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August 4, 2011



Via E-mail and Overnight Delivery

Mr. David Danner, Executive Director and Secretary Washington Utilities & Transportation Commission 1300 S. Evergreen Park Drive SW P.O. Box 47250 Olympia, WA 98504-7250

Re: Consolidated

Docket No. UT-053036 – PacWest Complaint Docket No. UT-053039 – Level 3 Communications Complaint

Dear Mr. Danner:

Qwest Corporation (now d/b/a CenturyLink QC, but hereinafter "Qwest") hereby responds to the Supplemental Authority filed by Pac-West on July 28, 2011. Pac-West filed Order No. U-31211, In re: Petition of CenturyTel of Central Louisiana, LLC d/b/a CenturyLink, et al. for Declaratory Ruling on the compensation scheme applicable to ISP-bound traffic routed to MCImetro Access Transmission Services LLC d/b/a Verizon Access Transmission Services, Louisiana Public Service Commission Docket No. U-31211 (April 20, 2011). That case is different from the case at issue in this docket for multiple reasons:

- In the Louisiana case, MCImetro was improperly attempting to use a Louisiana Commission mandated calling plan to generate intrastate terminating access revenues for ISP traffic that, in fact, terminated out of the state. The Louisiana Commission properly determined that this interstate, arbitrage traffic was not only not subject to MCImetro's terminating access tariff, but absent ICA terms to the contrary, it was not subject to any form of terminating compensation.
- The parties in the Louisiana case were not exchanging traffic under an ICA (and in fact were not even directly connected to each other), as Qwest and Pac-West are in this case. As the Louisiana Commission noted, if such an ICA existed, the terms of

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the ICA would determine the outcome. In this case, the ICA between the parties provides that ISP bound traffic is compensable, but under the Court's remand order, compensation only applies to local ISP-bound traffic that terminates within the local calling area.

- Whether traffic is "local" traffic is determined under state law. Definitions of traffic types under Louisiana law do not necessarily parallel definitions under Washington law. Qwest's previous briefing in this matter has established that whether a call is local is dependent on the physical endpoints of the call, not on the dialed digits.
- The Louisiana case does not specifically address VNXX traffic per se, and does not
  discuss the Washington-specific requirements applicable to VNXX traffic as set forth
  in the Commission's order(s) in Docket No. UT-063038.
- Docket No. UT-063038 held that VNXX traffic is not local traffic, and may be exchanged only on a bill and keep basis.

The Louisiana decision does in fact reach the conclusion that the traffic originated by CenturyTel and terminated to MCImetro was not subject to terminating access charges and was not subject to reciprocal compensation – a decision that Qwest supports in this case as well, but for different reasons than those that drove the decision in Louisiana.

Sincerely.

Lisa A. Anderl

LAA/ldi

cc: All Parties of Record