

**Qwest Corporation** 

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

March 29, 2011

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 CenturyLink. This is a new agreement entitled Intrastate DS1 Service Agreement. 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

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**Enclosures** 

# QWEST NETWORK SERVICE AGREEMENT QWEST DS1 SERVICE Intrastate

Agreement Number: <u>WA59001</u> Billing Number: <u>206-T35-9213 200</u>

This Qwest Corporation Intrastate DS1 Service Agreement ("Agreement") is between CENTURYTEL ("Customer") and Qwest Corporation, ("Qwest") and is effective on the date Qwest signs it ("Effective Date"). Qwest will provide, and Customer will purchase, Qwest Intrastate DS1 Service provided under this Agreement ("Service"). Any Qwest tariff, price list, price schedule, administrative guideline, catalog, and other rate and term schedules (hereinafter, whether individually or together, "Tariff") applicable to the Service is incorporated into the Agreement by reference and made a part of the Agreement. The Service will be governed by: (a) the Tariff applicable to the Service; and (b) to the extent a comparable Tariff term or condition does not apply to the Service, the terms and conditions set forth in this Agreement. Qwest reserves the right to amend, change, withdraw, or file additional Tariffs in its sole discretion, with such updated Tariffs effective upon posting or upon fulfillment of any necessary regulatory requirements.

## Description of Service.

- 1.1 Qwest will provide Service up to the Standard Network Interface ("SNI") at Customer's premises. The SNI is that location where Qwest's protected network facilities end and Customer's inside wiring or network begins.
- 1.2 Service provides for the two-way transmission of 1.544 Megabits per second ("Mblt/s") on a point-to-point basis only. Service may be provisioned on copper, fiber, or other suitable facilities, at Qwest's discretion, and it may be used for the transmission of voice, data, and/or video signals. Service is available between: (a) two customer-designated premises; (b) a customer-designated premises and a Qwest serving wire center; or (c) Qwest serving wire centers. When Service is requested between two Qwest serving wire centers, Central Office Multiplexers ("COMs") must also be ordered for each serving wire center of the DS1 circuit, and Private Line Transport service must be ordered to connect each COM to the Customer's premises.
- 1.3 Customer understands and agrees that Qwest supplies Service as an intrastate, intraLATA telecommunications service, as defined by State and/or Federal Communications Commission ("F.C.C.") regulations, which are incorporated herein by this reference. It is Customer's responsibility to ensure that Customer uses Service as an intrastate, intraLATA telecommunications service consistent with such regulations. F.C.C. regulations permit interstate usage of Service if such usage does not exceed 10% of the total usage. If Customer should use this Service for any other purpose, or if interstate usage exceeds 10%, it is Customer's responsibility to immediately notify Qwest of such use and to place an order for appropriate service. Qwest will bill, and Customer will promptly pay, appropriate monthly recurring charges, for such use of and changes to Customer's telecommunications service including, but not limited to all applicable Qwest Access Tariff F.C.C. No. 1 interstate access charges or intrastate Tariff access charges.

#### 2 Term.

- 2.1 This Agreement will commence on the date on which Qwest signs it, following Customer's execution of this Agreement ("Effective Date"), and it expires 60 months from the date Service is available to Customer, as evidenced by Qwest records ("Initial Term"). After the expiration of the Initial Term, this Agreement will continue automatically on a month-to-month basis unless a party notifies the other party in writing of its desire not to renew this Agreement at least 60 calendar days, and no more than 120 calendar days, prior to the end of the Initial Term. After the Initial Term, either party may terminate this Agreement upon 30 calendar days prior written notice. The Initial Term and any month-to-month period thereafter will be collectively referred to as the "Term."
- 2.2 After the Initiat Term, Customer will pay for Service at Qwest's then-current rates. Qwest will inform Customer of its then-current rates for Service upon written request.

#### Service Ordered.

3.1 Customer orders and Qwest will supply Service as follows.

No. of Circuits	Address of Circuit Location 1	Address of Circuit Location 2
1	128 W Borah St, Connell, WA	1 Tucarmon, Starbuck, WA

- 3.2 Qwest will notify Customer of the date Service ordered is available to Customer under this Agreement. In the event Customer is unable or unwilling to accept service at such time, the subject Service will be held available for Customer for a period not to exceed 30 business days from such date ("Grace Period"). If after this Grace Period, Customer still has not accepted Service Qwest may, at its sole discretion, after consultation with Customer either: (a) commence with regular monthly billing for the subject Service; or (b) cancel the subject Service. If Customer cancels an order for Service prior to the date Service is available for use or is unable to accept the Service during the Grace Period and Qwest cancels the Service at the end of the Grace Period, the Tariff cancellation charges may apply.
- 4. Payment. Customer must pay Qwest all charges by the payment due date on the invoice. Any amount not paid when due will be subject to a late charge as specified by the Tariff, or if there is no such late charge specified in the Tariff, the amount due will be subject to late interest at the lesser 1½% per month or the highest rate permitted by applicable law. Customer must also pay Qwest any applicable federal, state, and local taxes, surcharges, and other similar charges ("Taxes") assessed in connection with Customer's Service. Qwest may reasonably modify the payment terms or require other assurance of payment based on Customer's payment

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history or a material and adverse change in Customer's financial condition. Customer will pay those charges listed below. The charges for Services under this Agreement, including any and all discounts to which Customer may be entitled, will be offered and charged to Customer independently from, and regardless of, Customer's purchase of any customer premises equipment or enhanced services from Qwest.

Total Monthly Recurring Charge ("MRC"):

\$392.82

Total Nonrecurring Charge ("NRC"):

\$680.00

5. Changes to Service. Pursuant to the applicable Tariff, if any, Customer may move the physical location of all or part of the Service to another location within the same Qwest intrastate, intraLATA serving area, including within a building or among buildings. Customer will pay all of the then-current installation and other charges for any such move.

### 6. Termination.

- 6.1 Either party may terminate Service and/or this Agreement in accordance with the applicable Tariff or for Cause. "Cause" means the failure of a party to perform a material obligation under this Agreement, which failure is not remedied: (a) for defaults by Customer, within five days of separate written notice from Qwest of such default (unless a different notice period is specified in the Tariff); or (b) for any other material breach, within 30 days of written notice (unless a different notice period is specified in the Tariff or this Agreement). Customer will remain liable for charges accrued but unpaid as of the termination date. Prior to the conclusion of the Term, if Service and/or this Agreement is terminated either by Qwest for Cause or by Customer for any reason other than Cause, then Customer will also be liable for a termination charge "Termination Charge" of:
- (a) If during the first 12 months of Service ("Minimum Service Period"), Customer will pay all accrued and unpaid charges for Service provided through the effective date of such termination plus a Termination Charge of 100% of the MRCs for the terminated Service (or any fraction thereof), multiplied by the number of months, or portion thereof, remaining in the Minimum Service 40% of the MRCs for the terminated Service (or any fraction thereof), multiplied by the number of months after the Minimum Service Period remaining in the Initial Term.
- (b) If after the Minimum Service Period, Customer will pay for all accrued and unpaid charges for Services provided through the effective date of such termination plus a Termination Charge of 40% of the MRCs for the terminated Service (or any fraction thereof), multiplied by the number of months, or portion thereof, remaining in the Initial Term.
- 6.2 A Termination Charge will be waived when all of the following conditions are met: (a) Customer discontinues Service and signs a new service agreement(s) for any other Qwest-provided service(s); (b) the new service agreement(s) have a total value equal to or greater than 115% of the remaining prorated value of the existing agreement(s) (excluding any special construction charges, applicable nonrecurring charges, or previously billed but unpaid recurring and/or nonrecurring charges); (c) Customer places the orders to discontinue Service and establish new service at the same time; and (d) a new minimum service period goes into affect when new service agreement term begins. The waiver does not apply to changes between regulated and unregulated or enhanced products and services.
- 6.3 Qwest may: (a) immediately suspend all or any part of the Service; and/or (b) terminate this Agreement (effective after the applicable notice period): (i) for Cause (as defined herein); or (ii) upon written notice if Customer becomes or is declared insolvent or bankrupt or is the subject of any proceedings related to its liquidation, insolvency or for the appointment of a receiver or similar officer for it.
- 7. Interruptions to Service. Tariff specifies the credit allowance due Customer, if any, for interruptions to Service which are not caused by Customer. In the absence of a Tariff, the provisions of Qwest's F.C.C.1 Access Service Tariff will apply with respect to any credit allowance due Customer for interruptions to Service.
- 8. Disclaimer Of Warranties. QWEST DISCLAIMS ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION, WARRANTIES OF TITLE, NONINFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. NO ADVICE OR INFORMATION GIVEN BY QWEST, ITS AFFILIATES, AGENTS, OR CONTRACTORS OR THEIR RESPECTIVE EMPLOYEES WILL CREATE ANY WARRANTY. CUSTOMER ASSUMES TOTAL RESPONSIBILITY FOR USE OF THE SERVICE.
- 9. Limitation of Liability. NEITHER PARTY, ITS AFFILIATES OR CONTRACTORS WILL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, RELIANCE, PUNITIVE OR CONSEQUENTIAL DAMAGES OR FOR ANY LOST PROFITS OR REVENUES OR LOST DATA OR COSTS OF COVER RELATING TO THE SERVICES OR THIS AGREEMENT, REGARDLESS OF THE LEGAL THEORY UNDER WHICH SUCH LIABILITY IS ASSERTED. CUSTOMER'S EXCLUSIVE REMEDIES FOR ANY AND ALL CLAIMS RELATED TO THE SERVICE WILL BE LIMITED TO: (A) THOSE REMEDIES SET FORTH IN THE INTERRUPTIONS TO SERVICE SECTION; OR (B) IF SUCH SECTION DOES NOT APPLY, THE TOTAL MRCS PAID, OR PAYABLE, BY CUSTOMER TO QWEST FOR SERVICE IN THE MONTH IMMEDIATELY PRECEDING THE OCCURRENCE OF THE EVENT GIVING RISE TO THE CLAIM. This limitation of liability will not apply to a party's indemnification obligations or Customer's payment obligation for charges under this Agreement (e.g., Service charges, Taxes, interest, and termination or cancellation charges).
- 10. Personal Injury, Death, and Property Damage. Each party will be responsible for the actual, physical damages it directly causes to the other party in the course of its performance under the Agreement, limited to damages resulting from personal injury or

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death to a party's employees and loss or damage to a party's personal tangible property arising from the negligent acts or omissions of the liable party; PROVIDED, HOWEVER, THAT NEITHER PARTY, ITS AFFILIATES, AGENTS, OR CONTRACTORS WILL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, RELIANCE, PUNITIVE, OR CONSEQUENTIAL DAMAGES OR FOR ANY LOST PROFITS OR REVENUES OR LOST DATA OR COSTS OF COVER.

- 11. Indemnification. Customer will defend and indemnify Qwest, its Affiliates, agents, and contractors against all third party claims, liabilities, costs, and expenses, including reasonable attorneys' fees, arising from or related to the use, modification, or resale of the Service by Customer or End Users. "End Users" means Customer's members, end users, customers, or any other third parties who use or access the Service or the Qwest network via the Service. "Affiliate" means any entity controlled by, controlling, or under common control with a party.
- 12. Confidentiality; Publicity. Neither party will, without the prior written consent of the other party: (a) disclose any of the terms of this Agreement or use the name or marks of the other party or its Affiliates; or (b) disclose or use (except as expressly permitted by, or required to achieve the purposes of, the Agreement) the Confidential Information of the other party. Qwest's consent may only be given by its Legal Department. A party may disclose Confidential Information if required to do so by a governmental agency, by operation of law, or if necessary in any proceeding to establish rights or obligations under the Agreement, provided that the disclosing party gives the non-disclosing party reasonable prior written notice. "Confidential Information" means any information that is not generally available to the public, whether of a technical, business or other nature and that: (c) the receiving party knows or has reason to know is confidential, proprietary or trade secret information of the disclosing party; and/or (d) is of such a nature that the receiving party should reasonably understand that the disclosing party desires to protect such information against unrestricted disclosure. Confidential Information will not include information that is in the public domain through no breach of this Agreement by the receiving party or is already known or is independently developed by the receiving party.
- 13. Governing Law; Dispute Resolution.
- 13.1 Governing Law; Forum. This Agreement will be governed by the laws of the state of Colorado, except with regard to matters which are within the exclusive jurisdiction of the state or federal regulatory agency. Those matters alone will be governed by the laws of the appropriate jurisdiction. Any legal proceeding relating to this Agreement will be brought in a U.S. District Court, or absent, of the appropriate jurisdiction, in a state court of competent jurisdiction, in the location of the party to this Agreement not initiating the action, as indicated in the Notices section. But Owest may, at its discretion, initiate proceedings in Denver, Colorado to collect undisputed amounts billed. This provision is not intended to deprive a small claims court or state agency of lawful jurisdiction that would otherwise exist over a claim or controversy between the parties.
- 13.2 Waiver of Jury Trial and Class Action. Each party, to the extent permitted by law, knowingly, voluntarily, and intentionally waives its right to a jury trial and any right to pursue any claim or action relating to this Agreement on a class or consolidated basis or in a representative capacity.
- 14. Notices. Unless otherwise provided herein, all required notices to Qwest must be in writing, sent to 1801 California St., #900, Denver, CO 80202; fax#: 888-778-0054; Attn.: Legal Dept., and to Customer at its then current address as reflected in Qwest's records; Attn.: General Counsel or other person designated for notices. Unless otherwise provided herein, all notices will be deemed given: (a) when delivered in person to the recipient named above; (b) three business days after malled via regular U.S. Mail; (c) when delivered via overnight counier mail; or (d) when delivered by fax if duplicate notice is also sent by regular U.S. Mail.
- 15. General Provisions. Customer may not assign the Agreement or any of its rights or obligations under the Agreement without the prior written consent of Qwest, which consent will not be unreasonably withheld. Customer may not assign to a reseller or telecommunications carrier under any circumstances and represents that it will not resell the Service. The Agreement is Intended solely for Qwest, and not to benefit any other person or entity (e.g., End Users). If any term of the Agreement is held unenforceable, such term will be construed as nearly as possible to reflect the original intent of the parties and the remaining terms will remain in effect. Neither party's failure to insist upon strict performance of any provision of the Agreement will be construed as a waiver of any of its rights hereunder. All terms of the Agreement that should by their nature survive the termination of the Agreement will so survive. In the event of a conflict in any term or condition of any documents that govern the provision of the Service hereunder, the following order of precedence will apply in descending order of control: the Tariff, this Agreement, and Qwest records. Neither party will be liable for any delay or failure to perform its obligations hereunder if such delay or failure is caused by a Force Majeure Event. "Force Majeure Event" means an unforeseeable event beyond the reasonable control of that party, including without limitation: act of God, fire, flood, labor strike, sabotage, fiber cuts, acts of terror, material shortages or unavailability, government laws or regulations, war or civil disorder, or failures of suppliers of goods and services. Except for Tariff or Service modifications initiated by Qwest, all amendments to the Agreement must be in writing and signed by the parties' authorized representatives. However, any change in rates, charges, or regulations mandated by the legally constituted authorities will act as a modification of any contract to that extent without further notice. Each party reserves the ri

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16. Entire Agreement. This Agreement constitutes the entire agreement between Customer and Qwest and supersedes all prior oral or written agreements or understandings relating to this subject matter.

The parties have read, understand, and agree to all of the above authorize this Agreement.	terms and conditions of this Agreement and hereby execute and
insert Customer's legal name	Qwest Corporation
Authorized Signature	Authorized Signature
TIM GRIGAR	LTChristersen
Name Typed or Printed  (SENVENAL MANAGE	Name Typed or Printed Director - Whole sale Contract
Title C. /17/67	Date 6 26 08
Date	Date
Address for Notices:	

### 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.

Joyce L. McDonald, Lead Finance/Business Analyst of Qwest Corporation certifies that the attached Intrastate DS1 Service Agreement describes the affiliate arrangement between Owest Corporation and CenturyLink.

Joyce L. McDonald

Dated at Seattle this 29th day of March, 2011.