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BEFORE THE WASHINGTON STATE  
UTILITIES AND TRANSPORTATION COMMISSION

QWEST CORPORATION,  
Complainant,

v.

MCLEODUSA TELECOMMUNICATIONS  
SERVICES, INC., d/b/a PAETEC BUSINESS  
SERVICES.

Respondent.

DOCKET NO. UT-090892

STIPULATION OF MATERIAL FACTS

Qwest Corporation and McLeodUSA d/b/a PAETEC jointly file this Stipulation of Material Facts.

1. Qwest is a “telecommunications corporation” as defined in RCW 80.04.010 and is an “incumbent local exchange company” (“ILEC”), as defined in 47 U.S.C. § 251(h). Qwest provides local exchange and other telecommunications services in the State of Washington.

2. McLeodUSA is an Iowa corporation and is registered with and classified by the Commission as a competitive local exchange company (“CLEC”) and is also a “telecommunications corporation” as defined in RCW 80.04.010. McLeodUSA is authorized to provide switched and non-switched local exchange and long distance services in Washington.

3. Qwest and McLeodUSA are parties to a certain interconnection agreement entitled “Local Interconnection Agreement,” which was voluntarily negotiated, as is permitted by the Telecommunications Act of 1996. The ICA was filed by Qwest for approval by the Commission, which approval was granted by the Commission in Docket No. UT-993007, on August 30, 2000.

STIPULATION OF MATERIAL FACTS

1           4.       The ICA provides the terms, conditions, and prices for network interconnection,  
2 access to Unbundled Network Elements (“UNEs”), ancillary network services, and retail service  
3 available for resale.

4           5.       McLeodUSA leases UNEs or other facilities from Qwest to serve the majority of  
5 end user customers that McLeod serves in Washington.

6           6.       When McLeodUSA leases UNEs or other facilities from Qwest to serve  
7 McLeodUSA end user customers, the transaction is performed pursuant to the ICA.

8           7.       Except for local call termination services, Qwest does not purchase any network  
9 facilities or services from McLeodUSA under the ICA at either wholesale or retail when  
10 providing service to its end users.

11          8.       The non-recurring rates Qwest charges for installation of unbundled loops are  
12 based on TELRIC cost studies that were approved by the Commission in wholesale cost dockets.

13          9.       The Washington wholesale cost dockets-approved rates permit Qwest to charge  
14 McLeodUSA specifically enumerated nonrecurring charges when an unbundled loop is ordered  
15 by McLeod for installation.

16          10.      Part of Qwest’s cost study includes cost support for non-recurring charges  
17 recovering costs Qwest incurs to process Local Service Requests submitted by CLECs ordering  
18 unbundled loops. The cost study includes various costs related to order processing and  
19 completion.

20          11.      The nonrecurring charges assessed by Qwest were established in the Washington  
21 Wholesale Cost Dockets UT-960369 and UT- UT-003013.

22          12.      A local telephone service customer (end-user) can change his or her current local  
23 service provider to any other local service provider. When the end user switches from Qwest as  
24 the local service provider to any other local service provider, Qwest assesses a Commission  
25 approved non-recurring installation charge to the new local service provider only if the new local  
26 service provider orders an unbundled loop from Qwest.

1           13.     When the end user switches from Qwest to another local service provider that is  
2 not using unbundled loops from Qwest to provide its service to that end user, Qwest does not  
3 assess that other local service provider a non-recurring installation charge as that provider is not  
4 ordering an unbundled loop, provided, however, Qwest does charge a Customer Transfer Fee for  
5 a resale line purchased by McLeodUSA. There are also non-recurring charges for QLSP  
6 services purchased by McLeodUSA. Those QLSP non-recurring charges include the installation  
7 of the unbundled loop.

8           14.     McLeodUSA's WSOC was filed as part of McLeodUSA's Price List, Washington  
9 UTC Price List No. 1, Original Sheet No. 126, effective April 10, 2004 ("WSOC Tariff"). (Joint  
10 Stipulation Exhibit A). The WSOC Tariff provision states: "A Wholesale Service Order charge  
11 applies to all providers of telecommunications services that assess a non-recurring charge on  
12 McLeodUSA for the processing of comparable orders submitted by McLeodUSA to initiate  
13 service using network elements leased from the incumbent local exchange carrier ("ILEC")."

14           15.     McLeodUSA charges the WSOC to Qwest when an end user customer switches  
15 from McLeodUSA to Qwest. No other LEC is assessed the WSOC by McLeodUSA based on  
16 McLeodUSA's application of the tariff.

17           16.     No other LEC operating in Washington charges either McLeodUSA or Qwest a  
18 non-recurring charge when a customer leaves that carrier and moves their telecommunications  
19 services, including local services, to McLeodUSA or to Qwest.

20           17.     McLeodUSA and Qwest are parties to a Wholesale Service Order Charge  
21 Amendment that was filed with the Commission for approval and approved by the Commission  
22 on May 7, 2009, in Docket No. UT-993007 (the "Amendment"). A copy of the Amendment is  
23 attached and marked as Exhibit B.

24           18.     Under the Amendment, McLeodUSA invoices Qwest "for [WSOC] charges  
25 associated with orders submitted by Qwest to transfer a CLEC customer to Qwest, and [Qwest]

1 will pay such invoices according to the payment terms of the Agreement.” Amendment,  
2 Attachment 1, para.1.

3 19. The Amendment, in Attachment 1, para 2, specifically preserves Qwest’s rights to  
4 challenge the WSOC. If the Commission determines that the WSOC is unjust, unreasonable,  
5 unlawful, or otherwise unenforceable, the amendment is deemed terminated on the effective date  
6 of the Commission’ final order.

7 20. The Amendment provides that the WSOC in Washington is \$21.24.

8 21. When customer decides to leave McLeodUSA and take services from Qwest and  
9 keep its telephone numbers, Qwest submits a Local Service Request (“LSR”) via a McLeodUSA  
10 web-based OSS. Depending on the customer’s service configuration with McLeodUSA as  
11 reflected in the Customer Service Record (“CSR”), McLeod’s form permits a carrier to submit  
12 an LSR that requests that McLeodUSA disconnect additional lines that are not being ported to  
13 that carrier. The McLeodUSA web-based OSS takes the information completed by the LEC and  
14 flows that information into various internal systems. Based on a LEC LSR, the system initiates,  
15 and in some instances completes, various tasks that must be completed to ensure that end users  
16 can seamlessly move their local service (and other services as the case may be) to their new  
17 chosen service provider. Undertaking such steps to ensure a seamless transition is in the best  
18 interests of the end user.

19 22. In addition to the OSS, McLeodUSA personnel are involved in various aspects of  
20 completing the steps required to fully process an LSR for number portability, service  
21 disconnection, line disconnection, or all the above. Among other tasks, these employees perform  
22 the following:

- 23 - Release of Triggers in the McLeodUSA switch
  - 24 - Grant concurrence in the NPAC
  - 25 - Pull the TN from the McLeodUSA switch once the line has ported out
- 26

- 1 - Change McLeodUSA's internal facility assignment to the correct status  
2 - Delete our LIDB (outgoing caller ID) record  
3 - Unlock the 911 record  
4 - Send Care records  
5 - Terminate McLeodUSA's billing to the end user  
6

7 Occasionally, a LEC will request expedited processing of an LSR by McLeodUSA.  
8 Expediting the processing of an LSR can cause McLeodUSA to roll a truck to a switch site,  
9 otherwise or engage in special manual processes to complete the processing of an LSR in  
10 severely compressed amount of time.

11 23. McLeodUSA's responses to Qwest's First Data Requests numbers 3, 5, 6, 7, 8, 9,  
12 10 and 11 in the WUTC Docket No. UT-090892, September 4, 2009, are attached. Joint  
13 Stipulation, Exhibit C. The responses stated constitute stipulated facts herein.

14 24. When a McLeodUSA end-user customer changes its local service from McLeod  
15 to Qwest and chooses to have a new number assigned, Qwest may send McLeod a "loss report"  
16 or the end user customer may notify McLeodUSA directly.

17 25. Qwest submits a "local service request" ("LSR") to McLeod when a local  
18 telephone customer requests that his or her telephone number be ported over to Qwest as its new  
19 local services provider.

20 RESPECTFULLY SUBMITTED, this 9th day of April, 2010.

21 QWEST CORPORATION

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MCLEODUSA TELECOMMUNICATIONS  
SERVICES, INC., d/b/a PAETEC BUSINESS  
SERVICES

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