Qwest 421 SW Oak Street Room 810 Portland, OR 97204 Telephone: 503-242-5623 Facsimile: 503-242-8589 Alex.Duarte@qwest.com



Alex M. Duarte Corporate Counsel

June 7, 2004

Ms. Cheryl Walker Oregon Public Utility Commission P. O. Box 2148 Salem, OR 97308-2148

Re: Filing of OS/DA Agreements

Dear Ms. Walker:

Pursuant to Section 252 of the Telecommunications Act of 1996, Qwest is filing today the following agreements relating to the provisioning of directory assistance and operator services:

- 1. Directory Assistance Agreement, U S WEST Communications, Inc. and American Telephone Technology, Inc., dated February 16, 2000;
- 2. Operator Services Agreement, U S WEST Communications, Inc. and American Telephone Technology, Inc., dated February 16, 2000;
- 3. Directory Assistance Agreement, U S WEST Communications, Inc. and Frontier Local Services, Inc., dated July 31, 1998; and
- 4. Operator Services Agreement, U S WEST Communications, Inc. and Frontier Local Services, dated July 31, 1998.

As explained below, the review and analysis of directory assistance and operator services agreements by state regulatory agencies and the Federal Communications Commission (FCC) indicated to Qwest that these types of agreements did not fall within the Section 252 filing requirement. However, recent FCC pronouncements tell us that such agreements should be filed. Thus, Qwest is filing the agreements listed above in order to eliminate any questions regarding to Qwest's compliance with Section 252.

As you may know, the Minnesota Department of Commerce (DOC) initiated an investigation into Qwest's agreements with Competitive Local Exchange Carriers (CLECs) in the Fall of 2001. The DOC requested and Qwest provided all of its agreements with CLECs executed after January 1, 2000. The purpose of the DOC's investigation and review was to determine whether Qwest had entered into agreements with CLECs that Qwest should have filed under Section 252. Qwest provided approximately 90 agreements to the DOC, which included 20 standardized agreements for the provisioning of directory assistance and operator services.

On February 14, 2002, the Minnesota DOC identified 11 CLEC agreements that it believed should have been filed under Section 252, and listed them in a complaint filed with the

Letter to Cheryl Walker June 7, 2004 Page 2

Minnesota Public Utilities Commission. The DOC did not identify any of the standardized agreements relating to directory assistance or operator services in the complaint as agreements that it believed should have been filed under Section 252.

In the Fall of 2002, the FCC was reviewing Qwest's application for authority in nine states to provide interLATA services pursuant to Section 271. As part of Qwest's application, the FCC reviewed Qwest's compliance with its obligations under Section 252 to file agreements relating to section 251 services. In footnote 1746 of the FCC's nine-state 271 order granting Qwest's Section 271 application, the FCC addressed a directory assistance agreement and noted parenthetically that it was "not 251-related." *In the Matter of Application by Qwest Communications International, Inc. for Authorization To Provide In-Region, InterLATA Services in the States of Colorado, Idaho, Iowa, Montana, Nebraska, North Dakota, Utah, Washington, and Wyoming*, WC Docket No. 02 – 314 (released Dec. 23, 2002), at footnote 1746.

The Arizona Commission and Staff also undertook an investigation into allegedly unfiled agreements, and Qwest provided the Staff with eight standardized directory assistance and operator services agreements. In its testimony filed February 21, 2003, the Arizona Staff identified only one of the directory assistance agreements, and none of the operator services agreements, as being agreements it believed were within the Section 252 filing requirement. After the Arizona hearing and briefing were completed in May 2003, Qwest was willing to compromise and remove from further litigation in Arizona the question whether that directory assistance agreement was subject to the filing requirement. Thus, Qwest filed under Section 252 the eight directory assistance and operator service agreements, as well as four other form agreements relating to ancillary services (a total of 12 agreements), with the Arizona Commission on May 21, 2003.

Qwest concluded, based on the Minnesota DOC and Arizona Staff reviews, that standardized agreements relating to directory assistance and operator services were not within the filing requirement. At the very least, these state agency reviews showed that the issue was not free from ambiguity.¹ In any event, no CLEC has ever been denied the opportunity to receive these standardized directory assistance or operator services. These services always have been available to any requesting CLEC through Qwest's Statement of Generally Available Terms and Conditions (SGAT), provisions in other interconnection agreements, through Qwest's website postings, or simply through CLEC contacts with Qwest's Wholesale organization.

On March 12, 2004, the FCC issued its Notice of Apparent Liability (NAL) addressing Qwest's filing of the 12 Arizona agreements, eight of which included agreements for directory assistance and operator services. The NAL alleged that Qwest violated the filing requirement under Section 252, and thus should be assessed penalties for failing to file the 12 Arizona agreements until May 21, 2003. Qwest's response to the NAL was due May 12, 2004.²

Quest does not agree with the NAL regarding the Arizona agreements, and it certainly does not agree the circumstances warrant penalties, particularly due to the ambiguities regarding standardized agreements, especially with respect to directory assistance and operator services.

¹ In order to eliminate any question of discrimination or non-compliance with the filing requirement, Qwest's Wholesale Agreement Review Committee, out of an abundance of caution, has directed the filing of newlyexecuted operator services and directory assistance agreements since the Committee's formation in June of 2002.

² The FCC granted Qwest a 30-day extension, or until May 12, 2004, to respond to the NAL.

Letter to Cheryl Walker June 7, 2004 Page 3

However, in order to place these issues behind it, and to move forward with other more current issues, Qwest determined not to contest the NAL, and thus has paid the recommended penalty.

Because the FCC's NAL alleged that the directory assistance and operator services agreements at issue in Arizona were within the section 252 filing requirement, and because Qwest has decided not to contest this finding, Qwest is hereby making remedial filings of all directory assistance and operator services agreements in each of its other 13 in-region states. As stated above, any delays in the filing of these agreements have not had any discriminatory effect upon CLECs, especially because these standardized services have always been available to any requesting carrier - they are contained in filed and effective SGATs, in other filed interconnection agreements, through postings on Qwest's website, and through contacts with Qwest's wholesale organization.

Please feel free to call me if you have any questions or concerns about the enclosed agreement. Thank you for your attention to this matter.

Verv/truk

AMD:amd

Enclosures

Cc: Mr. Phil Nyegaard, OPUC Staff (w/ encl.) Mr. Dave Booth, OPUC Staff (w/encl.) Mr. Don Mason, Qwest

CARRIER-TO-CARRIER AGREEMENT CHECKLIST

INSTRUCTIONS: Please complete all applicable parts of this form and submit it with related materials when filing a carrier-tocarrier agreement pursuant to 47 U.S.C. 252 and OAR 860-016-0000 et al. The Commission will utilize the information contained in this form to determine how to process the filing. **Unless you request otherwise in writing, the Commission will serve all documents related to the review of this agreement electronically to the e-mail addresses listed below.**

1. PARTIES *Requesting Carrier*

Affected Carrier

Name of Party:

Contact for Processing Questions:

Name:

Telephone:

E-mail:

Contact for Legal Questions (if different):

Name:

Telephone:

E-mail:

Other Persons wanting E-mail service of documents (if any):

Name:

E-mail:

2. TYPE OF FILING

NOTE: Parties making multiple requests (such as seeking to adopt a previously approved agreement and Commission approval of new negotiated amendments to that agreement) should submit a separate checklist for each requested action.

Adoption: Adopts existing carrier-to-carrier agreement filed with Commission.

- Docket ARB
- Parties to prior agreement

&

• Check one:

Adopts base agreement only; or

Adopts base agreement and subsequent amendments approved in Order No(s).

New Agreement: Seeks approval of new negotiated agreement.

• Does filing replace an existing agreement between the same parties?

NO

YES, Docket ARB

Amendment: Amends an existing carrier-to-carrier agreement.

• Docket ARB

Other: Please explain.

DIRECTORY ASSISTANCE AGREEMENT

This Directory Assistance Agreement ("Agreement") is made and entered into by and between U S WEST Communications, Inc. ("USWC") and Frontier Local Services, Inc. ("FRONTIER"). This Agreement may refer to FRONTIER or to USWC as a Party ("Party") to this Agreement. The Directory Assistance service(s) provided in this Agreement (the "Services") shall be delivered in the state of Oregon.

WHEREAS, USWC desires to provide the Services as described herein.

NOW THEREFORE, in consideration of the promises, mutual covenants, and agreements contained herein, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. SCOPE OF AGREEMENT

- 1.1 The Directory Assistance service is a telephone number, voice information service that USWC provides to other telecommunications carriers and its own end users. The published and non-listed telephone numbers provided within the relevant geographic area are only those contained in USWC's current Directory Assistance database. USWC offers the following five, separate options:
 - 1.1.1 <u>Regional Directory Assistance service</u> permits FRONTIER's end users to receive published and non-listed telephone numbers from the NPA/LATA geographic areas within USWC's 14 state territory.
 - 1.1.2 <u>National Directory Assistance service</u> permits FRONTIER's end users to receive listings from USWC's entire United States database (FRONTIER must subscribe to Regional Directory Assistance service to subscribe to National Directory Assistance service).
 - 1.1.3 <u>Call Branding service</u> permits FRONTIER's end users to receive the service options in 1.1.1 and 1.1.2 branded with the brand of FRONTIER, where technically feasible. Call Branding provides the announcement of FRONTIER's name to FRONTIER's end user during the introduction of the call, and at the completion of the call when FRONTIER uses Directory Assistance Call Completion service.
 - 1.1.4 <u>Directory Assistance Call Completion service</u> permits FRONTIER's end users to connect the requested local or intraLATA telephone number directly, where available, without having to dial another call, using the USWC intraLATA toll network.
 - 1.1.5 <u>Directory Assistance Call Completion Link service</u> permits FRONTIER's end user to connect the requested interLATA telephone number directly, where available, without having to dial another call, by USWC returning the end user to FRONTIER for completion by the end user's selected interexchange carrier. (USWC is restricted from completing interLATA calls.)

2. TERMS AND CONDITIONS

1

. .

2.1	FRONTIER hereby elects to receive the following Dir	ectory Assistance service options:
	Regional Directory Assistance Service	<u> </u>
	National Directory Assistance Service	<u></u>
	Call Branding	
	Directory Assistance Call Completion	<u> </u>
	Directory Assistance Call Completion Link	

- 2.2 FRONTIER will complete the "<u>USWC Operator Services/Directory Assistance</u> <u>Questionnaire for Local Service Providers</u>" to request the Services. A copy of the Questionnaire is attached to this Agreement, and FRONTIER represents that the information completed is true and correct to the best of its knowledge and belief.
- 2.3 USWC's Directory Assistance database contains only those published and non-listed telephone numbers provided to USWC by its own end users and other telecommunications carriers.
- 2.4 USWC will provide access to the Services via dedicated multi-frequency (MF) operator service trunks purchased from USWC or provided by FRONTIER. These operator service trunks will be connected directly to USWC's Directory Assistance host switch or directly to a remote Directory Assistance switch via the trunk side. FRONTIER will be required to order or provide an operator service trunk for each NPA served.
- 2.5 USWC agrees to answer ninety percent (90%) of all Directory Assistance calls within ten (10) seconds or less. The foregoing is based upon the same performance standards and criteria as USWC provides to itself and under no circumstances shall USWC be required nor shall this Agreement be construed as requiring that a higher or better level of service be provided to FRONTIER than USWC provides to itself. In no event shall USWC be liable to FRONTIER or FRONTIER's end users for any failure by USWC to meet this standard.
- 2.6 USWC shall provide and maintain, at its offices, the equipment and personnel necessary to perform the Directory Assistance services specified in this Agreement. FRONTIER shall provide and maintain, at its offices, the equipment, facilities, lines and materials necessary to connect its telecommunication facilities to an agreed upon intraLATA point of connection.

3. TERM AND TERMINATION

This Agreement arises out of an Interconnection Agreement between the Parties, which was approved by the public utilities commission in the state where the Services will be delivered. This Agreement shall be effective upon execution and delivery by the Parties (or any required approval), and it shall terminate at the same time as the said Interconnection Agreement. Provided, however, either Party may terminate this Agreement upon sixty (60) days prior written notice to the other. If USWC continues to provide and FRONTIER continues to purchase Services upon the expiration of this Agreement, such activity will be governed by the terms of this Agreement at USWC's

then-current rates, including either Party's ability to terminate this Agreement, in whole or in part, on sixty (60) days notice.

4. RATE ELEMENTS

4.1 The following per call rate is applicable for Regional Directory Assistance service and National Directory Assistance service, where selected by FRONTIER. The per call rate may be changed from time to time by USWC and such changes may vary from state to state, but changes will be made only upon thirty (30) days prior written notice.

Regional Directory Assistance	\$0.34
National Directory Assistance	\$0.385

4.2 A non-recurring set up and recording fee will be applicable for establishing the custom Call Branding option. Such non-recurring charge(s) must be paid prior to commencement of the service. [The following price has intentionally been left blank, and USWC will supply a price to FRONTIER upon completion of its pricing.]

	l c l
Call Branding	Φ
001101010	

4.3 A per call rate for Directory Assistance Call Completion and Directory Assistance Call Completion Link will be applicable. Additional charges for USWC IntraLATA Toll services also apply for completed intraLATA toll calls. Additional charges for interLATA may apply from the interLATA toll carrier. [The following prices have intentionally been left blank, and USWC will supply the prices to FRONTIER upon completion of its pricing.]

Directory Assistance Call Completion	\$ 0.35
Directory Assistance Call Completion Link	\$

5. BILLING

- 5.1 USWC will track and bill FRONTIER on a monthly basis for the number of calls placed to USWC's Directory Assistance service by FRONTIER's end users.
- 5.2 For purposes of determining when FRONTIER is obligated to pay the per call rate, the call shall be deemed made and FRONTIER shall be obligated to pay when the call is answered by the USWC operator. An end user may request and receive no more than two telephone numbers per Directory Assistance call. USWC will not credit, rebate or waive the per call charge due to any failure to provide a telephone number, or due to any incorrect information.
- 5.3 FRONTIER alone and independently establishes all prices it charges its end users for the Directory Assistance services provided by means of this Agreement.

6. PAYMENT

- 6.1 Amounts payable under this Agreement are due and payable within thirty (30) days after the date of invoice.
- 6.2 Unless prohibited by law, any amount due and not paid by the due date stated above shall be subject to a late charge equal to either i) 0.03 percent per day compounded daily for the number of calendar days from the payment due date to and including, the date of payment, that would result in an annual percentage rate of 12% or ii) the highest lawful rate, whichever is less.
- 6.3 Should FRONTIER dispute any portion of the monthly billing under this Agreement, FRONTIER will notify USWC in writing within thirty (30) days of the receipt of such billing, identifying the amount and details of such dispute. FRONTIER shall pay all amounts due. Both FRONTIER and USWC agree to expedite the investigation of any disputed amounts in an effort to resolve and settle the dispute prior to initiating any other rights or remedies.

7. CONFIDENTIAL INFORMATION

- 7.1 "Confidential Information" means all documentation and technical and business information, whether oral, written or visual, which is legally entitled to be protected from disclosure, which a Party to this Agreement may furnish to the other Party or has furnished in contemplation of this Agreement to such other Party. Each Party agrees (1) to treat all such Confidential Information strictly as confidential and (2) to use such Confidential Information only for purposes of performance under this Agreement or for related purposes.
- 7.2 The Parties shall not disclose Confidential Information to any person outside their respective organizations unless disclosure is made in response to, or because of an obligation to, or in connection with any proceeding before any federal, state, or local governmental agency or court with appropriate jurisdiction, or to any person properly seeking discovery before any such agency or court. The Parties' obligations under this Section shall continue for one (1) year following termination or expiration of this Agreement.

8. FORCE MAJEURE

With the exception of payment of charges due under this Agreement, a Party shall be excused from performance if its performance is prevented by acts or events beyond the Party's reasonable control, including but not limited to, severe weather and storms; earthquakes or other natural occurrences; strikes or other labor unrest; power failures; computer failures; nuclear or other civil or military emergencies; or acts of legislative, judicial, executive, or administrative authorities.

9. LIMITATION OF LIABILITY

USWC SHALL BE LIABLE TO FRONTIER, AND FRONTIER ONLY, FOR THE ACTS OR OMISSIONS OF USWC, EXPRESSLY INCLUDING THE NEGLIGENT ACTS OR OMISSIONS OF USWC OR THOSE ATTRIBUTABLE TO USWC, IN CONNECTION WITH USWC'S SUPPLYING OR FRONTIER'S USING THE DIRECTORY ASSISTANCE SERVICE, BUT STRICTLY IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THIS AGREEMENT. IT IS EXPRESSLY AGREED THAT USWC'S LIABILITY TO FRONTIER, AND FRONTIER'S SOLE AND ONLY REMEDY FOR ANY SERVICES AND THIS DAMAGES ARISING IN CONNECTION WITH THE AGREEMENT SHALL BE A REFUND TO FRONTIER OF THE AMOUNT OF THE CHARGES BILLED AND PAID BY FRONTIER TO USWC FOR FAILED OR DEFECTIVE SERVICES. UNDER NO CIRCUMSTANCES OR THEORY, WHETHER BREACH OF AGREEMENT, PRODUCT LIABILITY, TORT, OR OTHERWISE, SHALL USWC BE LIABLE FOR LOSS OF REVENUE, LOSS OF PROFIT, CONSEQUENTIAL DAMAGES, INDIRECT DAMAGES OR INCIDENTAL DAMAGES, AND ANY CLAIM FOR DIRECT DAMAGES SHALL BE LIMITED AS SET FORTH ABOVE. UNDER NO CIRCUMSTANCES SHALL USWC EVER BE LIABLE TO FRONTIER'S END USERS FOR ANY DAMAGES WHATSOEVER.

10. INDEMNIFICATION

Each Party to this Agreement hereby indemnifies and holds harmless the other Party with respect to any third-party claims, lawsuits, damages or court actions arising from performance under this Agreement to the extent that the indemnifying Party is liable or responsible for said third-party claims, losses, damages, or court actions. FRONTIER is indemnifying USWC from any claim made against it by a FRONTIER end user on account of FRONTIER's end user's use or attempted use of the Directory Assistance service. Whenever any claim shall arise for indemnification hereunder, the Party entitled to indemnification shall promptly notify the other Party of the claim and, when known, the facts constituting the basis for such claim. In the event that one Party to this Agreement disputes the other Party's right to indemnification hereunder, the Party disputing indemnification. Indemnification shall promptly notify the other Party of the factual basis for disputing indemnification. Indemnification shall include, but is not limited to, costs and attorneys' fees.

11. LAWFULNESS OF AGREEMENT

- 11.1 This Agreement and the Parties' actions under this Agreement shall comply with all applicable federal, state, and local laws, rules, regulations, court orders, and governmental agency orders. This Agreement shall only be effective when mandatory regulatory filing requirements are met, if applicable. If a court or a governmental agency with proper jurisdiction determines that this Agreement, or a provision of this Agreement, is unlawful, this Agreement, or that provision of this Agreement shall terminate on written notice to FRONTIER to that effect.
- 11.2 If a provision of this Agreement is so terminated, the Parties will negotiate in good faith for replacement language. If replacement language cannot be agreed upon, either Party may terminate this Agreement.

12. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the state in which the Directory Assistance service is delivered to the end user.

13. DISPUTE RESOLUTION

Any claim, controversy or dispute between the Parties shall be resolved by arbitration in accordance with the then current rules of the American Arbitration Association. The arbitration shall be conducted by a single arbitrator engaged in the practice of law and knowledgeable about telecommunications. The arbitrator's decision and award shall be final and binding and may be entered in any court with jurisdiction.

14. DEFAULT

If a Party defaults in the performance of any substantial obligation herein, and such default continues, uncured and uncorrected, for thirty (30) days after written notice to cure or correct such default, then the non-defaulting Party may immediately terminate this Agreement. Subject to Section 9 (Limitation of Liability) above, the non-defaulting Party may also pursue other permitted remedies by arbitration as set forth above.

15. SUCCESSORS, ASSIGNMENT

This Agreement binds the Parties, their successors, and their assigns. Either Party may assign its rights and delegate its duties under this Agreement with the express, written permission of the other Party, which permission shall not unreasonably be withheld; provided, however, that USWC may assign its rights and delegate its duties under this Agreement to its parent, its subsidiaries, or its affiliates without prior, written permission.

16. AMENDMENTS TO AGREEMENT

The Parties may by mutual agreement and execution of a written amendment to this Agreement amend, modify, or add to the provisions of this Agreement.

17. NOTICES

All notices required or appropriate in connection with this Agreement shall be in writing and shall be deemed effective and given upon deposit in the United States Mail, postage pre-paid, addressed as follows:

> U S WEST Director Interconnector Compliance 1801 California, Room 2410 Denver, CO 80202

Frontier Local Services Inc. Director, CLEC Larry Davis **180 South Clinton Avenue** Rochester, NY 14646

with a copy to:

Frontier Corporation 180 South Clinton Avenue Rochester, NY 14646 Attn: Vice President and General Counsel

18. ENTIRE AGREEMENT

This Agreement, together with any jointly-executed written amendments, constitutes the entire agreement and the complete understanding between the Parties. No other verbal or written representation of any kind affects the rights or the obligations of the Parties regarding any of the provisions in this Agreement.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be duly executed for and on its behalf on the day and year indicated below:

Frontier Local Services, Inc.

U S WEST Communications, Inc.

Signature

<u>Міснакі з Shortic'i i T</u> Name Printed/Typed

SENIOR AFFORNEY & DINEZRON -Title REGULATORY SERVICES

Date Date

<u>Ayan Arthun</u> Signature <u>Se Account Executive</u> Name Printed/Typed

Lynn Hethur Title 7-31-98 Date