

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION  
COMMISSION**

In the Matter of the Second Six Month Review  
of Qwest Corporation's Performance  
Assurance Plan

Docket No. UT-043007

**RESPONSE TESTIMONY**

**OF**

**MARK S. REYNOLDS**

**QWEST CORPORATION**

**October 25, 2004**

1 **Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND**  
2 **EMPLOYMENT.**

3 A. My name is Mark S. Reynolds and my business address is 1600 7<sup>th</sup> Ave., Room  
4 3206, Seattle, Washington, 98191. I am employed by Qwest Services  
5 Corporation (“QSC”) as the Senior Director of Washington Regulatory Affairs for  
6 Qwest Corporation (“QC”) and other Qwest companies.

7 **Q. PLEASE REVIEW YOUR PRESENT RESPONSIBILITIES.**

8 A. I am primarily responsible for all aspects of state regulatory compliance for QSC,  
9 particularly QC’s regulated Washington operations. My responsibilities include  
10 oversight of regulatory filings and advocacy, including presentation of testimony,  
11 as in this docket. I am also responsible for QSC's and its affiliates'  
12 communications and activities with the Washington Utilities and Transportation  
13 Commission (“Commission”).

14 **Q. BRIEFLY OUTLINE YOUR EMPLOYMENT BACKGROUND.**

15 A. I received a B.A. from Oregon State University in 1977 and an M.B.A. in 1979  
16 from the University of Montana. My professional experience in the  
17 telecommunications industry spans 23 years working for Qwest and its  
18 predecessors, U S WEST Communications, Inc. (“U S WEST”) and Pacific  
19 Northwest Bell. I have held various director positions in costs, economic  
20 analyses, pricing, planning and interconnection for U S WEST in the marketing  
21 and regulatory areas. I was responsible for ensuring economic pricing  
22 relationships between and among U S WEST’s product lines, including telephone  
23 exchange service, long distance, and switched/special access services. I  
24 represented U S WEST, both as a pricing policy witness, and as the lead company  
25 representative, in a number of state regulatory and industry pricing and service  
26 unbundling workshops. Subsequently, I managed an organization responsible for

1 the economic analyses and cost studies that supported U S WEST's tariffed  
2 product and service prices and costs before state and federal regulators.

3

4 I have also managed U S WEST's interconnection pricing and product strategy  
5 and the interconnection negotiation teams that were responsible for negotiating  
6 interconnection and resale contracts with new local service providers. Also, I  
7 managed U S WEST's cost advocacy and witness group, which was responsible  
8 for providing economic cost representation in telecommunications forums,  
9 workshops and regulatory proceedings. Finally, prior to my current position, I  
10 was responsible for state regulatory finance issues and, specifically, the  
11 development and implementation of Qwest's performance assurance plans in  
12 conjunction with its recent Section 271 applications.

13 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THIS COMMISSION?**

14 A. Yes. I have testified in a number of proceedings before the Commission dating  
15 back to 1989, including rate and cost dockets, wholesale arbitration dockets,  
16 wholesale complaint dockets, the Qwest/U S WEST merger docket, the 271  
17 docket, the Dex sale docket, the analog business services competitive  
18 classification docket, and most recently the Service Quality Performance Plan  
19 docket.

20 **Q. WHAT IS THE PURPOSE OF THIS TESTIMONY?**

21 A. The purpose of my testimony is to respond to the testimony of Thomas L. Spinks,  
22 filed on behalf of the Washington Utilities and Transportation Commission Staff  
23 ("Staff") on October 5, 2004, and to explain why the Tier 1 'medium' PAP  
24 payment designation for the expanded PO-20 Manual Service Order Accuracy  
25 performance indicator, as agreed to by the other parties in this proceeding

1 including all CLEC parties, is sufficient and that no Tier 2 payment designation is  
2 required.

3 **Q. IN HIS TESTIMONY, MR. SPINKS PROVIDES A BRIEF HISTORY OF**  
4 **THE EVENTS THAT RESULTED IN THE DEVELOPMENT OF THE**  
5 **INITIAL PO-20 PID AND THE SUBSEQUENT FILING OF THAT PID ON**  
6 **AUGUST 9, 2002, FOR INCLUSION IN THE PAP. DO YOU AGREE**  
7 **WITH MR. SPINKS' REPRESENTATIONS IN THIS REGARD?**

8 A. Yes. Mr. Spinks has accurately represented the events that led to the creation of  
9 the initial PO-20 PID and its subsequent filing with this Commission. However, I  
10 would clarify that the reason Qwest filed the initial PO-20 PID with a Tier 2 per  
11 measurement PAP payment designation<sup>1</sup> was because the initial PID was a  
12 regional measure which could not be disaggregated on an individual CLEC basis  
13 and thus was not suitable for a Tier 1 payment designation. This is not the case  
14 with the expanded PO-20 PID for which Qwest and the other parties to this  
15 proceeding have stipulated to a designation of Tier 1 medium, and no Tier 2.

16 **Q. DO YOU BELIEVE THEN THAT THE QUESTION OF A TIER 2**  
17 **PAYMENT DESIGNATION FOR THE EXPANDED PO-20 PID IS A**  
18 **MATTER OF FIRST IMPRESSION FOR THE COMMISSION?**

19 A. Yes, I do. I participated in the development of the initial PO-20 PID, including  
20 the tier designation of the payment opportunity. Because Qwest could not  
21 measure the metric on a CLEC-specific basis, the PID was developed as a  
22 regional measurement. This left no other choice but a Tier 2 per measurement  
23 payment designation. In the context of this proceeding, the initial PO-20 PID has

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<sup>1</sup> In the PAP regional PIDs are referred to as 'per measurement measures' to indicate that the data cannot be disaggregated below the PID level. Consequently, these regional measures are referred to as per measurement measures in this testimony.

1           been replaced with the expanded PO-20 PID for which Qwest does have the  
2           ability to measure on a CLEC-specific basis. All parties to this proceeding,  
3           including Staff, agreed that the initial PO-20 PID and its Tier 2 per measurement  
4           payment reference would be removed from the PAP. Finally, the issue associated  
5           with the proper tier designation for the expanded PO-20 PID was clearly an issue  
6           that was debated during this proceeding and, indeed, is part of the settlement  
7           agreement between all parties except Staff. Consequently, the issue is clearly a  
8           new issue for the Commission, and it is not properly considered as whether there  
9           should “continue” to be a Tier 2 payment designation for the expanded PO-20  
10          PID, as Mr. Spinks contends.

11       **Q.    ON PAGE 6, LINES 16-19, OF HIS TESTIMONY, MR. SPINKS STATES**  
12       **THAT “QWEST AND THE CLECS SUBSEQUENTLY RESOLVED ALL**  
13       **OF THE PO-20 ISSUES EXCEPT FOR THE MATTER OF WHETHER**  
14       **THE MEASURE SHOULD BE SUBJECT TO TIER II PAYMENTS AND**  
15       **THE COMMISSION HAS APPROVED THE SETTLEMENT.” DO YOU**  
16       **AGREE WITH THIS STATEMENT?**

17       A.    I believe that it is a little misleading. Qwest and the CLECs have resolved all  
18           disputed issues between them in this proceeding, including the appropriate tier  
19           designation for the expanded PO-20 PID. It is Staff, and Staff alone, that seeks an  
20           additional payment designation (Tier 2) for the expanded PO-20 PID.

21       **Q.    WHY IS THAT IMPORTANT?**

22       A.    Because as Mr. Spinks has cited in his testimony, “In the Thirtieth Supplemental  
23           Order in Docket UT-003022, the QPAP Order, the Commission explained that  
24           certain performance measures were subject to Tier 2 payments for two reasons.

1 These were 1) when performance results were available only on a regional basis,  
2 and 2) because of their importance to CLECs' ability to compete. (Order at ¶ 80)"

3  
4 Addressing the Commission's first reason for Tier 2 payments, as I have  
5 previously stated, the new expanded PO-20 is not a regional measure and thus can  
6 be assigned a Tier 1 payment designation as the other parties to this proceeding  
7 have stipulated. Regarding the Commission's second reason, Qwest and the  
8 CLECs in this proceeding have agreed on what is important regarding the  
9 payment level of the expanded PO-20 PID. The parties agreed to a Tier 1  
10 'medium' payment designation and the CLECs agreed not to pursue a Tier 2  
11 designation. This agreement reflects that Qwest compromised its stated advocacy  
12 in the Issues List that the expanded PO-20 PID be assigned a Tier 1 'low'  
13 payment designation. Qwest believes that the settlement it reached with the  
14 CLECs is significant because it represents the give and take of the negotiations  
15 process and resulted in a resolution of all the CLECs' issues in this proceeding.  
16 And, in light of that agreement, it is reasonable to conclude that the lack of a Tier  
17 2 designation does not hamper a CLEC's ability to compete as the CLECs would  
18 be unlikely to agree to such a thing.

19 **Q. DO ANY OF THE EXHIBITS ATTACHED TO MR. SPINKS'**  
20 **TESTIMONY HAVE ANY BEARING ON WHETHER THERE SHOULD**  
21 **BE A TIER 2 PAYMENT DESIGNATION FOR THE EXPANDED PO-20**  
22 **PID?**

23 A. No. Not one of the exhibits, or any of Mr. Spinks' testimony which references his  
24 exhibits, provides any supporting documentation or rationale regarding any type

1 of payment designation for the expanded PO-20 PID.<sup>2</sup> Rather, most of Mr.  
2 Spinks' exhibits and testimony trace the history of the process leading up to the  
3 development of the manual order entry performance indicator, which is simply the  
4 initial PO-20 PID and do not reflect the broader application of the expanded PO-  
5 20.

6 **Q. EXHIBIT TLS-5 IS THE QWEST MANUAL ORDER ENTRY**  
7 **PERFORMANCE INDICATOR DESCRIPTION ADEQUACY STUDY**  
8 **CONDUCTED BY KPMG CONSULTING. DID KPMG QUALIFY ITS**  
9 **CONCLUSIONS IN THIS STUDY IN ANY WAY?**

10 A. Yes, on pages 1 and 2 of the study, KPMG qualified its determinations by  
11 indicating that this work was in contrast to KPMG's stated position on how  
12 performance measures should be developed and was done at the request of the  
13 Steering Committee, did not constitute statements of fact and did not carry the  
14 weight of findings such as those the firm made in its Final Report on the ROC  
15 OSS test.

16 **Q. HAS QWEST, BY NEGOTIATING THE EXPANDED PO-20 AND FILING**  
17 **IT AS A CHANGE TO THE SGAT, COMPLIED WITH THE STEERING**  
18 **COMMITTEE'S PURPOSE IN EXHIBIT (TLS-4) TO IDENTIFY**  
19 **ONGOING REPORTING MECHANISMS THAT THE COMMISSION**  
20 **AND CLECS CAN USE TO IDENTIFY AND MONITOR THE LONG-**  
21 **TERM EFFECTIVENESS OF QWEST'S OVERALL EFFORT TO**  
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<sup>2</sup> This includes TLS-3 Observation 3086 – Second Supplemental Response; TLS-4 Steering Committee Comments on Observation 3086; TLS-5 Qwest Manual Order Entry Performance Indicator Description Adequacy Study – KPMG Consulting, June 11, 2002; TLS-6 Qwest's Response to KPMG's Manual Order Entry PID Adequacy Study of April 30, 2002; and TLS-7 Letter from Qwest Counsel to FCC regarding initial PO-20 PID filing

1           **REDUCE THE FREQUENCY OF PROBLEMS CAUSED BY HUMAN**  
2           **ERROR?**

3    A.    Qwest had already complied with the Steering Committee's purpose even before  
4           developing the expanded version of PO-20. Observation 3086 referenced by Mr.  
5           Spinks was closed successfully before the ROC 271 OSS test was complete, and  
6           remaining order accuracy questions identified specifically by other test findings  
7           were all addressed in the original PO-20 (since the 11 order fields it addresses  
8           more than cover the few order fields involved in test observations)<sup>3</sup> This original  
9           effort provided ongoing reporting mechanisms for manual service order accuracy.  
10          Nevertheless, Qwest agreed to work with CLECs to further expand PO-20, which  
11          effort has since been completed and is a topic in this six-month review. Thus, the  
12          resulting expanded measurement even more completely provides ongoing  
13          reporting mechanisms addressing accuracy of manual service orders.

14   **Q.    ON PAGE 5, LINES 3-25, OF HIS TESTIMONY, MR. SPINKS PROVIDES**  
15   **A QUOTE FROM THE DEPARTMENT OF JUSTICE'S (DOJ)**  
16   **COMMENTS IN RESPONSE TO QWEST'S FIRST APPLICATION FOR**  
17   **INTERLATA RELIEF IN COLORADO, IDAHO, IOWA, NEBRASKA**  
18   **AND NORTH DAKOTA. DID THE DOJ INDICATE IN THESE**  
19   **COMMENTS THAT THE EXPANDED PO-20 SHOULD BE SUBJECT TO**  
20   **TIER 2 PAYMENT OPPORTUNITIES?**

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<sup>3</sup> It should be noted that the expanded PO-20 covers the fields CLECs wanted to retain from the original 11 fields, as well as more than 30 additional fields, depending on the product being ordered, and over 200 additional service order codes (USOCs) and field identifiers.

1 A. No. The DOJ only discusses the need for information regarding manual order  
2 accuracy as volumes increase, in the context of evaluating the evidence provided  
3 by Qwest's internal tracking of manual service order accuracy. The Department  
4 said that if that evidence was reliable, then that would support a finding that  
5 Qwest's processes *are* sufficient to allow CLECs a meaningful opportunity to  
6 compete. There is no discussion what-so-ever regarding payment designations.  
7 The DOJ's comments provide no support for Mr. Spinks' advocacy in this case.

8 **Q. IN ORDER TO MEET THE OBJECTIVE STATED BY THE DOJ IN ITS**  
9 **COMMENTS OF PROVIDING A PROCESS THAT WOULD PERMIT**  
10 **CLECS AND REGULATORS TO MONITOR AND MAINTAIN**  
11 **ADEQUATE PERFORMANCE AS VOLUMES INCREASE, IS IT**  
12 **NECESSARY TO HAVE BOTH TIER 1 AND TIER 2 PAYMENT**  
13 **OPPORTUNITIES?**

14 A. No, it is not.

15  
16 **Q. SUBSEQUENT TO THE DOCKET IN WHICH THE DOJ COMMENTS**  
17 **ON WHICH MR. SPINKS RELIES WERE SUBMITTED, DID QWEST**  
18 **FILE A DIFFERENT APPLICATION FOR INTERLATA RELIEF WITH**  
19 **THE FCC?**

20 A. Yes, this application was Docket WC 02-314.

21 **Q. DID THE DOJ FILE AN EVALUATION OF THE RECORD OF QWEST'S**  
22 **MANUAL SERVICE ORDER ACCURACY IN RESPONSE TO THIS**  
23 **LATER QWEST APPLICATION FOR RELIEF?**

24 A. Yes, it did.

1 **Q. IN ITS EVALUATION OF THE RECORD OF QWEST’S MANUAL**  
2 **SERVICE ORDER ACCURACY THAT THE DOJ FILED IN RESPONSE**  
3 **TO QWEST’S DOCKET WC 02-314 APPLICATION FOR RELIEF, DID**  
4 **THE DOJ TAKE ANY POSITION ON THE CONCERNS IT RAISED IN**  
5 **THE COMMENTS MR. SPINKS INCLUDED IN HIS TESTIMONY,**  
6 **THAT DIFFERS FROM WHAT MR. SPINKS QUOTED?**

7 A. Yes, the Department stated that “the record has improved with respect to  
8 ...manual service order processing...”<sup>4</sup>

9 **Q. IN ITS ORDER IN DOCKET WC 02-314, DID THE FCC MAKE ANY**  
10 **DETERMINATION ABOUT QWEST’S MANUAL SERVICE ORDER**  
11 **ACCURACY AND WHETHER THE COMMITMENT TO FILE PO-20**  
12 **RESPONDED TO THE CONCERNS IN THE DOJ’S COMMENTS IN**  
13 **DOCKET 02-148?**

14 A. Yes. The FCC determined that “Based on the evidence in the record, we find that  
15 Qwest’s orders are manually processed in an accurate fashion” and that Qwest’s  
16 commitment to use a 95 percent benchmark in the PO-20 filings it agreed to make  
17 in the states responded to the DOJ’s concerns about having a mechanism to  
18 monitor manual service order accuracy as volumes increase that it expressed in its

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<sup>4</sup> *In the Matter of the Application of Qwest Communications International, Inc. to Provide In Region, InterLATA Services in the States of Colorado, Idaho, Iowa, Montana, Nebraska, North Dakota, Utah, Washington and Wyoming*, WC Docket No. 02-314, FCC 02-332, Memorandum Opinion and Order at para. 16.

1 Docket 02-148 comments.<sup>5</sup> Qwest will, pursuant to the stipulation reached in the  
2 LTPA process, use a minimum benchmark for the expanded PO-20 of 95 percent.

3

4 **Q. MR. SPINKS INCLUDES QWEST'S EX PARTE FILING OF AUGUST 9,**  
5 **2002 WITH THE FCC AS EXHIBIT TLS-7 TO HIS TESTIMONY. IS IT**  
6 **RELEVANT TO THE COMMISSION'S CONSIDERATION OF THE**  
7 **TIER DESIGNATION FOR THE EXPANDED PO-20 PID THAT QWEST**  
8 **PROPOSED IN ITS EX PARTE FILING THAT THE INITIAL PO-20 PID**  
9 **BE INCLUDED AS A TIER 2 MEASUREMENT?**

10 A. No, not at all. As the ex parte clearly describes, "In its state filings, Qwest will  
11 propose that PO-20 be included as a Tier 2 measurement *consistent with the*  
12 *payment approach employed by the PAPs for region-wide measurements, GA-1,*  
13 *-2, -3, -4, and -6; PO-1; OP-2; and MR-2."* (emphasis added) As I have  
14 previously explained, because Qwest could not track the initial PO-20 PID on a  
15 CLEC specific basis, it had no other choice but to include it as a Tier 2 per  
16 measurement measure. This is in no way dispositive of the tier designation issue  
17 regarding the expanded PO-20 PID in this case.

18 **Q. ON PAGE 6, LINES 4-10 OF HIS TESTIMONY, MR. SPINKS REFERS**  
19 **TO THE COMMISSION'S 43<sup>RD</sup> SUPPLEMENTAL ORDER IN DOCKET**  
20 **NO. UT-003022 ET AL., THAT APPROVED THE ADDITION OF THE**  
21 **INITIAL PO-20 PID ON AN INTERIM BASIS. DID ANY CLECS TAKE A**  
22 **POSITION ON THE PROPER TIER ASSIGNMENT OF THE INITIAL**  
23 **PO-20 PID IN RESPONSE TO QWEST'S PROPOSAL TO ASSIGN IT AS**

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<sup>5</sup> (Ibid.,) at paras. 98, 101.

1           **A TIER 2 MEASUREMENT, AND, IF SO, WHO WERE THEY AND**  
2           **WHAT POSITION DID THEY TAKE?**

3           A.     Yes, AT&T and WorldCom took positions on the tier assignment for the initial  
4           PO-20 PID. As the 43<sup>rd</sup> Supplemental Order indicates in paragraph 5, “. . . AT&T  
5           and WorldCom assert that the measure should be a Tier 1 measure for which  
6           payments are made to individual competitive local exchange carriers (CLECs),  
7           rather than the states.” This is important because it is one more indication of the  
8           CLECs’ position regarding what is important to them, from a competitive  
9           perspective, regarding the tier payment designation for PO-20.

10          **Q.     ON PAGE 7, LINES 14-16, MR. SPINKS CITES TO A STATEMENT**  
11          **MADE BY A CLEC DURING THE LTPA COLLABORATIVE**  
12          **DISCUSSIONS. DID YOU PARTICIPATE IN THESE DISCUSSIONS?**

13          A.     No, but I reviewed the minutes from the LTPA Collaborative discussion cited by  
14          Mr. Spinks.

15          **Q.     CAN YOU PLEASE RESPOND TO MR. SPINKS’ TESTIMONY**  
16          **REGARDING THIS ISSUE?**

17          A.     Yes. First, I would like to note that Qwest believes that the LTPA Collaborative  
18          discussions were settlement negotiations, and that statements by participants  
19          during those discussions are not properly used in testimony in this formal hearing  
20          without the consent of all parties, and Qwest does not consent. Qwest filed an  
21          objection with the Commission on this issue. In the event that the issue is not  
22          resolved, or is not resolved in Qwest’s favor, I would provide the following brief  
23          response.

24          The CLEC that Mr. Spinks refers to was Eschelon. Eschelon settled its issues in  
25          this case regarding the proper Tier designation for the expanded PO-20.

1 Furthermore, the issue that Eschelon was addressing in the LTPA negotiations  
2 was also settled during the impasse process.

3 **Q. DO YOU KNOW WHETHER MR. SPINKS OMITTED ANYTHING**  
4 **FROM HIS RECITATION OF ESCHELON'S STATEMENT ABOUT ITS**  
5 **EXPERIENCE WITH UNE-P SERVICE ORDER ERRORS?**

6 A. Yes, according to the minutes Mr. Spinks omitted the statement by Eschelon that  
7 it discovered the claimed errors during the pre-due date review it conducts to  
8 ensure that no problems occur with a customer's service.

9 **Q. DOES THE OMITTED MATERIAL HAVE ANY SIGNIFICANCE FOR**  
10 **THE ISSUE OF THE IMPORTANCE OF THE EXPANDED PO-20 TO**  
11 **THE CLEC'S ABILITY TO COMPETE?**

12 A. Yes, because errors detected by Eschelon and reported to Qwest no earlier than  
13 one business day before the original due date can be corrected, thereby avoiding  
14 adverse impacts on customer services. Nevertheless, the errors are still reported  
15 in the expanded PO-20. This "safety net" results in errors that a CLEC can report  
16 to Qwest so that they can be corrected before any effect on a customer but  
17 nevertheless will be counted as "misses." This does not affect a CLEC's ability  
18 to compete. Therefore, this evidence has nothing to do with whether the  
19 expanded PO-20 is necessary for the CLEC's ability to compete.

20 **Q. IN EXHIBIT TLS-8, MR SPINKS PROVIDES THE MOST RECENT**  
21 **THREE MONTHS OF PERFORMANCE DATA FOR THE EXPANDED**  
22 **PO-20 PID. IN HIS TESTIMONY, ON PAGES 8-9, LINES 17-20 AND 1-5,**  
23 **RESPECTIVELY, MR. SPINKS CONCLUDES THAT BECAUSE**  
24 **QWEST'S PERFORMANCE FOR THE METRIC HAS BEEN**  
25 **EXCEEDING THE BENCHMARK, IT IS UNLIKELY THAT QWEST**

1           **WILL BE REQUIRED TO MAKE PAYMENTS AS LONG AS IT**  
2           **CONTINUES TO PROVIDE SUCH QUALITY SERVICE. IS THIS AN**  
3           **APPROPRIATE CRITERION UPON WHICH TO EVALUATE THE TIER**  
4           **DESIGNATION FOR A NEW PID?**

5       A.     No. It is not consistent with any of the criteria addressed by the Commission.  
6           Interestingly, such evidence of superior performance supports a finding that no  
7           Tier 2 payment designation should be required because superior performance on  
8           its face supports a finding of nondiscriminatory treatment.

9       .  
10           **IN LIGHT OF THE FACT THAT QWEST AND ALL OF THE CLEC**  
11           **PARTIES WERE ABLE TO REACH A SETTLEMENT AGREEMENT ON**  
12           **THE EXPANDED PO-20 PAYMENT DESIGNATION ISSUE, DO YOU**  
13           **THINK IT IS APPROPRIATE FOR STAFF TO INDEPENDENTLY**  
14           **PURSUE THE ISSUE?**

15       A.     I certainly believe that Staff is entitled to pursue an issue if it has a distinct  
16           interest, such as a public policy concern, that has not been addressed by a  
17           settlement agreement between the other parties. That is not the case with this Tier  
18           2 issue. The CLECs should be presumed to know best as between themselves and  
19           Staff, how to represent their interests before the Commission on what QPAP  
20           payment opportunities are necessary for them to compete. The one relevant  
21           consideration to this case regarding the Commission's stated criterion for Tier 2  
22           payments is the importance of QPAP payments to the CLECs' ability to compete.  
23           And when given the opportunity to settle other issues in the case, including an  
24           increased Tier 1 payment designation for the expanded PO-20 PID, the CLECs  
25           concluded that they would not pursue a Tier 2 payment designation. This  
          decision by the CLECs clearly satisfies the Commission's criteria regarding the

1 importance of the Tier 2 payment designation to the CLECs. I would also note  
2 that Staff's persistence in pursuing this issue has a chilling effect on future  
3 settlement agreements in upcoming 6 month reviews. Qwest is likely to be  
4 reticent to try to reach agreement with the CLECs on issues if it is concerned that  
5 it will need to later litigate the same issues with Staff.

6 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

7 A. Yes, it does.

8