

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**IN THE MATTER OF THE  
APPLICATION OF  
QWEST CORPORATION, D/B/A  
CENTURLINK QC,  
FOR AN ORDER AUTHORIZING THE  
TRANSFER OF ASSETS OR A  
DETERMINATION THAT AN ORDER  
AUTHORIZING THE TRANSFER IS  
NOT REQUIRED**

Docket No. UT-250544

SETTLEMENT  
AGREEMENT

*1* This agreement (“Agreement”) is entered into between Qwest Corporation, D/B/A CenturyLink QC and its ILEC affiliates in Washington (“CenturyLink”), Forged Fiber 37, LLC (“AT&T”), and the Staff of the Washington Utilities and Transportation Commission (“Staff”). This agreement and its attachments refer to each settling party individually as a “Party” and the settling parties collectively as “the Parties.”

**A. Background**

*2* On July 7, 2025, Qwest Corporation d/b/a CenturyLink QC (CenturyLink) filed with the Washington Utilities and Transportation Commission (“Commission”) an application requesting that the commission issue an order authorizing the Transfer of Property to AT&T (the “Transaction”) or issue a determination that an order authorizing the transfer is not required. The Parties subsequently engaged in settlement discussions and now enter

voluntarily into this Agreement to resolve all issues raised in this proceeding.

**B. Nature of Agreement**

3 This Agreement is a “Full Multiparty Settlement” within the meaning of  
WAC 480-07-730(3)(a), and the Parties collectively submit that the  
Agreement is in the public interest and should be accepted as a resolution  
of all issues.

**C. Positions Are Not Conceded**

4 In reaching this Agreement, no Party necessarily accedes to any  
argument made by any other Party.

**D. Agreement Subject to Commission Approval**

5 The Parties understand and agree that this Agreement in no manner binds  
the Commission in ruling on the pending proceeding until such a time as the  
Commission approves the Agreement. The Agreement is expressly subject  
to Commission approval except for Sections I and J below.

**E. Agreed Conditions on Approval of the Transaction**

6 The conditions agreed upon by the Parties are set forth in  
Attachment A to this Agreement.

**F. Effective Date**

7 The effective date of the Agreement is the date the Agreement is approved,  
without change, by Commission order. Notwithstanding the effective date of

the Agreement as a whole, Sections I and J below, which require the Parties to support the Agreement before the Commission and govern publicity regarding the Agreement, are effective on the execution date of the Agreement. The execution date of the Agreement is the date of the latest signature. If the Commission rejects the Agreement, the Agreement fails to take effect, and the case returns to a litigated posture pursuant to WAC 480-07-750(2)(c). In the event the Commission accepts the Agreement upon conditions not proposed herein, the procedures set forth in Section K below shall apply.

**G. Filing of the Agreement**

8 The Parties agree to use the following procedures to seek Commission approval of the Agreement. CenturyLink will file this Agreement with the Commission on behalf of the Parties and the Parties will file written testimony in support of the Agreement. The transmittal letter will recommend that the Commission accept the settlement as the complete and final resolution of all issues raised in this docket prior to January 1, 2026.

**H. Agreement Approval Procedures**

9 The Parties understand the Commission has discretion, consistent with applicable law, to determine the appropriate procedures for determining whether it will approve this Agreement. Pursuant to WAC 480-07-740(1), the Parties urge the Commission to approve the settlement within a reasonable period.

**I. Support of the Agreement**

10 The Parties agree to use their best efforts to support the Agreement as a settlement of all contested issues in the pending proceeding. At a minimum, the Parties will provide supporting witnesses to sponsor the Agreement at a Commission hearing, recommend that the Commission issue an order adopting this Agreement as the resolution of this proceeding, and provide such other evidence or briefing that the Commission may require pursuant to WAC 480-07-740(2). No Party to this Agreement or their agents, employees, consultants, or attorneys will engage in any advocacy contrary to the Commission's consideration of this Agreement or support any other party's opposition to this Agreement.

**J. Publicity**

11 All Parties agree to include in any news release or announcement a statement that the Agreement is subject to Commission approval and that Commission Staff's recommendation to approve the settlement is not binding on the Commission itself.

**K. Procedure if the Commission Provides Less Than Full Approval**

12 In the event the Commission rejects this Agreement, the Parties request that the Commission convene a prehearing conference to discuss the process for orderly disposition of this matter. In the event the Commission accepts the Agreement upon conditions not proposed herein, each Party

reserves its right, upon written notice to the Commission and the Parties within five (5) business days of the Commission's Order, to state its rejection of the conditions and withdrawal from the Agreement.

**L. The Agreement as Precedent**

*13* The Parties have entered into this Agreement to avoid further expense, inconvenience, uncertainty and delay. Nothing in this Agreement (or any testimony, presentation or briefing supporting the Agreement) shall be asserted or deemed to mean that a Party agreed with or adopted another Party's legal or factual assertions in this proceeding. No party may cite this agreement as precedent in any other Commission proceeding. The limitations in this paragraph shall not apply to any proceeding to enforce the terms of this Agreement or any Commission order adopting this Agreement in full.

*14* Because this Agreement represents a compromise-position of the Parties, the Parties agree that no conduct, statements or documents disclosed in the negotiation of the Agreement shall be admissible as evidence in this or any other proceeding. This paragraph does not apply to non-privileged, publicly available documents.

**M. Entire Agreement**

*15* The Parties acknowledge that this Agreement is the product of negotiations and compromise and shall not be construed against any

Party on the basis that it was the drafter of any or all portions of this Agreement. This Agreement constitutes the Parties' entire agreement on all matters set forth herein, and it supersedes all prior oral and written understandings or agreements on such matters that previously existed or occurred in this proceeding, and no such prior understanding or agreement or related representations shall be relied upon by the Parties.

**N. Integrated Agreement**

16 The Parties recommend that the Commission approve this Agreement with no material changes. The Parties have agreed to this Agreement as an integrated document.

**O. Manner of Execution**

17 This Agreement is considered executed when all Parties sign the Agreement. A designated and authorized representative may sign the Agreement on a Party's behalf. The Parties may execute this Agreement in counterparts. If the Agreement is executed in counterparts, all counterparts shall constitute one agreement. A faxed or emailed scanned signature page containing the signature of a Party is acceptable as an original signature page signed by that Party. Each Party shall indicate the date of its signature on the Agreement.

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**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed by their respective attorneys or representatives.



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*/s/ Anna Kapetanakos*

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## ATTACHMENT A CONDITIONS

### 1. GENERAL CONDITIONS

- A. The CenturyLink ILEC Companies: Qwest Corporation; CenturyTel of Washington; CenturyTel of Inter Island; CenturyTel of Cowiche; and United Telephone Company of the Northwest (collectively, “CenturyLink” or the “CenturyLink ILECs”) or any successor entities shall retain all books and records pertaining to CenturyLink’s compliance with this Agreement and provide access to the Commission (including its staff) to all respective books of account, as well as all documents, data, and records, as required by law or regulation for telecommunications companies under the jurisdiction of the Utilities and Transportation Commission. The records shall be maintained as of the closing of the Transaction.
- B. CenturyLink or any successor entities shall maintain all records that evidence their compliance with the obligations contained within this Stipulation on a rolling three-year basis with respect to each obligation until the earlier of (a) three years have passed since the time the obligation has been satisfied or (b) seven years from the date of this Agreement, and they shall provide access to these records to the Commission (including its staff). Nothing in this section waives any record-keeping requirements applicable to each individual ILEC or their relevant entities. Nothing in this section shall preclude the company or any successor entity from claiming material constitutes valuable commercial information under the provisions of RCW 80.04.095.
- C. CenturyLink shall immediately notify the Commission of any substantive material changes to the Transaction terms and conditions from those set forth in their Application that: (1) occur while a Commission order approving the Transaction is

- pending, or (2) occur before the Transaction is closed, but after the Commission issues its order approving the Transaction.
- D. CenturyLink must submit a supplemental application and seek amendment to any Commission order approving the transfer of property at issue in this docket if the substantive Transaction conditions and terms affecting Commission regulated services change.
- E. CenturyLink will respond in a reasonably timely manner (5 business days) with supporting details and applicable data, to Commission and Commission Staff requests and inquiries related to the Conditions and reporting requirements below.

## **2. VOICE MAINTENANCE COMMITMENT**

**2.1** Based on its total residential and business customer lines in Washington, CenturyLink shall maintain an access line-to-technician ratio for seven (7) years following the close of the Transaction. Due to the complexity of hiring additional staff to bring CenturyLink into compliance with the ratios below, CenturyLink will have six (6) months to achieve ratio set forth in Section 2.1.1. CenturyLink will act in good faith to reach compliance as quickly as possible, and will maintain at least 184 technicians during that six month period. For purposes of calculating the access line-to-technician ratio, only technicians that maintain facilities capable of providing voice service in Washington as their primary job duty count towards this metric; however, to meet its technician headcount levels set forth below, CenturyLink may: (a) reassign, as appropriate, splicers

and other qualified personnel to perform technician functions; and (b) engage additional outside contractors.

**2.1.1 More than 201,000 lines.** If CenturyLink has more than 201,000 access lines in Washington, it shall maintain an access line-to-technician ratio of 1100-to-1; CenturyLink will have six (6) months from the close of the Transaction to achieve that ratio, but will maintain at least 184 technicians during that six month period.

**2.1.2 Between 175,000 and 201,000 lines.** If CenturyLink has between 175,000 and 201,000 access lines in Washington, it shall maintain an access line-to-technician ratio of no more than 1000-to-1; notwithstanding anything to the contrary in paragraph 2.1.2, Lumen shall not be required to make more than 183 technicians available.

**2.1.3 Between 153,000 and 175,000 lines.** If CenturyLink has between 153,000 and 175,000 access lines in Washington, it shall maintain an access line-to-technician ratio of no more than 950-to-1; notwithstanding anything to the contrary in paragraph 2.1.3, Lumen shall not be required to make more than 174 technicians available.

**2.1.4 Between 134,000 and 153,000 lines.** If CenturyLink has between 134,000 and 153,000 access lines in Washington, it shall maintain an access line-to-technician ratio of no more than 900-to-1; notwithstanding anything to the contrary in paragraph 2.1.4, Lumen shall not be required to make more than 161 technicians available.

**2.1.5 Between 117,000 and 134,000 lines.** If CenturyLink has between 117,000 and 134,000 access lines in Washington, it shall maintain an access line-to-technician ratio of no more than 850-to-1; notwithstanding anything to the contrary in paragraph 2.1.5, Lumen shall not be required to make more than 149 technicians available.

**2.1.6 Fewer than 117,000 lines.** If CenturyLink has fewer than 117,000 access lines in Washington, it shall maintain an access line-to-technician ratio of no more than 675-to-1; notwithstanding anything to the contrary in paragraph 2.1.6, Lumen shall not be required to make more than 138 technicians available.

**2.1.7 Resignations and retirements.** In the event that technicians resign or retire causing CenturyLink's technician workforce to drop below the applicable ratio, CenturyLink will be afforded a three-month period from the resignation or retirement to achieve the applicable ratio. Technician trainees hired by CenturyLink to fulfill obligations under paragraph 2.1 shall count towards compliance with the applicable ratio. If CenturyLink undertakes a reduction in force impacting technicians, or offers early retirements or buyouts to

technicians and such action causes CenturyLink to become out of compliance with the applicable customer line to technician ratio, this section 2.1.7 shall not apply.

**2.2 Maintenance budget-to-customer ratio.** Based on its residential and small business access lines in Washington, CenturyLink shall maintain a maintenance budget-to-access line ratio for seven (7) years following the close of the proposed Transaction. For purposes of calculating the maintenance budget-to-access line ratio, the term “maintenance budget” shall mean funds, including labor costs, dedicated to maintaining, repairing, rehabilitating, or replacing broken, damaged, or deteriorated voice facilities causing or reasonably anticipated to cause customer service outages or impairments. CenturyLink shall annually spend the “maintenance budget” calculated in this paragraph on maintaining its facilities or repairing, rehabilitating, or replacing broken, damaged, or deteriorated facilities serving residential and small business customers in Washington causing or reasonably anticipated to cause customer service outages or impairments to voice services. While this provision imposes a floor on CenturyLink’s annual maintenance expenditures, CenturyLink is free to spend more than these amounts to maintain and enhance service. Additionally, nothing in this section prevents the Commission from lowering the budget-to-customer ratio in the event that it finds that CenturyLink is offering safe, reliable, and affordable voice service. These amounts do not include the one-time incremental investment referenced in paragraph 2.3 below.

**2.2.1 More than 112,000 lines.** If CenturyLink has more than 112,000 access lines in Washington, it shall maintain a maintenance budget-to-customer ratio of at least \$196 per access line.

**2.2.2 Between 93,000 and 111,999 lines.** If CenturyLink has between 93,000 and 111,999 access lines in Washington, it shall maintain a maintenance budget-to-customer ratio of at least \$236 per access line; notwithstanding anything to the contrary in paragraph 2.2.2 CenturyLink shall not be required to spend more than \$23 million annually while it has between 93,000 and 111,999 access lines.

**2.2.3 Between 77,000 and 92,999 lines.** If CenturyLink has between 77,000 and 92,999 access lines in Washington, it shall maintain a maintenance budget-to-customer ratio of at least \$285 per access line; notwithstanding anything to the contrary in paragraph 2.2.3, CenturyLink shall not be required to spend more than \$20 million annually while it has between 77,000 and 92,999 access lines.

**2.2.4 Between 64,000 and 76,999 lines.** If CenturyLink has between 64,000 and 76,999 access lines in Washington, it shall maintain a maintenance budget-to-customer ratio of at least \$343 per access line; notwithstanding anything to the contrary in paragraph 2.2.4, CenturyLink shall not be required to spend more than \$17 million annually while it has between 64,000 and 76,999 access lines.

**2.2.5 Fewer than 64,000 lines.** If CenturyLink has fewer than 64,000 access lines in Washington, it shall maintain a maintenance budget-to-customer ratio of at least \$414 per access line; notwithstanding anything to the contrary in paragraph 2.2.5, CenturyLink shall not be required to spend more than \$14 million annually while it has fewer than 64,000 access lines.

**2.3 One-time incremental investment:** CenturyLink shall make a one-time investment of two million dollars in excess of what CenturyLink would have otherwise spent toward the repair, rehabilitation, and replacement of aging POTS facilities (the “incremental investment”). CenturyLink shall use the one-time investment to repair, rehabilitate, or replace broken, damaged, or deteriorated POTS facilities not currently causing, but reasonably anticipated to cause, customer service outages or impairments in the next 12 months. These investments must be completed within 12 months of close of the proposed Transaction.

### **3. CAPITAL EXPENDITURES AND ADDITIONAL NETWORK INVESTMENT COMMITMENT**

A. In the two years following the closing of the Transaction, AT&T will spend a minimum aggregate of \$80 million on deploying fiber broadband infrastructure capable of providing one gigabit symmetrical service in Washington, provided that economic and local regulatory factors — including permitting requirements, fees, and design-and-build exactments, and staffing availability — support economic deployment and speed to market. For two years beginning in 2027, by March 1, AT&T will file a report on the previous calendar year’s capital expenditures to meet the requirement of this condition. If AT&T is unable to meet this obligation by the end of the second year, it will provide an additional report and recommendations to the Commission that outlines areas of concern that would help with the deployment of modern infrastructure deployment.

For a period of two years following the closing of the Transaction, AT&T will provide to the Commission each Broadband Data Collection filing made, in the same format and on the same schedule as is provided to the Federal Communications Commission (FCC), within 30 calendar days of the date of such filing is provided to the FCC.

#### **4. ILEC OBLIGATION TO SERVE**

- A. Until the Commission has relieved CenturyLink of its service obligation to POTS over PON customers in the discontinuance process outlined in Docket UT-240029, AT&T and CenturyLink shall guarantee that CenturyLink may use transferred fiber serving all POTS over PON customers referenced in their application for transfer of control in Docket UT-250544 for voice service, which may be: (i) POTS over PON service; or (ii) VOIP service of at least 25 megabits per second download speed and three megabit per second upload speed without any additional cost to the customer to access fiber connectivity for the VoIP service. CenturyLink shall provide such VOIP service at a price no greater than 120% of the rate for local flat-rated voice service for such customers. If CenturyLink elects to provide VOIP service in place of POTS over PON service it must provide onetime connection fees and device costs. If any POTS over PON service is provided to a critical government line and the owner of that critical government line indicates that VOIP is not a reasonable alternative for POTS over PON service, CenturyLink must make a filing with the Commission to describe plans to transition that line to a non-VOIP alternative.

- B. If CenturyLink discontinues service consistent with the detailed process within Docket UT-240029 or otherwise no longer uses copper (and hasn't for at least six months) as it relies on other technologies, CenturyLink must remove above ground pedestals, cross boxes, and copper equipment and line on poles that will no longer be used for the provision of telephone service. Any removal or other decommissioning must comply with any permit conditions on public rights-of-way imposed by a local government unit and in cooperation with the pole owner.
- C. CenturyLink will update and maintain its website so that standalone voice service is clearly defined as an available service, and it can easily be requested and ordered on its website.
- D. Price for Life Commitment – Both CenturyLink and AT&T will honor the “Price for Life” terms and conditions as they currently exist and will send a mailer to each “Price for Life” customer reminding them of those terms and conditions within one month after the Transaction closes.
- E. For a period of five (5) years following the close of the Transaction, if a CenturyLink customer's service is impacted for ten calendar days, CenturyLink will immediately (within 24 hours) offer to provide (at no additional cost to the customer) the customer with an Air-Line (or HughesNet if the customer does not have fixed internet service or mobile service is insufficient for Air-Line) replacement line until their service is restored. If neither of these options are available due to the lack of fixed

- internet, mobile internet, or satellite (due to Line of Sight issues), CenturyLink will within two business days contact nearby providers to assess and provide support to quickly deploy alternative services.
- F. CenturyLink will not initiate disconnection procedures for customers who refuse to pay and have been without service for 30 days or more, regardless of whether the customer is in a group trouble ticket or an individual trouble ticket. This term does not alter, modify, or affect any other requirements from settlements from other dockets that are in force during the implementation of this settlement.
- G. For a period of five (5) years following the close of the Transaction, CenturyLink Customers will receive a \$40 missed appointment credit for each instance in which the company schedules an appointment and when a technician does not arrive at a confirmed appointment during the 4-hour appointment window.
- H. Nothing in this settlement precludes any party from advocating any position regarding the relief sought in the pending service quality adjudication (Commission Docket UT-240117).

## **5. REPORTING**

- A. For a period of seven years following the closing of the Transaction, CenturyLink will file annually with the Commission, by July 1 each year, a compliance report consisting of its financial statements to the extent and in

the manner that Each CenturyLink ILEC prepares such statements in the ordinary course of its business as well as on a Washington State basis.

CenturyLink will also include a breakdown of the Capital Expenditures and the funds expended in accordance with its budget-to-customer ratio during the previous calendar year. CenturyLink will provide additional details upon Staff or Public Counsel request.

- B. CenturyLink shall make annual compliance filings, on July 1 or the next available business day, with the Commission establishing compliance with the customer line-to-technician and maintenance budget-to-customer ratio requirements. All compliance filings shall include a declaration from CenturyLink's director of network operations and/or an individual in an equivalent role that can attest under penalty of perjury that the facts set forth in the compliance filing are true to the best of their knowledge. CenturyLink will provide additional details upon Staff or Public Counsel request.

## **6. MAJOR OUTAGE REPORTING**

- A. Reporting will simultaneously be provided of any of the notification FCC Network Outage Reporting System (NORS) reports or any such subsequent similar report that may supersede NORS, that it files with the FCC for reportable Washington outages to the Commission at the outage reporting email address: [telecom-outage@utc.wa.gov](mailto:telecom-outage@utc.wa.gov). This requirement will apply to AT&T if it begins to offer voice service in Washington state.

**7. INTERCONNECTION AGREEMENT AND WHOLESALE TRANSPARENCY**

- A. CenturyLink will continue to offer wholesale services and to negotiate in good faith for Interconnection Agreements and continue to honor existing Interconnection Agreements according to their terms.