

Qwest Corporation

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

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 Memorandum of Understanding Relating to Billing in 800 Data Base Environment. 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

MEMORANDUM OF UNDERSTANDING RELATING TO BILLING IN 800 DATA BASE ENVIRONMENT BETWEEN U S WEST COMMUNICATIONS, INC.

AND Cowiche Telephone Company

This Memorandum of Understanding is entered into between <u>Owiche Telephone Company</u> ("Exchange Carrier"), a corporation, organized under the Laws of the State of <u>WA</u> and U S WEST Communications, Inc. ("USWC"), a corporation organized under the Laws of the State of Colorado. Exchange Carrier and USWC may be collectively referred to in this Memorandum of Understanding as the "Parties".

WHEREAS, currently when an end user in Exchange Carrier's exchange uses 800 service, Exchange Carrier can identify which end office originated the particular 800 call; and

WHEREAS, when Common Channel Signaling/Signaling System Seven ("CCS7") is integrated into the network, approximately March 4, 1993, Exchange Carrier has chosen not to deploy the technology necessary to identify which end office originated the 800 call; and

WHEREAS, the identity of the end office originating the 800 call is vital information to Exchange Carrier and USWC for accurate access billing purposes.

NOW THEREFORE, The Parties agree as follows:

- 1. The NXX agreed upon, as set forth in Attachment A, incorporated herein by this reference and made part of this Memorandum, will be used to generate a complete access billing record which will allow Exchange Carrier and USWC to render an accurate access bill to the interexchange carrier.
- 2. This Memorandum of Understanding shall be governed by and construed in accordance with the Laws of the State of $\frac{WA}{A}$.
- 3. Each Party to this Memorandum of Understanding hereby indemnifies and holds harmless the other Party with respect to any third-party claims, lawsuits, damages or court actions arising from performance under this Memorandum of Understanding to the extent that the indemnifying Party is liable or responsible for said third-party claims, losses, damages, or court actions. Whenever any claim shall arise for indemnification hereunder, the Party entitled to indemnification shall promptly notify the other Party of the claim and, when known, the facts constituting the basis for such claim. In the event that one Party to this Memorandum of Understanding disputes the other Party's right to indemnification hereunder, the Party disputing indemnification shall promptly notify the other Party of the factual basis for disputing indemnification. Indemnification shall include, but is not limited to, costs and attorney fees.
- 4. The Parties may by mutual agreement and execution of a written Supplement to this Memorandum of Understanding amend, modify, or add to the provisions of this Memorandum of Understanding.

BILLING/800 DATA BASE 8/13/92/DLH

- This Memorandum of Understanding and the Parties' actions under this Memorandum of Understanding shall comply with all applicable federal, state, and local laws, rules, regulations, court orders, and governmental agency orders including the Modification of Final Judgment ("MFJ"), as issued in United States v. Western Electric Co., et al. Civil Action No. 82-0192, U.S. District Court for the District of Columbia, and all subsequent orders issued in or related to that This Memorandum of Understanding shall only be effective when mandatory regulatory filing requirements are met, if applicable. If a court or a governmental agency with proper jurisdiction determines that this Memorandum of Understanding, or a provision of this Memorandum of Understanding, is unlawful, or if USWC determines this Memorandum of Understanding or a provision of this Memorandum of Understanding is inconsistent with, or contradictory to the "MFJ", this Memorandum of Understanding, or that provision of this Memorandum of Understanding shall terminate on written notice to Exchange Carrier to that effect. If a provision of this Memorandum of Understanding is so terminated but the Parties legally, commercially, and practicably can continue this Memorandum of Understanding without the terminated provision, the remainder of this Memorandum of Understanding shall continue in effect.
- 6. All notices required by or relating to this Memorandum of Understanding shall be in writing and shall be sent to the Parties to this Memorandum of Understanding at their addresses set forth below, unless the same is changed from time to time, in which event each Party shall notify the other in writing of such change. All such notices shall be deemed duly given if mailed, postage prepaid, and directed to the addresses then prevailing. If any questions arise about dates of notices, postmark dates control.

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USWC

Tony Pottratz		Brenda Bryson
Cowiche Telephone Company		U S WEST Communications
P O Box 40		1600 7th Ave.
Cowiche, WA 98923	3*	Seattle, Wa. 98191

IN WITNESS WHEREOF, each of the Parties has caused this Memorandum of Understanding to be duly executed for and on its behalf on the day and year indicated below:

EXCHANGE CARRIER my ottach	usuc Barnda Barpari
SIGNATURE /	SIGNATURE
Tony Pottratz	Brenda Bryson
NAME TYPED	NAME TYPED
President	Operations Manager
TITLE	TITLE
2-22-93	2-25-93
2-22-93 DATE	DATE

BILLING/800 DATA BASE 8/13/92/DLH

ATTACHMENT A

This Attachment A is attached to and made a part of the Memorandum of Understanding Relating To Billing in 800 Data Base Environment between U S WEST Communications and Cowiche Telephone Company.

ACCESS BILLING METHODOLOGY OF 800 DATA BASE CALLS

When 10 digit ANI (Automatic Number Identification) is not received from the Exchange Carrier end office, the NXX of the exchange closest to the average miles of transport will be used for access billing.

The method of calculating the average miles shall be as follows:

- (1) Add together all transport miles from the affected Exchange Carrier end offices to the USWC tandem(s) they sub-tend.
- (2) Divide the sum of (1) above, by the number of affected end offices.
- (3) Compare the result of (2) above, with the transport miles of each end office. The NXX of the end office with transport miles closest to the average will be used for access billing of 800 Data Base calls.

SELECTED NXX- 678

BILLING/800 DATA BASE 8/13/92/DLH

800 DATABASE ACCESS SERVICE AGREEMENT SWITCHED ACCESS SERVICES

COWICHE TELEPHONE COMPANY, a corporation ("Exchange Carrier" or "EC") organized under the Laws of the State of Washington, and U S WEST Communications, Inc. ("USWC"), a corporation organized under the Laws of the State of Colorado hereby enter into this 800 Database Agreement ("Agreement"). This Agreement may refer to Exchange Carrier or to USWC as a Party ("Party") to this Agreement.

SECTION 1. SCOPE OF AGREEMENT

This Agreement describes the terms and conditions under which USWC agrees to perform, for EC, 800 Database Access Service. 800 Database Access Service is an originating service utilizing trunkside access which provides for the forwarding of end user dialed 800-NXX-XXXX calls to a customer based on the dialed 800 number. USWC will perform for EC, 800 Database Access Service for 800 calls originated by end users in EC's territory. 800 Database Access Service consists of the following:

The Carrier Identification Function is performed for 800 calls based on the dialed 800 number, to determine the carrier location to which the 800 call is to be routed, in accordance with the Service Management/800 (SMS/800) information residing in the USWC Service Control Point ("SCP").

<u>POTS Translation Vertical Feature</u> provides the option of having the tendigit POTS number (i.e. NPA-NXX-XXXX) delivered instead of the 800 dialed number (i.e. 800-NXX-XXXX) delivered to the service provider.

<u>Call Handling and Destination Vertical Features</u> allow service subscribers variable routing options by specifying a single carrier, multiple carriers, single termination or multiple terminations. Multiple terminations require the POTS Translation feature described above. The variable routing options available are outlined in Tariff FCC No. 1, Section 6.2.8 (B) (2) and appropriate state tariffs.

USWC will furnish the EC with the message detail associated with POTS translation, and vertical features. This information will be provided to EC by USWC on a daily summary record which contains the message detail with carrier identification.

It is agreed by the Parties to this Agreement that the Party in whose territory the end office is located has the billing responsibilities for that end office.

In the event that 800 Database data is lost or otherwise unusable, EC and USWC will mutually agree upon the estimated data to be used for compensation to USWC.

Recording and other billing and collection functions associated with access services and access services provided to the customer solely by either EC or USWC are excluded from this Agreement.

SECTION 2. TERM OF AGREEMENT

This Agreement shall become effective July 1, 1993, and shall continue in full force and effect unless one Party terminates this Agreement with thirty (30) days written notice to the other Party in accordance with Section 12. below.

SECTION 3. DEFINITIONS

For the purposes of this Agreement, the following terms shall have the following meanings:

800 Service Provider

Includes two categories of 800 service participants. The first category is telecommunication companies that offer 800 service to subscribers. The second category includes those entities that have been assigned 800 NXXs in place of ten digit numbers.

800 Service

A telecommunications service where an organization provides toll free calling to the public for ordering merchandise, making service reservations, obtaining consumer information, etc.

800 POTS Translation

The capacity of 800 Database Service to translate the dialed number of an 800 call into a 10-digit routing number to determine the call's terminating location.

800 Service Vertical Features

Optional features of 800 Database Service. The features are designed to give flexibility for customizing 800 service.

Carrier Identification

A capability of the 800 Database which identifies the carrier associated with the dialed 800 number based on all ten digits of the dialed 800 number.

Service Control Point ("SCP")

Node in the common channel signaling network that provides access to a centralized database that stores instructions on how 800 subscribers want their calls to be routed.

Service Management System ("SMS")

The operational and administrative support system for the SCPs. It is used to reserve and assign 800 numbers and create and update subscriber 800 records. These records are downloaded to the appropriate SCPs based on the Area of Service ("AOS") entered on the 800 record.

SECTION 4. BASIS OF COMPENSATION

- A. Charges for services contracted for under this Agreement shall mirror the charges as shown in FCC Tariff No. 1 Section 6.8.1 (I) 800 DB Service and appropriate state tariffs, as amended from time to time.
- B. An 800 Carrier Identification Charge is assessed per call to the EC that the call is delivered to in accordance with SMS/800 information residing in the USWC SCP.
- C. An 800 POTS Translation Charge is assessed per call, in addition to the 800 Carrier Identification charge, when the 800 POTS number is delivered to the EC instead of the 800 number in accordance with SMS/800 information residing in the USWC SCP.
- D. A Call Handling and Destination Feature Charge is assessed on a per query basis, in addition to the Carrier Identification Charge and the POTS Translation Charge, to the EC that the call is delivered to for each 800 query to the USWC SCP that utilizes a Call Handling and Destination feature as described above.
- E. The charges outlined in this Section will be assessed for all completed queries whether or not the actual 800 call is delivered to the 800 service provider.

SECTION 5. OUT-OF-SERVICE CREDIT

If a Service interruption or other out-of-service conditions occur, except for interruptions or out-of-service conditions caused by Exchange Carrier's actions or involving Exchange Carrier's facilities, an out-of-service credit will be calculated in accordance with the applicable state tariff for out-of-service conditions. If there is no tariff governing an out-of-service condition, and such out-of-service condition occurs and lasts for more than four (4) consecutive hours after Exchange Carrier gives USWC notice of such condition, an out-of-service credit shall be given to Exchange Carrier and shall be based on a thirty (30) day month and shall be calculated by: (a) dividing the monthly rate for the Service affected by seven hundred and twenty (720) hours; and then (b) multiplying that hourly rate by the number of hours, or major fraction thereof, that the Service was interrupted.

SECTION 6. DEFAULTS OR VIOLATIONS

If either Party defaults in the payment of any amount due hereunder, or if either Party violates any other provision of this Agreement, and such default or violation continues for thirty (30) calendar days after written notice thereof is given to the defaulting or violating Party, the other Party may terminate this Agreement forthwith by written notice.

SECTION 7. CONFIDENTIALITY

Both Parties agree that all information received or reviewed as a result of this Agreement is considered confidential and is not to be disclosed in any form to any third (3rd) party without the written consent of EC and USWC. Any information relating to the business of either Party shall be considered proprietary and confidential regardless of whether it is so marked. Each Party agrees to take precautions to protect the confidential nature of such information as if it were its own confidential information.

SECTION 8. SUCCESSORS, ASSIGNMENT

This Agreement binds the Parties, their successors, and their assigns. Either Party may assign its rights and delegate its duties under this Agreement with the express, written permission of the other Party, which permission shall not unreasonably be withheld; provided, however, that USWC may assign its rights and delegate its duties under this Agreement to its parent, its subsidiaries, or its affiliates without prior, written permission.

SECTION 9. LIMITATION OF LIABILITY

NEITHER PARTY SHALL HAVE ANY LIABILITY TO THE OTHER PARTY, WHETHER BASED ON CONTRACT, TORT (INCLUDING WITHOUT LIMITATION NEGLIGENCE), WARRANTY OR ANY OTHER LEGAL OR EQUITABLE GROUNDS, OR FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE OR EXEMPLARY DAMAGES SUFFERED BY THE OTHER PARTY, ARISING FROM OR RELATED TO THIS AGREEMENT, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES. (THIS INCLUDES, BUT IS NOT LIMITED TO, LOSS OF PROFIT AND LOSS OF REVENUE.) HOWEVER, NOTHING IN THIS SECTION LIMITS EITHER PARTY'S LIABILITY FOR NON PERFORMANCE OF EITHER PARTY'S RESPECTIVE OBLIGATIONS AS CONTAINED IN THIS AGREEMENT.

SECTION 10. FORCE MAJEURE

A Party shall be excused from performance if its performance is prevented by acts or events beyond the Party's reasonable control including but not limited to: severe weather and storms, earthquakes or other natural occurrences, strikes or other labor unrest, power failures, computer failures, nuclear or other civil or military emergencies, or acts of legislative, judicial, executive or administrative authorities. Neither Party shall incur any liability if performance is excused.

SECTION 11. INDEMNIFICATION

To the extent not prohibited by law, each Party shall indemnify the other and hold it harmless against any loss, cost, claim, injury, or liability relating to or arising out of its negligent or willful misconduct associated with relating to or arising from its performance of this Agreement. The indemnifying Party under this Section agrees to defend any suit brought against the other Party for any such loss, cost, claim, injury or liability. The indemnified Party agrees to notify the other Party promptly, in writing, of any written claims, lawsuits, or demands for which the other Party is responsible under this section and to cooperate in every reasonable way to facilitate defense or settlement of claims. The indemnifying Party shall not be liable under this Section for settlement by the indemnified Party of any claim, lawsuit, or demand if the indemnifying Party has not approved the settlement in advance unless the indemnifying Party has had the defense of the claim, lawsuit, or demand tendered to it in writing, and has failed to assume such defense.

SECTION 12. NOTICE

All notices required by or relating to this Agreement shall be in writing and shall be sent to the Parties to this Agreement at their addresses set forth below, unless the same is changed from time to time, in which event each Party shall notify the other in writing of such change. All such notices shall be deemed duly given if mailed, postage prepaid, and directed to the addresses then prevailing. If any questions arise about dates of notices, postmark dates control.

COWICHE TELEPHONE COMPANY	USWC
Tony Pottratz	Don Taylor
President	Account Manager
P 0 Box 40	1600 7th Ave., Room 1806
Cowiche, WA 98923	Seattle, Washington

SECTION 13. CHOICE OF LAW

The construction, interpretation and performance of this Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

SECTION 14. AMENDMENTS TO AGREEMENT

The Parties may by mutual agreement and execution of a written supplement to this Agreement, amend, modify, or add to the provisions of this Agreement.

SECTION 15. WAIVER

Any failure of a Party to assert any of its rights under any provision of this Agreement shall not constitute a waiver or a termination of such rights, Agreement, or any of this Agreement's provisions.

SECTION 16. LAWFULNESS OF AGREEMENT

This Agreement and the Parties' actions under this Agreement shall comply with all applicable federal, state, and local laws, rules, regulations, court orders, and governmental agency orders including the Modification of Final Judgment ("MFJ"), as issued in United States v. Western Electric Co., et al. Civil Action No. 82-0192, U.S. District Court for the District of Columbia, and all subsequent orders issued in or related to that proceeding. This Agreement shall only be effective when mandatory regulatory filing requirements are met, if applicable. If a court or a governmental agency with proper jurisdiction determines that this Agreement, or a provision of this Agreement, is unlawful, or if USWC determines this Agreement or a provision of this Agreement is inconsistent with, or contradictory to the "MFJ", this Agreement, or that provision of this Agreement shall terminate on written notice to Exchange Carrier to that effect. If a provision of this Agreement is so terminated but the Parties legally, commercially, and practicably can continue this Agreement without the terminated provision, the remainder of this Agreement shall continue in effect.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be duly executed for and on its behalf on the day and year indicated below:

COWICHE TELEPHONE COMPANY	uşwc
Implottet	Donald Jayla
SIGNATURE .	SIGNATURE
President.	Account Manager
TITLE	TITLE
7-27-93	5/24/93
DATE	DATE

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 Memorandum of Understanding Relating to Billing in 800 Data Base Environment Agreement describes the affiliate arrangement between Qwest Corporation and CenturyLink.

Joyce L. McDonald

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