

UT-110583-AF  
OM-5/12/11  
NO ACTION  
**Qwest.**  
Spirit of Service

**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 Regarding Feature Group B Disconnection of Terminating Traffic for Non-Payment. 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

**MEMORANDUM OF UNDERSTANDING  
REGARDING  
FEATURE GROUP B DISCONNECTION OF  
TERMINATING TRAFFIC FOR NON-PAYMENT**

This Memorandum of Understanding is entered into between U S WEST Communications, Inc. ("USWC"), and Inter Island Telephone Company and Telephone Utilities of Washington, Inc. doing business as PTI Communications ("Exchange Carrier") a Washington corporation. This Memorandum of Understanding may refer to Exchange Carrier or to USWC as a Party ("Party") to this Understanding.

Both USWC and Exchange Carrier find it advantageous to set out the conditions and mutual promises which will govern the provision by USWC of the disconnection of all Feature Group B terminating traffic to the Exchange Carrier's specified NPA-NXX(s) on behalf of Exchange Carrier. For good and valuable consideration, receipt of which is hereby acknowledged, the Parties agree as follows:

1. At the request of Exchange Carrier, USWC agrees to disconnect all Feature Group B terminating traffic to Exchange Carrier's specified NPA-NXX(s) on behalf of Exchange Carrier from the Interexchange Carrier to whom Exchange Carrier sent the written notice of disconnection referenced in paragraph 3. below.
2. Exchange Carrier agrees to send to USWC advance written notice of its request to disconnect terminating traffic at least forty-five (45) days prior to the date that Exchange Carrier wants USWC to commence disconnection. Said notice shall be sent to USWC's FAX number (206) 346-8938, Attention: Belva Hagemeister, with written confirmation sent to USWC via U. S. Certified Mail. In the event that Exchange Carrier does not have a FAX machine or Exchange Carrier's/USWC's FAX machine is out of order, Exchange Carrier agrees to give verbal notice to Belva Hagemeister on (206) 345-8078, with written confirmation sent to USWC via U. S. Certified Mail.
3. Exchange Carrier agrees to send at least thirty (30) days advance written notice via U. S. Certified Mail to the applicable Interexchange Carrier of its intent to disconnect. At the same time that the notice is provided to the applicable Interexchange Carrier, Exchange Carrier agrees to FAX a copy of such notice to USWC's FAX number (206) 346-8938, Attention: Belva Hagemeister, with written confirmation sent to USWC via U. S. Certified Mail. In the event that Exchange Carrier does not have a FAX machine or Exchange Carrier's/USWC's FAX machine is out of order, Exchange Carrier agrees to send such notice to USWC via U. S. Certified Mail on the same day the notice is sent to the Interexchange Carrier. In addition, Exchange Carrier will provide USWC with the following information:

- a. the applicable Interexchange Carrier's ACNA (Access Customer Name Abbreviation),
- b. the applicable Interexchange Carrier's CIC (Carrier Identification Code), and
- c. those specific NPA-NXX(s) that Exchange Carrier is directing USWC to disconnect for the applicable Interexchange Carrier's terminating traffic.

4. The following Exchange Carrier Representative agrees to provide immediate verbal notification to the following USWC Representative to cease disconnection if Exchange Carrier receives sufficient payment from the applicable Interexchange Carrier in time for USWC to comply with said notification. In addition, Exchange Carrier agrees to confirm verbal notification in writing to USWC. The time required by USWC to cease disconnection varies by the number of NPA-NXXs involved. USWC agrees to make every reasonable effort to comply with the cease disconnection notification. In the event USWC is unable to cease disconnection of some or all of the involved NPA-NXXs, USWC will use its best efforts to re-establish Feature Group B terminating traffic to the disconnected NPA-NXXs within two (2) business days of the disconnect.

USWC Representative: Belva Hagemeister  
Name

(206) 345-8078  
Telephone Number

Exchange Carrier Representative: David Bond  
Name

(206) 696-6928  
Telephone Number

Each Party agrees to provide the other Party with 30 days advance written notice of any changes in the above Representative information.

5. Exchange Carrier hereby indemnifies and holds harmless USWC with respect to any third-party claims, lawsuits, damages or court actions originated by the applicable Interexchange Carrier arising from performance under this Memorandum of Understanding to disconnect terminating traffic from the applicable Interexchange Carrier to Exchange Carrier's specified NPA-NXX(s) owned by Exchange Carrier. This indemnification shall not apply when the aforementioned terminating traffic is disconnected because of erroneous billing information provided by USWC. Whenever any claim shall arise for indemnification hereunder, USWC shall promptly notify Exchange Carrier of the claim and, when known, the facts constituting the basis for such claim. In the event that Exchange Carrier disputes USWC's right to indemnification hereunder, Exchange Carrier shall promptly notify USWC for the factual basis for disputing indemnification. Indemnification shall include, but is not limited to, costs and attorney fees.

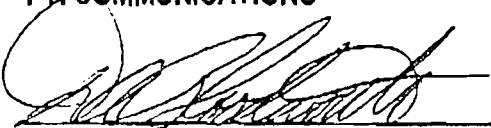
6. This Memorandum of Understanding shall become effective as of Date of Execution, and shall continue in force thereafter until terminated by thirty (30) days advance written notice from either Party to the other.

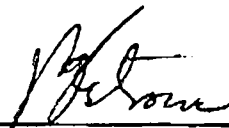
7. All claims arising out of this Agreement shall be resolved by arbitration in accordance with the then current rules of the American Arbitration Association. The arbitration shall be conducted by a single arbitrator engaged in the practice of law. The arbitrator's decision and award shall be final and binding and may be entered in any court with jurisdiction.

Both Parties agree to the terms of this Memorandum of Understanding, effective as of the last date entered below:

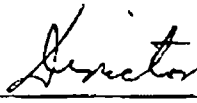
**INTER ISLAND TELEPHONE COMPANY  
AND TELEPHONE UTILITIES  
OF WASHINGTON, INC.  
DOING BUSINESS AS  
PTI COMMUNICATIONS**

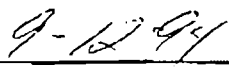
**U S WEST Communications, Inc.**

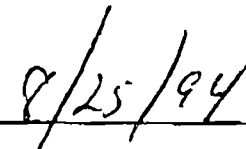
  
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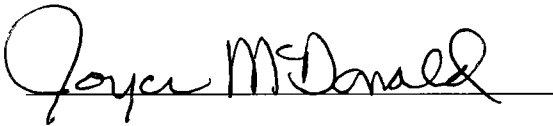
VERIFIED STATEMENT OF AFFILIATED INTEREST TRANSACTION

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 Regarding Feature Group B Disconnection of Terminating Traffic for Non-Payment Agreement describes the affiliate arrangement between Qwest Corporation and CenturyLink.

A handwritten signature in black ink, reading "Joyce McDonald", written over a horizontal line.

Joyce L. McDonald

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