol, Bismarck, North Dakota 58505, (701) 328-2400; or Relay North Dakota 1-800-366-6888 TTY. If you require any auxiliary aids or services, such as readers, signers, or Braille materials, please notify the Commission at least 24 hours in advance.

PUBLIC SERVICE COMMISSION



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