

MABDULQ

# MABDULQ

UNE DEAL REFUNDS 2.xls  
06/24/02 11:03 AM

P-421/C-02-197  
DOC 08-210  
TRADE SECRET ATTACHMENT



NONPUBLIC DOCUMENT  
CONTAINS TRADE SECRET DATA

**MEMORANDUM**

To: Suzy Francis

From: Shanna Davis & Arturo Ibarra

Date: July 3, 2001

**[Trade Secret Data Begins**

Re: Resale Revenue Reclass to UNE-Star Revenue

To reclass McLeod and Eschelon revenue booked in resale USOAs to UNE-Star revenue USOAs

RC: TBL000000	Debit / (Credit)	
State	5001.4110	5240.5210
AZ	778,694	(778,694)
CO	3,761,352	(3,761,352)
IA	3,898,667	(3,898,667)
ID	481,307	(481,307)
MN	3,169,572	(3,169,572)
MT	58,905	(58,905)
ND	801,687	(801,687)
NE	337,577	(337,577)
NM	210,244	(210,244)
OR	478,993	(478,993)
SD	559,994	(559,994)
UT	647,999	(647,999)
WA	803,492	(803,492)
WY	628,375	(628,375)
TOTAL	16,616,859	(16,616,859)

Please call if you have questions – 303-965-4324. Thank you.

NONPUBLIC DOCUMENT  
CONTAINS TRADE SECRET DATA

10% DISCOUNT

Prior Month May  
Current Month June

Eschelon		May YTD Accrual True-up			June Accrual			Total June Accr	June YTD Accrual
		AccrOnBks	AccrPerActs	Change	Resale	Other	Total		
Vicki	AZ	251,481	241,724	(9,757)	28,554	1,735	30,289	20,532	272,013
Vicki	CO	452,743	458,175	5,433	61,462	3,572	65,034	70,467	523,210
	IA	-	-	-	-	-	-	-	-
	ID	-	-	-	-	-	-	-	-
Vicki	MN	609,985	599,928	(10,057)	48,599	19,576	68,175	58,119	668,104
	MT	-	-	-	-	-	-	-	-
	ND	-	-	-	-	-	-	-	-
	NE	-	-	-	-	-	-	-	-
	NM	-	-	-	-	-	-	-	-
	OR	341,174	335,624	(5,551)	20,605	16,730	37,335	31,785	372,959
Julie	SD	-	-	-	-	-	-	-	-
Vicki	UT	186,876	191,612	4,735	20,364	8,739	29,103	33,838	220,714
Julie	WA	442,888	424,871	(18,017)	28,877	9,925	38,801	20,785	463,673
	WY	-	-	-	-	-	-	-	-
		2,285,147	2,251,934	(33,213)	208,461	60,277	268,738	235,525	2,520,672

McLeod

	May YTD Accrual True-up			June Accrual			Total June Accr	June YTD Accrual	
	AccrOnBks	AccrPerActs	Change	Resale Act	Other Est	Total			
AZ	407,613	381,770	(25,843)	40,910	21,305	62,215	36,372	443,985	
CO	3,088,317	2,970,810	(117,507)	297,241	67,660	364,901	247,393	3,335,710	
IA	3,682,487	3,857,188	174,701	383,925	102,351	486,276	660,977	4,343,464	
ID	465,365	439,260	(26,105)	40,715	28,872	69,587	43,482	508,847	
MN	3,042,238	2,599,854	(442,384)	256,095	78,783	334,879	(107,505)	2,934,733	
MT	26,100	25,895	(205)	2,934	(379)	2,555	2,350	28,450	
ND	672,193	678,430	6,237	76,655	11,446	88,101	94,338	766,531	
NE	319,527	287,409	(32,118)	32,706	4,182	36,888	4,769	324,296	
NM	206,490	192,537	(13,953)	16,631	8,276	24,907	10,953	217,443	
OR	311,461	304,834	(6,627)	22,879	20,498	43,376	36,749	348,210	
SD	563,472	586,992	23,520	54,694	21,900	76,594	100,113	663,585	
UT	873,089	778,723	(94,366)	54,991	24,046	79,037	(15,329)	857,760	
WA	551,338	519,885	(31,453)	44,329	36,261	80,589	49,136	600,474	
WY	967,355	967,354	(1)	84,387	23,392	107,780	107,779	1,075,134	
		15,177,045	14,590,939	(586,106)	1,409,091	448,593	1,857,683	1,271,578	16,448,623

TOTAL

	May YTD Accrual True-up			June Accrual			Total June Accr	June YTD Accrual	
	AccrOnBks	AccrPerActs	Change	Resale	Other	Total			
AZ	659,094	623,494	(35,600)	69,465	23,039	92,504	56,904	715,998	
CO	3,541,060	3,428,985	(112,075)	358,703	71,232	429,935	317,860	3,858,920	
IA	3,682,487	3,857,188	174,701	383,925	102,351	486,276	660,977	4,343,464	
ID	465,365	439,260	(26,105)	40,715	28,872	69,587	43,482	508,847	
MN	3,652,223	3,199,783	(452,441)	304,694	98,360	403,054	(49,387)	3,602,836	
MT	26,100	25,895	(205)	2,934	(379)	2,555	2,350	28,450	
ND	672,193	678,430	6,237	76,655	11,446	88,101	94,338	766,531	
NE	319,527	287,409	(32,118)	32,706	4,182	36,888	4,769	324,296	
NM	206,490	192,537	(13,953)	16,631	8,276	24,907	10,953	217,443	
OR	652,635	640,457	(12,178)	43,484	37,228	80,712	68,534	721,169	
SD	563,472	586,992	23,520	54,694	21,900	76,594	100,113	663,585	
UT	1,059,965	970,335	(89,630)	75,354	32,785	108,139	18,509	1,078,474	
WA	994,226	944,756	(49,470)	73,206	46,185	119,391	69,921	1,064,147	
WY	967,355	967,354	(1)	84,387	23,392	107,780	107,779	1,075,134	
		17,462,192	16,842,874	(619,318)	1,617,552	508,869	2,126,421	1,507,103	18,969,295

ess 3/30/01 Wire to A07

(707,185)

-707185

16,755,007

18262109.77

ess 4/27/01 Wire to A07

(101,403)

-101403

Current Balance

16,653,604

18160706.77

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CONTAINS TRADE SECRET DATA

UNE DEAL REFUNDS 2.xls 06\_01 10%

	Oct-00	Nov-00	Dec-00	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	YTD
A07 AZ						(75,920)	(76,097)	(78,520)					(230,538)
CO						(39,937)	(55,455)	(59,585)					(154,977)
IA													
ID													
IP													
MN						(115,572)	(115,185)	(116,625)					(347,382)
MT													
ND						(161)	(226)	(227)					(614)
NE													
NM													
OR						(19,663)	(20,475)	(22,743)					(62,881)
SD													
UT						(65,409)	(65,320)	(67,801)					(198,530)
WA						(4,862)	(7,159)	(11,035)					(23,056)
WY													
Total						(321,526)	(339,918)	(356,536)					(1,017,970)
							6%	5%					

M01 AZ	(8,123)	(12,292)	(17,576)	(31,754)	(43,728)	(62,018)	(82,008)						(258,399)
CO	(123,187)	(136,895)	(137,938)	(126,104)	(200,555)	(209,818)	(238,206)						(1,172,806)
IA	273,205	270,481	294,647	296,430	228,783	273,065	169,894						1,806,487
ID	(17,754)	(21,346)	(26,808)	(35,585)	(44,804)	(53,475)	(62,315)						(262,187)
IP													
MN	(609,180)	(631,317)	(614,240)	(630,339)	(626,789)	(638,423)	(673,131)						(4,423,420)
MT	(120)	(122)	(209)	(141)	(141)	(335)	(938)						(2,006)
ND	8,534	8,261	11,882	11,621	10,125	7,399	4,646						62,668
NE	(35,119)	(39,168)	(43,583)	(47,178)	(49,739)	(50,911)	(54,973)						(320,681)
NM	(1,143)	(3,935)	(7,286)	(16,172)	(26,947)	(34,773)	(47,014)						(139,269)
OR	(2,302)	(3,138)	(5,714)	(9,167)	(12,617)	(14,866)	(18,853)						(66,677)
SD	32,162	32,048	34,204	35,212	34,035	34,021	33,818						235,500
UT	(50,916)	(59,032)	(113,865)	(137,466)	(156,901)	(166,195)	(188,664)						(872,639)
WA	(14,607)	(21,555)	(27,198)	(43,546)	(57,326)	(67,010)	(83,375)						(314,618)
WY													
Total	(548,549)	(618,010)	(653,493)	(736,188)	(946,724)	(983,459)	(1,241,822)						(5,728,244)
		13%	6%	13%	29%	4%	28%						

Total AZ	(8,123)	(12,292)	(17,576)	(31,754)	(43,728)	(137,936)	(159,007)	(78,520)					(488,937)
CO	(123,187)	(136,895)	(137,938)	(126,104)	(200,555)	(249,856)	(293,663)	(59,585)					(1,327,783)
IA	273,205	270,481	294,647	296,430	228,783	273,065	169,894						1,806,487
ID	(17,754)	(21,346)	(26,808)	(35,585)	(44,804)	(53,475)	(62,315)						(262,187)
IP													
MN	(609,180)	(631,317)	(614,240)	(630,339)	(626,789)	(753,995)	(788,316)	(116,625)					(4,770,801)
MT	(120)	(122)	(209)	(141)	(141)	(335)	(938)						(2,006)
ND	8,534	8,261	11,882	11,621	10,125	7,237	4,620	(227)					62,664
NE	(35,119)	(39,168)	(43,583)	(47,178)	(49,739)	(50,911)	(54,973)						(320,681)
NM	(1,143)	(3,935)	(7,286)	(16,172)	(26,947)	(34,773)	(47,014)						(139,269)
OR	(2,302)	(3,138)	(5,714)	(9,167)	(12,617)	(34,549)	(39,328)	(22,743)					(129,558)
SD	32,162	32,048	34,204	35,212	34,035	34,021	33,818						235,500
UT	(50,916)	(59,032)	(113,865)	(137,466)	(156,901)	(231,604)	(253,985)	(67,801)					(1,071,369)
WA	(14,607)	(21,555)	(27,198)	(43,546)	(57,326)	(71,872)	(90,534)	(11,035)					(337,673)
WY													
Total	(548,549)	(618,010)	(653,493)	(736,188)	(946,724)	(1,304,985)	(1,581,740)	(356,536)					(6,746,224)

NONPUBLIC DOCUMENT

CONTAINS TRADE SECRET DATA

	Oct-00	Nov-00	Dec-00	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	YTD
A07													
AZ						(75,920)							(75,920)
CO						(39,937)							(39,937)
IA													
ID													
IP													
MN													
MT						(115,572)							(115,572)
ND													
NE						(181)							(181)
NM													
OR													
SD						(19,663)							(19,663)
UT													
WA						(65,409)							(65,409)
WY						(4,862)							(4,862)
Total						(321,526)							(321,526)

M01													
AZ	(8,123)	(12,292)	(17,576)	(31,754)	(43,728)	(62,016)							(175,489)
CO	(123,187)	(136,895)	(137,938)	(126,104)	(200,555)	(208,918)							(834,596)
IA	273,205	270,481	294,847	296,430	228,763	273,065							1,636,592
ID	(17,754)	(21,346)	(26,808)	(35,585)	(44,904)	(53,475)							(199,872)
IP													
MN	(609,180)	(631,317)	(614,240)	(630,339)	(626,789)	(638,423)							(3,750,289)
MT	(120)	(122)	(209)	(141)	(141)	(335)							(1,068)
ND	8,534	8,261	11,882	11,621	10,125	7,237							57,827
NE	(35,119)	(39,168)	(43,593)	(47,178)	(49,739)	(50,911)							(265,707)
NM	(1,143)	(3,935)	(7,286)	(18,172)	(26,947)	(34,773)							(92,255)
OR	(2,302)	(3,138)	(5,714)	(9,167)	(12,617)	(14,886)							(47,824)
SD	32,162	32,048	34,204	35,212	34,035	34,021							201,681
UT	(50,916)	(59,032)	(113,665)	(137,466)	(156,901)	(168,195)							(684,175)
WA	(14,607)	(21,555)	(27,198)	(43,546)	(57,326)	(67,010)							(231,241)
WY													
Total	(548,549)	(618,010)	(653,493)	(736,188)	(946,724)	(963,459)							(4,486,422)

Total													
AZ	(8,123)	(12,292)	(17,576)	(31,754)	(43,728)	(137,936)							(251,410)
CO	(123,187)	(136,895)	(137,938)	(126,104)	(200,555)	(249,856)							(974,536)
IA	273,205	270,481	294,847	296,430	228,763	273,065							1,636,592
ID	(17,754)	(21,346)	(26,808)	(35,585)	(44,904)	(53,475)							(199,872)
IP													
MN	(609,180)	(631,317)	(614,240)	(630,339)	(626,789)	(753,895)							(3,865,861)
MT	(120)	(122)	(209)	(141)	(141)	(335)							(1,068)
ND	8,534	8,261	11,882	11,621	10,125	7,237							57,860
NE	(35,119)	(39,168)	(43,593)	(47,178)	(49,739)	(50,911)							(265,707)
NM	(1,143)	(3,935)	(7,286)	(18,172)	(26,947)	(34,773)							(92,255)
OR	(2,302)	(3,138)	(5,714)	(9,167)	(12,617)	(34,549)							(67,487)
SD	32,162	32,048	34,204	35,212	34,035	34,021							201,681
UT	(50,916)	(59,032)	(113,665)	(137,466)	(156,901)	(231,804)							(749,584)
WA	(14,607)	(21,555)	(27,198)	(43,546)	(57,326)	(71,872)							(236,104)
WY													
Total	(548,549)	(618,010)	(653,493)	(736,188)	(946,724)	(1,304,985)							(4,807,948)

NONPUBLIC DOCUMENT  
CONTAINS TRADE SECRET DATA

M01 Collocation Billing							
Oct-00	Nov-00	Dec-00	Jan-01	Feb-01	Mar-01	Total	Total
19,828	4,761	12,295	12,295	12,295	12,295	61,474	61,474
417,455	100,248	258,851	258,851	258,851	258,851	1,294,257	1,294,257
33,766	145,373	72,687	72,687	72,687	72,687	363,434	363,434
385,892	8,109	20,937	20,937	20,937	20,937	104,686	104,686
39	9	24	24	24	24	1,196,402	1,196,402
117,054	28,109	72,581	72,581	72,581	72,581	362,907	362,907
47,381	11,378	29,380	29,380	29,380	29,380	146,898	146,898
7,398	1,776	4,587	4,587	4,587	4,587	22,935	22,935
29,291	7,034	18,162	18,162	18,162	18,162	90,812	90,812
75,762	18,193	46,977	46,977	46,977	46,977	234,887	234,887
82,963	19,923	51,443	51,443	51,443	51,443	257,213	257,213
31,113	7,472	19,292	19,292	19,292	19,292	96,462	96,462
193,478	46,462	119,970	119,970	119,970	119,970	599,851	599,851
1,441,420	491,516	966,468	966,468	966,468	966,468	4,832,339	4,832,339
From LSP	From LSP	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate

NONPUBLIC DOCUMENT  
CONTAINS TRADE SECRET DATA



ESCHELON "CURRENT DUE" FOR THE MONTHS OF OCTOBER - FEBRUARY 2001

PRODUCT	Group	State	Oct-00	Nov-00	Dec-00	Jan-01	Feb-01	Mar-01	Apr-01
Resale/RSID	Centrex/PBX	Oregon	\$195,599	\$200,984	\$190,184	\$204,172	\$218,422	\$208,370.97	\$200,904
Resale/RSID	Centrex/PBX	Washington	\$285,514	\$316,372	\$311,211	\$302,989	\$280,801	\$292,190.18	\$297,508
Resale/RSID	Centrex/PBX	Arizona	\$148,764	\$164,504	\$265,292	\$276,865	\$262,936	\$3,000	\$283,687
Resale/RSID	Centrex/PBX	Colorado	\$472,779	\$396,600	\$524,644	\$534,358	\$538,106	\$563,205.40	\$595,257
Resale/RSID	Centrex/PBX	Minnesota	\$526,607	\$486,741	\$494,202	\$490,740	\$485,907	\$482,759.40	\$481,748
Resale/RSID	Centrex/PBX	Utah	\$138,454	\$150,178	\$176,405	\$197,742	\$58,747	\$187,872.84	\$181,633
			\$1,767,717	\$1,715,379	\$1,961,938	\$2,006,866	\$1,844,920	\$1,734,402	\$2,040,736
Admin. Lines	Centrex/PBX	Western	\$12,260	\$6,868	\$6,348	\$6,931	\$7,832		
Admin. Lines	Centrex/PBX	Central/Eastern	\$25,117	\$24,532	\$24,242	\$24,808	\$16,573		
Admin. Lines	Centrex/PBX	Oregon	\$5,029	\$2,817	\$2,604	\$2,843	\$3,212	\$3,131	2,347
Admin. Lines	Centrex/PBX	Washington	\$7,231	\$4,051	\$3,744	\$4,088	\$4,619	\$4,502	4,545
Admin. Lines	Centrex/PBX	Arizona	\$5,406	\$5,280	\$5,218	\$5,339	\$3,567	\$2,753	2,594
Admin. Lines	Centrex/PBX	Colorado	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Admin. Lines	Centrex/PBX	Minnesota	\$12,142	\$11,859	\$11,719	\$11,992	\$8,011	\$6,183	6,282
Admin. Lines	Centrex/PBX	Utah	\$7,569	\$7,393	\$7,306	\$7,476	\$4,995	\$3,855	3,827
			\$37,376.67	\$31,400.05	\$30,589.98	\$31,739.45	\$24,404.63	\$20,423	19,595
Private Line	IABS	Oregon	\$236,200	\$310,726	\$286,787	\$308,430	\$261,069	\$41,549	81,829
Private Line	IABS	Washington	\$39,681	\$52,201	\$48,179	\$51,815	\$43,859	\$89,281	83,741
Private Line	IABS	Arizona	\$85,267	\$112,171	\$103,529	\$111,342	\$94,245	\$25,918	37,271
Private Line	IABS	Colorado	\$24,753	\$32,563	\$30,054	\$32,322	\$27,359	\$0	\$0
Private Line	IABS	Minnesota	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Private Line	IABS	Utah	\$71,777	\$94,425	\$87,150	\$93,727	\$79,335	\$75,156	86,134
Private Line	IABS		\$14,721	\$19,366	\$17,874	\$19,223	\$16,271	\$15,414	19,534
			\$236,200	\$310,726	\$286,787	\$308,430	\$261,069	\$247,319	308,510
Retail	Centrex/PBX		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Retail	Centrex/PBX		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bart Colo	IABS	all	\$0	\$0	\$0	\$0	\$0	\$0	\$0

NONPUBLIC DOCUMENT

CONTAINS TRADE SECRET DATA

PROPRIETARY INFORMATION



ESCHELON "CURRENT DUE" FOR THE MONTHS OF OCTOBER - FEBRUARY 2001

Switched	IABS	\$49,696	\$39,427	\$77,921	\$14,401	\$996	\$10,840	\$13,613
Switched	IABS	\$16,685	\$13,237	\$26,162	\$4,835	\$334	\$0	\$426
Switched	IABS	\$0	\$0	\$0	\$0	\$0	\$95	\$9,524
Switched	IABS	\$146	\$116	\$230	\$42	\$3	\$0	\$0
Switched	IABS	\$0	\$0	\$0	\$0	\$0	\$21,100	\$575
Switched	IABS	\$32,478	\$25,767	\$50,924	\$9,411	\$651	\$251	\$17
Switched	IABS	\$386	\$307	\$606	\$112	\$8	\$32,286	\$24,156
Switched	IABS	\$49,696	\$39,427	\$77,921	\$14,401	\$996		
Unbundled Loop	Centrex/PBX	\$320,199	\$173,057	\$164,756	\$189,944	\$213,536		
Unbundled Loop	Centrex/PBX	\$110,852	\$65,296	\$168,574	\$215,279	\$207,387		
Unbundled Loop	Centrex/PBX	\$168,042	\$90,821	\$86,464	\$99,683	\$112,064	\$110,473.43	\$130,165
Unbundled Loop	Centrex/PBX	\$152,157	\$82,236	\$78,291	\$90,261	\$101,471	\$100,030.86	\$126,924
Unbundled Loop	Centrex/PBX	\$15,068	\$8,875	\$22,914	\$29,262	\$28,189	\$41,480.54	\$58,154
Unbundled Loop	Centrex/PBX	\$0	\$0	\$0	\$0	\$0	\$0	\$761
Unbundled Loop	Centrex/PBX	\$72,756	\$42,856	\$110,641	\$141,295	\$136,115	\$200,293.14	\$(53,372)
Unbundled Loop	Centrex/PBX	\$23,029	\$13,565	\$35,020	\$44,722	\$43,083	\$63,396.24	\$38,661
Unbundled Loop	Centrex/PBX	\$431,051	\$238,353	\$333,329	\$405,223	\$420,923	\$515,674	\$301,293
UNE-P	Centrex/PBX	\$0	\$0	\$0	\$0	\$87	\$0	\$0
UNE-P	Centrex/PBX	\$7,365	\$4,695	\$8,317	\$5,724	\$5,402	\$87	\$87
UNE-P	Centrex/PBX	\$0	\$0	\$0	\$0	\$87	\$0	\$0
UNE-P	Centrex/PBX	\$0	\$0	\$0	\$0	\$87	\$0	\$0
UNE-P	Centrex/PBX	\$0	\$0	\$0	\$0	\$87	\$0	\$0
UNE-P	Centrex/PBX	\$7,365	\$4,695	\$8,317	\$5,724	\$5,402	\$5,172	\$5,588
UNE-P	Centrex/PBX	\$7,365	\$4,695	\$8,317	\$5,724	\$5,402	\$0	\$0
UNE-P	Centrex/PBX	\$7,365	\$4,695	\$8,317	\$5,724	\$5,489	\$5,259	\$5,675
Bart Colo	IABS						\$391,378.37	\$158,649
TOTAL excl Collo		\$2,529,405	\$2,339,980	\$2,698,883	\$2,772,384	\$2,557,802	\$2,555,363	\$2,699,965
TOTAL incl Collo							\$2,946,742	\$2,858,614

UNPUBLISHED DOCUMENT  
 CONTAINS TRADE SECRET DATA

ESCHELON "CURRENT DUE" FOR THE MONTHS OF OCTOBER - FEBRUARY 2001

PRODUCT	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01
Resale/RSID	206,050					
Resale/RSID	288,769					
Resale/RSID	285,545					
Resale/RSID	614,624					
Resale/RSID	485,988					
Resale/RSID	203,635					
	2,084,611					
Admin. Lines						
Admin. Lines						
Admin. Lines	3,075					
Admin. Lines	4,501					
Admin. Lines	2,633					
Admin. Lines	6,045					
Admin. Lines	3,835					
Admin. Lines	20,089					
Private Line						
Private Line	(674)					
Private Line	(125,453)					
Private Line	(41,505)					
Private Line	35,466					
Private Line	101,510					
Private Line	22,375					
Private Line	(8,282)					
	\$					
Retail						
Retail						
Bart Coto						

NON-PUBLIC DOCUMENT

CONTAINS TRADE SECRET DATA

ESCHELON "CURRENT DUE" FOR THE MONTHS OF OCTOBER - FEBRUARY 2001

Switched	
Switched	2,326
Switched	1,632
Switched	772
Switched	-
Switched	9,502
Switched	198
Switched	14,429
	\$
Unbundled Loop	
Unbundled Loop	162,576
Unbundled Loop	163,532
Unbundled Loop	46,220
Unbundled Loop	254
Unbundled Loop	71,508
Unbundled Loop	60,983
Unbundled Loop	505,073
UNE-P	
UNE-P	
UNE-P	
UNE-P	82
UNE-P	
UNE-P	
UNE-P	5,501
UNE-P	
UNE-P	5,583
Bart Colo	
TOTAL excl Collo	\$ 2,621,505
TOTAL incl Collo	\$ 2,621,505

NON-PUBLIC DOCUMENT

CONTAINS TRADE SECRET DATA

ESCHELON "CURRENT DUE" FOR THE MONTHS OF OCTOBER - FEBRUARY 2001

PRODUCT	RESPONSIBLE PERSON
Resale/RSID	Julie Tigges
Resale/RSID	Julie Tigges
Resale/RSID	Vicki Keller
Resale/RSID	Vicki Keller
Resale/RSID	Vicki Keller
Resale/RSID	Vicki Keller
Admin. Lines	Julie Tigges
Admin. Lines	Vicki Keller
Admin. Lines	
Admin. Lines	
Admin. Lines	
Admin. Lines	
Admin. Lines	
Admin. Lines	
Private Line	Kathy Frances
Private Line	
Private Line	
Private Line	
Private Line	
Private Line	
Private Line	
Retail	Julie Tigges
Retail	Vicki Keller
Bart Colo	Anne Duin

NONPUBLIC DOCUMENT

CONTAINS TRADE SECRET DATA

ESCHELON "CURRENT DUE" FOR THE MONTHS OF OCTOBER - FEBRUARY 2001

Switched	Deb Osborn
Switched	
Switched	
Switched	
Switched	
Switched	
Switched	
Switched	
Switched	
Unbundled Loop	Julie Tigges
Unbundled Loop	Vicki Keller
Unbundled Loop	
Unbundled Loop	
Unbundled Loop	
Unbundled Loop	
Unbundled Loop	
Unbundled Loop	
Unbundled Loop	
UNE-P	Julie Tigges
UNE-P	Vicki Keller
UNE-P	
UNE-P	
UNE-P	
UNE-P	
UNE-P	
UNE-P	
UNE-P	
Bart Colo	

TOTAL excl Collo  
TOTAL incl Collo

NON-PUBLIC DOCUMENT  
CONTAINS TRADE SECRET DATA

	Line Volumes			Monthly Rate	Line Revenue	October			November			Total
	Sep-00	Oct-00	Avg			October	Diff	November	Diff			
AZ	576	877	727	30.80	22,376	40,526	(18,150)	61,893	(39,517)	(57,667)	(1,441,540)	
CO	46,583	46,185	46,384	34.00	1,577,056	2,331,360	(754,304)	2,264,292	(687,236)	(54,933)	(109,372)	
IA	132,532	132,969	132,751	28.30	3,756,839	3,728,523	28,317	3,840,089	(83,250)	(1,983,376)	(400)	
ID	1,944	2,349	2,147	33.15	71,156	111,857	(40,701)	139,828	(68,672)	(198)	(272,370)	
MN	50,848	51,793	51,321	27.00	1,385,654	2,345,521	(959,868)	2,409,162	(1,023,508)	(170,313)	(12,374)	
MT	-	-	-	34.95	-	202	(202)	198	(198)	(43,143)	(138,509)	
ND	20,227	20,488	20,358	28.30	576,117	708,784	(132,667)	715,821	(139,703)	(446,004)	(112,778)	
NE	4,618	5,033	4,826	35.95	173,477	224,437	(50,960)	292,830	(119,353)	(2,600,151)	(4,842,780)	
NM	4	85	45	27.15	1,208	1,208	-	14,790	(13,582)	(170,313)	(170,313)	
OR	757	1,016	887	26.90	23,847	37,813	(13,966)	53,024	(29,177)	(12,374)	(12,374)	
SD	16,063	16,206	16,135	29.45	475,161	545,728	(70,567)	543,103	(67,942)	(138,509)	(138,509)	
UT	5,777	7,038	6,408	22.60	144,810	342,739	(197,929)	392,884	(248,075)	(446,004)	(446,004)	
WA	1,492	2,111	1,802	24.00	43,236	76,076	(32,840)	123,174	(79,938)	(112,778)	(112,778)	
	281,421	286,150	283,786		8,250,937	10,493,566	(2,242,629)	10,851,088	(2,600,151)	(4,842,780)	(4,842,780)	

- Line volumes per Linda Pike

NONPUBLIC DOCUMENT

CONTAINS TRADE SECRET DATA

**10% DISCOUNT**

Eschelon		Prior Month			Apr			Total	May YTD
		Current Month			May				
		AccrOnBks	AccrPerActs	Change	Resale	Other	Total		
		Apr YTD Accrual True-up			May Accrual				
Vicki	AZ	183,013	211,435	28,422	28,554	1,735	30,289	58,711	241,724
Vicki	CO	389,860	393,141	3,281	61,462	3,572	65,034	68,316	458,175
	IA	-	-	-	-	-	-	-	-
	ID	-	-	-	-	-	-	-	-
Vicki	MN	561,987	531,753	(30,233)	48,599	19,576	68,175	37,942	599,928
	MT	-	-	-	-	-	-	-	-
	ND	-	-	-	-	-	-	-	-
	NE	-	-	-	-	-	-	-	-
	NM	-	-	-	-	-	-	-	-
	OR	296,587	298,288	1,702	20,605	16,730	37,335	39,037	335,624
Julie	SD	-	-	-	-	-	-	-	-
Vicki	UT	165,221	162,509	(2,712)	20,364	8,739	29,103	26,391	191,612
Julie	WA	390,446	386,070	(4,377)	28,877	9,925	38,801	34,425	424,871
	WY	-	-	-	-	-	-	-	-
		1,987,113	1,983,196	(3,916)	208,461	60,277	268,738	264,821	2,251,934

McLeod

	Apr YTD Accrual True-up			May Accrual			Total	May YTD
	AccrOnBks	AccrPerActs	Change	Resale Act	Other Est	Total		
AZ	173,981	310,169	136,188	40,910	21,305	62,215	198,403	372,384
CO	2,311,418	2,580,015	268,597	297,241	67,660	364,901	633,498	2,944,915
IA	2,750,207	3,391,150	640,942	383,925	102,351	486,276	1,127,218	3,877,426
ID	200,940	362,884	161,945	40,715	28,872	69,587	231,532	432,471
MN	2,051,207	2,197,272	146,065	256,095	78,783	334,879	480,944	2,532,151
MT	34,401	22,951	(11,450)	2,934	(379)	2,555	(8,896)	25,506
ND	558,538	590,894	32,356	76,655	11,446	88,101	120,457	678,996
NE	231,400	244,858	13,458	32,706	4,182	36,888	50,346	281,746
NM	72,017	162,167	90,150	16,631	8,276	24,907	115,056	187,074
OR	128,720	259,313	130,593	22,879	20,498	43,376	173,969	302,689
SD	415,700	513,763	98,063	54,694	21,900	76,594	174,657	590,357
UT	512,119	679,839	167,720	54,991	24,046	79,037	246,757	758,876
WA	199,895	430,050	230,155	44,329	36,261	80,589	310,745	510,639
WY	850,914	1,034,857	183,943	84,387	23,392	107,780	291,723	1,142,636
	10,491,458	12,780,183	2,288,725	1,409,091	448,593	1,857,683	4,146,409	14,637,866

TOTAL

	Apr YTD Accrual True-up			May Accrual			Total	May YTD
	AccrOnBks	AccrPerActs	Change	Resale	Other	Total		
AZ	356,994	521,604	164,610	69,465	23,039	92,504	257,114	614,108
CO	2,701,277	2,973,156	271,878	358,703	71,232	429,935	701,813	3,403,090
IA	2,750,207	3,391,150	640,942	383,925	102,351	486,276	1,127,218	3,877,426
ID	200,940	362,884	161,945	40,715	28,872	69,587	231,532	432,471
MN	2,613,193	2,729,026	115,832	304,694	98,360	403,054	518,886	3,132,079
MT	34,401	22,951	(11,450)	2,934	(379)	2,555	(8,896)	25,506
ND	558,538	590,894	32,356	76,655	11,446	88,101	120,457	678,996
NE	231,400	244,858	13,458	32,706	4,182	36,888	50,346	281,746
NM	72,017	162,167	90,150	16,631	8,276	24,907	115,056	187,074
OR	425,307	557,601	132,294	43,484	37,228	80,712	213,006	638,313
SD	415,700	513,763	98,063	54,694	21,900	76,594	174,657	590,357
UT	677,340	842,348	165,008	75,354	32,785	108,139	273,148	950,487
WA	590,341	816,120	225,778	73,206	46,185	119,391	345,169	935,511
WY	850,914	1,034,857	183,943	84,387	23,392	107,780	291,723	1,142,636
	12,478,570	14,763,379	2,284,809	1,617,552	508,869	2,126,421	4,411,230	16,889,800

ess 3/30/01 Wire to A07

(707,185)

-707185

11,771,385

16182615.28

ess 4/27/01 Wire to A07

(101,403)

-101403

Current Balance

11,669,982

16081212.28

NONPUBLIC DOCUMENT

CONTAINS TRADE SECRET DATA  
UNE DEAL REFUNDS 2.xls 05\_01 10%

**MEMORANDUM**

To: Suzy Francis  
From: Arturo Ibarra, Jr.  
Date: June 1, 2001  
Re: Resale Revenue Reclass to UNE-Star Revenue  
cc: Bill Easton, Mario Mendoza, Shanna Davis

To reclass McLeod and Eschelon revenue booked in resale USOAs to UNE-Star revenue USOAs

RC: TBL000000	Debit / (Credit)	
	5001.4110	5240.5210
State		
AZ	631,348	(631,348)
CO	3,444,761	(3,444,761)
IA	3,779,828	(3,779,828)
ID	332,984	(332,984)
MN	2,923,295	(2,923,295)
MT	(223)	223
ND	731,412	(731,412)
NE	316,536	(316,536)
NM	122,377	(122,377)
OR	383,216	(383,216)
SD	533,886	(533,886)
UT	852,851	(852,851)
WA	665,936	(665,936)
WY	1,059,373	(1,059,373)
TOTAL	15,777,580	(15,777,580)

Please call if you have questions – 303-965-4324. Thank you.

NONPUBLIC DOCUMENT  
CONTAINS TRADE SECRET DATA



M01 CURRENT CHARGES PER LINDA PIKE

RESALE BILLING

CurrChgs State	Month												Thru, March
	Oct-00	Nov-00	Dec-00	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Grand Total				
AZ	40,526	61,893	88,617	188,642	229,608	326,912	412,432	409,101	1,757,732	936,198			
CO	2,331,360	2,264,292	2,631,109	2,734,082	2,866,981	2,817,452	2,866,764	2,972,407	21,504,448	15,645,277			
IA	3,728,523	3,840,089	3,794,023	3,786,591	3,452,971	3,779,828	3,894,877	3,839,247	30,116,148	22,382,023			
ID	111,857	139,828	195,667	261,124	329,106	332,984	402,386	407,146	2,180,096	1,370,565			
MN	2,345,521	2,409,162	2,343,261	2,426,407	2,333,597	2,442,559	2,515,378	2,560,952	19,376,836	14,300,507			
MT	202	198	518	43	251	(223)	3,812	29,341	34,142	989			
ND	708,784	715,821	718,590	723,046	730,657	731,412	749,005	766,550	5,843,864	4,328,309			
NE	224,437	292,830	307,461	323,649	307,578	316,536	335,856	327,057	2,435,403	1,772,490			
NM		14,790	27,660	84,375	100,491	122,377	165,460	166,310	681,464	349,694			
OR	37,813	53,024	96,562	142,934	163,850	189,779	224,267	228,788	1,137,017	683,962			
SD	545,728	543,103	543,178	548,817	553,107	533,886	560,338	546,940	4,375,096	3,267,818			
UT	342,739	392,884	535,334	636,255	642,119	677,458	771,913	549,910	4,548,612	3,226,789			
WA	76,076	123,174	144,299	279,539	332,978	363,111	414,402	443,286	2,176,865	1,319,176			
WY	857,828	897,289	848,541	881,904	2,484,442	1,059,373	639,966	843,874	8,513,218	7,029,377			
Grand Total	11,351,394	11,748,377	12,274,820	13,017,408	14,527,735	13,693,443	13,976,857	14,090,908	104,680,941	76,613,176			

NONPUBLIC DOCUMENT  
CONTAINS TRADE SECRET DATA

M01 CURRENT CHARGES PER LINDA PIKE

NONPUBLIC DOCUMENT  
CONTAINS TRADE SECRET DATA

	Booked in March			What s/h been booked			Change	Booking For April			Total Reclass
	Eschelon	McLeod	Total	Eschelon	McLeod	Total		Eschelon	McLeod	Total	
AZ	264,798	361,914	626,712	3	412,432	412,435	(214,276)	262,936	409,101	672,038	457,762
CO	541,916	3,025,366	3,567,282	563,205	2,886,764	3,449,969	(117,313)	563,205	2,972,407	3,535,613	3,418,300
IA	-	3,390,698	3,390,698		3,894,877	3,894,877	504,179		3,839,247	3,839,247	4,343,426
ID	-	431,480	431,480		402,386	402,386	(29,095)		407,146	407,146	378,051
MN	489,348	2,331,854	2,821,202	482,759	2,515,378	2,998,137	176,836	482,759	2,560,952	3,043,711	3,220,647
MT	-	597	597		3,812	3,812	3,215		29,341	29,341	32,556
ND	-	736,232	736,232		749,005	749,005	12,773		766,550	766,550	779,323
NE	-	335,082	335,082		335,856	335,856	774		327,057	327,057	327,831
NM	-	204,720	204,720		165,460	165,460	(39,261)		166,310	166,310	127,050
OR	219,968	377,081	597,049	208,371	224,267	432,638	(164,411)	208,371	228,788	437,159	272,748
SD	-	847,379	847,379		560,338	560,338	(287,041)		546,940	546,940	259,899
UT	59,163	755,552	814,715	187,873	771,913	959,786	145,071	187,873	549,910	737,782	882,854
WA	282,789	492,723	775,512	292,190	414,402	706,593	(68,920)	292,190	443,286	735,476	666,556
WY	-	3,638,428	3,638,428		639,966	639,966	(2,998,461)		843,874	843,874	(2,154,587)
	1,857,983	16,929,105	18,787,088	1,734,402	13,976,857	15,711,259	(3,075,830)	1,997,335	14,090,908	16,088,244	13,012,414

Est = Mar This is an actual  
 except AZ  
 Used Feb  
 b/c Mar was  
 only \$3

NONPUBLIC DOCUMENT  
 CONTAINS TRADE SECRET DATA

	Oct-00	Nov-00	Dec-00	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	YTD
A07													
AZ						(75,920)							(75,920)
CO						(39,937)							(39,937)
IA													
ID													
IP													
MN						(115,572)							(115,572)
MT													
ND													
NE						(161)							(161)
NM													
OR						(19,663)							(19,663)
SD													
UT						(66,409)							(66,409)
WA						(4,862)							(4,862)
WY													
Total						(321,526)							(321,526)
M01													
AZ	(8,123)	(12,292)	(17,576)	(31,754)	(43,728)	(62,018)							(175,480)
CO	(123,187)	(138,895)	(137,938)	(126,104)	(200,555)	(209,819)							(804,506)
IA	273,205	270,481	294,647	296,430	228,763	273,065							1,636,592
ID	(17,754)	(21,346)	(26,808)	(35,585)	(44,904)	(53,475)							(199,872)
IP													
MN	(609,180)	(631,317)	(614,240)	(630,339)	(626,789)	(638,423)							(3,750,289)
MT	(120)	(122)	(209)	(141)	(141)	(335)							(1,068)
ND	8,534	8,261	11,882	11,821	10,125	7,399							57,822
NE	(35,119)	(39,168)	(43,593)	(47,178)	(49,739)	(50,911)							(265,707)
NM	(1,143)	(3,835)	(7,286)	(18,172)	(26,947)	(34,773)							(92,255)
OR	(2,302)	(3,138)	(5,714)	(9,167)	(12,617)	(14,886)							(47,824)
SD	32,162	32,048	34,204	35,212	34,035	34,021							201,681
UT	(50,918)	(59,032)	(113,665)	(137,466)	(156,901)	(166,195)							(684,175)
WA	(14,607)	(21,555)	(27,198)	(43,546)	(57,326)	(67,010)							(231,241)
WY													
Total	(548,549)	(618,010)	(653,493)	(736,188)	(946,724)	(983,459)							(4,486,422)
Total													
AZ	(8,123)	(12,292)	(17,576)	(31,754)	(43,728)	(137,938)							(251,410)
CO	(123,187)	(138,895)	(137,938)	(126,104)	(200,555)	(249,856)							(974,536)
IA	273,205	270,481	294,647	296,430	228,763	273,065							1,636,592
ID	(17,754)	(21,346)	(26,808)	(35,585)	(44,904)	(53,475)							(199,872)
IP													
MN	(609,180)	(631,317)	(614,240)	(630,339)	(626,789)	(753,995)							(3,865,861)
MT	(120)	(122)	(209)	(141)	(141)	(335)							(1,068)
ND	8,534	8,261	11,882	11,821	10,125	7,237							57,860
NE	(35,119)	(39,168)	(43,593)	(47,178)	(49,739)	(50,811)							(265,707)
NM	(1,143)	(3,835)	(7,286)	(18,172)	(26,947)	(34,773)							(92,255)
OR	(2,302)	(3,138)	(5,714)	(9,167)	(12,617)	(34,549)							(67,487)
SD	32,162	32,048	34,204	35,212	34,035	34,021							201,681
UT	(50,918)	(59,032)	(113,665)	(137,466)	(156,901)	(231,604)							(749,584)
WA	(14,607)	(21,555)	(27,198)	(43,546)	(57,326)	(71,872)							(236,104)
WY													
Total	(548,549)	(618,010)	(653,493)	(736,188)	(946,724)	(1,304,965)							(4,807,948)

NONPUBLIC DOCUMENT

CONTAINS TRADE SECRET DATA

**MEMORANDUM**

To: Suzy Francis  
From: Arturo Ibarra, Jr.  
Date: April 3, 2001  
Re: Accrual For UNE Star/Resale Rate Differential  
cc: Bill Easton, Mario Mendoza, Shanna Davis

This is to reclass McLeod and Eschelon revenue booked resale USOAs to UNE-Star revenue

Below is the state and account detail. Please use RC TBL000000.

State	Debit / (Credit)	
	5001.4110	5240.5210
AZ	626,712	(626,712)
CO	3,567,282	(3,567,282)
IA	3,390,698	(3,390,698)
ID	431,480	(431,480)
MN	2,821,202	(2,821,202)
MT	597	(597)
ND	736,232	(736,232)
NE	335,082	(335,082)
NM	204,720	(204,720)
OR	597,049	(597,049)
SD	847,379	(847,379)
UT	814,715	(814,715)
WA	775,512	(775,512)
WY	3,638,428	(3,638,428)
TOTAL	18,787,088	(18,787,088)

Please call if you have questions – 303-965-4324  
Thank you.

NONPUBLIC DOCUMENT  
CONTAINS TRADE SECRET DATA

**MEMORANDUM**

To: Suzy Francis  
From: Arturo Ibarra, Jr.  
Date: April 3, 2001  
Re: Accrual For UNE Star/Resale Rate Differential  
cc: Bill Easton, Mario Mendoza, Shanna Davis

This is to reduce UNE-Star revenues for 10% discount that will be issued to Eschelon and McLeod should they meet they're revenue/volume commitments per the UNE-Star contract. Below is the state and account detail. Please use RC TBL000000.

State	Debit / (Credit)	
	5240.5210	4010.2199
AZ	105,680	(105,680)
CO	470,691	(470,691)
IA	295,417	(295,417)
ID	51,398	(51,398)
MN	369,323	(369,323)
MT	85	(85)
ND	78,088	(78,088)
NE	33,034	(33,034)
NM	22,265	(22,265)
OR	90,006	(90,006)
SD	134,089	(134,089)
UT	91,997	(91,997)
WA	186,575	(186,575)
WY	548,209	(548,209)
TOTAL	2,476,856	(2,476,856)

TRUE

Please call if you have questions – 303-965-4324  
Thank you.

NONPUBLIC DOCUMENT  
CONTAINS TRADE SECRET

**MEMORANDUM**

To: Suzy Francis  
From: Arturo Ibarra, Jr.  
Date: April 3, 2001  
Re: Accrual For UNE Star/Resale Rate Differential  
cc: Bill Easton, Mario Mendoza, Shanna Davis

This is to reduce resale revenues in order to align them with billing per the UNE-Star contract with Eschelon and McLeod.  
Below is the state and account detail. Please use RC TBL000000.

State	Debit / (Credit)	
	5240.5210	4010.2199
AZ	50,080	(50,080)
CO	250,204	(250,204)
IA	(315,290)	315,290
ID	36,817	(36,817)
MN	1,003,958	(1,003,958)
MT	387	(387)
ND	(11,781)	11,781
NE	56,427	(56,427)
NM	10,654	(10,654)
OR	9,485	(9,485)
SD	(23,759)	23,759
UT	118,300	(118,300)
WA	49,719	(49,719)
WY	-	-
TOTAL	1,235,201	(1,235,201)

Please call if you have questions – 303-965-4324  
Thank you.

NONPUBLIC DOCUMENT  
CONTAINS TRADE SECRETS

1% DISCOUNT

Exclusion	Feb YTD Annual True-up			Est of Mar Act			Mar-01
	AccrOnBkls	AccrPerAccts	Change	Resale	Other	Total	10%
	0.7%						
Vicki	115,288	145,887	29,599	784,798	82,746	347,545	34,754.45
Vicki	251,817	321,921	70,104	541,816	148,343	711,259	71,125.90
Vicu	253,810	324,233	70,423	498,348	162,915	642,263	64,226.32
Ann	101,563	162,528	60,973	218,888	128,824	348,792	34,879.19
Vicu	88,030	94,172	6,143	58,163	18,488	77,651	7,765.11
Ann	154,837	241,027	86,190	292,789	165,814	448,604	44,860.36
WY							
	863,845	1,288,845	325,000	1,857,883	717,030	2,575,913	257,591

Exclusion	Feb YTD Annual True-up			Est of Mar Act			Mar-01
	AccrOnBkls	AccrPerAccts	Change	Resale	Other	Total	10%
	8.8%						
AZ	63,656	87,145	3,489	381,814	13,064	374,888	37,488.8
CO	1,414,421	1,413,861	(760)	3,025,386	274,848	3,300,234	330,023.4
IA	1,950,387	1,808,670	(51,728)	3,380,888	80,748	3,471,643	347,164.3
IO	108,317	114,344	6,027	431,480	22,231	453,711	45,371.1
MN	1,330,886	1,206,778	(73,108)	2,321,864	254,086	2,585,950	258,595.0
MT	111	134	23	687	26	713	71.3
ND	388,628	386,388	(2,240)	738,232	77,088	815,320	81,532.0
NE	164,044	180,460	(3,884)	338,082	31,196	369,277	36,927.7
NM	23,746	25,051	1,305	204,720	4,870	209,590	20,959.0
OR	144,873	88,180	(45,483)	377,081	18,286	395,367	39,536.7
SD	712,184	256,567	(45,617)	847,378	48,880	896,258	89,625.8
UT	283,871	280,843	(2,928)	758,662	84,821	843,483	84,348.3
WA	101,027	106,381	4,354	482,723	20,484	503,207	50,320.7
WY	483,583	655,187	171,604	3,638,428	127,383	3,765,811	376,581.1
	6,680,284	6,778,883	98,599	16,928,166	1,028,750	17,956,916	1,795,691.6

TOTAL	Feb YTD Annual True-up			Est of Mar Act			Mar-01
	AccrOnBkls	AccrPerAccts	Change	Resale	Other	Total	10%
	8.8%						
AZ	179,883	213,112	33,229	628,712	85,801	722,512	72,251.2
CO	1,688,028	1,725,582	88,554	3,587,282	444,187	4,031,469	403,146.9
IA	1,950,387	1,808,670	(51,728)	3,300,888	80,748	3,471,643	347,164.3
IO	108,317	114,344	6,027	431,480	22,231	453,711	45,371.1
MN	1,584,506	1,631,011	46,504	2,821,202	408,980	3,230,182	322,918.2
MT	111	134	23	687	26	713	71.3
ND	388,628	386,388	(2,240)	738,232	77,088	815,320	81,532.0
NE	164,044	180,460	(3,884)	338,082	31,196	369,277	36,927.7
NM	23,746	25,051	1,305	204,720	4,870	209,590	20,959.0
OR	248,226	261,718	15,480	687,048	148,108	745,156	74,515.6
SD	712,184	256,567	(45,617)	847,378	48,880	896,258	89,625.8
UT	371,801	375,115	3,315	814,715	73,108	887,824	88,782.4
WA	255,874	348,388	80,414	776,812	186,088	962,900	96,290.0
WY	483,583	655,187	171,604	3,638,428	127,383	3,765,811	376,581.1
	7,646,328	8,088,708	422,379	18,787,088	1,747,680	20,534,768	2,053,476.8

Exclusion	UNE vs RE SALE	
	Mar-01	
AZ	24,364	
CO	63,880	
IA	-	
IO	-	
MN	170,514	
MT	-	
ND	-	
NE	-	
NM	-	
OR	-	
SD	25,813	
UT	28,144	
WA	7,387	
WY	-	
	318,182	

Exclusion	UNE vs Resale	
	Mar-01	
AZ	23,717	
CO	188,246	
IA	(318,290)	
IO	38,817	
MN	833,644	
MT	-387	
ND	(11,781)	
NE	84,427	
NM	(10,854)	
OR	8,485	
SD	(50,577)	
UT	92,158	
WA	42,412	
WY	-	
	818,080	

TOTAL UNE vs Resale	Feb-01	
AZ	80,888	
CO	286,304	
IA	(318,290)	
IO	38,817	
MN	1,863,838	
MT	387	
ND	(11,781)	
NE	84,427	
NM	(10,854)	
OR	8,485	
SD	(52,789)	
UT	118,388	
WA	49,719	
WY	-	
	1,235,201	

NONPUBLIC DOCUMENT  
CONTAINS TRADE SECRET DATA



**MEMORANDUM**

To: Suzy Francis  
From: Arturo Ibarra, Jr.  
Date: March 5, 2001  
Re: Accrual For UNE Star/Resale Rate Differential  
cc: Bill Easton, Mario Mendoza, Shanna Davis

This is to reduce UNE-Star revenues for 10% discount that will be issued to Eschelon and McLeod should they meet they're revenue/volume commitments per the UNE-Star contract. Below is the state and account detail. Please use RC TBL000000.

State	Debit / (Credit)	
	5001.4110	4010.2199
AZ	(90,263)	90,263
CO	(217,229)	217,229
IA	1,538,118	(1,538,118)
ID	(14,835)	14,835
MN	(1,095,407)	1,095,407
MT	(332)	332
ND	59,919	(59,919)
NE	(33,285)	33,285
NM	9,703	(9,703)
SD	(42,731)	42,731
OR	102,298	(102,298)
UT	(342,795)	342,795
WA	(64,120)	64,120
WY	383,732	(383,732)
TOTAL	192,774	(192,774)

Please call if you have questions – 303-965-4324  
Thank you.

NONPUBLIC DOCUMENT  
CONTAINS TRADE SECRET DATA

**MEMORANDUM**

To: Suzy Francis  
From: Arturo Ibarra, Jr.  
Date: March 5, 2001  
Re: Accrual For UNE Star/Resale Rate Differential  
cc: Bill Easton, Mario Mendoza, Shanna Davis

This is to reduce resale revenues in order to align them with billing per the UNE-Star contract with Eschelon and McLeod.  
Below is the state and account detail. Please use RC TBL000000.

State	Debit / (Credit)	
	5001.4110	4010.2199
AZ	177,157	(177,157)
CO	1,028,854	(1,028,854)
IA	(1,608,040)	1,608,040
ID	115,470	(115,470)
MN	4,297,820	(4,297,820)
MT	687	(687)
ND	(58,737)	58,737
NE	215,496	(215,496)
NM	19,374	(19,374)
SD	16,648	(16,648)
OR	3,571	(3,571)
UT	444,237	(444,237)
WA	148,169	(148,169)
WY	-	-
TOTAL	4,800,705	(4,800,705)

Please call if you have questions – 303-965-4324  
Thank you.

NONPUBLIC DOCUMENT  
CONTAINS TRADE SECRET DATA

**MEMORANDUM**

To: Suzy Francis  
From: Arturo Ibarra, Jr.  
Date: March 5, 2001  
Re: Accrual For UNE Star/Resale Rate Differential  
cc: Bill Easton, Mario Mendoza, Shanna Davis

This is to reclass McLeod and Eschelon revenue booked resale USOAs to UNE-Star revenue

Below is the state and account detail. Please use RC TBL000000.

State	Debit / (Credit)	
	5001.4110	5240.5210
AZ	926,002	(926,002)
CO	4,541,094	(4,541,094)
IA	3,666,105	(3,666,105)
ID	452,432	(452,432)
MN	2,865,852	(2,865,852)
MT	(139)	139
ND	780,302	(780,302)
NE	361,064	(361,064)
NM	168,184	(168,184)
SD	223,716	(223,716)
OR	551,874	(551,874)
UT	1,249,831	(1,249,831)
WA	755,938	(755,938)
WY	2,368,037	(2,368,037)
TOTAL	18,910,291	(18,910,291)

Please call if you have questions – 303-965-4324  
Thank you.

NONPUBLIC DOCUMENT  
CONTAINS TRADE SECRET DATA

10% DISCOUNT

Table with columns: Escheaton, Vail, Total, 10%. Rows include AZ, CO, IA, ID, MN, MT, ND, NE, NM, SD, OR, UT, WA, WY with monthly data from Oct-00 to Mar-01.

Table with columns: McLeod, Total, 10%. Rows include AZ, CO, IA, ID, MN, MT, ND, NE, NM, SD, OR, UT, WA, WY with monthly data from Oct-00 to Mar-01.

TOTAL summary table with columns: Total, 10%, \$ Acct, \$ in 02/01. Rows include AZ, CO, IA, ID, MN, MT, ND, NE, NM, SD, OR, UT, WA, WY.

UNEVENRESALE

Table with columns: Escheaton, Total, 10%. Rows include AZ, CO, IA, ID, MN, MT, ND, NE, NM, SD, OR, UT, WA, WY with monthly data from Oct-00 to Mar-01.

Table with columns: McLeod, Total, 10%. Rows include AZ, CO, IA, ID, MN, MT, ND, NE, NM, SD, OR, UT, WA, WY with monthly data from Oct-00 to Mar-01.

TOTAL UNEVENRESALE summary table with columns: Total, 10%, \$ Acct, \$ in 02/01. Rows include AZ, CO, IA, ID, MN, MT, ND, NE, NM, SD, OR, UT, WA, WY.

NONPUBLIC DOCUMENT CONTAINS TRADE SECRET DAT.

**10% DISCOUNT**

		Mar YTD Accrual True-up			Apr Accrual			Total	AprYTD
		AccrOnBks	AccrPerActs	Change	Resale	Other	Total	Apr Accr	Accrual
Eschelon									
Vicki	AZ	180,721	172,038	(8,683)	0	10,974	10,975	2,292	183,013
Vicki	CO	393,047	333,539	(59,508)	56,321	-	56,321	(3,188)	389,860
	IA	-	-	-	-	-	-	-	-
	ID	-	-	-	-	-	-	-	-
Vicki	MN	388,459	478,888	90,429	48,276	34,823	83,099	173,528	561,987
	MT	-	-	-	-	-	-	-	-
	ND	-	-	-	-	-	-	-	-
	NE	-	-	-	-	-	-	-	-
	NM	-	-	-	-	-	-	-	-
	OR	197,405	255,402	57,997	20,837	20,347	41,184	99,181	296,587
Julie	SD	-	-	-	-	-	-	-	-
Vicki	UT	101,937	138,142	36,205	18,787	8,292	27,079	63,283	165,221
Julie	WA	285,867	334,482	48,624	29,219	26,736	55,955	104,579	390,446
	WY	-	-	-	-	-	-	-	-
		1,547,437	1,712,501	165,064	173,440	101,172	274,612	439,676	1,987,113

**McLeod**

		March YTD Accrual True-up			Apr Accrual			Total	AprYTD
		AccrOnBks	AccrPerActs	Change	Resale Act	Other Est	Total	Apr Accr	Accrual
	AZ	104,642	130,459	25,817	41,243	2,279	43,522	69,339	173,981
	CO	1,743,682	1,994,754	251,072	288,676	27,987	316,663	567,736	2,311,418
	IA	2,245,814	2,337,026	91,212	389,488	23,694	413,181	504,393	2,750,207
	ID	159,715	154,113	(5,602)	40,239	6,588	46,827	41,224	200,940
	MN	1,565,370	1,745,137	179,767	251,538	54,532	306,070	485,837	2,051,207
	MT	196	22,716	22,520	381	11,304	11,685	34,205	34,401
	ND	477,718	476,380	(1,338)	74,901	7,258	82,159	80,821	558,538
	NE	197,078	194,877	(2,201)	33,586	2,938	36,524	34,322	231,400
	NM	46,010	53,340	7,330	16,546	2,131	18,677	26,007	72,017
	OR	138,826	104,477	(34,349)	22,427	1,816	24,243	(10,106)	128,720
	SD	346,283	354,968	8,685	56,034	4,698	60,732	69,417	415,700
	UT	361,960	429,783	67,823	77,191	5,144	82,336	150,158	512,119
	WA	156,682	165,271	8,589	41,440	(6,816)	34,624	43,213	199,895
	WY	1,031,773	774,920	(256,853)	63,997	11,997	75,994	(180,859)	850,914
		8,575,749	8,938,222	362,473	1,397,686	155,550	1,553,236	1,915,709	10,491,458

**TOTAL**

		Mar YTD Accrual True-up			Apr Accrual			Total	AprYTD
		AccrOnBks	AccrPerActs	Change	Resale	Other	Total	Apr Accr	Accrual
	AZ	285,363	302,497	17,134	41,244	13,254	54,497	71,631	356,994
	CO	2,136,729	2,328,293	191,564	344,997	27,987	372,984	564,548	2,701,277
	IA	2,245,814	2,337,026	91,212	389,488	23,694	413,181	504,393	2,750,207
	ID	159,715	154,113	(5,602)	40,239	6,588	46,827	41,224	200,940
	MN	1,953,829	2,224,025	270,196	299,814	89,355	389,169	659,365	2,613,193
	MT	196	22,716	22,520	381	11,304	11,685	34,205	34,401
	ND	477,718	476,380	(1,338)	74,901	7,258	82,159	80,821	558,538
	NE	197,078	194,877	(2,201)	33,586	2,938	36,524	34,322	231,400
	NM	46,010	53,340	7,330	16,546	2,131	18,677	26,007	72,017
	OR	336,231	359,880	23,648	43,264	22,163	65,427	89,075	425,307
	SD	346,283	354,968	8,685	56,034	4,698	60,732	69,417	415,700
	UT	463,898	567,925	104,027	95,979	13,436	109,415	213,442	677,340
	WA	442,549	499,762	57,213	70,659	19,920	90,579	147,792	590,341
	WY	1,031,773	774,920	(256,853)	63,997	11,997	75,994	(180,859)	850,914
		10,123,186	10,650,723	527,537	1,571,126	256,722	1,827,848	2,355,385	12,478,570

ess 3/30/01 Wire to A07

(707,185)

11771385.42

9,416,001

ess 4/27/01 Wire to A07

(101,403)

-101403

Current Balance

9,314,598

11669982.42

NONPUBLIC DOCUMENT

CONTAINS TRADE SECRET DATA

M01 BILLING FOR IABS PRODUCTS

OTHER

Product	(All)
RevType	(All)

EUN, EUR, EUU rev types not incl in rev types

Rev	MonYr									
State	Oct-00	Nov-00	Dec-00	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Grand Total
AZ	(3,241)	(3,311)	(2,923)	(3,031)	(2,961)	(2,664)	(5,130)	(5,725)	(50,859)	(79,845)
CO	475,695	(60,515)	(15,368)	(81,742)	(83,959)	(40,285)	(22,561)	(17,915)	(20,234)	133,115
IA	(33,681)	(79,676)	(107,951)	(82,916)	(96,143)	(79,280)	(62,066)	(28,736)	(38,499)	(608,948)
ID	(1,270)	(388)	(341)	(146)	(166)	(2,697)	(19,040)	(12,889)	(6,443)	(43,381)
MN	(79,989)	(98,639)	(79,577)	(70,151)	(110,548)	(124,360)	(169,422)	(170,108)	(184,587)	(1,087,381)
MT	0				0		0	0	(60)	(60)
ND	(222)	(870)	(24)	(21)	(596)	453	(1,048)	(342)	(327)	(2,997)
NE	12	(5)	(5)	(143)	(803)	(6,518)	(8,655)	(6,360)	(6,417)	(28,895)
NM	(1,603)	(1,619)	(1,339)	(1,073)	(1,414)	(1,114)	(2,625)	(3,011)	(2,122)	(15,920)
OR	(2,752)	(2,887)	(2,443)	(1,826)	(2,727)	(2,340)	(2,925)	(5,206)	(3,305)	(26,411)
SD	(12,150)	4,323	(3,836)	(7,584)	(6,704)	(13,715)	(5,990)	(6,235)	(6,341)	(58,232)
UT	(30,623)	(20,540)	(15,970)	(15,691)	(15,307)	(21,652)	(18,175)	(21,400)	(17,709)	(175,068)
WA	(5,934)	(5,196)	(4,979)	(4,847)	(5,307)	(4,584)	(5,203)	(5,036)	(5,573)	(46,660)
WY	(5)			(48)	1	(1)	(35)	(61)	42	(107)
Grand Total	304,237	(269,325)	(234,758)	(289,219)	(326,633)	(298,757)	(320,878)	(283,025)	(342,434)	(2,040,791)

PLTS

Product	PLTS
RevType	(All)

Rev	MonYr									
State	Oct-00	Nov-00	Dec-00	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Grand Total
AZ	(39,922)	(42,086)	(39,646)	(38,116)	(44,429)	(42,749)	(50,307)	(56,978)	(89,840)	(444,072)
CO	(65,558)	(110,458)	(111,131)	(107,544)	(116,260)	(122,881)	(165,519)	(158,307)	(173,389)	(1,131,048)
IA	(300,521)	(282,439)	(311,486)	(342,129)	(414,463)	(396,873)	(380,491)	(424,693)	(389,941)	(3,243,037)
ID	(57,922)	(58,748)	(53,439)	(58,528)	(58,107)	(62,128)	(86,175)	(82,768)	(80,891)	(598,705)
MN	(444,961)	(478,753)	(423,715)	(473,935)	(479,393)	(477,068)	(553,812)	(572,827)	(487,606)	(4,392,071)
MT	(73)	(73)	(73)	(73)	(73)	(73)	(73)	(73)	(2,217)	(2,802)
ND	(6,478)	(13,777)	(6,246)	(10,464)	(8,403)	(8,024)	(9,027)	(13,917)	(26,231)	(102,568)
NE	(6,645)	(7,336)	(13,872)	(28,970)	(22,721)	(29,201)	(28,070)	(24,017)	(23,994)	(184,825)
NM	(4,655)	(5,738)	(4,588)	(4,968)	(4,984)	(5,047)	(6,285)	(5,775)	(43,663)	(85,683)
OR	(33,273)	(32,326)	(33,487)	(33,750)	(31,397)	(31,177)	(32,212)	(46,210)	(44,375)	(318,207)
SD	(11,738)	(10,901)	(11,885)	(12,188)	(10,933)	(18,090)	(18,110)	(54,257)	(21,109)	(165,011)
UT	(134,559)	(110,997)	(161,569)	(140,384)	(142,868)	(142,955)	(139,865)	(153,573)	(143,008)	(1,269,778)
WA	(44,589)	(45,583)	(44,761)	(48,680)	(44,721)	(49,303)	(46,358)	(58,885)	(97,911)	(480,791)
WY	(4,444)	(5,176)	(4,452)	(4,471)	(4,787)	(4,801)	(4,508)	(4,253)	(4,446)	(41,338)
Grand Total	(1,155,337)	(1,204,391)	(1,220,150)	(1,304,200)	(1,383,540)	(1,388,369)	(1,518,794)	(1,656,533)	(1,628,622)	(12,459,936)

SWACC

Product	SWACC
RevType	(All)

Rev	MonYr									
State	Oct-00	Nov-00	Dec-00	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Grand Total
AZ	(192,915)	(180,158)	(206,936)	(241,990)	(188,233)	(275,452)	(224,241)	(248,020)	(268,332)	(2,026,279)
CO	(412,435)	(369,018)	(409,664)	(369,131)	(237,153)	(640,334)	(438,372)	(387,666)	(367,229)	(3,631,004)
IA	(355,180)	(337,820)	(367,995)	(128,089)	(13,755)	(275,722)	(255,363)	(275,709)	(318,116)	(2,327,751)
ID	(215,881)	(207,929)	(210,591)	(202,952)	(188,710)	(182,256)	(217,693)	(229,012)	(215,494)	(1,870,517)
MN	(195,915)	(235,987)	(245,256)	(111,112)	(204,482)	(165,391)	(132,312)	(150,157)	(211,938)	(1,652,551)
MT	(6)	(4)	(5)	(4)	(6)	(8)	(6)	(6)		(46)
ND	(24,961)	(38,119)	(37,281)	(17,211)	(9,032)	(26,004)	(20,974)	(26,512)	(24,647)	(224,741)
NE	(29,415)	(52,082)	(37,225)	(44,098)	(23,713)	(30,516)	(30,441)	(26,661)	(34,409)	(308,560)
NM	(149,462)	(123,400)	(198,264)	(112,917)	(139,396)	(153,381)	(122,554)	(143,229)	(178,198)	(1,320,801)
OR	(164,430)	(171,752)	(142,518)	(161,052)	(137,075)	(168,805)	(150,844)	(171,371)	(168,466)	(1,436,313)
SD	(116,966)	(112,844)	(107,345)	(40,261)	(29,466)	(74,794)	(74,085)	(76,340)	(97,537)	(729,638)
UT	(221,757)	(221,795)	(222,415)	(209,628)	(128,098)	(224,690)	(219,365)	(200,385)	(281,559)	(1,929,693)
WA	(348,545)	(317,871)	(301,087)	(282,012)	(227,664)	(279,807)	(375,340)	(436,301)	(393,916)	(2,962,541)
WY	(27,547)	(22,641)	(22,642)	(9,655)	(12,810)	(27,752)	(19,182)	(20,280)	(16,708)	(179,216)
Grand Total	(2,455,417)	(2,391,422)	(2,509,225)	(1,930,113)	(1,539,594)	(2,524,911)	(2,280,772)	(2,391,650)	(2,576,549)	(20,599,651)

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CONTAINS TRADE SECRET DATA

Trade Secret Data Ends



McLeodUSA / Qwest Meeting - May 1st...rd Floor of the Hyatt - Royal Room

Subject: McLeodUSA / Qwest Meeting - May 1st from 10am to 2pm on the 3rd Floor of the Hyatt - Royal Room

Date: Mon, 30 Apr 2001 11:23:51 -0600

From: "McCann, Jill J" <Jill.McCann@qwest.com>

To: "Cruciotti, Augie M." <Augie.Cruciotti@qwest.com>, "Filip, Dana" <Dana.Filip@qwest.com>, "Spohn, Wayne" <Wayne.Spohn@qwest.com>, "Kline, Carol" <cxkline@qwest.com>, "Kline, Carol" <Carol.Kline@qwest.com>, "Snider, Patricia" <psnider@qwest.com>, "McKenney, Audrey" <axmcken@qwest.com>, "Boone, Mark D." <Mark.D.Boone@qwest.com>, "Galvin, Charlie" <Charlie.Galvin@qwest.com>, "Percy, Linda" <Linda.Percy@qwest.com>, "Percy, Linda" <ljpearc@qwest.com>, "Anthony, Diane - USWEST" <diane.anthony@qwest.com>

CC: "Shearburn, Jim" <Jim.Shearburn@qwest.com>

[Trade Secret Data Begins

The following attachment in Word is the standing agenda for the McLeodUSA / Qwest Meeting tomorrow, the first of May, in the "Royal Room" of the Hyatt. The second attachment in HTML is a forward sent from Gary Dupler regarding issues that concern McLeodUSA. Please take a minute to look these over prior to 10:00am tomorrow.

Thanks, and please feel free to call me with any questions or concerns you have regarding this meeting.

-Jill McCann  
Administrative Assistant  
303/992-2559

-----Original Message-----

From: Gary E. Dupler [mailto:gdupler@McLeodUSA.com]  
Sent: Friday, April 27, 2001 9:03 AM  
To: Shearburn, Jim  
Cc: McCann, Jill J; Lori A. Winkle  
Subject: Re: FW: McLeodUSA / Qwest Exchange

jim,

i appreciate the offer and i will have lori contact your secretary to make the arrangements for our transportation and the exact location that we will land.

as to any issues other than those we have been discussing i would be happy to discuss if we have time.

look forward to seeing you monday.

Gary

----->  
"Shearburn,  
Jim"  
<Jim.Shearburn@  
qwest.com>  
  
04/27/2001  
07:45 AM

P-421/C-02-197  
DOC 08-212  
Trade Secret Attachment

NONPUBLIC DOCUMENT

CONTAINS TRADE SECRET DATA

4/30/01 1:19 PM



----->  
----->  
-|  
|  
|  
| To: Gary E. Dupler/MCLEOD@MCLEOD  
|  
| cc: "McCann, Jill J" <Jill.McCann@qwest.com>  
|  
| Subject: FW: McLeodUSA / Qwest Exchange

Gary, We are looking forward to your visit next week. Here is a preliminary agenda, please add subjects for discussion at your discretion.

I have attached, along with the draft agenda and lunch menu, a memo from Audrey McKenney addressing some concerns Blake surfaced recently.

We can certainly expand the agenda to include Blake's issues, but candidly I wanted to make sure you are aware of them prior to the meeting, and get your thoughts.

Again we look forward to your visit, we are prepared to have a limo meet you at the airport, I understand you will arrive in a private jet. Will you land at DIA or Centennial? If you are unable to schedule a ground transportation pickup due to flexible schedule etc, we will forego that courtesy, and expect you guys to arrange appropriate transportation to the Hyatt.

Let me know your thoughts on the inclusion of these most recent issues for our meeting.

Please respond to Jill as well on additional agenda items, as she will be including them in the formal agenda document. I am on the road today, will be available on cell, 314-568-8183 if you have questions. Thanks, JPS

I

-----Original Message-----  
From: McCann, Jill J  
Sent: Wednesday, April 25, 2001 6:31 PM  
To: Shearburn, Jim; Cruciotti, Augie M.; Kline, Carol; Filip, Dana; Snider, Patricia; McKenney, Audrey; Boone, Mark D.; Galvin, Charlie  
Cc: Anthony, Diane - USWEST  
Subject: McLeodUSA / Qwest Exchange  
Importance: High

McLeodUSA / Qwest Exchange

Date: May 1st, 10am - 2pmMST  
Location: Hyatt Regency Hotel, 1750 Welton St.  
The Royal Room, located on the 3rd Floor.

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McLeodUSA / Qwest Meeting - May 1st...rd Floor of the Hyatt - Royal Room

Lunch will be provided. Please make your selections from the attached menu provided. ASAP back to me no later than April 27th.

\* Attached you will also find this meeting's pending agenda. Please look over and send additions and comments to Jill McCann by Friday, April 27th.

Qwest attendees include:  
Augie Cruciotti, Carol Kline, Dana Filip, Patty Snider, Jim Shearburn,  
Audrey McKenney, Mark Boone, Charlie Galvin

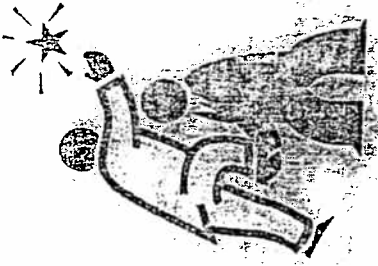
McLeodUSA attendees include:  
Gary Dupler, Mike Edl, Eric Wilkens, Curt Gray, Larry Murphy

Thank you in advanced for you input!

Jill McCann  
Administrative Assistant  
Qwest Communications  
303/992-2559

<input type="checkbox"/> May 1st meeting agenda.doc	<b>Name:</b> May 1st meeting agenda.doc <b>Type:</b> Winword File (application/msword) <b>Encoding:</b> base64 <b>Description:</b> Mac Word 3.0 <b>Download Status:</b> Not downloaded with message
<input type="checkbox"/> Re First quarter meeting noyes.htm	<b>Name:</b> Re First quarter meeting noyes.htm <b>Type:</b> Hypertext Markup Language (text/html) <b>Encoding:</b> quoted-printable <b>Description:</b> Internet HTML

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# McLeod / Qwest Meeting

May 1st ~ 10:00 am to 2:00 pm

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- Old Business
  - PRI Discussion - McLeodUSA meeting alternate price plan
  - Local access connection issue - McLeodUSA POP to Qwest CO (example = Spokane)
  - Centralized Dial IP - status
  - WMSA status
  - Resolution of 'Bell South' - like terminating voice product
  
- New Business
  - McLeodUSA private line / local access requirements on Qwest network.
  - Qwest private line / local access requirements on McLeodUSA network.
  - IRU for 2Q01 - Commitment from McLeodUSA to do similar product "quid pro quo" deals.
  - Other topics as provided by customer or internal parties

We have an agreement  
that they get  
add'l 10% off  
of billing by Q

So Jacobson is gone!  
I = Greg the new guy

We have an opportunity  
w/ McLeod on svc penalties  
- I'm sitting on it  
Cable sent litigation  
w/ NW Airlines

I don't want to use them for  
minute termination out of region  
in region etc

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CONTAINS TRADE SECRET DATA

As detail checks  
continue to get  
backwards by one  
year after  
wire transfers are  
out of region calls

Robert Stewart  
The Stewart  
Robert Stewart

DOC 336

State Of Minnesota  
Department of Commerce  
INFORMATION REQUEST

P421/CI-01-1371 and P421/C-02-197

Information Requested From: Qwest Corporation

Information Requested By: Ferguson, Sharon

Date Requested: 07/10/2002

Date Response Due: 07/18/2002

REQUEST:

Admit that the note [TRADE SECRET DATA BEGINS "We have an agreement that they get additional 10% off of billing by Q" TRADE SECRET DATA ENDS] on the last page of Exhibit 11 to these requests was written by Audrey McKenney.

RESPONSE:

The note [TRADE SECRET DATE BEGINS "We have an agreement that they get additional 10% off of billing by Q" TRADE SECRET DATA ENDS], on the last page of Exhibit 11 to these requests was written by Audrey Mckenney. The note related to PRI discussions that were ongoing at the time.

Respondent: Audrey McKenney

MINNESOTA  
DOCKET NO. P421/CI-01-1371  
AND P421/C-02-197  
DOC-08-212  
ATTACHMENT: I

[Trade secret data begins

**From:** Stacey D. Stewart [sstewart@McLeodUSA.com]  
**Sent:** Friday, May 25, 2001 6:52 AM  
**To:** filip.dana@qwest.com; dult@qwest.com; axmcken@qwest.com; James T. Balvanz  
**Cc:** Stacey D. Stewart  
**Subject:** Issues List



Mac Word 3.0

Here's the issue list we discussed yesterday. I think it's detailed enough, but if you still have questions please feel free to give me a call at 319-790-6140 or Jim at 319-790-6052.

Thanks and we'll talk to you on Wednesday.

Have a good holiday weekend.

Stacey

(See attached file: McLeodUSA and Qwest Issues.doc)

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CONTAINS TRADE SECRET DATA

**Confidential**

**McLeodUSA and Qwest  
Operational and Billing Issues  
May 24<sup>th</sup>, 2001**

**1. ANI over T-1**

**Description:** McLeodUSA currently utilizes dedicated T-1 connectivity into their common blocks for the consolidation of long distance traffic to their preferred LD provider. We currently receive out LD bill without originating ANI because Qwest will not pass the ANI through the common block to the T-1 circuits. McLeodUSA is forced to reconcile their LD bill utilizing SMDR records which are prone to error and inaccuracies. This coupled with issues related to account codes, we have 5-7% fallout of call records that cannot be identified and thus are not billed to an end user. McLeodUSA loses revenue and is forced to absorb the LD billing. This issue is over 5 years old and continues to cause McLeodUSA a great deal of revenue not to mention customer credibility.

**Expected Outcome:** McLeodUSA expects that Qwest provide the ANI over T-1 on all dedicated circuits identified by McLeodUSA and these would be limited to only those circuits currently supporting their LD efforts from Centrex resell common blocks.

**Justification:** McLeodUSA is the single largest wholesale contract for Qwest and the UNE-M product is very narrowly focused and could easily be used to fence this service off from being offered to any other party. Additionally, it is difficult to understand how this issue would impact ANY other carrier within the Qwest ILEC footprint. Customers all over the country use LD carrier T-1 circuits to their switches to achieve a lower LD rate and we are doing nothing more than this. However, Qwest is the 'owner' of our switch and we need for Qwest to allow the ANI to pass through their (our) switch and to our selected LD company.

**2. Ala Carte Feature Rates**

**Description:** Our UNE-M agreements calls for us to default all features, not included in our bundled line rate, to published rates associated with each feature by state. We have spent several months trying to reach agreement on what these rates should be since many of these rates had not been published in tariffs. We have used interconnection agreement rates where appropriate or we have defaulted to tariff rates when no agreement existed. In states with neither, we have used the cost worksheet provided by Audrey McKenney dated 9/14/2000. Qwest has proposed a flat rate, region-wide per feature rate however, when applied, this rate is substantially higher than the per feature/per state rate priced individually. McLeodUSA has provided a counterproposal using a flat rate scenario which, once applied, provides a total cost equal to what would have normally been paid under the individual interconnection agreements or published rates.

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**Expected Outcome:** McLeodUSA expects to pay the 'going rate' for each feature by state. If this can be accomplished through a flat, region-wide rate McLeodUSA would support and this is what we feel we have proposed in our counterproposal. The rate should be exclusive of any overall customer discount.

**Justifications:** McLeodUSA does not expect to pay any less (or more) for these particular features. We utilized the cost worksheet when originally calculating the impact of UNE-M deal and we feel as though our comparisons to UNE-P would have included these individual rates.

### 3. Mutual Preferred Vendor Plan

**Description:** As part of our UNE-M agreement, McLeodUSA is eligible for a customer specific quarterly override of 10% based on total expenditures with Qwest for the applicable quarter. There appears to be significant difficulties in reconciling these expenditures between McLeodUSA and Qwest.

**Expected Outcome:** McLeodUSA would expect timely and accurate payment of the customer specific override amount. As a result, McLeodUSA is recommending the following process.

- McLeodUSA will present Qwest with an invoice for the customer specific quarterly override.
- McLeodUSA will utilize the actual check register as a basis for determining total expenditures with Qwest for the quarter.
- McLeodUSA will add to the expenditures remedy credits that have been credited against Qwest invoices.
- McLeodUSA will make available to Qwest, at their request, this information for their review.
- McLeodUSA would expect a check or wire transfer of the override amount within 21 days of receipt of the invoice.

**Justification:** It appears that Qwest has a great number of operating and billing systems making it impractical for Qwest to assemble of the 'paid' charges for a given month or quarter. The best means of calculating these amounts is directly from the amounts paid and this is easily derived from McLeodUSA's actual cash payments. These payments inherently adjust for the creation and settlement of disputes.

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#### 4. McLeodUSA's logic for UNE-MR (Residential offering)

**Description:** As part of the proposed term sheet provided to Qwest, McLeodUSA is proposing a residential offering that would incorporate the IFR platform within Qwest while receiving many of the pricing benefits of UNE-P. The McLeodUSA proposal would utilize the IFR platform region-wide as a delivery mechanism with pricing benefits similar to UNE-M:

- In areas where UNE-P has a lower cost basis than IFR, a monthly true-up between the IFR price paid and eligible UNE-P cost.
- In areas where IFR has a lower cost basis than UNE-P, McLeodUSA will pay the IFR rate PLUS the forgone applicable Qwest access revenue.
- McLeodUSA will receive and bill all access minutes for all WTNs.
- All features to be priced and billed at UNE-P rates.

**Expected Outcome:** McLeodUSA would expect that this pricing and platform solution be given immediate and serious consideration by Qwest. We would expect that Qwest would assist McLeodUSA in understanding the appropriate rate structure.

**Justification:** We believe that this proposal is truly a win-win proposal since it allows:

- McLeodUSA and Qwest to operate on a single platform.
- Proposal would be access revenue neutral for Qwest
- Proposal could be revenue enhancing to Qwest based on deeper penetration for features, voice mail and DSL.
- Proposal would allow McLeodUSA to enter new markets and penetrate existing markets even further.
- McLeodUSA does not expand their residential plans without significant economic benefits.

#### 5. Outstanding Minnesota Reciprocal Compensation

**Description:** A \$2.7M unresolved balance still exist in amounts owed by USWest/Qwest prior to the effect date of our bill and keep settlement agreement which is comprised of two separate components.

- Minnesota commission ruled a new rate of \$.00451 effective March 1<sup>st</sup>, 2000. USWest/Qwest has applied this lower rate on minutes prior to March 1<sup>st</sup>, 2000 but were invoiced on March 3<sup>rd</sup>, 2000. This accounts for \$1.1M of the unresolved balance listed above and has been conveyed in letter to Tom Pontinen on May 9<sup>th</sup>, 2000.
- The remaining \$1.6M unresolved balance is related to unsubstantiated disputes of transiting traffic which is no longer an issue since McLeodUSA is now bill and keep with Qwest.

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**Expected Outcome:**

- McLeodUSA expects Qwest to pay \$1.1M for traffic properly rated prior to March 1<sup>st</sup>, 2000.
- McLeodUSA would expect Qwest to make a reasonable settlement proposal to put this issue behind us.

**Justification:** It was agreed that we would have settled all outstanding claims and disputes as part of our settlement agreements from April 2000, however, due to timing issues these specific items were not addressed.

**6. Outstanding Unpaid Access Charges**

**Description:** A \$4.9M unresolved balance still exist in amounts owed by USWest/Qwest prior to the effect date of our bill and keep settlement agreement which is comprised of access charges billed by McLeodUSA to USWest/Qwest. These amounts were disputed by Qwest. After review by McLeodUSA it was determined that the actual charges to USWest/Qwest should have been \$160K.

**Expected Outcome:** McLeodUSA expects Qwest to pay the re-rated charges of \$160K.

**Justification:** It was agreed that we would have settled all outstanding claims and disputes as part of our settlement agreements from April 2000, however, due to timing issues these specific items were not addressed.

**7. Meet Point Tape Penalty Charged by Qwest**

**Description:** Qwest is demanding McLeodUSA pay \$461K related to McLeodUSA not supplying Qwest with tapes necessary for Qwest to bill IXCs. McLeodUSA agrees that Qwest may be entitled to a share of the \$461K, however, disagrees with Qwest's application of all related charges.

**Expected Outcome:** Due to the disagreement of these charges and since the problem has been corrected we would expect that these charges would be dropped.

**Justification:** In consideration of the larger issues facing our two companies and as a show of good faith, McLeodUSA expects Qwest to waive these charges including any applicable interest or late payment charges.

**8. Facilities Issue**

**Description:** Qwest is disputing \$744K in LIS trunking charges associated with McLeodUSA's desired configuration at the DS1 level. Qwest believes that McLeodUSA should be passing these charges to them at the more cost effective DS3 level, however, this is not the way that McLeodUSA (or even Qwest) manages capacity. It is our belief that we have the ability to pass these charges on at the DS1 level. In either case, Qwest should at least be paying the DS3 rate, which they are not.

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**Expected Outcome:** This issue needs to be resolved prior to our meeting on May 31<sup>st</sup>. McLeodUSA is prepared to listen to a workable solution that would correct this balance and agree to the methodology going forward. At a minimum, McLeodUSA would expect that Qwest would pay charges at the DS3 level.

**Justification:** LIS capacity has been and continues to be managed at the DS1 level and it seems appropriate to bill these trunks at the DS1 level instead of DS3. If DS3 is a more cost effective means of delivering these services then we would need to ensure that capacity is being managed at the DS3 level.

#### 9. Netch

**Description:** Netch (cic 0098) access minutes were delivered to McLeodUSA in our first batch of minutes, but have since disappeared. The CIC for this company and billing address seems to be a Qwest CIC, but we cannot verify this nor have we been able to have anyone describe why these minutes have disappeared. This issue has been brought to Audrey McKenney and Perry Hook's attention but we have received not response.

**Expected Outcome:** McLeodUSA is seeking confirmation that Netch CIC does or does not belong to Qwest and a response as to why the minutes went from 200K minutes per month to zero.

**Justification:** In order to ensure the integrity of the minutes being received by McLeodUSA we feel it necessary to 'scrub' these types of issue and to investigate these types of abnormalities.

Trade secret data ends]

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Received Email from Lori D

>  
>

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 > > M01 true-up JulAug 01.xls           Name: M01 true-up JulAug 01.xls  
 > >    Type: Microsoft Excel Worksheet  
 > > (application/vnd.ms-excel)  
 > >    Encoding: base64  
 > >    Description: Microsoft Excel 97

Subject: Re: True-up credit  
 Date: Tue, 20 Nov 2001 09:54:51 -0600  
 From: "Lori A. Deutmeyer" <ldeutmeyer@McLeodUSA.com>  
 To: Anthony Washington <axwashington@west.com>

Was the wire that we received last week for \$5.6 on the July, Aug. and Sept true up?

From: Anthony Washington <axwashington@west.com> on 11/19/2001 04:02 PM

To: Lori A. Deutmeyer/MCLEOD@MCLEOD  
 cc:  
 Subject: Re: True-up credit

Lori,

We changed the true-up process. With the July/Aug true-up and on we will net the total, therefore McLeod won't have to send Qwest true-up debits.

Anthony W

"Lori A. Deutmeyer" wrote

> Thanks  
 >  
 > From: Anthony Washington <axwashington@west.com> on 02/09/2001 09:59 AM  
 >  
 > To: Lori A. Deutmeyer/MCLEOD@MCLEOD  
 > cc:  
 > Subject: Re: True-up credit

> Lori,  
 > We'll get the wire to you early next week.  
 >  
 > You should get Septembers numbers later today.

Anthony W

"Lori A. Deutmeyer" wrote:

>  
 > We are good with these numbers. Let me know when I can expect the wire and  
 > then  
 > I can also get back to you as to when we will wire money to you also.  
 >  
 >  
 > Thanks, Lori

>  
 > From: Anthony Washington <axwashington@west.com> on 11/06/2001 04:23 PM  
 >  
 > To: Lori A. Deutmeyer/MCLEOD@MCLEOD  
 > cc:  
 > Subject: Re: True-up credit

>  
 > Lori,  
 > Attached is the revised True-up. After the changes were made an  
 additional  
 > \$6636 is  
 > added to the True-up.  
 > If you have any questions let me know.  
 >  
 > Anthony (See attached file: M01 true-up JulAug 01.xls)

-----  
 > > M01 true-up JulAug 01.xls           Name: M01 true-up JulAug 01.xls  
 > >    Type: Microsoft Excel Worksheet  
 > > (application/vnd.ms-excel)  
 > >    Encoding: base64  
 > >    Description: Microsoft Excel 97

Subject: Re: True-up credit  
 Date: Tue, 27 Nov 2001 13:46:44 -0600  
 From: "Lori A. Deutmeyer" <ldeutmeyer@McLeodUSA.com>  
 To: Anthony Washington <axwashington@west.com>

I figured out the \$5.6 credit and you are right that was 2nd quarters preferred vendor discount. I am still researching the Sept. #'s. Do you know when you will have the 3rd quarter preferred vendor discount calculated?

Lori

From: Anthony Washington <axwashington@west.com> on 11/21/2001 10:30 AM

To: Lori A. Deutmeyer/MCLEOD@MCLEOD  
 cc:  
 Subject: Re: True-up credit

Received Email from Lori D

Lori,  
I believe that the \$5.6 was the preferred vendor credit -- it was actually sent back in Oct. Can you check the wire date to make sure? The credit was for the April-June time period. Let me know the exact amount so I can match it against our records. Your July-Aug true-up credit will be sent first thing next week. Also, let me know if you have any issues with September's true-up data that was sent two weeks ago, if not I'll start the wire process.

thanks  
Anthony

"Lori A. Deutmeyer" wrote:

> Was the wire that we received last week for \$5.6 on the July, Aug. and Sept. true up?  
>  
> From: Anthony Washington <axwashi@qwest.com> on 11/15/2001 04:02 PM  
>  
> To: Lori A. Deutmeyer/MCLEOD@MCLEOD  
> cc:  
> Subject: Re: True-up credit  
>  
> Lori,  
> We changed the true-up process, with the July/Aug true-up and on we will net the total, therefore Mcleod won't have to send Qwest true-up debits.  
> Anthony W

> "Lori A. Deutmeyer" wrote:

> > Thanks  
> >  
> > From: Anthony Washington <axwashi@qwest.com> on 02/09/2001 09:59 AM  
> >  
> > To: Lori A. Deutmeyer/MCLEOD@MCLEOD  
> > cc:  
> > Subject: Re: True-up credit  
> >  
> > Lori,  
> > We'll get the wire to you early next week.  
> >  
> > You should get Septembers numbers later today.  
> >  
> > Anthony W

> > "Lori A. Deutmeyer" wrote:

> > > We are good with these numbers. Let me know when I can expect the wire and then  
> > > I can also get back to you as to when we will wire money to you also.  
> > >  
> > > Thanks, Lori  
> > >

> > > From: Anthony Washington <axwashi@qwest.com> on 11/06/2001 04:23 PM  
> > >  
> > > To: Lori A. Deutmeyer/MCLEOD@MCLEOD  
> > > cc:  
> > > Subject: Re: True-up credit  
> > >

> > > Lori,  
> > > Attached is the revised True-up. After the changes were made an additional \$6636 is added to the True-up. If you have any questions let me know.

> > > Anthony (See attached file: M01 true-up JulAug 01.xls)

-----  
> > > M01 true-up JulAug 01.xls Name: M01 true-up JulAug 01.xls  
> > > (application/vnd.ms-excel) Type: Microsoft Excel Worksheet  
> > > Encoding: base64  
> > > Description: Microsoft Excel 97

Subject: Re: True-up credit  
Date: Fri, 30 Nov 2001 14:06:35 -0600  
From: "Lori A. Deutmeyer" <ldeutmeyer@McLeodUSA.com>  
To: Anthony Washington <axwashi@qwest.com>

Sept numbers look good. Let me know when the wire will be sent. Sorry it took so long. Can you also tell me when you will have info pulled together for the preferred

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Received Email from Lori D

vendor discount?

Thanks, Lori:

Subject: Re: True-up credit  
Date: Mon, 1 Dec 2001 11:15:31 -0600  
From: "Lori A. Deutmeyer" <ldeutmeyer@McLeodUSA.com>  
To: Anthony Washington <axwashi@qwest.com>

We need to get this done within the next week or so because we are anticipating by 12/31/01 we have received the wire. What do we need to do to get this accomplished?

From: Anthony Washington <axwashi@qwest.com> on 12/03/2001 11:12 AM

To: Lori A. Deutmeyer/MCLEOD@MCLEOD  
CC:  
Subject: Re: True-up credit

I'll get the wires out by Wednesday, as for the vendor discount we want to get this done before the end of the month - we'll see.

Anthony

"Lori A. Deutmeyer" wrote:

> Sept numbers look good. Let me know when the wire will be sent. Sorry it took  
> so long.  
> Can you also tell me when you will have info pulled together for the preferred  
> vendor discount?  
>  
> Thanks, Lori:

Subject: Re: True-up credit  
Date: Tue, 11 Dec 2001 08:54:04 -0600  
From: "Lori A. Deutmeyer" <ldeutmeyer@McLeodUSA.com>  
To: Anthony Washington <axwashi@qwest.com>

Thanks. How is the UNEM true up coming?

From: Anthony Washington <axwashi@qwest.com> on 12/10/2001 10:03 AM

To: Lori A. Deutmeyer/MCLEOD@MCLEOD  
CC:  
Subject: Re: True-up credit

Lori, your september credit is going out today, sorry for the delay.

Anthony

"Lori A. Deutmeyer" wrote:

> We need to get this done within the next week or so because we are anticipating  
> by 12/31/01 we have received the wire. What do we need to do to get this accomplished?  
>  
> From: Anthony Washington <axwashi@qwest.com> on 12/03/2001 11:12 AM  
>  
> To: Lori A. Deutmeyer/MCLEOD@MCLEOD  
> CC:  
> Subject: Re: True-up credit  
>  
> I'll get the wires out by Wednesday, as for the vendor discount we want to get  
> this done before the end of the month - we'll see.  
>  
> Anthony  
>  
> "Lori A. Deutmeyer" wrote:  
>  
> > Sept numbers look good. Let me know when the wire will be sent. Sorry it  
> took  
> so long.  
> > Can you also tell me when you will have info pulled together for the preferred  
> vendor discount?  
> >  
> > Thanks, Lori

Subject: Re: True-up credit  
Date: Fri, 4 Jan 2002 09:52:10 -0600  
From: "Deutmeyer, Lori A." <ldeutmeyer@mcleodusa.com>  
To: Anthony Washington <axwashi@qwest.com>

Anthony,  
Hope you had a nice holiday. I was wondering if you have any information put together on the Oct. Nov. & Dec. monthly true up info?

Thanks, Lori

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MINNESOTA  
DOCKET NO. P421/CI-01-1371  
AND P421/C-02-197  
DOC- 08-212  
ATTACHMENT: 5

[Trade secret data begins

ATT559480.txt

X-Mozilla-Status2: 00000000  
Message-ID: <3C1AD3FD.12F224F3@qwest.com>  
Date: Fri, 14 Dec 2001 21:39:25 -0700  
From: Audrey Mckenney <axmcken@qwest.com>  
Organization: U S WEST Communications, Inc  
X-Mailer: Mozilla 4.51 [en] (winNT; U)  
X-Accept-Language: en  
MIME-Version: 1.0  
To: "Fisher, Blake" <Blake.Fisher@mcleodusa.com>  
CC: "Rings, Randall" <Randall.Rings@mcleodusa.com>, Arturo Ibarra <aibarra@uswest.com>, "Martin, Gordon" <gordon.martin@qwest.com>, Richard Corbetta <Richard.Corbetta@qwest.com>  
Subject: Re: Preferred vendor discount  
References: <26BABD15CD90E14DA203F8288D1CB7F2040F16@iacedexch01.mclld.net>  
Content-Type: multipart/alternative;  
boundary="-----48DD3E3E9296130D449B5EC0"

-----48DD3E3E9296130D449B5EC0  
Content-Type: text/plain; charset=us-ascii  
Content-Transfer-Encoding: 7bit

will do - I am not sure if it got caught up in a new wire transfer process that Robin, our CFO implemented (Arturo pls f/up and let us know.)

Blake - where are on your response to our settlement offer?  
Thanks  
A

"Fisher, Blake" wrote:

>  
>  
> Audrey,  
>  
> Our people have not received information concerning the third quarter  
> payment of the preferred vendor discount. Could you please check on  
> the status.  
>  
> Thanks,  
>  
> Blake  
>  
>  
> NOTICE: This electronic mail transmission may contain confidential  
> information and is intended only for the person(s) named. Any use,  
> copying or disclosure by any other person is strictly prohibited. If  
> you have received this transmission in error, please notify the sender  
> via e-mail.  
>

-----48DD3E3E9296130D449B5EC0  
Content-Type: text/html; charset=us-ascii  
Content-Transfer-Encoding: 7bit

<!doctype html public "-//w3c//dtd html 4.0 transitional//en">  
<html>

will do - I am not sure if it got caught up in a new wire transfer process that Robin, our CFO implemented (Arturo pls f/up and let us know.)  
<p>Blake - where are on your response to our settlement offer?  
<br>Thanks

ATT559480.txt

<br>A

<p>"Fisher, Blake" wrote:

<blockquote TYPE=CITE>&nbsp;

<p><font face="Arial"><font size=-1>Audrey,</font></font>

<p><font face="Arial"><font size=-1>Our people have not received information concerning the third quarter payment of the preferred vendor discount.&nbsp;

Could you please check on the status.</font></font>

<p><font face="Arial"><font size=-1>Thanks,</font></font>

<p><font face="Arial"><font size=-1>Blake</font></font>

<br>&nbsp;

<p><b><font face="Arial"><font size=-1>NOTICE: This electronic mail transmission may contain confidential information and is intended only for the person(s) named.&nbsp;

Any use, copying or disclosure by any other person is strictly prohibited. If you have received this transmission in error, please notify the sender via e-mail.</font></font></b>

<br>&nbsp;</blockquote>

</html>

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Trade secret data ends]

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RE: First quarter meeting

REC'D APR 25 2001

**Subject:** RE: First quarter meeting**Date:** Wed, 25 Apr 2001 09:51:31 -0600**From:** "Casey, Greg" <Greg.Casey@qwest.com>**To:** "Blake O. Fisher" <bfisher@McLeodUSA.com>, "Casey, Greg" <Greg.Casey@qwest.com>**CC:** "McKenney, Audrey" <axmcken@qwest.com>,  
"Stacey D. Stewart" <sstewart@McLeodUSA.com>, "Filip, Dana" <Dana.Filip@qwest.com>**[Trade Secret Data Begins**

Blake I thought we were doing well. My main reason is that our retail people keep complaining about how well mcLeod is doing. Shearburn has told me that he's had a number of productive meetings with McLeod and that we are progressing. You are one of our most important customers, both for strategic and revenue reasons.

If you arent happy, then I'm not happy. If I'm not happy, then life will be hell for every body else. I thought we were setting up a review. Let's do it next week. My wife is about to give birth, can we do it in houston?  
Greg

-----Original Message-----

**From:** Blake O. Fisher [<mailto:bfisher@McLeodUSA.com>]**Sent:** Wednesday, April 25, 2001 9:24 AM**To:** greg.casey@qwest.com**Cc:** Axmcken@qwest.com; Stacey D. Stewart**Subject:** First quarter meeting

Greg,

I must start out by telling you I am really frustrated.

1. We created a business relationship last October and we met in December with the agenda shown below. We have made essentially no progress. I thought we had momentum on performance measures, but that has been at a standstill for 3 weeks.
2. We have been trying to set up a quarterly review with you and your team for two weeks. Not set up yet
3. I asked Audrey for a favor on a consent concerning a Company we are buying. She agreed in principle. Your lawyer will not return our calls.
4. No progress on voicemail, residential proposal DSL, etc., etc, etc.....
5. Your PR group calls us for a quote on your improved service levels. I declined because I have no evidence improvement.

I do not feel like one of your major customers.

Having said that I propose that we get a meeting to:

1. Review first quarter.
2. Get an action plan with dates that you agree to meet or tell us to pound sand.

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P-421/C-02-197

DOC 08-212

Trade Secret Attachment

RE: First quarter meeting

3. Outline a new deal that addresses the following:

A. For Qwest:

A. Performance measures and remedies that we can both support in your  
271 proceedings.

B. Additional LD business

C. Network links that we may want to buy.

D. Additional local business, e.g. Residential, voice mail, DSL  
(although this may be too late)

B. For McLeod

A. IMT's to replace PRI's with better pricing.

B. Residential pricing plan.

C. Voice Mail discount plan

D. IMT pricing

E. Network we sell to you

F. Revisit our override discount.

G. Wholesale performance measures and remedies (business critical)  
beyond what is in the regulatory filings.

C. We should also both understand our differences in the legislative and regulatory arenas.

Do you want to pursue an amended deal?

----- Forwarded by Blake O. Fisher/MCLEOD on 04/25/2001

09:40

AM -----

Blake O. Fisher  
12/05/2000 01:11 PM

To: greg.casey@qwest.com  
cc: Stacey D. Stewart/MCLEOD@MCLEOD, Randall E. Rings/MCLEOD@MCLEOD,  
Jamie.mayo@qwest.com, Jan M. Rigotti/MCLEOD@MCLEOD, James T.  
Balvanz/MCLEOD@MCLEOD  
Subject: December 13th meeting

Greg,

I am including below a tentative agenda for our meeting on December 13th at  
your office to begin at 2:00 PM (Jamie this was a change Greg and I agreed to)  
and be done by 5 PM.

I plan to bring Stacey Stewart and Randy Rings and possibly Jim Balvanz. I  
am also checking on the availability of our PR person.

Randy asked if Steve Davis could be there so we could be sure we are in sync  
on our regulatory and legal activities. Please let me know if that will work  
out.

Below is a proposed agenda. I do not expect to resolve all of these, but we  
should be able to agree on who has responsibility and a target time frame.

Agenda:

1. Discussion of organizational responsibilities and contacts for each  
company.

Specific areas include

A. Service implementation

B. New products and pricing

C. Regulatory proceedings

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RE: First quarter meeting

- D. Sale of Exchanges
- E. Escalation path
- 2. Performance measurements and standards
  - A. Establish measures
  - B. Reporting
  - C. Escalation
  - D. Consequences
- 3. Regulatory proceeding
  - A. State 271
  - B. FCC
  - C. Deaveraging
  - D. Other
- 4. Forecasts
- 5. Out of Region opportunities
  - A. LD
  - B. Wholesale pipes
  - C. Shared or exchanged facilities
- 6. Additional local opportunities
  - A. Residential
  - B. DSL
  - C. Voice messaging
  - D. Trunking
  - E. Securitization of receivables
- 7. Sale of exchanges
- 8. External releases
- 9. Quarterly Reviews
  - A. Schedule
  - B. Intermediate issue resolution
  - C. Agenda

Greg, please let me know who will be at the meeting and any comments on the agenda. Thanks.

**Trade Secret Data Ends]**

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McLeod VMS / DSL

P-421/C-02-197

DOC 08-212

Trade Secret Attachment

[Trade Secret Data Begins

Subject: McLeod VMS / DSL

Date: Wed, 25 Apr 2001 13:27:16 -0600

From: "Freddi Pennington" <ppennin@uswest.com>

To: "Audrey McKenney" <axmcken@uswest.com>

REC'D APR 25 2001

(See attached file: VMS DSL Chronology.doc)

<input type="checkbox"/> VMS DSL Chronology.doc	<b>Name:</b> VMS DSL Chronology.doc <b>Type:</b> Winword File (application/msword) <b>Encoding:</b> base64 <b>Description:</b> Mac Word 3.0
---	--

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- 3/11/2000 DSL is made available with Resale discount
- 10/2000 VMS Product Management gave Wholesale Markets permission to offer VMS to Resellers in those states where Qwest has not been ordered to offer. Retail approved offering at 100% retail rates.
- 10/2000 VMS availability information given to Barry Huber at McLeod.
- 11/2000 UNE-STAR agreements executed
- 2/16/2001 Audrey presented Business Voice Messaging Volume plan to McLeod
- Stacy Stewart at McLeod requested a single voice messaging rate across all 14 states.
- Single recurring rates in place already, NRC are variable.
- Lowest rates available are
- 1FR Resale (resale discount applied in IA, MT, OR, ND) other states  
\$6.95
- 1FB UNE-STAR (10% discount applied all states)  
\$12.75 – \$8.93 (5 year, 500+ lines)
- 3/1/2001 Received request from Greg Casey and Audrey McKenney to provide Market Sizing information to Murray Smith to create a "CLEC DSL Offer"
- 3/2/2001 Provided DSL presentation to Stacey Stewart, Kim Lehman, Doug Dalby, Terry Mallard at McLeod.
- 4/01/01 Provided Market information to Steve Bartholet with legal disclaimers.

**Trade Secret Data Ends]**

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MINNESOTA  
DOCKET NO. P421/CI-01-1371  
AND P421/C-02-197  
DOC- 08-212  
ATTACHMENT: G

[Trade secret data begins

From: Stacey D. Stewart [sstewart@McLeodUSA.com]  
Sent: Monday, May 21, 2001 3:58 PM  
To: greg.casey@qwest.com; Axmcken@uswest.com  
Cc: Blake O. Fisher, Stacey D. Stewart  
Subject: Term Sheet



Mac Word 3.0



Mac Word 3.0



Mac Word 3.0



Mac Word 3.0



Word 6.0 Windows/  
Mac

Greg, Audrey

Attached is the Term Sheet detailing the negotiation items for our enhanced Business to Business agreement. The B to B attachment is the main document and the others are supporting documents for some of the items within the term sheet.

Please call with questions.

Thanks  
Stacey

(See attached file: B to B version 2.doc) (See attached file: Proposed PM and Remedies.doc) (See attached file: Qwest vmail.doc) (See attached file: Proposed Qwest DSL Resell.doc) (See attached file: Qwest Testimony.doc)

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## CONFIDENTIAL

### McLeodUSA and Qwest Version 2 Business to Business Deal Proposed Term Sheet May 21st, 2001

1. **Performance Measures and Remedies**
  - a) McLeodUSA will accept the Qwest PAP/PID with the exception of the attached document incorporating a Parity with a Floor concept on the most important 5 measures for McLeodUSA. The effective date of these measures will be November 1, 2000.
  - b) Qwest will provide the remedies associated with the PAP plus the remedies for the 5 Parity with the Floor measures in the attached document beginning with November 2000 performance.
2. **Product and Pricing**
  - a) Qwest to provide McLeodUSA with a resell voicemail offering that includes a discount structure in exchange for a minimum commitment. See attached document.
  - b) Qwest to provide McLeodUSA with a residential line program similar to our UNE-M offering. Assumptions and analysis to be sent separately.
  - c) Qwest to provide McLeodUSA with a flat rate T-1 offering similar to our UNE-M offering.
  - d) Qwest to provide a region-wide PRI rate of \$400 to McLeodUSA for all existing PRI's and any future PRI. This rate would be retroactive to November 1, 2000.
  - e) Qwest to offer McLeodUSA their DSL VDP program with changes. See attached
  - f) Qwest to provide a 30% discount on all intralata toll charges
  - g) Qwest will provide Wire Care/Wire Maintenance to McLeodUSA region-wide with our state specific wholesale discount.
3. **In recognition of the preceding, McLeodUSA will provide to Qwest an increased commitment of revenue and term which includes an additional discount tier.**
4. **Both companies to work toward completing the sale of IRU's.**
5. **Regulatory**
  - a) Qwest will provide a 'friendly' witness and testimony in support of UNE-P/UNE-M in the SBC markets in order to help facilitate and prove McLeodUSA's position that this type of conversion activity can be a billing change and requires minimal effort on the part of the ILEC and Qwest would be willing to communicate this position to the FCC. See attached testimony.
  - b) McLeodUSA will support Qwest in their plans for 271 applications in all states within their ILEC footprint.
  - c) McLeodUSA will encourage and participate in any settlement in Minnesota on Wholesale Quality of Service proceedings.

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	2001	2002	2003	2004
<b>Take or Pay</b>	<b>\$150M</b>	<b>\$160M</b>	<b>\$170M</b>	<b>\$180M</b>

**Discount Structure**

<b>Tier 1</b>				
Revenue	\$178-\$188M	Over \$199M	Over \$199M	Over \$199M
Discount	6.5%	8.0%	8.0%	8.0%
<b>Tier 2</b>				
Revenue	\$189-\$198M	Over \$230M	Over \$250M	Over \$270M
Discount	8.0%	10.0%	10.0%	10.0%
<b>Tier 3</b>				
Revenue	Over \$199M	Over \$230M	Over \$250M	Over \$270M
Discount	10.0%	10.0%	10.0%	10.0%
<b>Tier 4</b>				
Revenue	Over \$220M	Over \$250M	Over \$275M	Over \$300M
Discount	12.0%	12.0%	12.0%	12.0%

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# Performance Measures and Remedies

## Key Indicators:

Out of several parity measures, only 5 measures, along with their corresponding sub-measures will be held to the "Parity with a Floor" concept. These 5 measures represent high customer impact, along with being business critical. The 5 measures are as follows:

- OP-3 – Installation Commitments Met
- OP-5 – New Service Installation Quality
- OP-6 – Delayed Days
- MR-3 – Out of Service Cleared within 24 hours
- MR-7 – Repair Repeat Report Rate

## Floors:

The following table represents the proposed "floor" for each respective measure:

Measure #:	Measure:	Floor:
OP-3	Installation Commitments Met	95%
OP-5	New Service Installation Quality	5%
OP-6a	Delayed Days – Non Facility Reasons	3 Business Days.
OP-6b	Delayed Days – Facility Reasons	5 Business Days.
MR-3	Percent Out of Service Intervals < 24 Hours	95%
MR-7	Repair Repeat Report Rate	5%

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**Remedies:**

Qwest will be subject to per measure remedies that are based on a percentage of the McLeodUSA invoice for the applicable month and state that the performance was for. Percentages also increase if the performance did not meet or exceed the floor for consecutive months in a row up to 3 consecutive months, where the 4<sup>th</sup> month and beyond, the remedy percentage is the amount listed under the "3+" column shown in the tables below.

Example of a remedy calculation (using fictional invoice amounts and performance results):

State: Minnesota  
 Invoice amount: \$1,000,000.00  
 Measure: New Service Quality  
 Month: January 2001  
 Floor: 5%  
 Performance result: 7.15%  
 Remedy percentage from table below: 0.75%  
 Remedy: \$7,500.00 (\$1,000,000.00 x 0.75% = \$7,500.00)

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**Remedy Tables:**

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Measure: OP-3 - Installation Commitments Met.  
 Floor: 95%

Performance	Remedy		
	Month 1	Month 2	Month 3+
>= 95.00%	\$0	\$0	\$0
>= 94.00%	0.25%	0.35%	0.45%
>= 93.00%	0.50%	0.60%	0.70%
>= 92.00%	0.75 %	0.85 %	0.95 %
>= 91.00%	1.00%	1.10%	1.20%
>= 90.00%	1.50%	1.60%	1.70%
>= 89.00%	1.75%	1.85%	1.95%
>= 88.00%	2.00%	2.10%	2.20%
>= 87.00%	2.25%	2.35%	2.45%
>= 86.00%	2.50%	2.60%	2.70%
>= 85.00%	2.75%	2.85%	2.95%
< 85.00%	3.00%	3.10%	3.20%

Measure: OP-5 - New Service Installation Quality

Floor: 5%

Performance	Remedy		
	Month 1	Month 2	Month 3+
<= 5.00%	\$0	\$0	\$0
<= 6.00%	0.25%	0.35%	0.45%
<= 7.00%	0.50%	0.60%	0.70%
<= 8.00%	0.75 %	0.85 %	0.95 %
<= 9.00%	1.00%	1.10%	1.20%
<= 10.00%	1.50%	1.60%	1.70%
<= 11.00%	1.75%	1.85%	1.95%
<= 12.00%	2.00%	2.10%	2.20%
<= 13.00%	2.25%	2.35%	2.45%
<= 14.00%	2.50%	2.60%	2.70%
<= 15.00%	2.75%	2.85%	2.95%
> 15.00%	3.00%	3.10%	3.20%

Measure: OP-6a - Delayed Days for Non-Facility Reasons

Floor: 3 Business Days

Performance	Remedy		
	Month 1	Month 2	Month 3+
<= 3.00 days	\$0	\$0	\$0
<= 4.00 days	0.25%	0.35%	0.45%
<= 5.00 days	0.50%	0.60%	0.70%
<= 6.00 days	0.75 %	0.85 %	0.95 %
<= 7.00 days	1.00%	1.10%	1.20%
<= 8.00 days	1.50%	1.60%	1.70%
<= 9.00 days	1.75%	1.85%	1.95%
<= 10.00 days	2.00%	2.10%	2.20%
<= 11.00 days	2.25%	2.35%	2.45%
<= 12.00 days	2.50%	2.60%	2.70%
<= 13.00 days	2.75%	2.85%	2.95%
> 13.00 days	3.00%	3.10%	3.20%

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6/7.2002

Measure: OP-6b - Delayed Days for Facility Reasons  
 Floor: 5 Business Days

Performance	Remedy	Remedy	Remedy
	Month 1	Month 2	Month 3+
<= 5.00 days	\$0	\$0	\$0
<= 6.00 days	0.25%	0.35%	0.45%
<= 7.00 days	0.50%	0.60%	0.70%
<= 8.00 days	0.75 %	0.85 %	0.95 %
<= 9.00 days	1.00%	1.10%	1.20%
<= 10.00 days	1.50%	1.60%	1.70%
<= 11.00 days	1.75%	1.85%	1.95%
<= 12.00 days	2.00%	2.10%	2.20%
<= 13.00 days	2.25%	2.35%	2.45%
<= 14.00 days	2.50%	2.60%	2.70%
<= 15.00 days	2.75%	2.85%	2.95%
> 15.00 days	3.00%	3.10%	3.20%

Measure: MR-3 – Percent Out of Service Cleared within 24 hours.  
 Floor: 95%

Performance	Remedy	Remedy	Remedy
	Month 1	Month 2	Month 3+
>= 95.00%	\$0	\$0	\$0
>= 94.00%	0.25%	0.35%	0.45%
>= 93.00%	0.50%	0.60%	0.70%
>= 92.00%	0.75 %	0.85 %	0.95 %
>= 91.00%	1.00%	1.10%	1.20%
>= 90.00%	1.50%	1.60%	1.70%
>= 89.00%	1.75%	1.85%	1.95%
>= 88.00%	2.00%	2.10%	2.20%
>= 87.00%	2.25%	2.35%	2.45%
>= 86.00%	2.50%	2.60%	2.70%
>= 85.00%	2.75%	2.85%	2.95%
< 85.00%	3.00%	3.10%	3.20%

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Measure: MR-7 – Repair Repeat Report Rate  
 Floor: 5%

Performance	Remedy	Remedy	Remedy
	Month 1	Month 2	Month 3+
<= 5.00%	\$0	\$0	\$0
<= 6.00%	0.25%	0.35%	0.45%
<= 7.00%	0.50%	0.60%	0.70%
<= 8.00%	0.75 %	0.85 %	0.95 %
<= 9.00%	1.00%	1.10%	1.20%
<= 10.00%	1.50%	1.60%	1.70%
<= 11.00%	1.75%	1.85%	1.95%
<= 12.00%	2.00%	2.10%	2.20%
<= 13.00%	2.25%	2.35%	2.45%
<= 14.00%	2.50%	2.60%	2.70%
<= 15.00%	2.75%	2.85%	2.95%
> 15.00%	3.00%	3.10%	3.20%

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## Volume Voice Messaging Proposal (5/21/2001)

Number of Mailboxes Region-wide	% Disc	Residential Rate with Discount Applied	Business Rate with Discount Applied
7000- 8000 Mailboxes	24%	\$5.28	\$9.69
8001- 9000 Mailboxes	26%	\$5.14	\$9.44
9001- 10000 Mailboxes	28%	\$5.00	\$9.18
10001-12000 Mailboxes	30%	\$4.87	\$8.93

Note that these rates are based on number of mailboxes region-wide (across all 14 states).

McLeod assumes a single rate across all 14 states.

VMS is offered at a single recurring rate across all 14 states, the Non-recurring Charges vary by state.

Residential VMS \$6.95/month  
Business VMS \$12.75/month

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## Proposed Qwest DSL Resell (5/21/2001)

- Non Recurring end user rate not subject to Discount.
- Optional Qwest Technician installation not included.
- Bandwidth Change Charge for DSL subscribers wishing to change speeds is \$30.00.

<b>Total Qwest DSL subscribers in service</b>	<b>Total monthly recurring discount off of Qwest DSL prevailing Subscriber tariffed rates</b>
<15,000	25%
15,001 to 30,000	26%
30,001 to 60,000	27%
60,001 to 120,000	28%
120,001 to 200,000	29%
200,001 to 400,000	30%

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Key Points of Testimony

ILEC unbundling obligation

Centrex service is comparable to UNE-Platform: loop, switch port and transport (either dedicated or switched)

Converting resold Centrex to UNE-P does not require a disconnection and reconnection of network elements by the ILEC

To effectuate conversion of resold Centrex to UNE-P merely requires a change in the wholesale billing tables for those lines and providing the necessary information to permit the CLEC to bill for access

cost of completing billing table conversion should be minimal; standard per line non-recurring charges for such a conversion would not be applicable

cost of providing tapes for CABs is no different from cost of providing information to other UNE providers

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Q: Please state your name and business address for the record.

A: My name is \_\_\_\_\_. My business address is \_\_\_\_\_.

Q: On whose behalf was this testimony prepared?

A: This testimony was prepared on behalf of McLeodUSA Telecommunications Services, Inc. ("McLeodUSA").

Q: Please describe your experience with telecommunications policy issues and your relevant work history.

A:

Q: Please explain your understanding of an incumbent's obligation to unbundle its local network.

A: Section 251(c)(3) provides that an incumbent LEC must provide access to "unbundled network elements in a manner that allows requesting carriers to combine such elements in order to provide" a telecommunications service.

Q: Do you believe converting Centrex to UNE-P constitutes providing access to a combination of network elements in a manner that allows McLeodUSA to provide a telecommunications service?

A: Yes. ILECs are required to perform the functions necessary to combine network elements that are ordinarily combined within their network in the manner in which those elements are typically combined. In addition, ILECs are also required to perform the functions necessary to combine elements even if they are not ordinarily combined by the ILEC in that manner, or those elements are not ordinarily combined in the incumbent's network, provided that such combination is technically feasible, or such combination would not undermine the ability of other carriers to access unbundled elements or interconnect with the incumbent LEC's network.

In this instance, the fact that SBC already combines these elements for itself in the form of Centrex service indicates that it can combine the elements as a UNE-P combination for McLeodUSA since such combination clearly is technically feasible. Centrex is basically nothing more than a combination of an unbundled loop, unbundled switch port and unbundled transport.

Q: Did McLeodUSA resell Centrex in Qwest territory?

A: Yes, McLeodUSA began reselling Centrex Plus service, which I understand to be the technical equivalent to Centrex service in SBC-Ameritech region, in U S WEST territory

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in January 1995.

Q: Did McLeodUSA approach Qwest about converting its resold Centrex to a UNE-P offering?

A: Yes. McLeodUSA requested conversion of all of its resold Centrex Plus lines to UNE-P in \_\_\_\_\_.

Q: How was this conversion accomplished?

A: Qwest and McLeodUSA agreed that the most economical and customer friendly solution was to simply change the billing tables for the McLeodUSA account. This conversion was technically feasible and resulted in a combination of network elements that allowed McLeodUSA to provide a telecommunications service.

Q: Was this conversion process economical for Qwest?

A: Absolutely. If we had tried to insist that all McLeodUSA lines be disconnected and then reconnected as a UNEs, a significant amount of Qwest resources would have been required to accomplish this task within the time frame that we are required to provide UNEs to McLeodUSA.

Q: Do you believe Qwest could have insisted as a matter of law that these Centrex lines be disconnected and reconnected to convert resold Centrex to UNE-P?

A: No. Section 251(c)(3) requires the ILEC to provide access to network elements on an unbundled basis on rates, terms, and conditions that are just and reasonable. Based on this requirement, I believe the ILEC is required to make such conversions cost effective for the CLEC so long as the conversion is technically feasible. When the ILEC rejects a lower cost, technically feasible alternative that arrives at the same result in favor of a process that foists unnecessary costs on the CLEC, I believe that this is clear evidence that the ILEC is exercising its monopoly power over the CLEC. Indeed, if SBC did not have a local monopoly, it would be unable to reject such a reasonable request from a very large customer such as McLeodUSA.

Q: Do you agree with McLeodUSA that using the billing table change to accomplish the conversion is significantly better for end users?

A: Yes, this conversion process completely eliminated the chance for customer impacting service issues. Anytime a disconnect and a connect order must be worked in sequence, there is some opportunity for error in that conversion process. Converting the lines through a billing table change completely eliminates the need to affect the actual lines providing service to end users.

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Q: Did Qwest incur a cost to complete the conversion of the billing table for McLeodUSA?

A: Yes, but the cost was relatively minimal. It took about \_\_\_\_\_ hours of labor to complete the process.

Q: Was Qwest entitled to assess a per line non-recurring charge to accomplish the conversion?

A: Given what Qwest actually did to accomplish the conversion, we could not have justified assessing a per line non-recurring charge. The activity was done in bulk and the actual number of lines converted was relatively inconsequential to the cost of converting the billing tables. Again, I believe that we would have violated the just and reasonable standard had we attempted to assess such a non-recurring charge on a per line basis.

Also, I think is worth noting that much, if not all of the cost to establish service for each McLeodUSA end user was already recouped when service was first initiated as a resold Centrex line. Indeed, the non-recurring charge to initiate service (for retail or wholesale) typically recoups the cost of both (a) initiating (connecting) and (b) terminating (disconnecting) service. Since SBC is not actually required to disconnect the end user's service to accomplish the conversion to UNE-P, SBC has already been compensated by McLeodUSA for a cost that SBC will not incur - the cost of truly disconnecting the service of all those end users.

Moreover, the fact that UNE-P was not available to McLeodUSA as a service offering when service was first initiated for those customers by McLeodUSA because ILECs were fighting this issue through the courts should not now mean that McLeodUSA is required to incur a second non-recurring charge per line to establish UNE-P service for the same line. Such a result would penalize McLeodUSA for attempting to compete on a relatively ubiquitous basis using another service delivery method (Centrex resale) while this issue was sorted out through the appellate process.

Q: Other than changing billing tables, what else was Qwest required to do to permit these lines to be converted to UNE-P from Centrex.

A: The only other required change was to begin forwarding the CABs information in Exchange Message Interface ("EMI") format so that McLeodUSA could begin billing for access. This is standard for UNE service that Qwest provides to any CLEC. Since there was no unique activity associated with starting this process, Qwest did not attribute any unique charge to McLeodUSA to initiate this process.

Q: Does this conclude your testimony?

A: Yes, it does.

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