

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

In the Matter of Qwest Corporation's Motion for an Alternative Procedure to Manage the Section 271 Process)
)
) **Case No. USW-T-00-3**
)
)
)

**STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD**

IN RE:)
)
) **DOCKET NO. INU-00-2**
)
 QWEST CORPORATION)
)
)

**DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA**

IN THE MATTER OF the Investigation Into Qwest Corporation's Compliance with Section 271 of the Telecommunications Act of 1996)
)
) **Docket No. D2000.5.70**
)
)
)

**STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION**

Qwest Corporation)
Section 271 Compliance)
Investigation) **Case No. PU-314-97-193**
)
)
)

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of Qwest Corporation for Approval of Compliance with 47 U.S.C. § 271(d)(2)(B))
)
) **Docket No. 00-049-08**
)
)
)

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

IN THE MATTER OF THE APPLICATION OF QWEST CORPORATION REGARDING 271 OF THE FEDERAL TELECOMMUNICATIONS ACT OF 1996, WYOMING'S PARTICIPATION IN A MULTI-STATE SECTION 271 PROCESS, AND APPROVAL OF ITS STATEMENT OF GENERALLY AVAILABLE)
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) **DOCKET No. 70000-TA-00-599**
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BEFORE THE NEW MEXICO REGULATION COMMISSION

IN THE MATTER OF Qwest Corporation's Section 271 Application and Motion for Alternative Procedure to Manage the Section 271 Process)
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) **Utility Case No. 3269**
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)

is being implemented that requires the Business Unit Affiliate Manager's (BUAM) supervisor review the calculation to ensure both a FDC and a FMV analysis has been completed. Any work order without this support will not be processed by the BUAM. This enhanced control is designed to ensure that a FMV study is performed, proper pricing is applied, and that the work order will be processed accurately. The Regulatory Accounting organization will expand its control sheets to provide additional detail which will allow them to verify that an FMV and FDC study has been performed for all services.

Discrepancy B: In pricing the service charge for access to a lab facility, FDC pricing was used instead of a required FMV amount. In this instance, FMV exceeded FDC for such service.

This discrepancy was not discovered on a timely basis because information was informally shared over the telephone and back up support was not received by the FCC Regulatory Accounting organization. Current controls will be enhanced to require supervisor review of the control sheet verifying on a quarterly basis that all documentation has been received.

Discrepancy E: Photo identification services were provided but not accounted for, billed (including interest charges) or reduced to writing during the examination period.

This discrepancy was discovered during the annual re-pricing of affiliate services. After the merger, the duties of the Real Estate department were expanded to issue badges for the 272 Affiliate. As a result, the data necessary for proper billing was not included on the application form and no billing was taking place. Employees at the access control centers will be retrained to ensure that a valid department or responsibility code will be provided.

Discrepancy F: A certain financial service had been provided but not accounted for or billed (including interest charges) during the examination period.

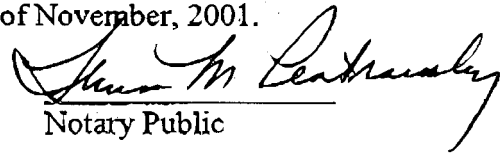
This discrepancy occurred because providing the service was a one time event with a minimal amount of time required to complete the service. Monthly requests for billing information have been strengthened to remind employees all time, no matter how minimal, needs to be reported.

In addition to the specific controls listed above, Qwest is initiating additional training that will reinforce compliance requirements with Section 272(b)(2) and Section 272(b)(5).

I hereby swear and affirm that the statements and data contained in the attached audit are true and correct to the best of my knowledge and belief.


MARIE E. SCHWARTZ

SUBSCRIBED AND SWORN before me this 15 day of November, 2001.


Notary Public

My Commission Expires:

March 17, 2004

