



CARLA M. BUTLER

September 10, 2012

Via Hand Delivery

Filing Center
Oregon Public Utility Commission
550 Capitol St., NE, Suite 215
P.O. Box 2148
Salem, OR 97308-2148

Re: IC 16

Dear:

Enclosed for filing in the above entitled matter please find an original and (5) copies of CenturyLink's Answer, as well as the Supporting Affidavit of Renee Albersheim, along with a certificate of service.

If you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink that reads "Carla".

Carla M. Butler
Paralegal

Enclosures
cc: Service List

310 SW Park Ave., 11th Flr.
Portland, OR 97205
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**BEFORE THE PUBLIC UTILITY COMMISSION OF
OREGON**

IC 16

In the Matter of)	
)	
NORTH COUNTY COMMUNICATIONS)	Answer and Counterclaims
CORPORATION OF OREGON,)	
)	
Complainant,)	
)	
vs.)	
)	
QWEST CORPORATION D/B/A)	
CENTURYLINK QC,)	
)	
Respondent.)	
)	

I. INTRODUCTION

Qwest Corporation d/b/a CenturyLink QC (“CenturyLink”), files this Answer to the Complaint North County Communications Corporation of Oregon (“Complainant” or “NCC”), pursuant to OAR 860-016-0050. In the Complaint, NCC makes unsubstantiated and inaccurate factual allegations. The Complaint also omits facts which are critical to the case. Importantly, the Complaint omits from its factual allegations that, since July of 2008, it has not invoiced CenturyLink for the charges it argues CenturyLink must pay to it. In addition, Complainant has failed to remit payment for invoices to CenturyLink and has failed to refund overpayments that CenturyLink made to it.

1 **II. ANSWER**

2 Unless specifically admitted, CenturyLink denies each and every allegation in
3 NCC's Complaint. Each and every factual assertion and statement of applicable law
4 made in any response stated below shall be, and hereby are incorporated by reference
5 into every other response stated below. CenturyLink answers the allegations in the
6 Complaint as follows:

7 1. CenturyLink admits the allegations in paragraph 1.

8 2. CenturyLink admits the allegations in paragraph 2.

9 3. CenturyLink admits the allegations in paragraph 3. As noted in the
10 Complaint (¶¶ 3-6), the parties attempted in good faith to resolve the dispute, but
11 despite those efforts were unable to find one.

12 4. CenturyLink denies the allegations in paragraph 4. CenturyLink raised its
13 dispute in or around August of 2008. For reasons stated, CenturyLink disputed certain
14 invoices for traffic minutes that were erroneously characterized by NCC as
15 compensable local call termination minutes. CenturyLink affirms that it attempted to
16 resolve the disputed charges, but North County refused to provide information to
17 support its claim that all of the minutes of use were compensable. CenturyLink denies
18 all other allegations in paragraph 4.

19 5. CenturyLink admits the allegations in paragraph 5.

20 6. CenturyLink admits the allegations in paragraph 6.

21 7. CenturyLink admits that it provided notice of disconnection. However,
22 CenturyLink denies any implication that this was the first notification provided to NCC
23 of its delinquency. CenturyLink notified NCC numerous times that NCC was
24 delinquent in payments of charges invoiced by CenturyLink under the ICA for the local
25 interconnection trunking and transiting records provided by CenturyLink to NCC in

1 Arizona. CenturyLink affirms that it sent the termination notice dated July 11, 2012 and
2 that it did so because of NCC's failure to pay properly invoiced charges. Such
3 nonpayment is an uncured material breach of the ICA, and termination is an
4 appropriate action. CenturyLink denies all other allegations in paragraph 7.

5 8. CenturyLink admits the allegations in paragraph 8, except that it denies
6 that its actions violated the tolling agreement.

7 9. CenturyLink admits the allegations in paragraph 9.

8 10. CenturyLink admits that the interconnection agreement attached to the
9 Complaint is identical that on file with the Commission and otherwise denies the
10 remaining allegations in paragraph 10.

11 11. CenturyLink admits the allegations in paragraph 11 only to the extent that
12 the interconnection agreement attached to the Complaint is identical that on file with
13 the Commission, but denies all other allegations in paragraph 11.

14 12. CenturyLink admits that the ICA provides for compensation for the
15 termination of local calls that originate on the CenturyLink network and terminate on
16 the NCC network, but denies the ICAs require CenturyLink to compensate NCC for
17 local minutes terminating to NCC that are originated by third party providers,
18 IntraLATA LEC toll minutes terminating to NCC for which CenturyLink is not the
19 originating toll provider, or for Jointly Provisioned Switched Access Traffic, as
20 described in this answer. CenturyLink denies all other allegations in paragraph 12.

21 13. Upon information and belief, CenturyLink admits that NCC terminated
22 local calls from CenturyLink beginning in 1997, and may continue to do so; however,
23 NCC has not invoiced CenturyLink for the termination of local calls since August of
24 2008, and certain of NCC's billings prior to that time were disputed for the reasons
25 stated above. CenturyLink denies all other allegations in paragraph 13.

1 14. CenturyLink denies that all of NCC's billings under the 1997 ICA were
2 compensable local call termination services under the ICA. CenturyLink admits that it
3 paid NCC's invoices, but on or about August 14, 2008,¹ CenturyLink claimed a refund
4 for amounts that were not properly billed as local call termination, as stated in this
5 Answer and CenturyLink's counterclaims, under Count 1. CenturyLink denies all other
6 allegations in paragraph 14.

7 15. CenturyLink denies the allegations in paragraph 15. CenturyLink
8 determined in or around August of 2008 that NCC had overbilled CenturyLink and
9 informed NCC that it had over-billed CenturyLink. CenturyLink disputed and sought
10 refunds related to traffic for which NCC was not entitled to compensation, specifically,
11 overpayments for traffic not originated by CenturyLink's end-users. CenturyLink
12 received no further billing for such traffic after approximately August of 2008.

13 16. CenturyLink admits that no resolution of its claim for refunds has been
14 reached. CenturyLink denies the remaining allegations in paragraph 16. Since August,
15 2008, NCC has not billed CenturyLink for local call termination minutes; accordingly, it
16 is inaccurate and misleading for NCC to allege that CenturyLink "ceased paying NCC's
17 invoices."

18 17. CenturyLink admits that NCC ceased issuing invoices to CenturyLink for
19 local termination services, but denies the reasons NCC alleges for such cessation.
20 CenturyLink denies that it agreed to any suspension of properly and lawfully
21 calculated invoicing and payment obligations under the applicable ICA. CenturyLink
22 denies all other allegations in paragraph 17.

23 18. CenturyLink admits the allegations in paragraph 18.

24 _____
25 ¹ See, Exhibit 1, Letter from Nancy Batz to Todd Lesser, dated August 14, 2008.

1 19. CenturyLink denies the allegations in paragraph 19. CenturyLink did not
2 unilaterally impose the formula to determine what NCC was permitted to bill under the
3 ICA. The categories of traffic that should be excluded were identified prior to 2001.
4 NCC excluded such traffic and applied the exclusion factors determined by
5 CenturyLink traffic studies for several years, but subsequently NCC unilaterally ceased
6 to comply with those understandings, which ultimately let CenturyLink to disputed
7 portions of NCC's bills.²

8 20. CenturyLink admits that NCC uses multi-frequency ("MF") signaling.
9 CenturyLink transmits all call data that is contained in the call stream. However, there
10 is no called party number data, i.e. ANI, in local calls using MF signaling. Because NCC
11 uses MF, CenturyLink cannot technically provide ANI for local calls. The controlling
12 provisions of the ICA determine the methodology for billing minutes of use.
13 CenturyLink denies the remaining allegations in paragraph 20.

14 21. CenturyLink denies the allegations in paragraph 21. CenturyLink does
15 not believe the formula contained in paragraph 21 results in an accurate count of
16 minutes. The formula posited by NCC should, but does not, subtract all transiting
17 traffic, such as, for example, traffic from rural ILECs. Furthermore, CenturyLink is
18 without knowledge of how NCC can identify and "subtract MOU known to belong to
19 other carriers and other billings." The only authorized methodology is that which is
20 contemplated in the parties' interconnection agreements. CenturyLink denies the
21 remaining allegations in paragraph 21.

22 22. CenturyLink denies the allegations in paragraph 22.
23
24

25 ² See Exhibit 2, November 6, 2008 Letter from Nancy Batz.

1 23. CenturyLink admits that its view of how local call termination billing
2 methodology is true. CenturyLink denies the remaining allegations in paragraph 23.

3 24. CenturyLink denies the allegations in paragraph 24.

4 25. CenturyLink denies the allegations in paragraph 25, and specifically
5 incorporates the responses stated in paragraph 20 above. Furthermore, the 1997 ICA
6 required NCC to convert to SS7 signaling, which is a more modern method of signaling
7 used by every other CLEC that interconnects with CenturyLink. SS7 would provide
8 call origination information, which cannot be supported by MF signaling. NCC failed
9 to convert to SS7.

10 26. CenturyLink denies the allegations in paragraph 26.

11 27. CenturyLink denies the allegations in paragraph 27. The 1997 ICA and
12 the 2011 ICA provide for the payment of MUX charges. CenturyLink charges all other
13 CLECs, and all other CLECs pay, the same MUX charges that NCC complains against in
14 its Complaint.

15 28. CenturyLink denies the allegations in paragraph 28, and specifically
16 incorporates the responses in paragraph 27 above.

17 29. CenturyLink denies the allegations in paragraph 29, and specifically
18 incorporates the responses in paragraph 27-28 above.

19 30. CenturyLink denies the allegations in paragraph 30, and specifically
20 incorporates the responses in paragraph 27-29 above.

21 31. CenturyLink denies the allegations in paragraph 31, and specifically
22 incorporates the responses in paragraph 27-30 above.

23 32. CenturyLink denies the allegations in paragraph 32.

24 33. CenturyLink admits that it has charged NCC non-recurring charges for
25 circuits CenturyLink has provisioned, at NCC's request, to interconnect the Parties'

1 networks, and that such non-recurring charges are not properly subject to proration.

2 CenturyLink denies all other allegations in paragraph 33.

3 34. CenturyLink denies the allegations in paragraph 34, and specifically
4 incorporates the responses in paragraph 33.

5 35. CenturyLink denies the allegations in paragraph 35, and specifically
6 incorporates the responses in paragraph 33-34.

7 36. CenturyLink denies the allegations in paragraph 36, and specifically
8 incorporates the responses in paragraph 33-35, and states further that that no credits are
9 owed.

10 37. CenturyLink admits that it is required to provide JPSA records to NCC
11 when requested, and offers transit records, but denies that the 1997 ICA³ and 2011 ICA⁴
12 prohibit CenturyLink from charging NCC for those records. CenturyLink charges all
13 CLECs for records on a non-discriminatory basis. CenturyLink denies all other
14 allegations in paragraph 33. CenturyLink denies all other allegations in paragraph 37.

15 38. CenturyLink admits that it has charged and continues to charge NCC for
16 call records, but denies that such charges are unlawful and anticompetitive, and all
17 other allegations in paragraph 38. CenturyLink specifically incorporates the responses
18 to paragraph 46.

19 39. CenturyLink denies the allegations in paragraph 39. Whether
20 CenturyLink must pay for local termination charges depends on whether traffic was
21 originated on its network and terminated locally on NCC's network, not on whether
22

23
24 ³ See 1997 ICA, Transit Records Amendment (approved by the Commission on January 12,
25 2004) with respect to transit records; with respect to JPSA records Section V, Reciprocal Traffic
Exchange, K. Billing Arrangements, 3. For Jointly Provided Switched Access Records.

⁴ See 2011 ICA, Section 7.6 regarding transit records; regarding JPSA records, Section 7.5.

1 NCC has paid for call detail records. CenturyLink denies the remaining allegations in
2 paragraph 39 and specifically incorporates the responses in paragraphs 37-38.

3 40. CenturyLink denies the allegations in paragraph 40 and specifically
4 incorporates the responses in paragraphs 37-39.

5 41. CenturyLink lacks sufficient information regarding other carriers' charges
6 to form a belief regarding the allegations in paragraph 41 and therefore denies them.

7 42. CenturyLink denies the allegations in paragraph 42.

8 43. CenturyLink lacks sufficient information regarding what testimony and
9 arbitration proceedings NCC alleges support its positions and therefore denies the
10 allegations in paragraph 43.

11 44. CenturyLink lacks sufficient information regarding the allegations in
12 paragraph 44 and therefore denies them.

13 45. CenturyLink denies that the relief requested by Complainant is
14 appropriate for the reasons set forth in this Answer.

15
16 **III. AFFIRMATIVE DEFENSES**

17 46. Complainant has failed to state a claim upon which relief can be granted.

18 47. NCC has not rendered an invoice to CenturyLink for call termination
19 charges since July, 2008. To the extent that the Complainant seeks Commission
20 determination and an order compelling CenturyLink to pay for local call termination
21 since that date, the Complaint should be denied.

22 48. As a matter of contract, CenturyLink cannot be liable for charges never
23 billed. Under the ICA, an accurate bill must precede an obligation to pay.

24 49. Any claim made by NCC for access charges after July, 2008 should be
25 barred on equitable grounds. CenturyLink and NCC never agreed to suspend 2011

1 billing and payment obligations. NCC did not notify CenturyLink that it was
2 withholding invoicing for later true-up. NCC's omission of billing is a unilateral
3 failure. Inaction with respect to the enforcement of a claim can act as a bar against the
4 claim, particularly when the inaction has diminished the ability of the other party to
5 defend against the claim. That is true here, where information necessary for analysis of
6 2011 call traffic – using MF signaling – is lost every month it is not retrieved. It appears
7 that NCC's strategy is to make a claim that is difficult to contest because data from the
8 relevant billing periods is not recoverable.

9 50. In the alternative, CenturyLink asks the Commission to deny NCC's
10 request for an award for amounts arising after July, 2008, because the claim is not ripe
11 for adjudication. Any such claim is not justiciable because the charges have not been
12 billed or stated in the Complaint.

13 14 **IV. COUNTER CLAIMS**

15 51. CenturyLink brings these Counterclaims against NCC as a result of NCC's
16 violations of the applicable interconnection agreements. These Counterclaims consist of
17 two counts, as follows:

18 **Count I**

19 **(Refund of Overcharges)**

20 52. CenturyLink's responses above are incorporated herein by reference.

21 53. NCC's invoices for claimed local call termination from July of 2006
22 through July of 2008 did not properly subtract minutes for traffic originated by other
23 carriers. The analysis attached to the August 14, 2008 notice of dispute (Exhibit 1)
24 shows that CenturyLink disputed \$2445.42 of NCC's charges in Oregon.
25

1 C. Issue an order finding for CenturyLink on the second count of
2 CenturyLink's counterclaim, and ordering NCC to pay the CenturyLink for the LIS
3 trunking and records charges identified in Exhibit 1.

4 D. Provide any all other equitable relief that the Commission deems
5 appropriate.

6
7 Respectfully submitted this 10th day of September, 2012,
8

9
10 By: 
11

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August 14, 2008

Todd Lesser
North County Communications Corporation
3802 Rosecrans Street, Suite 485
San Diego, CA 92110

Re: Dispute of Billed Local, Extended Area Service and ISP Minutes of Use; Use of Multi-frequency vs. Signaling System 7 Signaling; Correction of Trunk Use Codes; and Establishment of LIS Trunk Groups to Qwest's Local Tandems

Dear Todd:

Qwest has noted the increasing volumes of local minutes of use being billed by North County Communications ("North County") to Qwest, particularly in Arizona, and has a number of concerns regarding the billed usage in all states. These concerns include the:

- Use of Multi-Frequency Signaling
- Use of Interim Factors for Billing Purposes and Exclusion of Usage for the Jointly Provided Switch Access Records
- Exchange of Local/Extended Area Service/ISP Traffic on Toll or Interexchange Carrier Trunks
- Billed Usage in Excess of 200,000 Minutes per Month per DS1
- Traffic Routing to Qwest's Local Tandems

Use of Multi-Frequency Signaling

The current use of multi-frequency ("MF") signaling significantly hampers North County's ability to bill based on actual usage and Qwest's ability to validate the traffic for which it responsible to compensate North County. Section XXXIII. Implementation Schedule of the current interconnection agreement between the parties in Arizona provides in part that the parties will:

"Within 6 months from the date of final approval of this Agreement, the Parties agree to make a good faith effort to complete each of the following interconnection arrangements:

- a) Two-way trunk groups, as listed in Section VI, Paragraph G(2) herein, necessary for the mutual exchange of traffic.
- b) E-911 Trunking and database access;
- c) **SS7 Interconnection and Certification;....**"(Emphasis added)¹

I'm not aware that there are technical issues prohibiting the use of Signaling System 7 ("SS7") signaling on the Local Interconnection Service ("LIS") interconnecting North County and Qwest; and Qwest requests implementation of SS7 signaling on all LIS trunks exchanging traffic in Arizona, Oregon and Washington as soon as possible. Please submit orders to convert these LIS trunks from MF to SS7 signaling. If there are questions regarding this conversion, please contact Kenny Homan, your Service Manager. The good faith effort to convert to SS7 must be

¹ Similar language exists in Section XXXIII. of both the Oregon and Washington interconnection agreements, although with shorter schedules.

completed according to the terms of the current agreement, and Qwest specifically reserves any rights, claims or actions it may have against North County regarding the continuing failure to convert.

Use of Interim Factors for Billing Purposes and Exclusion of Usage for the Jointly Provided Switched Access Records

The current use of MF signaling necessitated the use of interim factors for billing purposes. These factors were last developed in 2003 and were based on similarly situated CLECs. (In Arizona, for example, the factors were based on CLECs that only interconnected with Qwest at Qwest's tandems.) These factors are to apply to North County's total usage LESS the usage associated with jointly provided switched access ("JPSA") or "meet point billing" traffic.

However, Qwest believes that North County is not removing the usage associated with that JPSA traffic when determining the number of minutes of use to bill to Qwest, contrary to the plain language of the agreement and that parties' intent in agreeing to the factors. For example, in the May 16, 2008 file that Qwest provided to North County via the internet, Qwest provided 3,104,747 Feature Group D terminating JPSA records, 109,306 wireline transit records, and 755,032 wireless transit records in Arizona. For the calendar month of May 2008, Qwest sent North County 2,926,060 JPSA records with 27,492,804 minutes of use in Arizona. North County's total terminating minutes in the June 2008 Phoenix and Tucson Arizona invoices, prior to application of the interim factors, was 35,604,703 minutes. If one were to exclude the 27,492,804 minutes associated with the JPSA records from the total terminating minutes of use, there is a net 8,111,899 minutes of use that in turn would have the associated interim factors of 58% in Phoenix or 74% in Tucson applied to that usage.

Qwest Dispute of Previously Billed and Paid Charges

Qwest disputes any charges that North County has billed to Qwest associated with the JPSA records. Specifically, Qwest disputes \$1,054,220.49 of North County's charges in Arizona and \$2,445.42 of North County's charges in Oregon for July 2006 through June 2008 usage. Please see the attached spreadsheet that provides additional information regarding this dispute.

Updated Interim Factors Pending SS7 Implementation

The current interim factors are outdated and not necessarily representative of North County's own traffic exchange with Qwest. Attached are updated interim factors based on January through June 2008 usage for similarly situated Arizona and Oregon CLECs, e.g. in Arizona, those CLECs that are interconnected with Qwest exclusively at Qwest's tandems. You'll note that the percentage of local traffic has declined substantially. Until such time that SS7 is implemented later this year, Qwest intends to begin implementation of these new factors as of North County's September 2008 invoices for August 2008 usage. These factors will apply to North County's usage after the exclusion of all usage for JPSA traffic. Also, please note that these interim factors do not reflect any disputes related to the exchange of Virtual NXX (VNXX) traffic.

Local/Extended Area Service/ISP Traffic Exchanged on Toll or Interexchange Carrier Trunks

North County is billing Qwest for terminating local/Extended Area Service ("EAS") traffic at 251(b)(5) rates in Arizona and for ISP traffic in Oregon and Washington for traffic that is routed to North County over the existing LIS trunks which are designed to carry either interexchange carrier traffic or Toll Traffic:

AE135401 (Qwest CLLI = TCSNAZMA04T)	Trunk Type MMDF45MDIXCJJ
AE135402 (Qwest CLLI = TCSNAZMA04T)	Trunk Type MMDF45DTJJ
AE148093 (Qwest CLLI = PHNXAZMA01T)	Trunk Type MMDF54MDJJ
AP065911 (Qwest CLLI = PTLDOR13C4T)	Trunk Type M-DF54MDJJ
AP093177 (Qwest CLLI = PTLDOR13C9T)	Trunk Type M-DF54MDJJ

Ninety-five percent (95%) of the billed usage reflected in North County's June 2008 invoices for Arizona was associated with the tandem trunk groups intended for interexchange carrier or toll traffic. According to the plain language of the agreement, the trunk types must appropriately

reflect the traffic being exchanged. The fact that local, EAS, or ISP traffic is being exchanged on trunk groups intended for interexchange carrier or toll trunks raises questions about the underlying nature of the traffic. Please issue corrections to the trunk identifiers for the LIS trunks to reflect the true nature of the traffic.

Billed Usage in Excess of 200,000 Minutes per Month per DS1

North County's billed minutes reflect usage in excess of the 200,000 minutes per month per DS1.² This figure is based on the FCC's rulings in determining a measurement of the DS1 threshold of traffic (for purposes of seeking direct interconnection). See the excerpts below from the Federal Communications Commission DA02-1731 (with emphasis added.)

116. We thus reject the sentence in section 7.2.4 beginning with "At the end of the Transition Period, Verizon may, in its sole discretion" and ending with "then Verizon will not terminate the Transit Traffic Service until the Commission has ruled on such petition." Instead, we direct the parties to insert language directing AT& T, as soon as it receives notice from Verizon that its traffic has exceeded the DS-1 cut-off (i. e., as soon as what Verizon calls the transition period begins), 384 to exercise its best efforts to enter into a reciprocal telephone exchange service traffic arrangement with the relevant carrier, for the purpose of seeking direct interconnection. This language should make clear that Verizon may use the dispute resolution process if it feels that AT&T has not exercised good faith efforts promptly to obtain such an agreement. We find that these modifications are not burdensome to Verizon. Verizon will be adequately compensated because it may levy its trunk and billing charges for the tandem transit service it provides during the time that AT&T negotiates with the other carrier. Moreover, any extension of Verizon's tandem transit offering would be limited, as Verizon would be able to terminate this offering if AT&T is ultimately found through the dispute resolution process not to be exercising its best efforts to obtain an agreement.

Footnote 384 To remove ambiguity in this language and to remain consistent with our determination for Issue I- 4, we modify Verizon's language specifying the measurement of the DS-1 threshold of traffic. We amend Verizon's proposed threshold from "one (1) DS-1 and/or 200,000 combined minutes of use...for any three (3) months in any consecutive six (6) month period or for any consecutive three (3) months" to "200,000 combined minutes of use ... for any consecutive three (3) months." See Verizon's November Proposed Agreement to AT& T, § 7.2.4. See also supra, Issue I- 4.

...

118. For the reasons provided below, we reject Verizon's proposal to WorldCom. Verizon's proposal to WorldCom allows Verizon to terminate transit service for transit traffic exceeding the level of **200,000 minutes of use in one month.** ...

In the Matter of Petition of WorldCom, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia In., and for Expedited Arbitration

In the Matter of Petition of Cox Virginia Telecom, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon-Virginia, Inc. and for Arbitration

In the Matter of Petition of AT&T Communications of Virginia Inc., Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia Corporation Commission Regarding Interconnection Disputes With Verizon Virginia Inc.

CC Docket No. 00-218

CC Docket No. 00-249

CC Docket No. 00-251

MEMORANDUM OPINION AND ORDER Adopted: July 17, 2002 Released: July 17, 2002

² Use of the 200,000 minutes per month per DS1 standard in lieu of measurement of actual usage is necessitated by the current use of multi-frequency signaling for these LIS trunks interconnecting Qwest and North County.

Using North County's June 2008 invoice, Tucson's billed minutes of use (MOUs) (reflecting a 74% interim terminating minutes of use factor) equates to 320,302 MOUs/DS1/month or an equivalent of 12.8 DS1s compared to the existing 8 DS1s in service. Absent the 74% factor, the amount of usage being exchanged on these trunk groups equates to 17.3 DS1s using a 200,000 minutes per month per DS1 as a standard of reasonableness or equal to 432,841 MOUs/DS1/month. Using a similar analysis for the Phoenix June 2008 invoice, absent the 58% interim terminating minutes of use factor, North County's invoice would indicate that 331,361 MOUs/DS1/month are being exchanged on the 97 existing trunks or an equivalent of 161 DS1s worth of traffic reflecting a 200,000 minutes per month per DS1. Consequently, Qwest disputes the total usage data upon which North County is relying for issuing its bills to Qwest as being unreasonable given the 200,000 minutes of use per month per DS1 standard. Effectively immediately, Qwest's compensation to North County will be based on a 200,000 minutes of use maximum per DS1 per month for North County's total usage prior to exclusion of the usage for JPSA traffic and application of the interim factors.

Traffic Routing to Qwest Local Tandems

Traffic routing for certain of North County's NPA/NXXs are currently being routing to a vacant code or are not activated within Qwest's systems because Qwest has not received orders from North County to establish LIS trunks to Qwest's local tandems.

360/847 (Vancouver WA)	North County's PTLDORPBDS0 switch
928/262 (Yuma AZ)	North County's PHNZAZNGDS0 switch
928/789 (Flagstaff AZ)	North County's PHNZAZNGDS0 switch
520/267 (Sierra Vista AZ)	North County's TCSNAZQKDS0 switch
928/253 (Prescott AZ)	North County's PHNZAZNGDS0 switch

To the extent that North County intends to exchange traffic associated with any of these prefixes, please submit the appropriate orders to Qwest.

Reply to April 17, 2008 Email

You mentioned in your April 17, 2008 email to me the possibility of rehomeing your prefixes to another tandem or order some direct trunks to some Qwest central offices. To the extent feasible, the placement of direct trunks to Qwest's central offices would minimize the issue of transit traffic, however, implementation of SS7 would be a superior way to identify the traffic subject to compensation from Qwest.

With respect to a possible rehome of North County's prefixes to another tandem, please note that the Interconnection Agreements provides in Section V. Reciprocal Traffic Exchange that:

Absent a separately negotiated agreement to the contrary, the Parties will directly exchange traffic between their respective networks, without the use of third party transit providers.

Qwest would prefer to directly exchange traffic with North County without the use of a third party transit provider. Qwest does not see any additional value gained by adding a superfluous carrier between Qwest and North County when the issues can largely be remedied by the actions discussed in this letter. In addition, any such arrangements would have to ensure that Qwest is not placed in an adverse situation to the present arrangement, which seems unlikely, given that another carrier is not needed. That said, Qwest is open to discussions on this issue.

Summary

In summary, given all of the issues related to North County's billing to Qwest for terminating Local, Extended Area Service and ISP traffic, now is the time to comply with the requirements of the agreement and change the signaling for the LIS trunks exchanging traffic between North County and Qwest from MF signaling to SS7 signaling.

The following actions are necessary at this point, please:

- Render a business check made payable to Qwest Corporation for \$1,056,665.91 in immediately payable funds by August 29, 2008 to the following address:

Qwest Corporation
c/o Linda Holmes
20 E. Thomas Road, 11th Floor
Phoenix, Arizona 85012

- Submit the necessary order to make the change in signaling to SS7 signaling for each of the LIS trunks.
- Correct the trunk use codes for the LIS trunk groups to reflect the nature of the traffic being exchanged.
- Correct the total usage data upon which North County is relying for issuing its bills to Qwest in consideration of the 200,000 minutes of use per month per DS1 standard.
- Establish LIS trunk groups to Qwest's local tandems where needed to accommodate the North County NPA/NXXs that are currently being routed to a vacant code or are not activated within Qwest's systems.

If there are any questions or comments, please call me at 503/242-6054.

Sincerely,


Nancy Batz

Attachments

cc: Kenny Homan

	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07
AZ CBUSS														
MPB/JPSA Orig Compl. Msgs		166	956	392	1,506	1,206	1,091	1,193	1,187	674	538	562	869	670
MPB/JPSA Orig Compl. MOUs		40	369	108	438	360	491	537	553	292	268	237	648	408
MPB/JPSA Term Msgs	945,250	1,272,495	1,652,382	1,391,568	1,858,001	1,757,137	2,481,601	2,502,563	2,345,436	1,979,084	1,899,581	1,866,358	1,725,271	1,835,024
MPB/JPSA Term MOUs	10,486,359	13,162,077	13,097,377	13,917,136	13,850,064	14,876,910	16,637,534	14,579,886	16,707,399	16,274,014	15,880,521	16,401,486	16,724,969	19,592,619
PHOENIX & TUCSON														
As Billed														
PHNXAZMA04T														
Total MOUs	4,686,049	3,097,004	2,711,851	2,805,295	3,531,448	3,276,865	2,930,694	2,926,707	3,075,233	2,188,063	2,319,906	2,746,023	8,404,176	15,507,382
Billed MOUs @ 58% of Total MOUs	2,717,908	1,796,262	1,572,874	1,627,071	2,048,240	1,900,582	1,699,803	1,697,490	1,783,635	1,269,077	1,345,545	1,592,693	4,874,422	8,994,282
PHNXAZMA01T														
Total MOUs	13,564,404	15,903,849	15,883,508	16,367,340	16,041,447	17,293,471	18,738,110	16,760,791	18,582,663	18,029,188	17,636,379	17,936,932	11,199,256	9,033,357
Billed MOUs @ 58% of Total MOUs	7,867,354	9,224,292	9,212,435	9,493,057	9,304,039	10,030,213	10,868,104	9,721,259	10,777,945	10,458,929	10,229,100	10,403,421	6,495,568	5,239,347
TCSNAZMA04T														
Total MOUs	5,554	5,831	5,078	5,043	4,824	4,505	4,925	4,050	5,190	5,210	5,529	4,989	5,175	5,321
Billed MOUs @ 74% of Total MOUs	4,110	4,315	3,758	3,732	3,570	3,334	3,645	2,997	3,841	3,855	4,091	3,692	3,830	3,938
Phoenix/Tucson Total MOUs	18,256,007	19,006,684	18,600,437	19,177,678	19,577,719	20,574,841	21,673,729	19,691,548	21,663,086	20,222,461	19,961,814	20,687,944	19,808,607	24,546,060
Phoenix/Tucson Billed MOUs	10,589,372	11,024,809	10,789,067	11,123,860	11,355,849	11,934,129	12,571,552	11,421,746	12,565,421	11,729,861	11,578,736	11,999,806	11,373,820	14,237,567
Phoenix/Tucson Billed MOUs to Total Phoenix Billed	58.0%	58.0%	58.0%	58.0%	58.0%	58.0%	58.0%	58.0%	58.0%	58.0%	58.0%	58.0%	58.0%	58.0%
Charges	\$ 42,341.05	\$ 44,081.98	\$ 43,141.23	\$ 44,480.51	\$ 45,409.12	\$ 47,723.18	\$ 50,271.63	\$ 45,675.00	\$ 50,246.32	\$ 46,904.02	\$ 46,298.58	\$ 47,984.46	\$ 45,479.96	\$ 56,934.51
Total Tucson Billed	\$ 16.44	\$ 17.26	\$ 15.03	\$ 14.93	\$ 14.28	\$ 13.33	\$ 14.58	\$ 11.99	\$ 15.36	\$ 15.42	\$ 16.37	\$ 14.77	\$ 15.32	\$ 15.75
Total AZ Comp Due	\$ 42,357.49	\$ 44,099.24	\$ 43,156.26	\$ 44,495.44	\$ 45,423.40	\$ 47,736.51	\$ 50,286.21	\$ 45,686.99	\$ 50,261.68	\$ 46,919.44	\$ 46,314.95	\$ 47,999.23	\$ 45,495.28	\$ 56,950.26
Compensation Billed/Paid by Qwest	\$ 42,357.49	\$ 44,099.24	\$ 43,156.26	\$ 44,495.44	\$ 45,423.40	\$ 47,736.51	\$ 50,286.21	\$ 45,686.99	\$ 50,261.68	\$ 46,919.44	\$ 46,314.95	\$ 47,999.23	\$ 45,495.28	\$ 56,950.26
Corrected Charges														
Phoenix/Tucson Total MOUs (100% Tandem)	18,256,007	19,006,684	18,600,437	19,177,678	19,577,719	20,574,841	21,673,729	19,691,548	21,663,086	20,222,461	19,961,814	20,687,944	19,608,607	24,546,060
Less MPB/JPSA Term Net MOUs Subj to Interim Factors	(10,486,359)	(13,162,077)	(13,097,377)	(13,917,138)	(13,850,064)	(14,876,910)	(16,637,534)	(14,579,886)	(16,707,399)	(16,274,014)	(15,880,521)	(16,401,486)	(16,724,969)	(19,592,619)
Percentage Billed/Total Compensable MOUs	7,769,648	5,844,607	5,503,060	5,260,540	5,727,655	5,697,931	5,036,195	5,111,662	4,955,687	3,948,447	4,081,293	4,286,458	2,883,638	4,953,441
Corrected Compensation	58.0%	58.0%	58.0%	58.0%	58.0%	58.0%	58.0%	58.0%	58.0%	58.0%	58.0%	58.0%	58.0%	58.0%
Disputed Charges	4,506,774	3,390,159	3,192,015	3,051,334	3,322,266	3,305,000	2,921,176	2,964,932	2,874,489	2,290,262	2,367,331	2,486,311	1,672,632	2,873,168
	\$ 18,027.10	\$ 13,560.64	\$ 12,768.06	\$ 12,205.34	\$ 13,289.06	\$ 13,220.00	\$ 11,684.70	\$ 11,859.73	\$ 11,497.96	\$ 9,161.05	\$ 9,469.32	\$ 9,945.24	\$ 6,680.53	\$ 11,492.67
	\$ 24,330.39	\$ 30,536.60	\$ 30,368.20	\$ 32,290.10	\$ 32,134.34	\$ 34,516.51	\$ 38,601.51	\$ 33,827.26	\$ 38,763.72	\$ 37,758.39	\$ 36,845.63	\$ 38,053.99	\$ 36,804.75	\$ 45,457.59

	Sep-07	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	07/06 - 06/08 Totals
AZ CBUSS											
MPBJPSA Orig Compl. Ms	585	118									11,733
MPBJPSA Orig Compl. MC	304	39									5,092
MPBJPSA Term Msgs	1,535,348	2,002,003	2,201,076	2,560,252	3,123,912	2,771,215	2,958,354	2,812,631	2,926,060	3,158,950	51,561,542
MPBJPSA Term MOUs	17,858,325	18,814,400	20,786,669	22,504,252	23,537,520	22,583,467	28,900,344	26,613,238	27,492,804	28,697,292	449,976,664
PHOENIX & TUCSON As Billed											
PHINXAZMA04T											
Total MOUs	14,415,537	3,146,161	2,262,304	1,908,488	1,644,065	1,613,662	1,952,506	1,799,134	1,889,522	2,247,271	93,085,346
Billed MOUs @ 58% of Total MOUs	8,361,011	1,824,773	1,312,136	1,106,923	953,558	935,924	1,132,453	1,043,498	1,095,923	1,303,417	53,989,500
PHINXAZMA01T											
Total MOUs	9,946,849	20,954,206	21,351,444	23,388,078	23,217,998	22,510,602	27,934,628	27,112,666	30,252,456	31,305,304	460,944,926
Billed MOUs @ 58% of Total MOUs	5,769,172	12,153,439	12,383,838	13,565,085	13,466,439	13,056,149	16,202,084	15,725,346	17,546,424	18,157,076	267,348,055
TCSNAZMA04T											
Total MOUs	-	23,387	1,082,214	1,488,328	1,545,971	1,938,212	2,825,158	3,153,841	3,462,725	3,882,982	19,474,042
Billed MOUs @ 74% of Total MOUs	-	17,306	800,838	1,101,363	1,144,019	1,434,277	2,090,617	2,333,842	2,562,417	2,873,407	14,410,794
Phoenix/Tucson Total MOUs	24,362,386	24,123,754	24,695,962	26,784,894	26,408,034	26,062,476	32,712,292	32,065,641	35,604,703	37,435,557	573,504,314
Phoenix/Tucson Billed MOUs	14,130,183	13,995,518	14,496,812	15,773,371	15,584,016	15,426,350	19,425,154	19,102,686	21,204,764	22,333,900	335,748,349
Phoenix/Tucson MOUs	58.0%	58.0%	58.7%	58.9%	58.9%	59.2%	59.4%	59.6%	59.6%	59.7%	58.5%
Total Phoenix Billed Charges	\$ 56,520.74	\$ 55,912.85	\$ 54,783.90	\$ 58,688.03	\$ 57,679.99	\$ 55,968.29	\$ 69,338.15	\$ 67,075.38	\$ 74,569.39	\$ 77,841.97	\$ 1,285,350.24
Total Tucson Billed Charges	\$ -	\$ 69.23	\$ 3,203.35	\$ 4,405.45	\$ 4,576.08	\$ 5,737.11	\$ 8,362.47	\$ 9,335.37	\$ 10,249.67	\$ 11,493.63	\$ 57,643.19
Total AZ Comp Due	\$ 56,520.74	\$ 55,982.08	\$ 57,987.25	\$ 63,093.48	\$ 62,256.07	\$ 61,705.40	\$ 77,700.62	\$ 76,410.75	\$ 84,819.06	\$ 89,335.60	\$ 1,342,993.43
Compensation Billed/Paid by Qwest	\$ 56,520.74	\$ 55,982.08	\$ 57,987.25	\$ 63,093.48	\$ 62,256.07	\$ 61,705.40	\$ 77,700.62	\$ 76,410.75	\$ 84,819.06	\$ 89,335.60	\$ 1,342,993.43
Corrected Charges											
Phoenix/Tucson Total MOUs (100% Tandem)	24,362,386	24,123,754	24,695,962	26,784,894	26,408,034	26,062,476	32,712,292	32,065,641	35,604,703	37,435,557	573,504,314
Less MPBJPSA Term MOUs	(17,858,325)	(18,814,400)	(20,786,669)	(22,504,252)	(23,537,520)	(22,583,467)	(28,900,344)	(26,613,238)	(27,492,804)	(28,697,292)	(449,976,664)
Net MOUs Subj to Interim Factors	6,504,061	5,309,354	3,909,293	4,280,642	2,870,514	3,479,009	3,811,948	5,452,403	8,111,899	8,738,265	123,527,650
Percentage Billed/Total Compensable MOUs	58.0%	58.0%	58.7%	58.9%	58.9%	59.2%	59.4%	59.6%	59.6%	59.7%	58.5%
Corrected Compensation	\$ 15,089.42	\$ 12,321.00	\$ 9,179.20	\$ 10,083.32	\$ 6,767.14	\$ 8,236.88	\$ 9,054.42	\$ 12,992.79	\$ 19,324.52	\$ 20,852.85	\$ 288,772.94
Disputed Charges	\$ 41,431.32	\$ 43,661.08	\$ 48,808.05	\$ 53,010.16	\$ 55,488.93	\$ 53,468.52	\$ 68,646.20	\$ 63,417.96	\$ 85,494.54	\$ 68,482.75	\$ 1,054,220.49

	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07
OR CBUSS														
MPBJ/JPSA Orig Compl. Ms	749	915	335	161	41									
MPBJ/JPSA Orig Compl. MC	150	190	95	30	34									
MPBJ/JPSA Orig Atempt Msg	46	66	31	11	3									
MPBJ/JPSA Orig Atempt MOI		2												
MPBJ/JPSA Term Msgs	366,602	418,703	133,921	64,606	34,319	34,162	35,282	35,359	41,592	34,866	43,430	46,988	53,406	53,420
MPBJ/JPSA Term MOUs	506,749	524,044	397,097	420,692	433,506	494,058	531,503	539,610	379,196	389,668	557,389	647,354	736,056	728,147
WA CBUSS														
MPBJ/JPSA Orig Compl. Ms														
MPBJ/JPSA Orig Compl. MC														
MPBJ/JPSA Orig Atempt Msg														
MPBJ/JPSA Orig Atempt MOI														
MPBJ/JPSA Term Msgs	26	22	10	20	28	12	14	7	22	20	12	15	4	35
MPBJ/JPSA Term MOUs	84	296	5	65	31	18	34	16	24	28	19	11		343
ORWA CBUSS														
MPBJ/JPSA Orig Compl. Ms	749	915	335	161	41									
MPBJ/JPSA Orig Compl. MC	150	190	95	30	34									
MPBJ/JPSA Orig Atempt Msg	46	66	31	11	3									
MPBJ/JPSA Orig Atempt MOI		2												
MPBJ/JPSA Term Msgs	366,628	418,725	133,931	64,626	34,347	34,174	35,296	35,366	41,614	34,886	43,442	46,973	53,410	53,455
MPBJ/JPSA Term MOUs	506,843	524,340	397,102	420,757	433,537	494,076	531,537	539,626	379,220	389,896	557,408	647,365	736,056	728,490
OREGON & WASHINGTON														
OREGON														
End Office	5,307,976	5,220,017	4,972,842	4,868,756	4,869,438	4,847,719	5,052,064	4,238,988	4,295,333	4,068,348	4,173,150	3,836,211	3,891,823	3,807,387
Tandem Usage														
Total MOUs	5,603,202	5,919,019	5,569,087	5,260,877	5,688,431	5,793,815	6,028,995	5,516,402	4,738,107	4,607,720	5,254,999	5,303,744	5,807,686	5,662,773
Billed Estimated	91%	91%	91%	91%	91%	91%	91%	91%	91%	91%	91%	91%	91%	91%
Jurisdictional Factor														
Billed Estimated Local Traffic Factor	27%	27%	27%	27%	27%	27%	27%	27%	27%	27%	27%	27%	27%	27%
Billed Tandem MOUs	1,376,707	1,454,303	1,368,325	1,292,597	1,397,647	1,423,540	1,481,324	1,355,380	1,164,153	1,132,117	1,291,153	1,303,130	1,426,948	1,391,343
Compensated Estimated	83%	83%	83%	83%	83%	83%	83%	83%	83%	83%	83%	83%	83%	83%
Jurisdictional Factor														
Local Traffic Factor	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Compensated Tandem MOUs	1,162,664	1,228,196	1,155,586	1,091,632	1,180,349	1,202,217	1,251,016	1,144,653	983,157	956,102	1,090,412	1,100,527	1,205,095	1,175,025
Subtotal Oregon														
Compensated MOUs	6,470,640	6,448,213	6,128,228	5,960,388	6,049,787	6,049,836	6,303,080	5,383,641	5,278,490	5,024,450	5,263,562	4,936,738	5,096,918	4,982,412
Compensation Due (Diff from Billed)	\$ 4,529.44	\$ 4,513.75	\$ 4,289.76	\$ 4,172.27	\$ 4,234.85	\$ 4,234.96	\$ 4,412.16	\$ 3,768.55	\$ 3,694.94	\$ 3,517.12	\$ 3,684.49	\$ 3,455.72	\$ 3,567.84	\$ 3,487.69
Compensation Paid	\$ 4,529.44	\$ 4,513.75	\$ 4,289.76	\$ 4,172.27	\$ 4,234.85	\$ 4,234.95	\$ 4,412.15	\$ 3,768.55	\$ 3,694.94	\$ 3,517.11	\$ 3,684.50	\$ 3,455.72	\$ 3,567.85	\$ 3,487.69
WASHINGTON														
Tandem Usage														
Total MOUs	5,603,202	5,919,019	5,569,087	5,260,877	5,688,431	5,793,815	6,028,995	5,516,402	4,738,107	4,607,720	5,254,999	5,303,744	5,807,686	5,662,773
Billed Estimated	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%
Jurisdictional Factor														
Billed Estimated Local Traffic Factor	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%
Billed MOUs	176,501	186,449	175,426	165,718	179,186	182,505	189,913	173,767	149,250	145,143	165,532	167,068	182,942	178,377
Compensated Estimated	17%	17%	17%	17%	17%	17%	17%	17%	17%	17%	17%	17%	17%	17%
Jurisdictional Factor														
Local Traffic Factor	26%	26%	26%	26%	26%	26%	26%	26%	26%	26%	26%	26%	26%	26%
Pre VNXX Compensable MOUs	247,662	261,621	246,154	232,531	251,429	256,087	266,482	243,825	209,424	203,661	232,271	234,425	256,700	250,295
VNXX Disputed MOUs														
Net WA Compensated MOUs	247,662	261,621	246,154	232,531	251,429	256,087	266,482	243,825	209,424	203,661	232,271	234,425	256,700	250,295
Compensation Due	\$ 173.36	\$ 183.13	\$ 172.31	\$ 162.77	\$ 176.00	\$ 179.26	\$ 186.54	\$ 170.68	\$ 146.60	\$ 142.56	\$ -	\$ -	\$ -	\$ -
Compensation Paid	\$ 173.36	\$ 183.13	\$ 172.31	\$ 162.77	\$ 176.00	\$ 179.26	\$ 186.54	\$ 170.68	\$ 146.60	\$ 142.56	\$ -	\$ -	\$ -	\$ -

	Sep-07	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	07/06 - 06/08 Totals
OR CBUSS											
MPBJ/PSA Orig Compl. Ms											2,201
MPBJ/PSA Orig Compl. MC											499
MPBJ/PSA Orig AImpt Msg											157
MPBJ/PSA Orig AImpt MOI											2
MPBJ/PSA Term Msgs	46,951	48,932	47,551	47,829	48,873	40,346	41,481	64,047	72,727	77,160	1,932,523
MPBJ/PSA Term MOUs	671,969	702,394	722,988	780,511	784,272	583,747	608,309	850,920	943,550	995,945	14,929,874
WA CBUSS											
MPBJ/PSA Orig Compl. Ms											
MPBJ/PSA Orig Compl. MC											
MPBJ/PSA Orig AImpt Msg											
MPBJ/PSA Orig AImpt MOI											
MPBJ/PSA Term Msgs	33	21	26	33	59	50	38	32	27	20	586
MPBJ/PSA Term MOUs	32	20	33	21	65	108	41	46	45	14	1,409
OR/WA CBUSS											
MPBJ/PSA Orig Compl. Ms											2,201
MPBJ/PSA Orig Compl. MC											499
MPBJ/PSA Orig AImpt Msg											157
MPBJ/PSA Orig AImpt MOI											2
MPBJ/PSA Term Msgs	46,984	48,953	47,577	47,862	48,932	40,396	41,519	64,079	72,754	77,180	1,933,109
MPBJ/PSA Term MOUs	672,001	702,414	723,021	780,532	784,337	583,855	608,350	850,966	943,595	995,959	14,931,283
OREGON & WASHINGTON											
OREGON											
End Office											
Tandem Usage	3,358,051	3,603,027	3,493,102	3,419,680	3,419,680	2,653,951	2,525,561	2,390,643	2,178,845	1,989,065	92,481,457
Billed Estimated	5,003,257	5,879,011	5,608,259	6,104,131	6,047,915	5,658,479	5,565,778	5,596,624	5,682,578	5,875,750	133,576,639
Jurisdictional Factor	91%	91%	91%	83%	83%	83%	83%	83%	83%	83%	83%
Billed Estimated Local	27%	27%	27%	25%	25%	25%	25%	25%	25%	25%	25%
Traffic Factor	1,229,300	1,395,333	1,377,949	1,266,607	1,254,942	1,174,134	1,154,899	1,161,299	1,179,135	1,219,218	31,271,483
Billed Tandem MOUs	83%	83%	83%	83%	83%	83%	83%	83%	83%	83%	83%
Compensated Estimated	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Jurisdictional Factor	1,038,176	1,178,395	1,163,714	1,266,607	1,254,942	1,174,134	1,154,899	1,161,299	1,179,135	1,219,218	27,717,150
Local Traffic Factor	4,396,227	4,781,422	4,656,816	4,686,287	4,674,622	3,828,085	3,680,460	3,551,942	3,357,980	3,208,283	120,198,607
Compensated Tandem MOUs	\$ 3,077.36	\$ 3,347.00	\$ 3,259.77	\$ 3,280.40	\$ 3,272.24	\$ 2,679.66	\$ 2,576.32	\$ 2,486.36	\$ 2,350.59	\$ 2,245.80	\$ 84,139.04
Subtotal Oregon	\$ 3,211.15	\$ 3,347.00	\$ 3,259.77	\$ 3,280.41	\$ 3,272.24	\$ 2,679.66	\$ 2,576.32	\$ 2,486.36	\$ 2,350.59	\$ 2,245.80	\$ 84,272.83
Compensation Due (Diff from Billed)											
Compensation Paid											
WASHINGTON											
Tandem Usage	5,003,257	5,679,011	5,608,259	6,104,131	6,047,915	5,658,479	5,565,778	5,596,624	5,682,578	5,875,750	133,576,639
Billed Estimated	9%	9%	9%	17%	17%	17%	17%	17%	17%	17%	17%
Jurisdictional Factor	157,603	178,889	176,660	363,196	359,851	336,680	331,164	332,999	338,113	349,607	5,342,539
Billed Estimated Local	17%	17%	17%	17%	17%	17%	17%	17%	17%	17%	17%
Traffic Factor	221,144	251,012	247,885	269,803	267,318	250,105	246,007	247,371	251,170	259,708	5,904,090
Compensated Estimated	221,144	251,012	247,885	269,803	267,318	250,105	246,007	247,371	251,170	259,708	3,485,214
Jurisdictional Factor	26%	26%	26%	26%	26%	26%	26%	26%	26%	26%	26%
Local Traffic Factor											
Pre VNXX Compensable MOUs											
VNXX Disputed MOUs											
Net WA Compensated MOUs											
Compensation Due	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Compensation Paid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07
ORWA End Office MOUs	5,307,976	5,220,017	4,972,642	4,868,756	4,899,438	4,847,719	5,052,064	4,238,988	4,295,333	4,068,348	4,173,150	3,836,211	3,891,823	3,807,387
ORWA Total Tandem MOUs	5,603,202	5,919,019	5,569,087	5,260,877	5,688,431	5,793,815	6,028,995	5,516,402	4,738,107	4,607,720	5,254,999	5,303,744	5,807,686	5,662,773
ORWA Billed Tandem MOUs	1,553,208	1,640,752	1,543,751	1,458,315	1,576,833	1,606,045	1,671,237	1,529,147	1,313,403	1,277,260	1,456,685	1,470,198	1,609,890	1,569,720
ORWA Pre VNXX Compensable Tandem MOUs	1,410,326	1,489,817	1,401,740	1,324,163	1,431,778	1,458,304	1,517,498	1,388,478	1,192,581	1,159,763	1,322,683	1,334,952	1,461,795	1,425,320
Tandem MOUs Reflecting VNXX Dispute	1,410,326	1,489,817	1,401,740	1,324,163	1,431,778	1,458,304	1,517,498	1,388,478	1,192,581	1,159,763	1,090,412	1,100,527	1,205,095	1,175,025
Percent ORWA Compensated MOUs of Total ORWA Tandem MOUs	25.2%	25.2%	25.2%	25.2%	25.2%	25.2%	25.2%	25.2%	25.2%	25.2%	20.7%	20.8%	20.8%	20.7%
Total ORWA Payments	\$ 4,702.80	\$ 4,696.88	\$ 4,462.07	\$ 4,335.04	\$ 4,410.85	\$ 4,414.21	\$ 4,598.69	\$ 3,939.23	\$ 3,841.54	\$ 3,659.67	\$ 3,684.50	\$ 3,455.72	\$ 3,567.85	\$ 3,487.69
Corrected Charges														
ORWA Total Tandem MOUs	5,603,202	5,919,019	5,569,087	5,260,877	5,688,431	5,793,815	6,028,995	5,516,402	4,738,107	4,607,720	5,254,999	5,303,744	5,807,686	5,662,773
Less ORWA MPB/JPSA Term MOUs	(506,843)	(524,340)	(397,102)	(420,757)	(433,537)	(494,076)	(531,537)	(539,626)	(379,220)	(389,896)	(557,408)	(647,365)	(736,056)	(728,490)
Net MOUs Subj to Interim Factors	5,096,359	5,394,679	5,171,985	4,840,120	5,254,894	5,299,739	5,497,458	4,976,776	4,358,887	4,217,824	4,697,591	4,656,379	5,071,630	4,934,283
Percentage Tandem Compensated MOUs / Total Tandem MOUs	25.2%	25.2%	25.2%	25.2%	25.2%	25.2%	25.2%	25.2%	25.2%	25.2%	20.7%	20.8%	20.8%	20.7%
Compensable Tandem MOUs	1,282,754	1,357,841	1,301,789	1,218,258	1,322,657	1,333,945	1,383,710	1,252,654	1,097,131	1,061,626	974,750	966,199	1,052,363	1,023,863
Compensable End Office MOUs	5,307,976	5,220,017	4,972,642	4,868,756	4,869,438	4,847,719	5,052,064	4,238,988	4,295,333	4,068,348	4,173,150	3,836,211	3,891,823	3,807,387
Total Compensable MOUs Excluding MPB/JPSA MOUs	6,590,730	6,577,858	6,274,431	6,087,014	6,192,095	6,181,664	6,435,774	5,491,642	5,392,464	5,129,974	5,147,900	4,802,410	4,944,186	4,831,250
Corrected Compensation	\$ 4,613.51	\$ 4,604.50	\$ 4,382.10	\$ 4,260.91	\$ 4,334.47	\$ 4,327.18	\$ 4,505.04	\$ 3,844.15	\$ 3,774.72	\$ 3,590.98	\$ 3,603.53	\$ 3,361.69	\$ 3,460.93	\$ 3,381.88
Disputed Charges	\$ 89.29	\$ 92.38	\$ 69.97	\$ 74.13	\$ 76.38	\$ 87.05	\$ 93.65	\$ 95.08	\$ 66.82	\$ 68.69	\$ 80.97	\$ 94.03	\$ 106.92	\$ 105.81

NORTH COUNTY COMMUNICATIONS

INTERIM FACTORS TO APPLY TO PHOENIX AND TUCSON, ARIZONA TANDEM USAGE AFTER EXCLUSION OF USAGE FOR JOINTLY PROVIDED SWITCHED ACCESS RECORDS

Qwest Tandem	Effective Date for New Interim Factors	Current Jurisdictional Factor (Percent Qwest Local/ISP Traffic)	New Jurisdictional Factor* (Percent Qwest Local/ISP Traffic)
PHNXAZMA01T	September 1, 2008	58%	29%
PHNXAZMA04T	September 1, 2008	58%	29%
TCSNAZMA04T	September 1, 2008	74%	29%

* New Jurisdictional Factor is a composite for Phoenix and Tucson to accommodate the exclusion of total Arizona usage for Jointly Provided Switched Access traffic.

INTERIM FACTORS TO APPLY TO PORTLAND, OREGON TANDEM USAGE AFTER EXCLUSION OF USAGE FOR JOINTLY PROVIDED SWITCHED ACCESS RECORDS

State	Oregon		Washington	
	Current	New As Of September 1, 2008	Current	New As Of September 1, 2008
State Jurisdictional Factor	83%	80%	17%	20%
Qwest Local/ISP Traffic by State	25%	13%	26%	11%

Nancy Batz
 Senior Access Manager
 421 SW Oak, Room 8S16
 Portland, Oregon 97204
 Phone: 503/242-6054
 Facsimile: 503/242-8558
 Email: Nancy.Batz@qwest.com



November 6, 2008

Todd Lesser
 North County Communications Corporation
 3802 Rosecrans Street, Suite 485
 San Diego, CA 92110

Re: Reply to North County's September 10, 2008 Email Regarding Qwest's August 14, 2008 Dispute of North County's Billed Local, Extended Area Service and ISP Minutes of Use; Use of Multi-Frequency vs. Signaling System 7 Signaling; Correction of Trunk Use Codes; and Establishment of LIS Trunk Groups to Qwest's Local Tandems.

Dear Todd:

Thank you for your September 10, 2008 email in response to my August 14, 2008 letter regarding Qwest's dispute of billed local, Extended Area Service (EAS) and ISP minutes of use; use of multi-frequency vs. Signaling System 7 (SS7) Signaling; correction of trunk use codes; and establishment of Local Interconnection Service ("LIS") trunk groups to Qwest's local tandems. Qwest appreciates North County Communications' ("North County") willingness to address these issues with Qwest. Qwest believes the most effective way to address the issues is to bifurcate them as follows:

- **Billing:** Qwest's dispute of billed local, EAS and ISP minutes of use
- **Facilities:** Multi-frequency vs. SS7 signaling; Correction of trunk use codes, and Establishment of LIS trunk groups to Qwest's local tandems.

Billing: Qwest's Dispute of North County's Billed Local, EAS and ISP Minutes of Use

North County's suggestion that "we do not attempt to adjust the interim factors and/or minute calculations going backward" mischaracterizes the actual issue. Qwest's \$1,054,220.49 dispute of North County's charges in Arizona and \$2,445.42 dispute of North County's charge in Oregon for July 2006 through June 2008 usage is not based on any adjustment in the interim factors. Instead, it is a dispute based on an arrangement that was agreed to by the two companies over seven years ago. Following is a brief historical summary regarding these factors:

- On January 31, 2001, Qwest sent a letter to North County with the initial tandem factors for Oregon and Washington. There were "jurisdiction" factors to separate the Oregon and Washington terminating traffic and another state-specific factor to reflect the percentage of North County's terminating traffic that was Qwest-originated local/EAS/ISP traffic.
- On August 9, 2001, Qwest sent a letter to North County with 1) proposed, updated tandem factors for Oregon and Washington (including both jurisdiction factors and state-specific factors for Qwest-originated, North County-terminated local/EAS/ISP traffic) and 2) a proposed initial tandem factor for Qwest-originated, North County-terminated local/EAS/ISP traffic for the Phoenix, Arizona tandems. (There wasn't a need for a jurisdiction factor for the Phoenix, AZ tandems.)
- On January 28, 2003, Qwest sent letters to North County with 1) updated tandem factors for Oregon and Washington (including both jurisdiction factors and state-specific factors for Qwest-originated, North County-terminated local/EAS/ISP traffic), 2) updated tandem factors for the Phoenix, Arizona tandems, and 3) an initial tandem factor for the Tucson, Arizona tandem.

- The January 31, 2001, August 9, 2001, and January 28, 2003 letters each explicitly state that usage associated with “meet point billing records” is to be excluded before the factors are applied.
- Each of Qwest’s monthly payment advice/dispute letters state that usage for the meet point billing records is to be excluded before application of the factors.
- North County had been removing the usage for the meet point billing records prior to application of the factors in Oregon and Washington for the February 2001 through October 2003 usage period and in Arizona for the May 2001 through October 2003 usage period. No usage for meet point billing records has since been removed from North County’s billing to Qwest. Yet, North County was continuing, and continues, to receive these records.

North County billed and Qwest paid for usage associated with meet point billing records for which Qwest is not the responsible carrier to remit payment to North County. Qwest is seeking a refund for its payments made on the inaccurate invoices that contained those incorrectly billed charges. Section V.K.1. of the Arizona, Oregon and Washington interconnection agreements each provide: “USWC and North County desire to submit separate bills, pursuant to their separate tariffs, to interexchange carriers for their respective portions of jointly provided switched access service”. Qwest is asking only that North County adhere to agreements that were reached years ago and refund Qwest’s payments for traffic for which North County is not entitled to receive payment from Qwest.

Further, under the terms of the interconnection agreements (Section XXXIV.D.2, Payments), Qwest is entitled to interest from North County associated with these disputes. As of October 2008, the interest due Qwest is \$154,144.32 in Arizona and \$282.37 in Oregon. Please refer to the attached spreadsheet for details on the interest calculation.

Other Billing Related Issues

Regarding your comment about an attempt to “recalculate the amount to NCC going backward”, I don’t believe that work would be required. The spreadsheet that was attached to my August 14, 2008 letter already includes all of North County’s billed minutes and charges for the period of July 2006 through June 2008. Moreover, Qwest’s claim to North County would only have increased had Qwest based its claim back to November 2003 when North County stopped excluding meet point billing usage from its billed minutes.

You also commented “Qwest only started paying for tandem traffic in 2001. For approximately four years, NCC didn’t receive any compensation for this traffic.” Qwest has responded by payment or dispute to each invoice that of North County has issued to Qwest. Although the interconnection agreements were approved in 1997, it is my understanding that LIS trunk groups weren’t established with North County until 1998 at the earliest and then initially in Oregon. Once North County began billing Qwest for tandem usage in 2001, it billed for tandem usage as of September 2000 in Oregon and Washington. The average monthly amounts billed for tandem usage at the time was approximately \$1,317 in Oregon and \$635 in Washington. As for Arizona, Qwest remitted approximately \$20 to North County associated with its initial tandem charges for March 2001 usage in Phoenix and approximately \$16 to North County associated with its initial tandem charges for December, 2002 usage in Tucson. If it were North County’s intent to issue new invoices or claims to Qwest for alleged, previously unbilled tandem usage, Qwest would be obliged to revise its claim to reflect a common date. Qwest believes that the net of any alleged claims between our companies for usage prior to July 2006 would result in an amount due to Qwest that would be substantially larger than Qwest’s present claim.

Qwest does not agree to North County’s proposal that North County “simply take the total minutes from our switch, deduct the toll records, deduct the transit records and whatever is left is the amount that we will bill Qwest”. While Qwest does provide North County both Jointly Provided Switched Access (or meet point billing) records, as well as wireline and wireless transit records, under terms of the interconnection agreements and Transit Records Amendments, respectively, Qwest cannot agree to North County’s suggestion to effectively “default bill” Qwest.

The transit records that Qwest provides to North County are available when “technically feasible”. However, Qwest currently does not provide records for traffic originated by incumbent LECs (“ILECs”) that transits Qwest’s network and terminates to North County, as Qwest does not routinely monitor the ILECs’ originating SS7-signaled trunks. In addition, any traffic that is delivered to Qwest using multi-frequency (“MF”) signaling prevents Qwest’s systems from properly recording the traffic for the provision of transiting records. Consequently, any charges developed using North County’s proposal would inappropriately bill Qwest for usage associated with other carriers, such as ILECs or carriers using MF signaling. The interconnection agreement provides in Section V.A. that “(w)here either party acts as an intraLATA toll provider or interLATA Interexchange Carrier (IXC) or where either party interconnects and delivers traffic to the other from third parties, each party shall bill such third parties the appropriate charges pursuant to its respective tariffs or contractual offerings for such third party terminations”. (Emphasis added) As a result, until North County utilizes SS7 for the LIS trunk groups, Qwest maintains that the use of the interim tandem factors that are applied after exclusion of the usage for the Jointly Provided Switched Access (“JPSA”), or meet point billing, records is necessary and consistent with that parties’ original agreement.

Finally, Qwest notes that its dispute based on North County’s billed usage to Qwest being in excess of 200,000 minutes per month per DS1 is moot once North County appropriately excludes the usage associated with the JPSA, or meet point billing, traffic.

In consideration of the above, North County must appropriately render a business check made payable to Qwest Corporation for \$1,211,092.60 (Qwest’s disputed charges including interest through October 2008) in immediately payment funds by November 20, 2008 to the following address:

Qwest Corporation
c/o Linda Holmes
20 E. Thomas Road, 11th Floor
Phoenix, Arizona 85012

Facility Related Issues

As you know, Qwest has initiated a request to North County for negotiations of new interconnection agreements in Arizona, Oregon and Washington. Qwest believes that some of the issues raised in its August 14, 2008 letter will be addressed during these negotiations, including the required use of SS7 signaling for the LIS trunk groups. In the meantime, SS7 instead of MF signaling is the only method that will ensure accurate billing, and Qwest strongly encourages North County to upgrade its switches and order SS7 links with Qwest.

Qwest is reviewing your comments regarding the establishment of LIS trunk groups to Qwest’s local tandems and North County’s proposal to “change the LERG and host its prefixes with another tandem provider such as Neutral Tandem instead of Qwest”. With respect to the latter, please note that Section V, Reciprocal Traffic Exchange, of the interconnection agreements provides “(a)bsent a separately negotiated agreement to the contrary, the Parties will directly exchange traffic between their respective networks, without the use of third party transit providers.” For now, Qwest has not agreed to the use of a third party transit provider.

If there are any questions, please contact me at Nancy.Batz@qwest.com or at 503/242-6054.

Sincerely,


Nancy Batz

Attachment

Qwest Dispute of North County Communications'
Billed Charges Including Interest

AZ	Disputed Charges	Cumulative Disputed Charges	Simple Interest at 12%*	OR	Disputed Charges	Cumulative Disputed Charges	Simple Interest at 9%*
Jul-06	\$ 24,330.39	\$ 24,330.39	\$ 243.30	Jul-06	\$ 89.29	\$ 89.29	\$ 0.67
Aug-06	\$ 30,538.60	\$ 54,868.99	\$ 548.69	Aug-06	\$ 92.38	\$ 181.67	\$ 1.36
Sep-06	\$ 30,388.20	\$ 85,257.19	\$ 852.57	Sep-06	\$ 69.97	\$ 251.64	\$ 1.89
Oct-06	\$ 32,290.10	\$ 117,547.29	\$ 1,175.47	Oct-06	\$ 74.13	\$ 325.77	\$ 2.44
Nov-06	\$ 32,134.34	\$ 149,681.63	\$ 1,496.82	Nov-06	\$ 76.38	\$ 402.15	\$ 3.02
Dec-06	\$ 34,516.51	\$ 184,198.14	\$ 1,841.98	Dec-06	\$ 87.05	\$ 489.20	\$ 3.67
Jan-07	\$ 38,601.51	\$ 222,799.65	\$ 2,228.00	Jan-07	\$ 93.65	\$ 582.85	\$ 4.37
Feb-07	\$ 33,827.26	\$ 256,626.91	\$ 2,566.27	Feb-07	\$ 95.08	\$ 677.93	\$ 5.08
Mar-07	\$ 38,763.72	\$ 295,390.63	\$ 2,953.91	Mar-07	\$ 66.82	\$ 744.75	\$ 5.59
Apr-07	\$ 37,758.39	\$ 333,149.02	\$ 3,331.49	Apr-07	\$ 68.69	\$ 813.44	\$ 6.10
May-07	\$ 36,845.63	\$ 369,994.65	\$ 3,699.95	May-07	\$ 80.97	\$ 894.41	\$ 6.71
Jun-07	\$ 38,053.99	\$ 408,048.64	\$ 4,080.49	Jun-07	\$ 94.03	\$ 988.44	\$ 7.41
Jul-07	\$ 38,804.75	\$ 446,853.39	\$ 4,468.53	Jul-07	\$ 106.92	\$ 1,095.36	\$ 8.22
Aug-07	\$ 45,457.59	\$ 492,310.98	\$ 4,923.11	Aug-07	\$ 105.81	\$ 1,201.17	\$ 9.01
Sep-07	\$ 41,431.32	\$ 533,742.30	\$ 5,337.42	Sep-07	\$ 231.40	\$ 1,432.57	\$ 10.74
Oct-07	\$ 43,661.08	\$ 577,403.38	\$ 5,774.03	Oct-07	\$ 102.03	\$ 1,534.60	\$ 11.51
Nov-07	\$ 48,808.05	\$ 626,211.43	\$ 6,262.11	Nov-07	\$ 105.02	\$ 1,639.62	\$ 12.30
Dec-07	\$ 53,010.16	\$ 679,221.59	\$ 6,792.22	Dec-07	\$ 113.38	\$ 1,753.00	\$ 13.15
Jan-08	\$ 55,488.93	\$ 734,710.52	\$ 7,347.11	Jan-08	\$ 113.93	\$ 1,866.93	\$ 14.00
Feb-08	\$ 53,468.52	\$ 788,179.04	\$ 7,881.79	Feb-08	\$ 84.81	\$ 1,951.74	\$ 14.64
Mar-08	\$ 68,646.20	\$ 856,825.24	\$ 8,568.25	Mar-08	\$ 88.36	\$ 2,040.10	\$ 15.30
Apr-08	\$ 63,417.96	\$ 920,243.20	\$ 9,202.43	Apr-08	\$ 123.60	\$ 2,163.70	\$ 16.23
May-08	\$ 65,494.54	\$ 985,737.74	\$ 9,857.38	May-08	\$ 137.06	\$ 2,300.76	\$ 17.26
Jun-08	\$ 68,482.75	\$ 1,054,220.49	\$ 10,542.20	Jun-08	\$ 144.66	\$ 2,445.42	\$ 18.34
Jul-08	-	\$ 1,054,220.49	\$ 10,542.20	Jul-08	-	\$ 2,445.42	\$ 18.34
Aug-08	-	\$ 1,054,220.49	\$ 10,542.20	Aug-08	-	\$ 2,445.42	\$ 18.34
Sep-08	-	\$ 1,054,220.49	\$ 10,542.20	Sep-08	-	\$ 2,445.42	\$ 18.34
Oct-08	-	\$ 1,054,220.49	\$ 10,542.20	Oct-08	-	\$ 2,445.42	\$ 18.34
Totals	\$ 1,054,220.49		\$ 154,144.32	Totals	\$ 2,445.42		\$ 282.37

* Refer to Section XXXIV.D.2 of the Interconnection Agreement

business by CenturyLink employees with knowledge of the dispute, or from discussion I have had with such employees.

3. CenturyLink and NCC entered into an initial interconnection agreement in 1997, which the Commission approved in Docket ARB 39.

4. More recently, in Docket ARB 918, the Commission arbitrated a dispute involving some of the same issues raised in this matter, including signaling, relative use factors, and automatic number identification. The Commission ruled in favor of CenturyLink on all three issues.

5. CenturyLink and NCC have attempted in good faith to resolve this dispute.

6. NCC has not billed CenturyLink since August of 2008.

7. CenturyLink notified NCC numerous times that NCC was delinquent in payments of charges invoiced by CenturyLink under the ICA for the local interconnection trunking and transiting records provided by CenturyLink to NCC in Oregon.

8. In July 2010, CenturyLink and NCC entered into a tolling agreement after they were unable to resolve their billing disputes.

9. CenturyLink sent to NCC a termination notice, dated July 11, 2012, because of NCC's failure to pay properly invoiced charges.

10. The ICA provides for compensation for the termination of local calls that originate on the CenturyLink network and terminate on the NCC network, but the ICA does not require CenturyLink to compensate NCC for local minutes terminating to NCC that are originated by third party providers, IntraLATA LEC toll minutes terminating to NCC for which CenturyLink is not the originating toll provider, or for Jointly Provided Switched Access Traffic ("JPSA").

11. NCC billed CenturyLink for termination of calls on the NCC network, and CenturyLink paid those bills and, on or about August 14, 2008,¹ CenturyLink claimed a refund for amounts that were not properly billed as local call termination.

12. CenturyLink's payments to NCC and subsequent disputes were fully consistent with the terms of the 1997 ICA.

13. NCC uses multi-frequency ("MF") signaling. There is no calling party number data, i.e. ANI, in local calls using MF signaling. Because NCC uses MF, CenturyLink cannot technically provide ANI for local calls.

14. The 1997 ICA² and the 2011 ICA³ provide for the payment of multiplexing or "MUX" charges.

¹ See, Exhibit 1, Letter from Nancy Batz to Todd Lesser, dated August 14, 2008.

² See, Section V. Reciprocal Traffic Exchange, D. Rate Structure – Local Traffic, 2. Transport, e.

³ See, paragraph 7.3.2.3.

15. NCC currently has ordered, and CTL has provisioned DS1s riding DS3 facilities for the LIS trunks ordered. The ICA allows, and CTL has properly billed MUX charges for these LIS facilities. NCC requested that CTL remove the MUX without reprovisioning the DS3 facilities. CTL has informed NCC that in order to eliminate the MUX charges, the facilities will need to be reordered, and reprovisioned by CTL as only DS1 facilities, as the CTL switches require DS1 connections. NCC has not yet placed those orders. In addition, CTL has suggested that the two-way trunks be changed to one-way trunks, ordered and provisioned by CTL, terminating to NCC. As the ICA outlines the agreement that NCC currently does not send any traffic to CTL, and that any one-way trunking ordered by NCC terminating to CTL would require migration to SS7, CTL believes this is the most efficient way to meet NCC's request. NCC has not agreed to this change either.

16. CenturyLink has charged NCC non-recurring charges for circuits CenturyLink has provisioned, at NCC's request, to interconnect the Parties' networks. Such non-recurring charges are authorized under the ICAs and are not properly subject to proration. CenturyLink charges other CLECs, and other CLECs pay, the same circuit installation charges that NCC complains against.

17. CenturyLink provides call detail records, specifically for JPSA minutes, to NCC when requested, and offers transit records, but the 1997 ICA⁴ and 2011 ICA⁵ permit CenturyLink to charge NCC for those records. CenturyLink charges all CLECs for records on a nondiscriminatory basis.

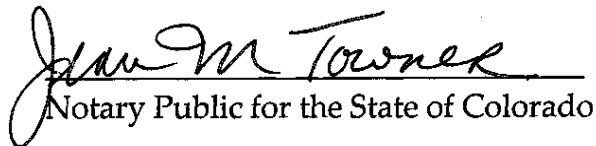
18. CenturyLink provisions, and has provisioned, services to NCC consistent with the ICAs and in a lawful and non-discriminatory manner.

DATED: September 10, 2012.

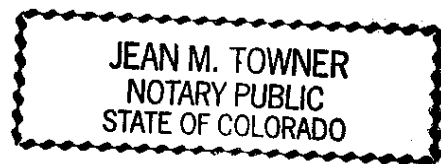


NAME

SUBSCRIBED AND SWORN to before me this 10th day of September, 2012.


Notary Public for the State of Colorado

My Commission Expires: 4-13-2014



⁴ See 1997 ICA, Transit Records Amendment (approved by the Commission on January 12, 2004) with respect to transit records; with respect to JPSA records Section V, Reciprocal Traffic Exchange, K. Billing Arrangements, 3. For Jointly Provided Switched Access Records.

⁵ See 2011 ICA, Section 7.6 regarding transit records; regarding JPSA records, Section 7.5.

CERTIFICATE OF SERVICE

IC 16

I hereby certify that on the 10th day of September 2012, I served the foregoing **CENTURYLINK'S ANSWER** in the above entitled docket on the following persons who have waived paper service via electronic mail to the email addresses listed below, and via facsimile and UPS Next Day Delivery to Mr. Dale Dixon.

(Via Facsimile and UPS)

Law Offices of Dale Dixon
R. Dale Dixon, Attorney
1155 Camino Del Mar, #497
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William E. Hendricks (w)
CenturyLink
902 Wasco St.
Hood River, OR 97031
tre.hendricks@centurylink.com

DATED this 10th day of September, 2012.

CENTURYLINK



By: Carla M. Butler
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Portland, OR 97205
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Paralegal for CenturyLink