

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the matter of,

Joint Application of Qwest Communications International Inc. and CenturyTel, Inc. for Approval of Indirect Transfer of Control of Qwest Corporation, Qwest Communications Company LLC, and Qwest LD Corp.

Docket No. UT-100820

SUPPLEMENTAL RESPONSIVE TESTIMONY

OF

TIMOTHY J GATES

Integra Telecom of Washington, Inc., Electric Lightwave, Inc., Advanced TelCom, Inc., and United Communications, Inc. d/b/a Unicom (collectively “Integra”); tw telecom of washington llc; Covad Communications Company; Level 3 Communications, LLC; McLeodUSA Telecommunications Services, Inc., d/b/a PAETEC Business Services; Charter Fiberlink WA-CCVII, LLC; and Cbeyond Communications LLC

**PUBLIC VERSION
HIGHLY CONFIDENTIAL DATA HAS BEEN REDACTED**

November 1, 2010

1 **I. INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

3 A. My name is Timothy J Gates. My business address is QSI Consulting, 10451 Gooseberry
4 Court, Trinity, Florida 34655.

5 **Q. ARE YOU THE SAME TIMOTHY GATES WHO FILED RESPONSIVE**
6 **TESTIMONY IN THIS PROCEEDING ON SEPTEMBER 27, 2010?**

7 A. Yes.

8 **Q. ON WHOSE BEHALF ARE YOU FILING THIS SUPPLEMENTAL**
9 **RESPONSIVE TESTIMONY?**

10 A. My testimony is being filed on behalf of a number of CLECs: Integra Telecom of
11 Washington, Inc., Electric Lightwave, Inc., Advanced TelCom, Inc., and United
12 Communications, Inc. d/b/a Unicom (collectively "Integra"); tw telecom of washington
13 llc; Covad Communications Company; Level 3 Communications, LLC; McLeodUSA
14 Telecommunications Services, Inc., d/b/a PAETEC Business Services; Charter Fiberlink
15 WA-CCVII, LLC; and Cbeyond Communications LLC (collectively referred to in my
16 testimony as "Joint CLECs").

17 **Q. WHAT IS THE PURPOSE OF YOUR SUPPLEMENTAL RESPONSIVE**
18 **TESTIMONY?**

19 A. The purpose of my supplemental responsive testimony is to address the Hart-Scott-

1 Rodino (“HSR”) documents provided by Joint Applicants on October 11, 2010, after my
2 responsive testimony was filed. This supplemental responsive testimony was authorized
3 in the Commission’s Order 11, issued in this proceeding on October 27, 2010.

4 **Q. ARE THE HSR DOCUMENTS DISCUSSED IN THIS SUPPLEMENTAL**
5 **RESPONSIVE TESTIMONY THE ONLY HSR DOCUMENTS PRODUCED BY**
6 **JOINT APPLICANTS THAT ARE RELEVANT TO EVALUATING WHETHER**
7 **THE PROPOSED TRANSACTION SHOULD BE APPROVED AND/OR WHAT**
8 **MERGER CONDITIONS SHOULD BE ADOPTED?**

9 A. No. The HSR documents discussed in this supplemental responsive testimony address
10 only the HSR documents that were provided after my responsive testimony was filed on
11 September 27, 2010. Other HSR documents were produced earlier in the proceeding, and
12 I discuss some of those documents in my cross-answering testimony to Washington
13 Utilities and Transportation Commission (“WUTC”) Staff.

14 **Q. IN YOUR RESPONSIVE TESTIMONY, YOU EXPRESSED CONCERNS ABOUT**
15 **INTEGRATING CENTURYLINK’S LOCAL OPERATING “GO-TO-MARKET”**
16 **MODEL INTO QWEST’S REGION POST-MERGER.¹ COULD INTEGRATION**
17 **OF THIS MODEL INTO QWEST’S REGION POST-MERGER HAVE A**
18 **NEGATIVE IMPACT ON COMPETITION AND THE PUBLIC INTEREST?**

19 A. Yes. CenturyLink states that it plans to integrate its Go-To-Market model into Qwest’s

¹ Exhibit__TJG-1T at pp. 64-68.

1 region if the proposed transaction is approved.² CenturyLink attributes improvement in
2 CenturyLink's access line losses to the Go-To-Market model³ and notes that one
3 component of the model is "direct response marketing efforts."⁴ In an attempt to
4 evaluate whether and to what extent these new marketing tactics, if/when they are
5 incorporated into Qwest's region, may involve inappropriate use of CLEC information or
6 inappropriate contact with CLEC end user customers, Integra asked CenturyLink to
7 explain the model in detail, including the "direct response marketing efforts involved."⁵ I
8 explained in my responsive testimony that the Joint CLECs' concerns in this regard are
9 warranted, particularly in light of the recent examples (since Merger Announcement) of
10 inappropriate marketing activity that has occurred between Qwest representatives and
11 CLEC end user customers.⁶ However, the CLECs were not able to investigate this issue
12 because CenturyLink objected to Integra's questions about the Go-To-Market model.⁷

13 **Q. DO THE HSR DOCUMENTS PRODUCED ON OCTOBER 11, 2010, SHED**
14 **ADDITIONAL LIGHT ON THE MARKETING APPROACH CENTURYLINK**
15 **USES AS PART OF THE GO-TO-MARKET MODEL?**

16 A. **[***BEGIN HIGHLY CONFIDENTIAL** 

17 

² CenturyLink Exhibit__(TS-1T).

³ Exhibit__(AHA-5) at p. 4, citing CenturyLink Exhibit__(GCB-1T) at p. 15.

⁴ CenturyLink Exhibit__(JJ-1T) at p. 14, line 10.

⁵ Integra Data Requests 129 and 131 to Joint Applicants.

⁶ Exhibit__(TJG-1T) at pp. 149-150 and Exhibit__(BJJ-20) to the responsive testimony of Ms. Johnson on behalf of Integra.

⁷ CenturyLink responses to Integra Data Requests 129 and 131.

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[REDACTED] **END HIGHLY CONFIDENTIAL***]**

Q. DO THESE HSR DOCUMENTS VALIDATE YOUR CONCERNS ABOUT INTEGRATING CENTURYLINK’S GO-TO-MARKET MODEL INTO QWEST’S REGION POST-MERGER?

A. [*BEGIN HIGHLY CONFIDENTIAL [REDACTED]**

[REDACTED]

[REDACTED]

[REDACTED] **END HIGHLY CONFIDENTIAL***]** For example, the Joint CLECs’ proposed Condition 22 (and subparts) would require the Merged Company: to provide number portability in compliance with federal and state law as well as the terms of applicable interconnection agreements (Condition 22), to unlock E911 records at the time of porting and address trouble reports involving locked E911 records within 24 hours (Condition 22a), to not

