## STATE OF MINNESOTA BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Phyllis Reha David Boyd J. Dennis O'Brien Betsy Wergin

Vice Chair Commissioner Commissioner Commissioner

In the Matter of the Joint Petition for Approval of Indirect Transfer of Control of Qwest Operating Companies to

CenturyLink

MPUC Docket No. P-421, et al./PA-10-456

In the Matter of A Complaint By The Joint CLECs Against the Joint Applicants Regarding OSS For Maintenance And Repair MPUC Docket No. P-421, et al./C-11-684

## SETTLEMENT AGREEMENT

One or more of the Joint CLECs<sup>1</sup> have filed complaints, which are currently pending, against CenturyLink, Inc. and Qwest Corporation doing business as CenturyLink QC (collectively referred to as "CenturyLink") in Minnesota (Docket Nos. P-421, et al./PA-10-456, and P-5340, 5643, 5323, 5981, 438, 465, 5986, 421/C-11-684), Colorado (Docket No. 11F-436T) and Washington (Docket No. UT-111254) (collectively, the "Dockets"). In these complaints, Joint CLECs assert claims, including claims under settlement agreements and merger orders, related to CenturyLink's Operational Support Systems ("OSS") used to provide CLECs access to CenturyLink maintenance and repair systems in legacy Qwest Corporation territory, including CenturyLink's anticipated retirement of Qwest Corporation's Mediated Access system ("MEDIACC"); use of MEDIACC by the graphical user interface known as

Eschelon Telecom of Colorado, Inc., d/b/a Integra Telecom; Eschelon Telecom of Minnesota, Inc. d/b/a Integra Telecom; Integra Telecom of Minnesota; Advanced Telecom, Inc. dba Integra; Electric Lightwave, LLC dba Integra; Eschelon Telecom of Washington, Inc. dba Integra Telecom; Oregon Telecom Inc. dba Washington Telecom dba Integra; Unicom f/k/a United Communications, Inc. dba Integra (together "Integra"); McLeodUSA Telecommunications Services L.L.C. d/b/a PAETEC Business Services ("PAETEC"); tw telecom of colorado llc; tw telecom of minnesota llc; and tw telecom of washington llc ("tw telecom"); Popp.com, Inc. ("POPP"), US Link, Inc., d/b/a TDS Metrocom, LLC ("TDSM"), and Velocity Telephone, Inc. ("Velocity") (collectively "Joint CLECs").

Customer Electronic Maintenance and Repair ("CEMR via MEDIACC"); and development of Maintenance Ticketing Gateway ("MTG"). In connection with issues raised in these Dockets, the Minnesota Public Utilities Commission ("MPUC" or "Commission") solicited comments regarding compliance with its merger order and settlement agreements (Docket No. P-421, et al./PA-10-456²). CenturyLink answered the complaints and denied the claims and allegations made in the Dockets. Proceedings have been held in each of the Dockets, but none of the state commissions considering the Dockets has issued a final order resolving any of the complaints. In the merger docket, a final order has been issued, which is addressed below.

CenturyLink and the Joint CLECs (collectively, "Parties," or individually, "Party") have agreed to resolve the Dockets. To that end, the Parties agree as follows:

- 1. In exchange for the consideration described in this Settlement Agreement and upon the terms set forth herein, CenturyLink agrees as follows:
  - a. CenturyLink will make a one-time payment to each of the following three carriers: Integra Telecom, Windstream, and tw telecom ("Payees"). The payment to the three Payees will be a total of \$250,000. As of the date of execution of this Agreement, the Payees have agreed among themselves as to the distribution of the monies, and the Payees have notified CenturyLink of the specific portion of this amount payable to each Payee. CenturyLink will pay each Payee the amount due under this paragraph within five (5) business days of the latest final order dismissing the Dockets consistent with the terms of this Settlement Agreement by the Colorado, Minnesota, and Washington Commissions.
  - b. Before execution of this Settlement Agreement, CenturyLink has provided to the Parties documentation of (1) automatic failover capability for MTG, and (2) failover and disaster recovery plan for MEDIACC.
  - c. Following the execution of this Settlement Agreement, CenturyLink will perform development, implementation, and on-boarding (implementing the system for a particular customer) of MTG using an open and transparent process. This process will include use of Qwest Corporation's Change Management Process ("CMP") procedures and procedures consistent with the CenturyLink MTG Implementation Guidelines document, a copy of which is attached as Appendix A ("Appendix A"). With respect to

Docket No. P-421, et al./PA-10-456 is referred to individually as the "merger docket."

Section 2.5.4 of Appendix A, CenturyLink will follow the recommended process, including:

- i. CenturyLink is the Party which will maintain, update, and post the question log;
- ii. If CenturyLink provides responses in Implementation meetings, by telephone, or by email, CenturyLink will also promptly update the question log to include the responses.
- d. Beginning on the date that any requesting Joint CLEC completes the controlled production phase of onboarding, CenturyLink will provide a dedicated team, including business and technical representatives, to assist with questions and issues during normal CenturyLink business hours for at least seven (7) calendar days thereafter. CenturyLink will not require a requesting Joint CLEC to use the help desk before use of, or in lieu of, the dedicated team during this time period.
- 2. In exchange for the consideration described in this Settlement Agreement and upon the terms set forth herein, the Joint CLECs agree as follows:
  - a. Joint CLECs will file a motion jointly with CenturyLink seeking approval of this Settlement Agreement and seeking dismissal with prejudice of the Dockets in Minnesota, Colorado and Washington.
  - b. Joint CLECs will file a motion jointly with CenturyLink with the MPUC, asking the Commission to (1) modify its February 27, 2012 order ("February 27, 2012 Order") in MPUC Docket Nos. P-421, et al./PA-10-456 and P-421, et al./C-11-684 so as to eliminate the requirement in the February 27, 2012 Order for a 3<sup>rd</sup> party expert to review or participate in testing the failover and disaster recovery plans for MEDIACC, and (2) modify its merger order to eliminate the requirement for a 3<sup>rd</sup> party expert to review the testing of MTG;
  - c. Joint CLECs will file a motion jointly with CenturyLink with the MPUC, asking the Commission to modify its September 6, 2011 Order in MPUC Docket Nos. P-421, et al./PA-10-456 and P-421, et al./C-11-684 ("September 6, 2011 Order") and its order in the merger docket to permit CenturyLink to implement MTG upon request of any Joint CLEC(s) or other Centurylink customer(s), regardless of whether the requestor is a party to this Settlement Agreement, before the end of the 30-month moratorium period (October 1, 2013);
  - d. If all CLECs have migrated away from MEDIACC and CEMR via MEDIACC to other CenturyLink repair management systems in legacy Qwest Corporation ILEC territory prior to October 1, 2013, Joint CLECs will then file a motion jointly with CenturyLink with the MPUC and other state commissions as may be required, asking

- that each such Commission modify its order in the Dockets and any proceeding related to the merger of Qwest and CenturyLink, as necessary, to permit CenturyLink to retire MEDIACC before the end of the 30-month moratorium period.
- 3. The Parties agree this Settlement Agreement constitutes a full and final settlement of any and all claims, actions, causes of action, suits, debts, demands, damages, judgments, executions, costs, expenses, liabilities, duties, amounts, accounts, reckonings, indemnities, covenants, contracts, controversies, agreements, promises, doings, offsets, debts, liens, omissions, losses, exposures and obligations of any kind whatsoever, whether known or unknown, whether in law or in equity, including any related interest expenses which may have accrued in connection therewith ("Claims"), which the Parties have, had, may have or claim to have had relating in any way to the development of MTG and the retirement of MEDIACC, regardless of whether the activity was identified in the course of the Dockets, provided, however, that this release expressly excludes, and no party releases, any Claim that has not arisen prior to the date when the Joint CLECs execute this settlement agreement. For example, this release expressly excludes, and no party releases, any Claim relating to the level of wholesale service quality that CenturyLink is required to provide pursuant to the merger settlement agreements and orders. This Settlement Agreement shall operate as a one-time exception relating to the timing of development, implementation, and potentially the retirement of repair OSS in legacy Qwest Corporation ILEC territory (prior to October 1, 2013) to any settlement agreement among the parties relating to the merger of Qwest and CenturyLink, and shall not operate to otherwise modify, waive, or alter any rights of any Party to any such agreement.
  - 4. CenturyLink and the Joint CLECs each represents and warrants that:
  - a. It has full authority and the present ability to perform all of its obligations under this Agreement;

- b. Other than Commission approvals as outlined in this Settlement Agreement, it has obtained all consents, approvals and authorizations required or necessary in order for it to perform all of its obligations under this Settlement Agreement;
- c. It has all requisite corporate and other legal power and authority to enter into and perform its obligations under this Agreement;
- d. It will comply with all applicable laws, rules, regulations and orders of all governmental agencies, bodies and other organizations in performing its obligations under this Agreement;
- e. It has not assigned or transferred to any person, firm or other entity any claim or matter released or discharged pursuant to this Agreement.
- f. It has not assigned, sold, transferred, waived or otherwise relinquished its right, power or authority to execute and grant the releases and enter into the covenants and agreements contained herein.
- 5. No term or condition of this Settlement Agreement, including without limitation the terms and conditions of this paragraph, may be amended, modified or supplemented, and no waivers or consents to departures from any of the terms and conditions of this Settlement Agreement shall be effective or of any force or effect, other than as shall be set forth in and pursuant to a written instrument signed by the Parties. No waiver by any party of any default, misrepresentation or breach of any term or condition of this Settlement Agreement, whether intentional or otherwise, will be deemed to extend to any prior or subsequent default, misrepresentation or breach of any term or condition of this Settlement Agreement or in any manner affect any rights arising by reason of any such prior or subsequent default, misrepresentation or breach.
- 6. If any commission rejects or alters any portion of this Settlement Agreement, including without limitation, failing to provide the relief requested through the motions identified in paragraph 2 above, the Settlement Agreement will immediately become voidable by any Party. In order to exercise the right of voiding the Settlement Agreement, a Party must file

written notice of its intent to void it within ten days after any commission issues a final order rejecting or altering any portion of the Settlement Agreement. If any commission rejects this Settlement Agreement or if any commission modifies this Settlement Agreement and any Party exercises its right to void the Settlement Agreement within ten (10) days of a written commission order that rejects or modifies this Settlement Agreement, the Parties retain all of their rights in all of the Dockets.

- 7. This Settlement Agreement shall be interpreted and construed in accordance with the laws of the state of Minnesota. This Settlement Agreement has been jointly drafted by the Parties and shall not be interpreted in favor of or against any Party.
- 8. The Parties have each sought and obtained advice of counsel in negotiating and entering into this Settlement Agreement.
- 9. Any notices required or permitted under this Settlement Agreement shall be in writing and shall be personally served, delivered by Certified US Mail, or by a courier service. Upon prior agreement of by the Parties, such notice may also be provided by facsimile. Any notice shall be delivered using one of the aforementioned means and shall be directed as indicated below:

If to CenturyLink:

Mike Hunsucker
Vice President - Wholesale Services
CenturyLink
100 CenturyLink Drive
Monroe, LA 71201
michael.hunsucker@centurylink.com

If to Joint CLECs:

Eschelon Telecom of Colorado, Inc., d/b/a	McLeodUSA Telecommunications Services
Integra Telecom; Eschelon Telecom of	L.L.C. d/b/a PAETEC Business Services
Minnesota, Inc. d/b/a Integra Telecom;	
Integra Telecom of Minnesota; Advanced	Windstream Communications
Telecom, Inc. dba Integra; Electric Lightwave,	Attn: Director Interconnection
LLC dba Integra; Eschelon Telecom of	4001 N. Rodney Parham Road
Washington, Inc. dba Integra Telecom; Oregon	Mailstop: 1170-B1F02-21A
Telecom Inc. dba Washington Telecom dba	Little Rock, AR 72212
Integra; Unicom f/k/a United Communications,	
Inc. dba Integra (together "Integra")	With a copy to:
	Windstream Communications
Karen L. Clauson	Attn: Regulatory Legal Dept.
SVP, General Counsel	4001 N. Rodney Parham Road
Integra Telecom, Inc.	Mailstop: 1170-B1F03-53A
6160 Golden Hills Drive	Little Rock, AR 72212
Golden Valley, MN 55416-1020	
tw telecom of colorado llc; tw telecom of	Popp.com, Inc.
minnesota llc; and tw telecom of washington	
llc	
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US Link, Inc., d/b/a TDS Metrocom, LLC	Velocity Telephone, Inc.
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10. The Parties acknowledge and agree that they have legitimate disputes regarding the subject matter of this Settlement Agreement and that the resolutions of these disputes embodied in this Settlement Agreement represent compromises of the positions of each of them. Accordingly, the Parties deny any wrongdoing or liability that each alleges against the other and expressly acknowledge and agree that the resolutions contained in this Settlement Agreement may not and cannot be used against the other in any manner whatsoever in any forum, other than in respect of a breach of this Settlement Agreement, or as required by law. Further, the Parties acknowledge and agree that this Settlement Agreement does not constitute an admission by any

of them of the truth, accuracy or merit of any fact, asserted principle of law, any matter, claim or

cause of action alleged or asserted in any judicial, regulatory or other forum, whether past,

present or future, relating to the subject matter of this Settlement Agreement. This Settlement

Agreement does not constitute an admission with respect to the appropriateness or legality of any

actions of any Party, nor does it constitute an ongoing term or condition of any interconnection

agreement or otherwise.

11. This Settlement Agreement may be executed by facsimile and in multiple

counterparts, each of which shall be deemed an original, but all of which shall be deemed one

and the same document.

The Parties have caused this Settlement Agreement to be duly executed and delivered as

of the date first set forth below.

QWEST CORPORATION d/b/a CenturyLink QC and CenturyLink, Inc.

Name: Dan E. Hult

Title: Director - Wholesale Legal Issues

JOINT CLECS

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## JOINT CLECS

Eschelon Telecom of Colorado, Inc., d/b/a	McLeodUSA Telecommunications Services
Integra Telecom; Eschelon Telecom of	L.L.C. d/b/a PAETEC Business Services
Minnesota, Inc. d/b/a Integra Telecom;	
Integra Telecom of Minnesota; Advanced	
Telecom, Inc. dba Integra; Electric Lightwave,	Desc
LLC dba Integra; Eschelon Telecom of	By:
Washington, Inc. dba Integra Telecom; Oregon	Cesar Caballero
Telecom Inc. dba Washington Telecom dba	VP- Regulatory Strategy
Integra; Unicom f/k/a United Communications,	Deter
Inc. dba Integra (together "Integra")	Date:
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By: March L. Clauson	
SVP, General Counsel	
SVN, General Counsel	
Date:	
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minnesota llc; and tw telecom of washington	- SPP. Com, and
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Eschelon Telecom of Colorado, Inc., d/b/a Integra Telecom; Eschelon Telecom of Minnesota, Inc. d/b/a Integra Telecom; Integra Telecom of Minnesota; Advanced Telecom, Inc. dba Integra; Electric Lightwave, LLC dba Integra; Eschelon Telecom of Washington, Inc. dba Integra Telecom; Oregon Telecom Inc. dba Washington Telecom dba Integra; Unicom f/k/a United Communications, Inc. dba Integra (together "Integra")  By: Karen L. Clauson SVP, General Counsel	McLeodUSA Telecommunications Services L.L.C. d/b/a PAETEC Business Services  By:  Cesar Caballero VP- Regulatory Strategy 4001 Rodney Parham Road Little Rock, AR 72212  Date:
Date:  tw telecom of colorado llc; tw telecom of minnesota llc; and tw telecom of washington llc (together, "tw telecom")  Pamela H. Hollick Vice President Regulatory 4625 W. 86th Street Suite 500 Indianapolis, IN 46268  Date: 5-14-70	Popp.com, Inc.  By:  Name:  Title:  Date:
US Link, Inc., d/b/a TDS Metrocom, LLC  By:  Name:  Title:  Date:	Velocity Telephone, Inc.  By:  Name:  Title:  Date:

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By:	
Karen L. Clauson	
SVP, General Counsel	
Date:	
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US Link Inc., d/b/a TDS Metrocom, LLC	Velocity Telephone, Inc.
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By: /// ///	Ву:
Name: Joel Dohmeier	Name:
Title: Director - Regulatory Revenue, Strategy	Title:
& Compliance	
	Date:
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Integra; Unicom f/k/a United Communications, Inc. dba Integra (together "Integra")	4001 N. Rodney Parham Road Little Rock, AR 72212
By: Karen L. Clauson SVP, General Counsel	Date:
Date:  tw telecom of colorado llc; tw telecom of minnesota llc; and tw telecom of washington llc	Popp.com, Inc.  By:
By:	Name:
Pamela H. Hollick	Title:
Vice President Regulatory 4625 W. 86th Street Suite 500 Indianapolis, IN 46268	Date:
Date:	

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By: Karen L. Clauson	
Karen L. Clauson	
SVP, General Counsel	
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By:	Traine, Earlie William
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