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Attorney for the Commission Staff

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF QWEST CORPORA-)
TION'S REVISIONS TO THE IDAHO QWEST) CASE NO. QWE-T-03-23
PERFORMANCE ASSURANCE PLAN (QPAP))
) COMMENTS OF THE
) COMMISSION STAFF
)**

COMES NOW the Staff of the Idaho Public Utilities Commission, by and through its Attorney of record, Weldon B. Stutzman, Deputy Attorney General, in response to the Notice of Application and Notice of Modified Procedure in Case No. QWE-T-03-23 issued in Order No. 30394 on July 27, 2007 and Order No. 30416 issued on August 29, 2007, submits the following comments.

BACKGROUND

On June 26, 2007, Qwest filed a Notice of Stipulation regarding changes to certain performance indicator definitions (PIDs) and Qwest's Performance Assurance Plan (QPAP) provisions. The QPAP was originally developed in a multi-state workshop process during 2001-02 in which Qwest, numerous competitive local exchange carriers (CLECs), and nine state commissions, including Idaho, participated. The PIDs comprise Exhibit B of Qwest's *Statement*

*of Generally Available Terms and Conditions (SGAT)*¹. The QPAP is Exhibit K of the SGAT.

The QPAP was developed in a regional workshop process and is to provide meaningful and significant incentives to ensure Qwest provides service to its competitors at parity with the service it provides to itself and to ensure Qwest's local service continues to remain open to competing carriers. The QPAP requires Qwest to comply with agreed-upon performance standards (PIDs) related to the wholesale service Qwest provides to CLECs. Under the terms of the QPAP, Qwest's failure to comply with the PIDs results in automatic payments from Qwest to affected CLECs (Tier 1 payments) and, in certain instances, to the state special QPAP account (Tier 2 payments). Currently a scheduled audit of the PID measurements is being performed by Liberty Consulting Group. Liberty Consulting is reviewing each of the PIDs that were established in the multi-state process to determine if Qwest is providing its wholesale services to competitors at parity with its own services. It is anticipated that the final audit report will be issued to the states by October 31, 2007.

Qwest filed its Stipulation and motion in all 14 states where Qwest is the incumbent local exchange company and it is currently being discussed by the Regional Oversight Committee (ROC)² staff. Qwest agreed to an extension of time, until September 28, 2007, for Staff to review the particular PID/QPAP changes and file comments.

On September 25, 2007, the ROC staff had not completed its review and anticipated further discussions at the ROC meetings in Boise on September 26 – 27, 2007. Therefore, Qwest through its counsel informed Staff that the Company did not object to allowing Staff until October 19, 2007 to complete its review and file supplemental comments regarding Qwest's Stipulation and Motion. Accordingly, Staff in its comments filed September 28, 2007, recommended that the Commission take no action on the Stipulation and Motion until Staff was able to review the filing with the ROC staff to ensure the proposed changes to the PIDs and QPAP were compatible with the objectives of the SGAT. Staff planned to file supplemental comments on or before October 19, 2007 apprising the Commission of the results of the ROC staff review, as well as the effects of the proposed changes on CLECs in Idaho.

¹ The SGAT is the Statement of Generally Available Terms and Conditions for Interconnection, unbundled network elements, ancillary services, and resale of telecommunications provided to CLECs by Qwest.

² The Regional Oversight Committee is comprised of Commissioners and Staff members from Qwest's 14 state region.


Currently the ROC is engaged and working toward a unified outcome that created the PIP/QPAP process. Staff has not received any Idaho specific CLEC revenue impact data and believes that information will be available in the multi-state process. Staff believes the ROC process will be productive and that the end result will be positive. Staff encourages Qwest to consider the limited resources of State staff personnel and the benefit both the Company and the States will achieve through a multi-state regional process.

STAFF ANALYSIS AND RECOMMENDATION

Given the time constraints, Staff recommends that the Commission take no action on the Stipulation and Motion and allow the Stipulated Exhibit B, the PIDS, and Exhibit K, the QPAP, to go into effect as provided for in the Federal Telecommunications Act of 1996. See 47 U.S.C. 252(f)(3)(B).

At the ROC meetings a resolution was passed supporting a multi-state process for future PID and QPAP reviews. (See Attachment 1). Staff will continue to work within the ROC process of QPAP and PID review when the PID audit is completed by Liberty Consulting, as well as the six-month QPAP review. Staff believes that a multi-state regional discovery process, if needed, allows economies of scale for state staff and Qwest. It will be much easier for Qwest to provide analysis, data and reports on a regional, unified basis as opposed to each individual state asking similar requests.

Respectfully submitted this 19th day of October, 2007.



Weldon B. Stutzman
Deputy Attorney General

Technical Staff: Carolee Hall

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RESOLUTION

of the Regional Oversight Committee

Supporting Multi-state Collaborative Discussions Regarding Qwest's Performance Assurance Plans and Performance Indicators

Whereas: The Regional Oversight Committee includes interested Commissioners and staff from the participating States; and

Whereas: The collaborative approach used in the past resulted in the development of consensus in many controversial and difficult subjects, and was a fair and effective means for resolving conflicts in which a consensus was not reached; and

Whereas: This approach, which preserves the right of each State Commission to reach independent conclusions on any issue, has been very effective at developing recommendations, as well as a clear and comprehensive record to support subsequent Commission decisions; and

Whereas: Performance Assurance Plans and performance indicators ensure continuing improvement in the provision of wholesale telecommunications service; and

Whereas: Qwest Corporation, Eschelon Telecom, Covad Communications, McLeodUSA and TDS Metrocom have collectively presented revisions to Performance Assurance Plans and performance indicators in each of the state commissions of the Regional Oversight Committee; and

Whereas: Each state Commission of the Regional Oversight Committee has recently or is now reviewing these revisions with limited resources;

Now therefore be it

Resolved: The Regional Oversight Committee supports the use of a collaborative approach under the auspices of the Regional Oversight Committee to evaluate proposed revisions to the Performance Assurance Plan and performance indicators, with the understanding that each participating state Commission may act independently on issues where it might differ from the multi-state group decision or recommendation.

Adopted by the Regional Oversight Committee on September __, 2007.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 19th DAY OF OCTOBER 2007, SERVED THE FOREGOING **COMMENTS OF THE COMMISSION STAFF**, IN CASE NO. QWE-T-03-23, BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE FOLLOWING:

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