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March 4, 2011

VIA ELECTRONIC FILING

Dr. Burl W. Haar
Executive Secretary
Minnesota Public Utilities Commission
121 Seventh Place East, Suite 350
St. Paul, MN 55101-2147

Re: In the Matter of the Joint Petition for Approval of Indirect Transfer of Control of
Qwest Operating Companies to CenturyLink
Docket No. P-421, et al./PA-10-456

Dear Dr. Haar:

Attached find the signed Settlement Agreement between the Joint Petitioners and Joint
CLECs in the above-referenced docket.

Respectfully submitted,

s/Michael J. Ahern

Michael J. Ahern

MJA/rlw
Enclosure
cc: All Parties of Record

March 3, 2011

Dan Lipschultz
Moss & Barnett, P.A.

Gregory Merz
Gray, Plant, Mooty, Mooty & Bennett, P.A.

K.C. Halm
Davis Wright Tremaine LLP

RE: CenturyLink/Qwest Transaction

Gentlemen:

The purpose of this letter is to memorialize the terms and understanding among CenturyLink, Inc. ("CenturyLink"), Qwest Communications International, Inc. ("QCII") ("Joint Applicants"), and McLeodUSA Telecommunications Services, Inc. d/b/a PAETEC Business Services; OrbitCom, Inc.; US Link, Inc., d/b/a TDS Metrocom; POPP.com, Inc.; Velocity Telephone, Inc.; Charter Fiberlink, CCO, LLC. ("Joint CLECs") in satisfaction of the issues raised by the Joint CLECs before the Minnesota Public Utilities Commission.¹ In consideration of the Agreement outlined herein, and without modification, Joint CLECs agree that their objections, issues and proposed conditions raised in Minnesota related to the Transaction are resolved through this negotiated compromise and, therefore, that the Transaction should be approved by the Minnesota Public Utilities Commission as in the public interest in Minnesota. Joint CLECs further agree that they will no longer advocate before the Federal Communications Commission regarding this Transaction,² and will offer no advocacy (directly or indirectly) contrary to this Agreement before the FCC or any state commission.

Joint CLECs have elected to opt-into the terms of the November 6, 2010 Integra Settlement.³ Joint CLECs agree that the terms set forth in the Integra

¹ See, *In the Matter of the Joint Petition for Approval of Indirect Transfer of Control of Qwest Operating Companies to CenturyLink*, MPUC Docket No. P-421, et al./PA-10-456, and description of the Plan of Merger contained therein ("Transaction").

² See, *Applications Filed by Qwest Communications International Inc. and CenturyTel, Inc., d/b/a CenturyLink for Consent to Transfer of Control*, WC Dkt. No. 10-110 (rel. May 28; 2010).

³ The Integra Settlement Agreement was filed in Minnesota, and attached hereto. To the extent applicable, references to "Integra" or "CLECs" within the terms of the Integra

Settlement, together with the following clarifications, modification or additional terms, resolves the issues raised by the Joint CLECs in Minnesota. To the extent there is an inconsistency between the terms of the Integra Settlement and the following, the following terms will control:

Unless otherwise indicated below, the following terms apply throughout the Qwest ILEC 14- state territory:

1. OSS and 3rd Party Facilitator (paragraph 12 of Integra Settlement):

- A. The first paragraph of paragraph 12 of the Integra Settlement is modified to read as follows:

“In legacy Qwest ILEC service territory, after the Closing Date, the Merged Company will use and offer to wholesale customers the legacy Qwest Operational Support Systems (OSS) for at least thirty months and thereafter provide a level of wholesale service quality that is not less than that provided by Qwest prior to the Closing date, with functionally equivalent support, data, functionality, performance, electronic flow through, and electronic bonding. After the period noted above, the merged company will not replace or integrate Qwest systems without first establishing a detailed transition plan that at a minimum meets the standards articulated above and complying with the procedures as set forth in the Integra settlement.”

- B. The first sentence of subsection d of paragraph 12 will be modified to read as follows:

“The Merged Company will not begin integration of Billing systems before the end of the minimum thirty month period noted above, or without following the above procedures, unless the integration will not impact data, connectivity and system functions that support or affect CLECs and their customers.”

- C. The following additions, clarifications, or modifications are made to the terms of paragraph 12 of the Integra Settlement:

If the Joint Petitioners seek to replace the legacy Qwest OSS, Joint Petitioners will provide CLECs with three years of the most currently available, aggregate transaction volume data, on a monthly basis, for use in determining the appropriate volume thresholds for testing and

Settlement will be deemed to be references to “Joint CLECs” for purposes of the understanding memorialized in this letter.

recognizing trend lines. The transaction volume data shall include data from transactions submitted by individual CLECs and any authorized third parties submitting transactions on behalf of any CLEC.

Testing of any successor OSS will include sufficient volumes to test at no less than 125% of the peak volumes of all CLEC transactions (including Qwest and CenturyLink affiliates), using the peak volumes that occurred during the most recent 12 month period identified through the aggregate transaction volume data.

Acceptance testing will require a majority vote, no vote to be unreasonably withheld, of the CMP participants in testing, and must reflect two-thirds or more of the transaction volumes.

Acceptance criteria, testing and voting of CMP participants will be conducted for each of the separate functions of pre-ordering, ordering, provisioning, maintenance and repair, and billing capabilities.

Functional equivalency requires the provision of functionally equivalent data flowing into the CLEC system sufficient to enable the CLEC to maintain its existing level of back office system automation. To the extent Joint Petitioners require information regarding a CLEC's back office systems to comply with this condition, a CLEC shall confidentially disclose such information to the Merged Entity during the CMP process upon request. CLECs acknowledge that changes in Qwest's OSS may require changes in a CLEC's back office systems to interface with any new or modified OSS to retain the automated functionality of its own back office systems. CLECs agree to not make changes to their back office systems that impede the ability of the Qwest OSS to provide functionally equivalent flow through.

A 3rd party facilitator will be used to assist in the testing of any successor OSS with the cost of such facilitator to be borne by the Joint Petitioners. The Parties also agree to cap the cost of such facilitator services at no more than \$1 million in the Qwest 14-state ILEC territory. Within the parameters of the terms of the Integra Settlement, the 3rd Party Facilitator would perform the following: (i) working within the existing Qwest CMP processes, assist the parties in identifying parameters and baseline metrics to ensure comparable functionality, flow through rates and ability to handle commercial volumes, including load testing; (ii) assist the parties in adhering to the time table for testing and the metrics for success; (iii) provide an "observe and report" function by having access to the OSS test results, with the authority to report the statistics to the Commission

and each affected CLEC; and (iv) assist in trying to resolve issues and disputes that arise, prior to either party seeking dispute resolution. Both CenturyLink and participating CLECs will jointly prepare the RFP to retain the 3rd party facilitator's services and all parties agree to ensure that costs associated with the 3rd party facilitation are prudent and reasonable. The cap is not intended as a goal or an expectation regarding the cost of the 3rd party facilitation services. Neither party waives its right to seek changes to the cap nor waives its right to oppose any proposed change to the cap. The party seeking permission to change the cap would have the burden of demonstrating that such a change is sought in good faith and necessary to satisfy the responsibilities of the 3rd party facilitator under this agreement

2. Single Point of Interconnection (Addition to Integra Settlement):

If the Qwest ILEC network becomes interconnected with a CenturyLink ILEC network, at the CLEC's option, the Merged Company will allow carriers to interconnect at a single point of interconnection (SPOI) per LATA, including between ILEC affiliates that are interconnected within that LATA, provided that:

- 1) The type of interconnection is technically feasible, and
- 2) There are existing facilities currently being used by the ILEC affiliates to originate and/or terminate Local Traffic (as that term is used in any applicable interconnection agreement) between the ILEC affiliates, and
- 3) The ILEC affiliates within that LATA are directly interconnected over the interconnection facilities, and

The parties agree to amend their interconnection agreement(s) to allow for a SPOI consistent with this provision, and including state-specific terms, conditions and rates for interconnection services as ordered/approved by the applicable state commission. Upon mutual agreement, the parties shall agree to establish additional POIs in a LATA where economically and technically feasible.

3. Non-Impairment/Forbearance (paragraph 8 of Integra Settlement):

Paragraph 8 of the Integra Settlement will be modified to read as follows:

"Qwest will not seek to reclassify as "non-impaired" any Qwest wire centers for purposes of Section 251 of the Communications Act, nor will

the Merged Company file any new petition under Section 10 of the Communications Act seeking forbearance from any Section 251 or 271 obligation or dominant carrier regulation in any Qwest wire center before June 1, 2013.”

4. ICA/Commercial Agreement Terms (paragraph 3 of Integra Settlement):

- A. **ICA** -- To address the concerns Charter raises in Minnesota regarding Interconnection Agreement (“ICA”) porting and transaction costs, within 45 days of Merger Closing, Qwest Corporation agrees to negotiate a new ICA with Charter in Oregon and Nebraska using the agreed upon language in the Minnesota ICA as the negotiating template, as modified for any necessary state specific rates and decisions.

- B. **QLSP Agreements** -- Qwest Corporation agrees to amend the existing QLSP agreements to (i) limit the increase in the port charge to \$0.67 over the prior QLSP’s agreement’s monthly per line port charge in lieu of the \$1.00 increase that would otherwise apply in MN only; (ii) include an additional discount level of 5% for 80% retention thresholds in MN only; (iii) freeze port charges set forth under the agreement for the existing term of the agreement (through December 31, 2013) notwithstanding any term in the agreement under which the port charge could be increased by \$1 per year throughout the Qwest ILEC territory; and (iv) provide that CLECs purchasing the QLSP product under a commercial agreement throughout the Qwest ILEC territory are purchasing a platform service that includes tandem switching as well as end office switching and that the CLEC has the right to charge switched access to interexchange carriers for both elements to the extent that Qwest would have the right to charge for both elements. The Parties agree that the terms and conditions regarding the variable discount structure associated with CLEC growth and retention thresholds continue to apply.

- C. **Qwest Broadband Agreements** -- Joint Petitioners agree that Qwest Corporation will not exercise its right to provide notice of termination of the existing Qwest Broadband for Resale (QBR) agreements in MN prior to December 31, 2013 which will effectively extend the existing QBR agreements in MN through April 1, 2014, without any change in rates, terms and conditions.

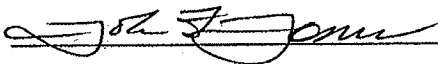
- D. **Commercial Dark Fiber Agreements** -- Joint Petitioners agree that Qwest Corporation will not exercise its right to provide notice of termination of its existing Qwest Commercial Dark Fiber (CDF) Agreements in MN prior to December 31, 2012, which effectively

extend the existing CDFs in MN through December 31, 2013, without any change in rates, terms and conditions:

Nothing in this agreement shall prevent Joint CLECs from obtaining the benefit of any additional FCC conditions not addressed in this Agreement, whether they are based on voluntary commitments by the merging parties or conditions mandated by the FCC, however, the Joint CLECs will offer no advocacy before the FCC related to this Transaction.

Please confirm that this letter accurately describes your understanding and agreement to these terms by signing in the space provided below, and return the executed copy to the attention of Linda Gardner. The parties agree that this Agreement is not confidential and that it will be filed with the Minnesota Commission upon execution and may be provided to the FCC.

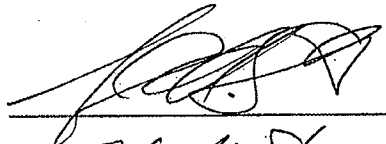
CENTURYLINK, INC.



By: John F. Jones

Dated: 3/3/11

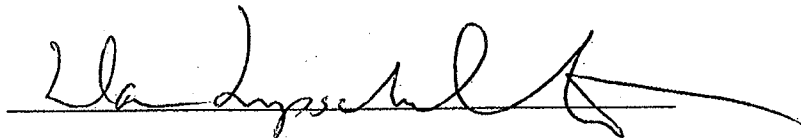
QWEST COMMUNICATIONS INTERNATIONAL, INC.



By: John M. Daniel

Dated: 3/3/11

JOINT CLECS



By:

Dated:

CHARTER FIBERLINK CCO, LLC
BY: CHARTER COMMUNICATIONS, INC. ITS MANAGER

Patricia S. Lewis

By: *PATRICIA S. LEWIS*
Dated: *3/3/11*

STATE OF MINNESOTA
BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

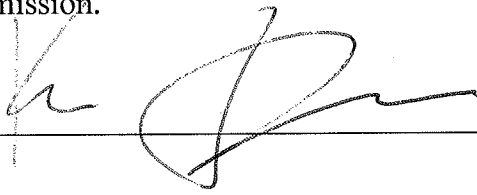
David Boyd	Chair
J. Dennis O'Brien	Commissioner
Thomas Pugh	Commissioner
Phyllis Reha	Commissioner
Betsy Wergin	Commissioner

**Re: In the Matter of the Joint Petition for Approval of Indirect Transfer of Control of Qwest Operating Companies to CenturyLink
MPUC Docket No. P-421, et al./PA-10-456**

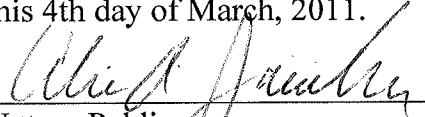
AFFIDAVIT OF SERVICE

STATE OF MINNESOTA)
) ss
COUNTY OF HENNEPIN)

Karly Baraga Werner hereby certifies that on the 4th day of March, 2011, she e-filed a true and correct copy of the attached letter by posting it on www.edockets.state.mn.us. Said letter was also served via U.S. mail and e-mail as designated on the Official Service List on file with the Minnesota Public Utilities Commission.



Subscribed and sworn to before me
this 4th day of March, 2011.



Notary Public

My Commission Expires _____



First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Michael	Ahem	ahem.michael@dorsey.co	Dorsey & Whitney, LLP	Suite 1500 50 South Sixth Street Minneapolis, MN 554021498	Electronic Service	Yes	OFF_SL_10-456_CC- Service List 1
Julia	Anderson	Julia.Anderson@state.mn.us	Office of the Attorney General-DOC	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	Yes	OFF_SL_10-456_CC- Service List 1
Thomas	Bailey	tbailey@briggs.com	Briggs And Morgan	2200 IDS Center 80 S 6th St Minneapolis, MN 55402	Electronic Service	Yes	OFF_SL_10-456_CC- Service List 1
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Diane C.	Browning	diane.c.browning@sprint.com	Sprint Nextel	KSOPHN0212-2A411 6450 Sprint Pkwy Overland Park, KS 66251	Paper Service	Yes	OFF_SL_10-456_CC- Service List 1
Linda	Chavez	linda.chavez@state.mn.us	Department of Commerce	85 7th Place E Ste 500 Saint Paul, MN 55101-2198	Electronic Service	Yes	OFF_SL_10-456_CC- Service List 1
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Sharon	Feiguson	sharon.feiguson@state.mn.us	Department of Commerce	85 7th Place E Ste 500 Saint Paul, MN 551012198	Electronic Service	Yes	OFF_SL_10-456_CC- Service List 1

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Marc	Fournier	marc.fournier@state.mn.us	Public Utilities Commission	Suite 350121 7th Place East St. Paul, MN 551012147	Electronic Service	Yes	OFF_SL_10-456_CC-Service List 1
Burt W.	Haar	burt.haar@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 551012147	Electronic Service	Yes	OFF_SL_10-456_CC-Service List 1
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JoAnn	Hanson	joann.hanson@qwest.com	Qwest Corporation	Room 2200 200 South Fifth Street Minneapolis, MN 55402	Electronic Service	Yes	OFF_SL_10-456_CC-Service List 1
John	Lindell	agorud.ecf@state.mn.us	Office of the Attorney General-RUD	900 BRM Tower 445 Minnesota St. St. Paul, MN 551012130	Electronic Service	Yes	OFF_SL_10-456_CC-Service List 1
Dan	Lipschultz	lipschultz@moss-barnett.com	Moss Barnett	4800 Wells Fargo Center 90 South Seventh Street Minneapolis, MN 55402	Electronic Service	Yes	OFF_SL_10-456_CC-Service List 1
Susan	Masteron	susan.masteron@centurylink.com	CenturyLink	315 S. Calhoun Street, Ste 500 Tallahassee, FL 32301	Electronic Service	Yes	OFF_SL_10-456_CC-Service List 1
Gregory R.	Merz	gregory.merz@gpmlaw.com	Gray, Plant, Mooty	80 South 8th Street, Ste 500 Minneapolis, MN 55402	Electronic Service	Yes	OFF_SL_10-456_CC-Service List 1
Michael R.	Moore	michael.moore@chartercom.com	Charter Communications, Inc.	12405 Powerscourt Drive St. Louis, MO 63131	Electronic Service	No	OFF_SL_10-456_CC-Service List 1

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
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Kevin	O'Grady	kevin.ograd@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_10-456_CC- Service List 1
Cristina	Paira Herrera	cpairaherrea@gconwin.com	Gregg M. Corwin & Associate Law Office, P.C.	1660 S. Hwy. 100, Suite 508E St. Louis Park, MN 55416	Electronic Service	Yes	OFF_SL_10-456_CC- Service List 1
Greg	Rogers	N/A	Level 3 Communications, LLC	1025 Eldorado Blvd. Denver, CO 80021	Paper Service	No	OFF_SL_10-456_CC- Service List 1
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Kenneth A.	Schifman	kenneth.schifman@sprint.com	Sprint	6450 Sprint Parkway KSOPH0212-2A303 Overland Park, KS 662516105	Paper Service	Yes	OFF_SL_10-456_CC- Service List 1
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Janet	Shaddix Eiling	jshaddix@janeshaddix.com	Shaddix And Associates	Sve 122 9100 W Bloomington Bloomington, MN 55431	Electronic Service	Yes	OFF_SL_10-456_CC- Service List 1
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