BINGHAM

WUTC Docket No. UT-100820
Testimony on Proposed Settlements
Exhibit_WAH-3
January 3, 2011
Page 1 of 6

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December 10, 2010

VIA ELECTRONIC FILING

EX PARTE

Ms. Marlene H. Dortch, Secretary Federal Communications Commission 445 12th Street, S.W. Washington, DC 20554

Re: Applications Filed by Qwest Communications International Inc. and CenturyTel, Inc., d/b/a CenturyLink for Consent to Transfer of Control, WC Docket No. 10-110

Dear Ms. Dortch:

PAETEC Holding Corp., on behalf of its operating subsidiaries, PAETEC Communications, Inc., US LEC, and McLeodUSA Telecommunications Services, L.L.C. (collectively "PAETEC"), submits this letter to address the abbreviated arguments raised in an ex parte letter submitted by CenturyLink, Inc. and Qwest Communications International Inc. (collectively "Applicants") on November 8, 2010. Applicants submitted their November 8 ex parte in response to an ex parte filed by PAETEC on October 22, 2010. This letter supplements comments filed on July 12, 2010, by PAETEC and 11 other CLECs ("Joint Commenter Comments") and PAETEC's October 22, 2010 ex parte.

When Century Tel proposed to merge with Embarq in 2008, it voluntarily agreed to migrate to the more advanced Embarq operational support systems ("OSS") on a company-wide basis to secure regulatory approval of the transaction. It was unquestioned that the Embarq OSS was more advanced than the antiquated systems and processes historically used by Century Tel in its much smaller exchanges in which Century Tel was only required to support significantly smaller volumes of wholesale ordering and repair activities. Although the Embarq OSS had not been vetted via third party testing, or formally sanctioned by the FCC as meeting Embarq's obligation to provide CLECs nondiscriminatory access to the ILEC's underlying OSS, CLECs were generally amenable to allowing CenturyLink to migrate to a better OSS offered by EASE. Indeed, advocating that CenturyLink should be required to offer a more robust OSS than EASE would have been rejected out of hand since neither ILEC by itself nor even on a combined basis were subject to 271 obligations as were the larger regional Bell Operating Companies.

Less than a year after that deal closed, CenturyLink announced plans to acquire Qwest, which also has its own OSS. However, unlike the Embarq OSS,

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WUTC Docket No. UT-100820 Testimony on Proposed Settlements Exhibit_WAH-3 January 3, 2011 Page 2 of 6

Ms. Marlene H. Dortch, Secretary December 10, 2010 Page 2

the Qwest OSS had been (a) subjected to rigorous third party testing, (b) found by the FCC to provide CLECs nondiscriminatory access to the ILEC's back office systems and databases, and (c) found by the FCC to meet Qwest's 271 obligations. Yet, CenturyLink has utterly balked at offering the identical commitment to adopt the more advanced OSS on a company-wide basis that it offered less than two years prior, and has not even been willing to make the lesser commitment of *retaining* the more advanced OSS where it currently exists.

Initially, the Applicants responded to requests for an OSS commitment by claiming that decisions about future OSS had not yet been made. When various parties identified limitations of the EASE system, CenturyLink challenged a limited number of claims, maintaining that EASE was comparably functional in several respects to the Qwest OSS. When PAETEC provided additional facts undercutting the Applicants' claims of comparable functionality and identifying additional limitations, the Applicants' primary response was to promote a settlement reached with one CLEC, rather than attempting to counter PAETEC's showing that EASE was an inferior OSS compared to that of Qwest.

In their November 8 ex parte, the Applicants characterize PAETEC's concerns about potential OSS degradation in Qwest areas as mere "conjecture." This reverses the burden of proof, which should be on Applicants to show that there will not be degradation. In light of Applicants' refusal to commit to retain Qwest's OSS and their repeated statements that they will not decide which of the Applicants' OSS to keep until after the merger closes, the burden should be on Applicants to show that if they decide to replace Qwest's OSS with CenturyLink's EASE, OSS degradation in Qwest territory will not result.

Even though the burden is not on PAETEC to show that EASE is inferior in important respects to Qwest's OSS, PAETEC believes that it can carry that burden. Applicants assert that PAETEC's claims about the inferiority of EASE are mere "speculation" because PAETEC has chosen not to e-bond with EASE. Applicants' suggestion that its lack of e-bonding with EASE undermines PAETEC's claims that EASE is inferior is typical misdirection. The fact that PAETEC is not directly e-bonded with EASE does not mean, as implied by Applicants, that claims that EASE is an inferior OSS are mere speculation. PAETEC uses a third party provider which is e-bonded with EASE to submit

Lack of certainty about what the OSS would be in the future did not stop CenturyTel from making a commitment when merging with Embarq.

Applicants' 11-8-10 Ex parte at 2, n.4.

WUTC Docket No. UT-100820 Testimony on Proposed Settlements Exhibit_WAH-3 January 3, 2011 Page 3 of 6

Ms. Marlene H. Dortch, Secretary December 10, 2010 Page 3

orders in various legacy Embarq exchanges. Attached as Exhibit A is a detailed schedule denoting the functionalities of the Qwest OSS used by PAETEC today, and the comparable functionalities (or lack thereof) offered by EASE today. PAETEC has verified the accuracy of the information set forth in Exhibit A regarding the functionality of EASE with its account representative of the third party service bureau that is e-bonded with EASE to submit orders on behalf of PAETEC.³

As Exhibit A details, Applicants' suggestion that EASE is comparably functional is factually inaccurate. The bulk of the functionality available in the Owest OSS is non-existent in EASE using e-bonding; further not all functionality offered by the Qwest OSS is even available in EASE when accessing the EASE User Interface manually. For example, in PAETEC's July comments, PAETEC noted that the Qwest IMA provides real time order processing, whereas EASE does not. In their Reply Comments filed in August, the Applicants said that this claim was "false." However, as detailed in Exhibit A, EASE offers only "batch" order processing even when e-bonded, which is not real time order processing as in flow-through processing for LSRs. With respect to pre-order functions, EASE does not currently offer any pre-order functions for LSRs or ASRs. EASE address validation, which EASE claims is a pre-order function, is a selection offering once an order is opened. Furthermore, the Qwest IMA allows the preorder function of address validation using various selection options as drop-down menus. EASE has no helpful guides to assist a CLEC so a CLEC is required to input the address exactly as it appears in the EASE system (e.g., abbreviating directions, such as north and west, or street and avenue; spelling out numbers or using digits; etc) to get a match. Thus, if the customer does not provide its address as recorded in EASE, the CLEC will be unable to validate the customer's address. Additionally, the Qwest IMA saves the validated address so that it can automatically populate an LSR with the validated address. EASE offers no such functionality.

Discovery responses provided by Integra confirm that it does not have the sophisticated back office functionality that PAETEC has and would not have the same concerns about EASE that PAETEC has. (Exhibit B). Instead, Integra uses manual processes to complete various steps in pre-order, order submission, trouble ticket management and billing that PAETEC has automated. Integra's reliance on manual processes means should future changes to the Merged Company OSS degrade the functionality, access and robustness of the e-bonding capabilities, that would not impact Integra to the degree that such changes could impact the automated processes used by PAETEC.

WUTC Docket No. UT-100820
Testimony on Proposed Settlements
Exhibit_WAH-3
January 3, 2011
Page 4 of 6

Ms. Marlene H. Dortch, Secretary December 10, 2010 Page 4

EASE also does not allow a CLEC to access to CenturyLink's Customer Service Records electronically, whereas the Qwest IMA does offer this functionality. Thus, while the Qwest OSS allows PAETEC to download CSR information directly into its back offices system for use in sales, order preparation, and establishing a customer's account in its various systems, EASE offers no such functionality.

The Qwest IMA also enables a CLEC to confirm on a pre-order basis that certain services and products are able to be offered at a prospect's address. In EASE, "service availability" is only ascertained *after* a CLEC has submitted an actual order. The lack of any pre-order functions in EASE means a CLEC is forced to incur the cost and time of submitting an actual order only to potentially learn that the CLEC cannot serve the customer's location.

The list of comparative functions lacking in EASE is extensive, as detailed in the attached Exhibit A. That Applicants would continue to argue that the functionality of EASE is comparable to the Qwest OSS is troubling in light of the vague language concerning promises of comparable functionality set forth in the Integra settlement.

In multiple state proceedings, Applicants have claimed that their OSS commitment as written in the settlement with Integra will protect the interests of PAETEC in retaining its ability to continue using its internal automation allowing 'flow-through' 'real time' processing of orders and data and trouble tickets. In particular, Applicants argue that since they commit to provide wholesale service quality that is not materially less than that provided prior to closing, including "functionality," CLECs such as PAETEC will be adequately protected by this commitment. Yet the language in the Integra settlement does not ensure that the systems will be able to interface/communicate with each other in a comparable manner and to the same degree as currently exists. As a result, there is no commitment that Applicants, by converting to EASE, will not render useless PAETEC's automation efficiencies. Applicants' commitment as written is too vague to be enforceable. Thus, it is not adequate without more specificity, and to date, Applicants have been unwilling to add more specificity to its commitment.

The vagueness of the current commitment is made all the more concerning given Applicants' repeated claims in this record (and in state proceedings) that EASE *is* comparably functional to the Qwest OSS today. Such claims have been made despite numerous shortcomings identified by CLECs, including Integra. If Applicants are willing to represent to this Commission that EASE is comparably functional to the Qwest OSS today, one must assume that the Merged Entity will make similar claims whenever it seeks to migrate away from the Qwest OSS in

WUTC Docket No. UT-100820
Testimony on Proposed Settlements
Exhibit_WAH-3
January 3, 2011
Page 5 of 6

Ms. Marlene H. Dortch, Secretary December 10, 2010 Page 5

the future. Clearly, what Applicants view as comparable functionality to the Qwest OSS is miles apart from what CLECs view as comparable functionality.

Additionally, the Applicants' commitment as written does not specifically address that part of "functionality" that cannot be materially degraded is functionality of the automation of a CLEC's own back office systems enabled by the current Qwest OSS e-bonding capabilities and access to Qwest databases. If the Merged Entity migrates to a new OSS that does not allow PAETEC to retain the same level of its pre-order, order, trouble ticket maintenance automation and data and database updates, then the loss of functionality of such an OSS will severely hamper PAETEC's operations. The commitment regarding "functionality" as written is tied to the enabling Merged Entity's wholesale performance level to not be materially less than Qwest's performance today. While the Merged Entity's wholesale performance may not degrade due to an OSS change on its side of the transaction, if the e-bonding provided does not afford the same ability to retain the automation in its own systems, a CLEC's operations will be severely hampered by such changes.

Moreover, the commitments in the Integra settlement mention nothing with respect to maintaining the functionality at the same cost to CLECs. Today, the Qwest OSS e-bonding allows PAETEC to download a variety of information, including databases. There is no separate charge for this functionality or download by Qwest. Even if the current commitment is clarified to ensure that CLECs will retain the ability to continue making database downloads into their own back office systems using the e-bonding capabilities, nothing in the commitment would prevent the Merged Entity from instituting substantial fees that render the access useless by making it financially prohibitive for a CLEC to access the data, revamp internal systems, processes, or both. Without such explicit protection, the efficiencies in automation in which CLECs have invested will be lost for a CLEC that has invested in automation of its own back office systems.

Please do not hesitate to contact me at (202) 373-6553 if you have any questions or concerns.

Very truly yours,

s/ electronically signed

Eric J. Branfman

	1			Page 6 of 6
Qwest - Online Dispute Management (ODM)	CenturyLink / Embarq - Comparable System/Application - Unknown			
ODM is a web-based GUI which is accessed application to application. Real time.	EASE- GUI	EASE- Electronic Interface **	CTL/Embarq Unknown Application	Notes, comments, clarifications about CTL/Embarq system/application regarding the corresponding function noted in the Qwest column
Description:				
ODM is a common Web portal accessed via the Remote Control ordering system that allows Qwest Wholesale national customers to enter, submit, view, update, and cancel billing disputes.	n/a	n/a	Yes*	<u>Embarq/CTL/Other System??:</u> The ability to enter, submit, view, update, and cancel billing disputes is not done through EASE-EDI. However, based on information gathered from the CTL/Embarq website, <u>CTL appears to have an electronic interface for this process.</u>
Availability:				
AZ, CO, IA, ID, MN, MT, NE, NM, ND, OR, SD, UT, WA, WY	n/a	n/a	Unknown	
Electronic Access				Electronic Access
Web Access -Application to Application	n/a	n/a	Unknown	Electronic Access
Web Access -Application to Application	11/4	Π/α	Olikilowii	
Functions:				Functions:
Access the Create Dispute Module	n/a	n/a	Unknown	
Create a new dispute	n/a	n/a	Unknown	
Add attachment to a new dispute	n/a	n/a	Unknown	
Submit a new dispute and print confirmation Download dispute lists	n/a n/a	n/a n/a	Unknown Unknown	
Display dispute history	n/a	n/a	Unknown	
View dispute details	n/a	n/a	Unknown	
Cancel a dispute	n/a	n/a	Unknown	
Print dispute lists	n/a	n/a	Unknown	
Dispute Types	n/a	n/a	Unknown	
Support:				Support:
Graph for quick links menu	n/a	n/a	Unknown	oupport.
•				
Training				Training
User Guide				
Online Training	n/a	n/a	Unknown	