

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Joint Application of)	DOCKET UT-100820
)	
QWEST COMMUNICATIONS)	
INTERNATIONAL INC. AND)	
CENTURYTEL, INC.)	NARRATIVE IN SUPPORT OF
)	SETTLEMENT AGREEMENT
For Approval of Indirect Transfer of)	
Control of Qwest Corporation, Qwest)	
Communications Company LLC, and)	
Qwest LD Corp.)	
)	
.....)	

1 Qwest Communications International Inc. (“Qwest”), CenturyLink, Inc. (“CenturyLink”) (collectively, “Joint Applicants”) and the U.S. Department of Defense and All Other Federal Executive Agencies (“DoD/FEA”) (collectively “Parties” or individually a “Party”) hereby file this Narrative in Support of Settlement Agreement pursuant to WAC 480-07-730 and 480-07-740. The Parties are also filing their Settlement Agreement and request that it be approved and adopted by the Washington Utilities and Transportation Commission (the “Commission”) in resolution of the disputed issues between them in this docket.

2 Pursuant to the terms of the Settlement Agreement filed contemporaneously with this Narrative, the Parties request that the Commission approve the Settlement, and approve the Transaction as being consistent with the public interest.

3 The Settlement Agreement: (1) provides for a period of rate stability for certain services purchased by the DoD/FEA that are not otherwise under a contract; (2) requires the DoD/FEA to maintain certain volume commitments in order to receive the benefit of the

rate stability provisions; and (3) provides the DoD/FEA assurances regarding service quality, specifically with regard to the maintenance of personnel in the combined company with appropriate levels of security clearance.

- 4 The terms of the Agreement, in combination with the terms of the Settlement Agreement among the Joint Applicants, Commission Staff, and Public Counsel, satisfy DoD/FEA's interests and concerns as stated in DoD/FEA's petition to intervene and prefiled testimony. These terms are consistent with the public interest and provide the DoD/FEA with assurances that the Transaction meets the "no harm" standard of review under Washington law.
- 5 The Joint Applicants' interests are satisfied in that the Settlement Agreement will aid in the timely and orderly regulatory review and approval of the Transaction in multiple jurisdictions. The Agreement provides the Joint Applicants with some level of certainty with regard to the purchase of services by a very large customer, as well as assuring the customer with regard to the important issue of security clearances and service to the customer under this and other agreements. Settlement with the DoD/FEA also minimizes risks and uncertainty associated with litigation in this matter and is beneficial to all Parties for that reason as well.
- 6 The Parties offer, pursuant to WAC 480-07-740(2)(b), to present one or more witnesses to testify in support of the Settlement Agreement and answer questions concerning the Agreement's details. Counsel for the parties will also make themselves available as necessary to address any legal matters associated with the Agreement and to respond to any questions from the bench.

Dated this 30th day of December 2010.

CENTURYLINK

QWEST



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