

Qwest Corporation

1600 7th Avenue, Room 1506 Seattle, Washington 98191 (206) 345-1568 Facsimile (206) 343-4040

Mark S. Reynolds Asst. Vice President Public Policy & Regulatory Affairs

May 7, 2009

Mr. David Danner, Executive Director and Secretary Washington Utilities and Transportation Commission P.O. Box 47250 Olympia, Washington 98504-7250

Attn: Betty Erdahl

RE: WAC 480-120-375 Affiliated Interest Agreement

Dear Mr. Danner:

In accordance with WAC 480-120-375, Qwest Corporation is filing notification of the enclosed affiliated interest agreement between Qwest Corporation (QC) and Qwest Government Services, Inc. The agreement is a Special Construction Proposal for Black Diamond, Washington. Also enclosed is a verified statement.

Please call Joyce McDonald on 206-345-1514 if you have any questions or require any additional information.

Very truly yours,

for Mark Reynolds

Enclosures

VERIFIED STATEMENT OF AFFILIATED INTEREST TRANSACTION

Qwest Corporation

WAC 480-120-375 states:

Every public service company must file a verified copy, or a verified summary, if unwritten, of contracts or arrangements with affiliated interests before the effective date of the contract or arrangement. Verified copies of modifications or amendments to the contract or arrangements must be filed before the effective date of the modification or amendment. If the contract or arrangement is unwritten, then a public service company must file a verified summary of any amendment or modification. The Commission may institute an investigation and disapprove the contract or arrangement if the commission finds the public service company has failed to prove that it is reasonable and consistent with the public interest.

Lynn Ray, Lead Finance/Business Analyst of Qwest Corporation certifies that the attached Special Construction Proposal for Black Diamond, Washington describes the affiliate arrangement between Qwest Corporation and Qwest Government Services, Inc..

Lynn Ray

Dated at Seattle this 7th day of May, 2009.



Job Authoriza

Contract No No
Job Authorization No: C9WA038

Special Construction Proposal

C9WQGØI

Date: 4/28/2009	
~ 50 N F	
3illing Address:	Work Location:
Dustomer: Owest Government Services	36931 SE Green River Headworks Rd
Attention: David Hinson	County King
10300 Eaton PL 510 210	Black Diamond, WA
10300 Eaton PI .210	
Fairfex. VA 22030-0000	·
Description and/or specifications of work to be pe	rformed by Qwest under this Proposal ("Work"):
Place a 15 000 Ft of ANBW- 25. Place strand and lash cable Splice cable at first closure near offices and Last closure near dam. Cutover existing workers at Dam offices to new cable	
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	· · ·
Advance Payment (required before work begins	s): <u>\$79,963,53</u>
Tabel Chauses Comment Hill Ch	
: Total Charges: Seventy-Nine Thousand Nine Hundred Sixty-Three Dollars and 53/100	
rotal Charges: Seventy-Nine In	nousand Nine Hundred Sixty-Three Dollars and 53/100
: :	
*For the Work performed hereunder, Customer will be re- both parties in accordance with Section 4 below. All ch Payment"). It, in Qwest's sole discretion, Qwest approve invoice of charges to Customer upon full execution of the Qwest will submit an invoice of charges upon completion days of receipt. All past due undisputed accounts will be receipt of Advance Payment or acceptance by Qwest responsible for foreign, federal, state and local taxes asse sales, value added, surcharges, excise, franchises, con whether charged to or against Qwest or Customer, but ex "Note: If applicable, the Work proposed here is separate agreement, including but not limited to a Pre-Service R	esponsible for these Charges only, unless a Change Order is signed by panges shall be paid prior to commencement of the Work ("Advance is a Purchase Order in ligu of Advance Payment, Owest will submit an Agreement (or Change Order). For Governmental Customers only, in of the Work. All Customers will pay the invoice within forty five (45) is assessed a late fee at 14% APR. No Work shall commence prior to st of a Purchase Order. Notwithstanding, Customer shall also be essed in connection with the Work, including without limitation, all use, immercial, gross receipts, license, privilege or other similar charges, including any taxes based on Owest's net income.

Terms and Conditions

Job Authorization No: C9WA038 C9 WQG Ø1

The Proposal, these Terms and Conditions and all terms and conditions in the applicable tariff, catalog, or price schedules constitute the entire agreement between the parties (the "Agreement") and supersede all previous agreements between Owest and Customer relating to the Work and related subject matter hared. No other terms and conditions are applicable, including but not limited to terms and conditions attached to Customer's Purchase Order (PO). In the event that any applicable tariffs, catalogs, price schedules, rules or statues prohibit performance in accordance with the terms of the Agreement, or have the effect of modifying, superseding, or suspending provisions of the Agreement prior to performance by a Party hereunder, then to the extent of such inconsistency, this Agreement may become null and void, and the Parties may elect to enter into a new agreement or an amendment of the Agreement to conform to such tariffs, catalogs, price lists, rules or statues.

- 1. Customer Responsibilities. Customer shall furnish all applicable surveys and a description of the Customer site. Customer shall be responsible for, and secure and pay for all necessary permits, approvals, eagements, assessments and any other charges required for the Work to be performed under the Agreement on the Customer's Premises. Customer agrees to provide copies of the same, along with any filing information if applicable, to Gwest upon demand.
- 2. Concealed/Subsurface Conditions. Should concealed conditions be encountered below the surface of the ground, or in an existing structure, during the performance of the Work, differing materially from those ordinarily encountered and generally recognized as inherent in the Work, the Agreement Charges shall be equitably adjusted by Change Order upon written claim by either party made within twenty (20) days after the first observance of such conditions.
- 3. Salety and Environmental. Customer understands and acknowledges that should Owest encounter a hazardous substance and determine that such substance presents a health or physical hazard, Owest may, without perialty, discertifule work under this contract.
- 4. Changes. Changes in the Work, an adjustment to the proposal price or the limetrame for the Work shall be made by Change Order specifically stated in writing between the parties. The cost or credit for the Customer from a change shall be determined by multipliarchement.
- a change shall be determined by mutual agreement.

 5. Termination. In the event Customer elects to abandon the project and terminate this contract for Customer's convenience, Cwest shall be paid for all Work executed and any reasonable expense sustained as of the date of termination.
- 8. Title to Equipment and Facilities. Title to, and ownership of all lines, equipment and other property installed or constructed by Owest in connection with the Agreement or the provisioning of Service is and remains with Owest. Customer does not own facilities placed as a result of the Work performed under the Agreement, those facilities are owned solely by Owest.
- 7. Other Communications Services. The Agreement is independent, separate, and distinct from any local exchange or other communications or other service Owest currently provides, or may provide in the future to Customer, whether or not Owest provides or may provide such services to Customer using the Owest equipment and facilities to which the Agreement

- refors. Customer shall be responsible for paying for all other local exchange or other services separate from the payment requirements of the Agreement. 8. Warrenty. Qwest shall perform the Work in a professional manner, consistent with industry standards, and shall conform to the specifications set forth herein. All workmanship for the Work performed under the Agreement is guaranteed against detects for a period of six (6) months from the date of completion. THIS WARRANTY IS IN LIEU OF ALL OTHER WARRANTY IS IN LIEU OF ALL OTHER TO, ANY OTHER WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AS APPLICABLE TO THE WORK PERFORMED UNDER THE AGHEEMENT. The exclusive remedy for a breach of this warranty shall be that Qwest will re-perform any part of the Work which is found to be defective. Qwest shall not be responsible for damage to its work by other parties or for improper use of the equipment by
- 9. General. This Agreement shall be governed by the state within in which the facilities are tocated, or in the case of interstate facilities the laws of the State of New York, without regard to its choice of law principles; provided however, that Work may also be subject to the Communications Act of 1934, as amended or applicable State tariff, catelogs or price lists. Neither party's falture to insist upon strict performance of any provision of this Agreement shall be construed as a waiver of any of its rights hereunder. Customer may not assign this Agreement or any of its rights or obligations hereunder without the prior written consent of Glwest, which consent will not be unreasonably withheld. Customer may not assign to a reseller or a communications carrier under any circumstances. This Agreement is intended solely for Qwest and its affiliates and Customer and it shall not benefit or be enforceable by any other person or entity. All amendments to this Agreement shall be in writing and signed by the parties authorized representatives. Distriction facetimile signatures in principal Gwest and the and the same are sufficiently agreement and the prior facetimile signatures in principal Gwest and the analysis agraement of the same are sufficiently believed by Qwest to be genuine and Customer agrees that any employee of Customer, who, gives any written notice or other instruction has the subjectly to do so.
- 10. For Cwest Affiliate Transactions Only. If under applicable law, this Agreement, or notice thereof, must be filled with a governmental entity, including but not limited to a state public utility commission, this Agreement shall not become effective with respect to any jurisdiction having such requirements until the tilings have occurred.