**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

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| In the Matter of the Petition ofTHE CENTURYLINK COMPANIES – QWEST CORPORATION; CENTURYTEL OF WASHINGTON; CENTURYTEL OF INTERISLAND; CENTURYTEL OF COWICHE; AND UNITED TELEPHONE COMPANY OF THE NORTHWESTTo be Regulated Under an Alternative Form of Regulation Pursuant to RCW 80.36.135. | Docket No. UT-130477MOTION FOR CLARIFICATION |

1. Pursuant to WAC 480-120-835, the five CenturyLink companies listed above (“CenturyLink”) hereby file this motion for clarification of Order 04 in this matter.[[1]](#footnote-1)
2. CenturyLink has been made aware that the Commission’s Administrative Law Division has identified a possible lack of clarity in the financial reporting requirements in the AFOR. Although CenturyLink does not agree that the requirements are unclear, CenturyLink has agreed that it would file this petition and ask for a determination from the Commission on this issue.
3. The question presented is whether, under the AFOR, CenturyLink should be filing annual reports under WAC 480-120-385 (for non-competitively classified companies) or WAC 480-120-382 (competitively classified companies). Under CenturyLink’s AFOR, effective in January 2014, CenturyLink is to be “treated as if it were competitively classified,” unless an exception is listed in the Order or settlement agreement.[[2]](#footnote-2) Thus, CenturyLink is to be governed under the same rules as CLECs, unless the exceptions are enumerated in the AFOR order.
4. There is no exception listed in Order 04 that would require CenturyLink to report under the rule governing non-competitively classified companies. If CLECs are allowed to report under WAC 480-120-382 – which they are – then CenturyLink, who is regulated “as if” it were a CLEC, must be permitted to report in the same way.
5. The AFOR Plan lists a number of rules that are waived for CenturyLink. That list of rules is based on the provisions in WAC 480-121-063, which lists various provisions in the RCW and WAC that are waived for competitively classified companies. That rule does not list a waiver of WAC 480-120-385 because there is no need for an explicit waiver – the rule simply does not apply to competitively classified companies. As such, it does not apply to CenturyLink under the terms of the AFOR – rather, the other financial reporting rule that applies to competitively classified companies applies in its place.
6. CenturyLink’s interpretation of the requirements under the AFOR has been consistent. Even before the AFOR was approved, CenturyLink explained in its testimony that under the proposed Plan it would report under WAC 480-120-382.[[3]](#footnote-3) This testimony makes it clear that reporting would be under WAC 480-120-382. Staff never took issue with that assertion, and the Commission did not reject or modify that point when it adopted the AFOR.
7. CenturyLink did in fact report under WAC 480-120-382 in both 2014 and 2015, ever since the effective date of the AFOR.[[4]](#footnote-4) There have been no changes to either the rules or the AFOR that would change the reporting requirements. Nor has there been any prior dispute about whether this is the acceptable method of reporting – Staff has previously agreed that this method is acceptable.[[5]](#footnote-5) CenturyLink will continue to provide the CenturyLink 10K for all operating companies in Washington consistent with its filings in 2014 and 2015. In addition, CenturyLink is aware of no financial or regulatory need for reports to be filed under the rule governing non-competitive companies.
8. CenturyLink therefore respectfully asks the Commission to remove any doubt on this issue, and clarify that under the AFOR CenturyLink is permitted to continue to file its annual reports pursuant to WAC 480-120-382.

Respectfully submitted this 11th day of February 2016.

CENTURYLINK

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1. The rule governing motions for clarification imposes a 10-day time limit after the date of the order for making the request. CenturyLink requests that the Commission waive that time limit for purposes of addressing the issue raised in this filing, as CenturyLink was not previously aware that clarification was needed. [↑](#footnote-ref-1)
2. Under the AFOR CenturyLink is to be “treated as if it were competitively classified under RCW 80.36.320 subject to the following exceptions” (AFOR Order 04, paragraph 11). [↑](#footnote-ref-2)
3. See MSR-1T in this case, the direct testimony of Mark Reynolds filed on April 1, 2013, pages 12:16-17 and 21:4-6. [↑](#footnote-ref-3)
4. See the attached cover letters for the annual reports from 2014 and 2015, citing WAC 480-120-382. (Attachment 1). [↑](#footnote-ref-4)
5. See the attached email to Ken Buchan in 2014 indicating that Staff found this method acceptable. (Attachment 2). [↑](#footnote-ref-5)