

April 27, 2016

Advice No. C36-2016

The Honorable Susan Ackerman, Stephen Bloom and John Savage, Commissioners Oregon Public Utility Commission P. O. Box 1088 Salem, Oregon 97308-1088

Attention: Joan Grindeland

Dear Commissioners Ackerman, Bloom and Savage:

Pursuant to ORS 759.250, Qwest Corporation, d/b/a CenturyLink QC is filing notification of a Special Contract for ISDN Primary Rate Service (PRS). ISDN PRI Service is included as part of a CenturyLink Total AdvantageTM Express Agreement which is provided by Qwest Communications Company (QCC) LLC, d/b/a CenturyLink QCC. This agreement was signed on March 18, 2016.

CenturyLink believes that ISDN PRI is competitive and that the Special Contract pricing is in accordance with the provisions of ORS 759.250. Supporting documentation is attached.

Due to the competitive nature of this Special Contract, the information provided in Attachment C contains commercially valuable information and/or trade secrets and is submitted to Staff in confidence pursuant to ORS 192.501 and ORS 192.502. We understand that you will notify us prior to release of any such information in sufficient time to seek a protective order from the Commission or to otherwise preserve its confidentiality.

We enclose one complete copy of the contract and amendment which contains confidential information for Staff review. As provided by the provisions of ORS 759.250(6), CenturyLink requests this information not be publicly disclosed. Confidential information has been removed from the additional copies included in this filing for public disclosure.

Please direct any questions or concerns regarding this filing to me at (318) 360 2812.

Yours very truly,

Michelle "Chelle" Lyn Rivers cc: Phil Grate, CenturyLink Attachments

MICHELLE "CHELLE" LYN RIVERS Tariff Analyst <u>Michelle.L.Rivers@Centurylink.com</u> 100 CenturyLink Drive Monroe, LA, 71203 voice: (318) 360-2812

ISDN PRS CONTRACT OPPORTUNITY #53179905 CONTRACT SUMMARY

Type Of Agreement: New Request: <u>X</u> Renewal: <u>Addition</u>

Term Of Agreement: The term of the contract is 12 months

Effective Date: April 27, 2016

ISDN PRIMARY RATE SERVICE (PRS) Service Description:

ISDN Primary Rate Service (PRS) is a digital four-wire full duplex transmission path between ISDN-compatible Customer Premises Equipment (CPE) and an ISDN-equipped central office.

Description of Offer:

Customer receives a price discount in Oregon for the business service noted above. All other terms and conditions of this contract are offered in accordance with the Oregon QC Exchange and Network Services Price List.

Unit Price:

| Service: | ISDN Primary Rate | | | |
|-------------------------|--------------------------|--|--|--|
| Number of Arrangements: | 1 | | | |
| Monthly Unit Price: | \$555.00 | | | |

ISDN PRS CONTRACT OPPORTUNITY # 53179905 CONTRACT SUMMARY

I. CONTRACT ANALYSIS

a. Please provide the rationale and justification for creating a special class of service. The rationale must include a discussion as to why no previously approved class of service (contract or tariff) is acceptable to the Customer for whom the utility proposes a special class of service. Determination of a special class of service must be based on the following:

The quantity of service used, the time when used, the purpose for which used, the existence of price competition or a service alternative, the services being provided, the conditions of service, or any other reasonable consideration.

Answer:

Current tariffs for services included in the contract do not provide pricing recognizing this customer's volume of service and commitment to retain service across CenturyLink's territory. The total volume of facilities being ordered by the customer justifies going beyond the standard terms offered in the tariff for similar services. Competitive alternatives such as resale of CenturyLink QC service are available to customers.

b. The number of similarly situated Customers who should receive the same terms and conditions. Also, include the number of billing units for those Customers.

Answer:

All similarly situated customers should receive the same terms and conditions.

c. If there are other similarly situated Customers who should not receive the same terms and conditions, explain the differences between those Customers and the special contract Customer.

Answer:

Not applicable; all similarly situated customers should receive the same offer.

d. Summarize termination clause in the contract that protects CenturyLink if the customer stops the service early and CenturyLink does not recover initial costs.

Answer:

Termination Liability applies per the Oregon QC Exchange and Network Services Price List.

ISDN PRS CONTRACT OPPORTUNITY #53179905

CONTRACT SUMMARY

e. Was there a Request for Proposal? Please describe.

Answer:

CenturyLink negotiated with this customer for ISDN PRI services.

f. Are there competitive alternatives? If yes, who are the competitive providers and what services do they offer?

Answer:

Yes. Almost all Competitive Local Exchange Companies offer this common business service.

CENTURYLINK® TOTAL ADVANTAGE® EXPRESS - AGREEMENT - Summary Page

This CenturyLink[®] Total Advantage[™] Express Agreement ("Agreement") is between **CenturyLink Sales Solutions, Inc.** as contracting agent on behalf of the applicable CenturyLink company providing the Services under this Agreement ("CenturyLink") and ("Customer" or "You"). The name of the CenturyLink operating company providing Services to Customer is listed in the service-specific terms and conditions. CenturyLink may withdraw this offer if Customer does not execute and deliver the Agreement to CenturyLink on or before **April 21, 2016** ("Cutoff Date"). Using CenturyLink's electronic signature process for the Agreement is acceptable.

1. Services. CenturyLink provides Services under the General Terms and Conditions applicable to all Services found in the Detailed Terms and Conditions ("DT&C") at: <u>http://www.centurvlink.com/legal/imgctae/DTC/v68.pdf</u> and the service-specific terms and conditions listed in each pricing section incorporated into the Agreement by this reference. Provisions that are applicable to a specific CenturyLink company are so indicated. All general provisions are applicable to services provided by the CenturyLink company providing the Services under this Agreement. For an interim period of time until all work is completed to update the Service-specific provisions, various on-line offer provisions, Tariffs and other terms and conditions incorporated by attachment or reference into this Agreement, all references to Qwest Communications Company, LLC mean CenturyLink Communications, LLC f/k/a Qwest Communications Company, LLC.

| Monthly Revenue Commitment | Contributory Charges of \$500 (Beginning in the 4 th month of the Term, failure to meet the Revenue Commitment will result in a Shortfall charge). |
|-----------------------------|---|
| Term Commitment (or "Term") | 12 months |

"Contributory Charges" means: (a) all monthly recurring charges ("MRCs") and usage charges for CenturyLink QCC (other than Local Access Service) and/ or CenturyLink QC Services ordered under the Agreement after the Effective Date and incurred during the Term; and (b) all MRCs and usage charges for CenturyLink QC Contributory Services ordered before or after the Effective Date under separate agreements and incurred during the Term, "CenturyLink QC Contributory Services" are defined in the DT&C. Contributory Charges do not include non-recurring charges ("NRCs"), CPE, Taxes, pass-through, worldcard® payphone surcharges, other surcharges, issued credits, any charges for Local Access Services, or other charges not specified as Contributory Charges under the Agreement, "Shortfall" is the difference between the Revenue Commitment and Customer's Contributory Charges paid during a Measurement Period.

The following Services are incorporated into the Agreement:

ISDN PRS, DSS

The following additional terms and conditions apply to ISDN PRS, DSS Service, and are incorporated herein by reference: the General Terms Applicable to All Services and ISDN PRS, DSS sections in the DT&C.

Domestic Interstate Voice

See the EZ Rate Price Plan Attachment for Domestic Voice pricing details

The following additional terms and conditions apply to Domestic Voice Service, and are incorporated herein by reference: the General Terms Applicable to Al Services, Domestic and International Voice, and Local Access sections in the DT&C.

2. Rates

2.1 Rate Changes. Rates apply only for the above Services and Service Address(es) and will not apply if Customer moves a Service Address or changes any of the Bundle or Service Details. The rates for Local Access Service and CPE Purchase may be subject to valid quote forms, which control if they conflict with the rates listed on this Summary Page, all of which are subject to change.

2.2 Additional Charges. Additional charges may apply. Rates and charges for Service elements not identified appear in the applicable terms and conditions. Rates do not include foreign, federal, state or local taxes, surcharges, fees, EAS, Zone, CALC, or other similar charges.

3. Term and Termination.

3.1 Term. This Agreement is effective on the date all parties have signed below ("Effective Date"). The initial Term Commitment is shown with Customer's Revenue Commitment above. After the expiration of the Term Commitment, this Agreement will renew on a month-to-month basis. Service Terms begin on their Start of Service Date and automatically renew unless terminated by either party. The Start of Service Date, renewal periods and renewal period rates are described in the DT&C, Bundle or Package Provisions, Service Provisions, or in an applicable Tariff, RSS or ISS.

3.2 Termination. If Customer gives notice of cancellation or termination, disconnects any portion of a Service or otherwise breaches this Agreement resulting in the termination of a Service before the end of the applicable Service Term, an Early Termination Charge or Cancellation Charges will apply as set forth in the applicable terms and conditions.

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CENTURYLINK® TOTAL ADVANTAGE® EXPRESS - AGREEMENT -- Summary Page

4. Amendments. At CenturyLink's sole discretion, the parties may amend the Agreement to add additional CenturyLink services. Except as otherwise expressly permitted in the Agreement, amendments must be in writing and signed by both parties' authorized representatives.

| CUSTOMER: | | CENTURYLINK SALES SOLUTION | S, INC. DocuSigned by: Hemen Melita DE6933F1094E48F | |
|--|------|--|---|--|
| Authorized Signature | | Authorized Signature | Hemen Mehta | |
| Name Typed or Printed | | Name Typed or Printed Account Direc | tor 3/18/2016 | |
| Title Customer's Address for Notices: | Date | Title Raleigh, NC 27603; | Date | |

CENTURYLINK® TOTAL ADVANTAGE® EXPRESS - AGREEMENT - Summary Page

TERMS AND CONDITIONS APPLICABLE TO ALL SERVICES

1. Additional Terms and Conditions. Customer understands that the DT&C and other provisions identified in this Agreement ("Other Provisions") contain additional important terms and conditions that apply to the Services, including, among other things, con fidentiality obligations, disclaimer of warranties, indemnification, shortfall charges, minimum-service terms, early termination charges, and jury-trial and class-action waiver.

2. Payment. Customer must pay all charges within 30 days of the invoice date except for CenturyLink QC charges, which Customer must pay by the due date on the invoice. Charges not paid by their due date are subject to late payment charge of the lesser of 1.5% per month or the maximum rate allowed by law or required by Tariff. In addition to payment of charges for Services, Customer must also pay CenturyLink any applicable Taxes (which is defined in the DT&C and may include surcharges, fees, and other similar charges) assessed in connection with Services. Customer's payments to CenturyLink must be in the form of electronic funds transfer (via wire transfer or ACH), cash payments (via previously-approved CenturyLink processes only), or paper check.

3. Credit Approval. Provision of Services is subject to CenturyLink's credit approval of Customer. As part of the credit approval process, CenturyLink may require Customer to provide a deposit or other security. Additionally during the Term, if Customer's financial circumstance or payment history becomes reasonably unacceptable to CenturyLink, CenturyLink may require adequate assurance of future payment as a condition of continuing CenturyLink's provision of Services. Customer's failure to provide adequate assurances required by CenturyLink is a material breach of the Agreement. CenturyLink may provide Customer's payment history or other billing/charge information to credit reporting agencies or industry clearinghouses.

4. Disclaimer of Warranties. EXCEPT AS EXPRESSLY PROVIDED IN THE AGREEMENT, ALL SERVICES AND PRODUCTS ARE PROVIDED "AS IS." CENTURYLINK DISCLAIMS ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO ALL WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT. CENTURYLINK MAKES NO WARRANTIES OR REPRESENTATIONS THAT ANY SERVICE WILL BE FREE FROM LOSS OR LIABILITY ARISING OUT OF HACKING OR SIMILAR MALICIOUS ACTIVITY, OR ANY ACT OR OMISSION OF THE CUSTOMER.

5. Limitations of Liability. The remedies and limitations of liability for any claims arising between the parties are set forth below.

(a) Consequential Damages. NEITHER PARTY OR ITS AFFILIATES, AGENTS, OR CONTRACTORS IS LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, SPECIAL, OR PUNITIVE DAMAGES OR FOR ANY LOST PROFITS, LOST REVENUES, LOST DATA, LOST BUSINESS OPPORTUNITY, OR COSTS OF COVER. THESE LIMITATIONS APPLY REGARDLESS OF THE LEGAL THEORY UNDER WHICH SUCH LIABILITY IS ASSERTED AND REGARDLESS OF FORESEEABILITY.

(b) Claims Related to Services. For Customer's daims related to Service deficiencies or interruptions, Customer's exclusive remedies are limited to: (a) those remedies set forth in the SLA for the affected Service or (b) the total MRCs or usage charges paid by Customer for the affected Service in the one month immediately preceding the event giving rise to the claim if an SLA do es not apply.

(c) Personal Injury; Death; Property Damages. For claims arising out of personal injury or death to a party's employee, or damage to a party's real or personal property, that are caused by the other party's negligence or willful misconduct in the performance of the Agreement, each party's liability is limited to proven direct damages.

(d) Other Direct Damages. For all other claims arising out of the Agreement, each party's maximum liability will not exceed in the aggregate the total MRCs and usage charges paid by Customer to CenturyLink under the Agreement in the three months immediately preceding the event giving rise to the claim ("Damage Cap"). The Damage Cap will not apply to a party's indemnification obligations or Customer's payment obligations under the Agreement.

6. Entire Agreement. This Agreement, including DT&C, Other Provisions, and any CenturyLink-accepted Order Forms constitute the entire agreement between the parties. This Agreement supersedes all prior oral or written agreements or understandings relating to the same service, ports, or circuits at the same locations as covered under this Agreement. Capitalized terms are defined in the DT&C and Other Provisions.

7. Purchase Orders. This Agreement controls over any Customer-issued purchase order, and any terms or conditions contained in a Customer-issued purchase order or other Customer ordering document will have no force or effect.

8. Uniform Resource Locators (URLS). References to URLs in this Agreement include any successor URLs designated by CenturyLink.

DocuSign Envelope ID: 5F06347F-8FBF-4628-95FA-D744D245C18B

CENTURYLINK TOTAL ADVANTAGE™ EXPRESS AGREEMENT

Exhibit 1

ISDN PRS ICB PRICING OFFER FOR THE STATE OF OR

Customer

This ISDN PRS is provided by Qwest Corporation d/b/a CenturyLink QC ("CenturyLink QC") and is subject to the CenturyLink Total Advantage[™] Express Agreement between Customer and CenturyLink.

Filing Concurrence

CenturyLink may be required to submit the pricing herein to certain regulatory agencies for approval because the rates are being offered on an individual case basis ("ICB Rates"). Although the general terms and conditions of this Agreement are effective on the Effective Date, the ICB Rates will not become effective for a given jurisdiction until the filing and approval requirements for that jurisdiction are fulfilled. Service will be offered in accordance with the applicable Tariff until the ICB Rates become effective. Approved ICB Rates will take precedence over the Tariff. If Customer receives reduced pricing under this Agreement and a regulatory agency later invalidates the ICB Rates after they had become effective, Customer will pay to CenturyLink any difference in the amounts listed in the applicable Tariff for Service and the amounts Customer was charged for Service. When approved by the regulatory agencies, Customer may add additional quantities of Service pursuant to the Service Changes Section under the same terms and conditions with no further filing required. If a regulatory agency does not approve this Agreement, the parties will enter into good faith negotiations to mutually resolve the failure to receive the necessary approval. This Agreement will remain in full force and effect for Service in all other jurisdictions.

AQCB# (internal use only): _____

| Service Location Including City and State | Circuit ID/BTN | USOC | Term | NRC | Qty. | Total MRC Per Location |
|--|----------------|-------|------|--------|------|---------------------------|
| OSWEGO, OR 97035, USA | | ZPG61 | 12mo | \$0.00 | 1 | \$555 |