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IDAHO PUBLIC
UTILITIES COMMISSION



CenturyLink™

Via Overnight delivery

November 29, 2011

Jean Jewell, Secretary
Idaho Public Utilities Commission
472 West Washington Street
P.O. Box 83720
Boise, Idaho 83720-0074

Re: Case No. QWE-T-11-14
Application for Approval of Amendment to the Interconnection Agreement
Geils Communications, Inc.

Dear Ms. Jewell:

Enclosed for filing with this Commission on behalf of Qwest Corporation d/b/a Centurylink QC is an original and three (3) copies of the Application for Approval of Amendment to the Interconnection Agreement. CenturyLink respectfully requests that this matter be placed on the Commission Decision Meeting Agenda for expedited approval.

Please contact me if you have any questions concerning the enclosed. Thank you for your assistance in this matter.

Sincerely,

Maura E. Peterson

mep
Enclosure
cc: Service list

Lisa A. Anderl (WSBA# 13236)
CenturyLink
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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**APPLICATION OF QWEST
CORPORATION D/B/A CENTURYLINK
FOR APPROVAL OF AN
INTERCONNECTION AGREEMENT
PURSUANT TO 47 U.S.C. §252(e)**

CASE NO.: QWE-T-11-14

**APPLICATION FOR APPROVAL OF
AMENDMENT TO THE
INTERCONNECTION AGREEMENT**

Qwest Corporation d/b/a CenturyLink ("CenturyLink") hereby files this Application for Approval of Amendment to the Interconnection Agreement ("Amendment") which is pending with the Idaho Public Utilities Commission (the "Agreement"). The Amendment with Geils Communications, Inc. ("Geils") is submitted herewith.

This Amendment was reached through voluntary negotiations without resort to mediation or arbitration and is submitted for approval pursuant to Section 252(e) of the Communications Act of 1934, as amended by the Telecommunications Act of 1996 (the "Act").

Section 252(e)(2) of the Act directs that a state Commission may reject an amendment reached through voluntary negotiations only if the Commission finds that: the amendment (or portion(s) thereof) discriminates against a telecommunications carrier not a party to this agreement; or the implementation of such an amendment (or portion) is not consistent with the public interest, convenience and necessity.

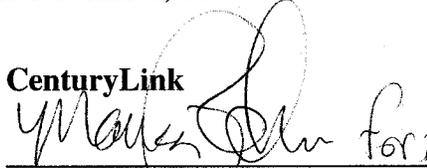
CenturyLink respectfully submits this Amendment provides no basis for either of these findings, and, therefore requests that the Commission approve this Amendment expeditiously. This Amendment is consistent with the public interest as identified in the pro-competitive policies of the State of Idaho, the Commission, the United States Congress, and the Federal Communications Commission. Expeditious approval of this Amendment will enable Geils to

interconnect with CenturyLink facilities and to provide customers with increased choices among telecommunications services.

CenturyLink further requests that the Commission approve this Amendment without a hearing. Because this Amendment was reached through voluntary negotiations, it does not raise issues requiring a hearing and does not concern other parties not a party to the negotiations. Expedient approval would further the public interest.

Respectfully submitted this 29th day of November, 2011.

CenturyLink



Lisa A. Anderl

Attorney for CenturyLink

CERTIFICATE OF SERVICE

I hereby certify that on this 29th day of November, 2011, I served the foregoing **APPLICATION FOR APPROVAL OF AMENDMENT TO THE INTERCONNECTION AGREEMENT** upon all parties of record in this matter as follows:

Jean Jewell, Secretary
Idaho Public Utilities Commission
472 West Washington Street
P.O. Box 83720
Boise, Idaho 83720-0074
jjewell@puc.state.id.us

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 Overnight Delivery
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Wesley Minella
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2975 Westchester Avenue
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Hand Delivery
 U. S. Mail
 Overnight Delivery
 Facsimile
 Email

Leslie Johnson, Legal Assistant

**Performance Assurance Plan (PAP) Amendment
to the Interconnection Agreement between
Qwest Corporation dba CenturyLink QC
and
Geils Communications, Inc.
for the State of Idaho**

This is an Amendment ("Amendment") to the Interconnection Agreement between Qwest Corporation dba CenturyLink QC ("CenturyLink"), a Colorado corporation, and Geils Communications, Inc. ("CLEC"), a Nevada corporation. CenturyLink and CLEC shall be known jointly as the "Parties".

RECITALS

WHEREAS, the Parties entered into an Interconnection Agreement ("Agreement"), for service in the State of Idaho, that was signed by both Parties and is currently pending approval by the Idaho Public Utilities Commission; and

WHEREAS, the Parties agree to amend the Agreement under the terms and conditions contained herein.

AGREEMENT

NOW THEREFORE, in consideration of the mutual terms, covenants and conditions contained in this Amendment and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

Amendment Terms

The Agreement is hereby amended by adding the CenturyLink QC Performance Assurance Plan (PAP) language at Section 20.2, as set forth in Attachment 1, and by replacing Exhibit K, attached hereto and incorporated herein.

Effective Date

This Amendment shall be deemed effective upon approval by the Commission; however, the Parties may agree to implement the provisions of this Amendment upon execution. To accommodate this need, CLEC must generate, if necessary, an updated Customer Questionnaire. In addition to the Questionnaire, all system updates will need to be completed by CenturyLink. CLEC will be notified when all system changes have been made. Actual order processing may begin once these requirements have been met. Additionally, CenturyLink shall implement any necessary billing changes within two (2) billing cycles after the latest execution date of this Amendment, with a true-up back to the latest execution date of this Amendment by the end of the second billing cycle. The Parties agree that so long as CenturyLink implements the billing changes and the true-up as set forth above, the CLEC's bills shall be deemed accurate and adjusted without error.

Further Amendments

Except as modified herein, the provisions of the Agreement shall remain in full force and effect. The provisions of this Amendment, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions

of this Amendment may not be given without the written consent thereto by both Parties' authorized representative. No waiver by any Party of any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, will be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

Entire Agreement

The Agreement as amended (including the documents referred to herein) constitutes the full and entire understanding and agreement between the Parties with regard to the subjects of the Agreement as amended and supersedes any prior understandings, agreements, or representations by or between the Parties, written or oral, to the extent they relate in any way to the subjects of the Agreement as amended.

The Parties intending to be legally bound have executed this Amendment as of the dates set forth below, in multiple counterparts, each of which is deemed an original, but all of which shall constitute one and the same instrument.

Geils Communications, Inc.

Qwest Corporation dba CenturyLink QC

DocuSigned by:
Wesly Minella
D7ABD05CD0CC4B6...

05E9FC68BD57454...
L T Christensen
DocuSigned By: L T Christensen

Signature

Signature

Wesly Minella
Name Printed/Typed

L. T. Christensen
Name Printed/Typed

President
Title

Director – Wholesale Contracts
Title

10/4/2011

10/4/2011

Date

Date

ATTACHMENT 1
CenturyLink QC Performance Assurance Plan (PAP)

Section 20.0 – SERVICE PERFORMANCE, of the Agreement, is hereby amended by adding Section 20.2:

20.2 The CenturyLink QC Performance Assurance Plan (PAP) is attached as Exhibit K of this Agreement. Subsequent changes to the PAP submitted to the Commission will be incorporated into Exhibit K as soon as they are effective by operation of law or the effective date as approved by Commission order, whichever is applicable, and without further Amendment to this Agreement.

Exhibit K

PERFORMANCE ASSURANCE PLAN

1.0 Introduction

1.1 As set forth in this Agreement, Qwest Corporation dba CenturyLink QC ("CenturyLink QC") and CLEC voluntarily agree to the terms of the following Performance Assurance Plan ("PAP"), initially prepared in conjunction with Qwest's application for approval under Section 271 of the Telecommunications Act of 1996 (the "Act") to offer in-region long distance service and subsequently modified in accordance with the Commission's orders and, where applicable, by operation of law.

2.0 Plan Structure

2.1 The PAP is, self-executing remedy plan. CLEC shall be provided with payments if, as applicable, CenturyLink QC does not provide parity between the service it provides to CLEC and that which it provides to its own retail customers, or CenturyLink QC fails to meet applicable benchmarks.

2.2 As specified in sections 6.0 and 7.0 and Attachments 1 and 2, payment is generally on a per occurrence basis, (i.e., a set dollar payment times the number of non-conforming service events). For the performance measurements which do not lend themselves to per occurrence payment, payment is on a per measurement basis, (i.e., a set dollar payment). The level of payment also depends upon the number of consecutive months of non-conforming performance, (i.e., an escalating payment the longer the duration of non-conforming performance) unless otherwise specified.

2.3 CenturyLink QC shall be in conformance with the parity standard when service CenturyLink QC provides to CLEC is equivalent to that which it provides to its retail customers. The PAP relies upon statistical scoring to determine whether any difference between CLEC and CenturyLink QC performance results is significant, that is, not attributable to simple random variation. Statistical parity shall exist when performance results for CLEC and for CenturyLink QC retail analogue result in a z-value that is no greater than the critical z-values listed in the Critical Z-Statistical Table in section 5.0.

2.4 For performance measurements that have no CenturyLink QC retail analogue, agreed upon benchmarks shall be used. Benchmarks shall be evaluated using a "stare and compare" method. For example, if the benchmark is for a particular performance measurement is 95% or better, CenturyLink QC performance results must be at least 95% to meet the benchmark. Percentage benchmarks will be adjusted to round the allowable number of misses up or down to the closest integer, except when a benchmark standard and low CLEC volume are such that a 100% performance result would be required to meet the standard and has not been attained in which case section 3.1.2 applies.

Exhibit K

3.0 Performance Measurements

3.1 The performance measurements that are in the PAP and either (1) subject to the PAP payment mechanisms or (2) not subject to the PAP payment mechanisms but subject to the Reinstatement/Removal Process set forth in section 3.2 below are identified in Attachment 1 and sections 6.3 and 7.4. Each performance measurement identified is defined in the Performance Indicator Definitions ("PIDs") included in the SGAT at Exhibit B.

3.1.1 On Attachment 1, the measurements have been given a High, Medium, or Low designation.

3.1.2 Where applicable elsewhere in the PAP, this provision modifies other provisions and operates as follows: For any benchmark or non-interval parity performance sub-measure, CenturyLink QC shall apply one allowable miss to a sub-measure disaggregation that otherwise would require 100% performance before the performance is considered as non-conforming to standard (1) if at the CLEC-aggregate level, the performance standard is met or (2) where the CLEC-aggregate performance must be 100% to meet the standard, the CLEC-aggregate performance is conforming after applying one allowable miss at that level.

3.2 The following measures, which are listed in Attachment 1, are not subject to the payment mechanisms of the PAP; however, they are subject to the PID Reinstatement/Removal Process. All other measures listed in Attachment 1 or section 6.3 are subject to the PAP payment mechanisms, but they are not subject to the PID Reinstatement/Removal Process.

- PO-3 LSR Rejection Notice Interval
- PO-5D Firm Order Confirmations (FOCs) On Time (ASRs for LIS Trunks)
- PO-7 Billing Completion Notification Timeliness
- PO-8 Jeopardy Notice Interval
- OP-17 Timeliness of Disconnects Associated with LNP Orders
- MR-11 LNP Trouble Reports Cleared within Specified Timeframes
- BI-4 Billing Completeness
- NI-1 Trunk Blocking
- NP-1 NXX Code Activation

3.3 PID Reinstatement/Removal Process: If CenturyLink QC's performance for any sub-measure of the PIDs listed in section 3.2 above does not conform to the established PID standard as set forth in the PAP for three consecutive months, that sub-measure will be reinstated (i.e., be subject to the PAP payment mechanisms) subject to the retroactive payment provision of section 3.3.2 and subject to the PAP payment mechanisms effective in the month following the three consecutive months.

Comment [MW1]: GA=7 should also no longer be in Attachment 1, because it is regional-only and therefore could have only Tier 2 payments. (See also my edits in Attachment 1 below.)

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The determination of whether a PID sub-measure is reinstated is made no later than at the end of the second month following the third consecutive month of non-conforming performance. The sub-measure will remain subject to the PAP payment mechanisms until CenturyLink QC's performance for that sub-measure satisfies the established standards for three consecutive months. Effective the month following such conforming performance, the sub-measure will no longer be subject to the PAP payment mechanisms but will continue to be subject to the PID Reinstatement/Removal Process. The determination of whether a PID sub-measure is removed from being subject to the PAP payment mechanisms is made no later than the end of the second month following the third consecutive month of conforming performance. Where applicable elsewhere in the PAP, this PID Reinstatement/Removal Process modifies other provisions and operates as follows:

3.3.1 Disaggregation and Reporting Levels: Performance will be evaluated at the lowest level of disaggregation defined in Exhibit B of the SGAT on a CLEC-aggregated or other-aggregated basis such that performance is evaluated for the purposes of administering the Reinstatement/Removal Process on a statewide or regionwide level, as applicable per the PID.

3.3.2 Retroactive Payments: To calculate retroactive payments for the sub-measures reinstated, PAP payment mechanisms will be applied to the three consecutive months in which the standard was missed, which triggered reinstatement. These retroactive payments will be made to applicable CLECs, depending at the end of the third month after the month in which performance triggered re-instatement.

3.3.2.1 Accounting for Payments: In support of retroactive payments (section 3.3.2 above), CenturyLink QC will account separately for PAP payments that would have been made to individual CLECs for a sub-measure as though it had been subject to the PAP payment mechanisms, where automatic reinstatement applies, and account separately in the same manner for the time between when it is determined that a sub-measure met the standard for automatic removal and the effective date of removal (the month following the three consecutive "met" months). With regard to sub-measures that are subsequently removed again through this process, any PAP payments made during the three consecutive months which triggers automatic removal will not be recovered by CenturyLink QC.

3.3.2.2 Interest: In the case of automatic reinstatement, retroactive payments will include interest calculated at the prime rate as reported in the *Wall Street Journal* from the date a payment would have been made to the date the payment is actually made.

3.3.2.3 Tracking: CenturyLink QC will track and report service and payment results, including retroactive and avoided (i.e., during periods

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of removal) PAP payments and the disposition of the avoided payments on a CLEC, PID sub-measure and aggregate basis each month.

3.3.3 Public Website: CenturyLink QC will maintain a public website showing the PAP status of each PID or sub-measure with respect to the applicability of the PAP payment mechanisms (i.e., reinstated or removed), which eliminates the requirement to make filings with the Commission to modify the PAP due to the application of the PID Reinstatement/Removal Process.

4.0 Statistical Measurement

4.1 CenturyLink QC uses a statistical test, namely the modified "z-test," for evaluating the difference between two means (i.e., CenturyLink QC and CLEC service or repair intervals) or two percentages (e.g., CenturyLink QC and CLEC proportions), to determine whether a parity condition exists between the results for CenturyLink QC and the CLEC(s). The modified z-tests shall be applicable if the number of data points are greater than 30 for a given measurement. For testing measurements for which the number of data points are 30 or less, CenturyLink QC will use a permutation test to determine the statistical significance of the difference between CenturyLink QC and CLEC.

4.2 CenturyLink QC shall be in conformance when the monthly performance results for parity measurements (whether in the form of means, percents, or proportions and at the equivalent level of disaggregation) are such that the calculated z-test statistics are not greater than the critical z-values as listed in Table 1, section 5.0.

4.3 CenturyLink QC shall be in conformance with benchmark measurements when the monthly performance result equals or exceeds the benchmark, if a higher value means better performance, and when the monthly performance result equals or is less than the benchmark if a lower value means better performance.

The formula for determining parity using the modified z-test is:

$$z = \text{DIFF} / \sigma_{\text{DIFF}}$$

Where:

$$\text{DIFF} = M_{\text{CenturyLink QC}} - M_{\text{CLEC}}$$

$$M_{\text{CENTURYLINK QC}} = \text{CenturyLink QC average or proportion}$$

$$M_{\text{CLEC}} = \text{CLEC average or proportion}$$

$$\sigma_{\text{DIFF}} = \text{square root } [\sigma^2_{\text{CenturyLink QC}} (1/n_{\text{CLEC}} + 1/n_{\text{CenturyLink QC}})]$$

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$\sigma^2_{\text{CenturyLink QC}}$ = calculated variance for CenturyLink QC

$n_{\text{CenturyLink QC}}$ = number of observations or samples used in CenturyLink QC measurement

n_{CLEC} = number of observations or samples used in CLEC measurement

The modified z-tests will be applied to reported parity measurements that contain more than 30 data points.

In calculating the difference between CenturyLink QC and CLEC performance, the above formula applies when a larger CenturyLink QC value indicates a better level of performance. In cases where a smaller CenturyLink QC value indicates a higher level of performance, the order is reversed, i.e., $M_{\text{CLEC}} - M_{\text{CENTURYLINK QC}}$.

4.3.1 For parity measurements where the number of data points is 30 or less, CenturyLink QC will apply a permutation test to test for statistical significance. Permutation analysis will be applied to calculate the z-statistic using the following logic:

Calculate the modified z-statistic for the actual arrangement of the data
Pool and mix the CLEC and CenturyLink QC data sets
Perform the following 1000 times:

Randomly subdivide the pooled data sets into two pools, one the same size as the original CLEC data set (n_{CLEC}) and one reflecting the remaining data points, and one reflecting the remaining data points, (which is equal to the size of the original CenturyLink QC data set or $n_{\text{CENTURYLINK QC}}$).

Compute and store the modified z-test score (Z_s) for this sample.

Count the number of times the z-statistic for a permutation of the data is greater than the actual modified z-statistic

Compute the fraction of permutations for which the statistic for the rearranged data is greater than the statistic for the actual samples

If the fraction is greater than α , the significance level of the test, the hypothesis of no difference is not rejected, and the test is passed. The α shall be .05 when the critical z value is 1.645 and .15 when the critical z value is 1.04.

5.0 Critical Z-Value

5.1 The following table shall be used to determine the critical z-value that is referred to in section 6.0. It is based on the monthly business volume of the CLEC for the particular performance measurements for which statistic testing is being performed.

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TABLE 1: CRITICAL Z-VALUE

CLEC volume (Sample size)	LIS Trunks, UDITs, Resale, UBL-DS1 and DS-3	All Other
1-10	1.04*	1.645
11-150	1.645	1.645
151-300	2.0	2.0
301-600	2.7	2.7
601-3000	3.7	3.7
3001 and above	4.3	4.3

* The 1.04 applies for individual month testing for performance measurements involving LIS trunks and DS-1 and DS-3 that are UDITs, Resale, or Unbundled Loops. The performance measurements are OP-3d/e, OP-4d/e, OP-5a, OP-6-4/5, MR-5a/b, MR-7d/e, and MR-8.

For purposes of determining consecutive month misses, 1.645 shall be used. Where performance measurements disaggregate to zone 1 and zone 2, the zones shall be combined for purposes of statistical testing.

6.0 Payments to CLEC

6.1 Payments to CLEC shall be made solely for the performance measurements listed on Attachment 1 or in section 6.3. The payment amount for non-conforming service varies depending upon the designation of performance measurements as High, Medium, and Low and the duration of the non-conforming service condition as described below. Non-conforming service is defined in section 4.0.

6.1.1 Determination of Non-Conforming Measurements: The number of performance measurements that are determined to be non-conforming and, therefore, eligible for payments, are limited according to the critical z-value shown in Table 1, section 5.0. The critical z-values are the statistical standard that determines for each CLEC performance measurement whether CenturyLink QC has met parity. The critical z-value is selected from Table 1 according to the monthly CLEC volume for the performance measurement. For instance, if the CLEC sample size for that month is 100, the critical z-value is 1.645 for the statistical testing of that parity performance measurement.

6.2 Determination of the Amount of Payment: Payments to CLEC, except as provided for in sections 6.2.3, 6.3 and 10.0, are calculated and paid monthly based on the number of performance measurements exceeding the critical z-value. Payments will be made on either a per occurrence or per measurement basis, depending upon the performance measurement, using the dollar amounts specified in Table 2 below. The dollar amounts vary depending upon whether the performance

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measurement is designated High, Medium, or Low and escalate depending upon the number of consecutive months for which CenturyLink QC has not met the standard for the particular measurement.

6.2.1 The escalation of payments for consecutive months of non-conforming service will be matched month for month with de-escalation of payments for every month of conforming service. For example, if CenturyLink QC has four consecutive monthly "misses" it will make payments that escalate from month 1 to month 4 as shown in Table 2. If, in the next month, service meets the standard, CenturyLink QC makes no payment. A payment "indicator" de-escalates down from month 4 to month 3. If CenturyLink QC misses the following month, it will make payment at the month 3 level of Table 2 because that is where the payment "indicator" presently sits. If CenturyLink QC misses again the following month, it will make payments that escalate back to the month 4 level. The payment level will de-escalate back to the original month 1 level only upon conforming service sufficient to move the payment "indicator" back to the month 1 level.

6.2.2 For those performance measurements listed on Attachment 2 as "Performance Measurements Subject to Per Measurement Caps," excluding BI-3A, payment to a CLEC in a single month shall not exceed the amount listed in Table 2 below for the "Per Measurement Cap" category. For those performance measurements listed on Attachment 2 as "Performance Measurements Subject to Per Measurement Payments," if any should be added at a later time, payment to a CLEC will be the amount set forth in Table 2 below under the section labeled "Per Measurement Cap."

TABLE 2: ESCALATIONS OF PAYMENTS TO CLEC

Per Occurrence							
Measurement Group	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Each following month after Month 6 add
High	\$150	\$250	\$500	\$600	\$700	\$800	\$100
Medium	\$ 75	\$150	\$300	\$400	\$500	\$600	\$100
Low	\$ 25	\$ 50	\$100	\$200	\$300	\$400	\$100
Per Measurement Cap							
Measurement Group	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Each following month after Month 6 add
High	\$25,000	\$50,000	\$75,000	\$100,000	\$125,000	\$150,000	\$25,000
Medium	\$10,000	\$20,000	\$30,000	\$ 40,000	\$ 50,000	\$ 60,000	\$10,000
Low	\$ 5,000	\$10,000	\$15,000	\$ 20,000	\$ 25,000	\$ 30,000	\$ 5,000

CenturyLink QC Idaho SGAT Third Revised, Seventh Amended Exhibit K, December 17, 2010

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6.2.3 For the BI-3A performance measurement, the dollar payment amount for non-conforming performance varies depending upon the Total Bill Adjustment Amount for the CLEC. The payment amount is calculated using Table 2A below by multiplying the per occurrence amount times the number of occurrences based on the Total Bill Adjustment Amount,¹ capped at the amount shown in the table for that Total Bill Adjustment Amount. The escalation of payments for consecutive months as stated in section 6.2.1 does not apply.

TABLE 2A: PAYMENTS TO CLECS FOR BI-3A

Total Bill Adjustment Amount	Per Occurrence Amount	Cap
\$0 - \$0.99	\$0	\$0
\$1 - \$199.99	\$1	\$200
\$200 - \$999.99	\$10	\$5,000
\$1,000 - \$9,999.99	\$10	\$10,000
\$10,000 - \$49,999.99	\$15	\$15,000
\$50,000 - \$99,999.99	\$20	\$20,000
\$100,000 and over	\$25	\$25,000

6.3 For collocation, CP-2 and CP-4 performance measurements shall be relied upon for delineation of collocation business rules. For purposes of calculating payments, collocation jobs and collocation feasibility studies that are later than the due date will have a per day payment applied according to Table 3. The per day payment will be applied to any collocation job in which the feasibility study is provided or the collocation installation is completed later than the scheduled date. The calculation of the payment amount will be performed by applying the per day payment amounts as specified in Table 3. Thus, for days 1 through 10, the payment is \$150 per day. For days 11 through 20, the payment is \$300 per day and so on.

TABLE 3: COLLOCATION PAYMENTS TO CLECS

Days Late	Completion Date	Feasibility Study
1 to 10 days	\$150/day	\$45/day
11 to 20 days	\$300/day	\$90/day
21 to 30 days	\$450/day	\$135/day
31 to 40 days	\$600/day	\$180/day
More than 40 days	\$1,000/day	\$300/day

6.4 A minimum payment calculation shall be performed by CenturyLink QC at the end of each year for each CLEC with annual order volumes of no more than 1,200. The payment shall be calculated by adding the applicable minimum payment amount in Table 4 below for each month in which at least one payment was due to the

¹ Total Bill Adjustment Amount is determined by subtracting the BI-3A numerator from the BI-3A denominator as defined in the BI-3 PID formula.

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CLEC. To the extent that the actual CLEC payment for the year is less than the product of the preceding calculation, CenturyLink QC shall make an additional payment equal to the difference.

TABLE 4: MINIMUM PAYMENTS TO CLECS

Total Monthly Payment:	Minimum Payment Amount:
Less than \$200	\$ 0
Between \$200 and \$800	\$ 1,500
Between \$801 and \$1,400	\$ 2,000
Over \$1,400	\$ 2,500

7.0 [BLANK]

8.0 Step by Step Calculation of Monthly Payments to CLEC

8.1 Application of the Critical Z-Values: CenturyLink QC shall identify the parity performance measurements that measure the service provided to CLEC by CenturyLink QC for the month in question and the critical z-value from Table 1 in section 5.0 that shall be used for purposes of statistical testing for each particular performance measurement. The statistical testing procedures described in section 4.0 shall be applied. For the purpose of determining the critical z-values, each disaggregated category of a performance measurement is treated as a separate sub-measurement. The critical z-value to be applied is determined by the CLEC volume at each level of disaggregation or sub-measurement.

8.2 Performance Measurements for which Payment is Per Occurrence:

8.2.1 Performance Measurements that are Averages or Means:

8.2.1.1 Step 1: For each performance measurement, the average or the mean that would yield the critical z-value shall be calculated. The same denominator as the one used in calculating the z-statistic for the measurement shall be used. (For benchmark measurements, the benchmark value shall be used.)

8.2.1.2 Step 2: The percentage differences between the actual averages and the calculated averages shall be calculated. The calculation is $\% \text{ diff} = (\text{CLEC result} - \text{Calculated Value}) / \text{Calculated Value}$. The percent difference shall be capped at a maximum of 100%. In all calculations of percent differences in sections 8.0 and 9.0, the calculated percent differences is capped at 100%.

8.2.1.2 Step 3: For each performance measurement, the total number of data points shall be multiplied by the percentage calculated in the previous step and the per

Exhibit K

occurrence dollar amounts from the Payment Table shall determine the payment to the CLEC for each non-conforming performance measurement.

8.2.2 Performance Measurements that are Percentages:

8.2.2.1 Step 1: For each performance measurement, the percentage that would yield the critical z-value shall be calculated. The same denominator as the one used in calculating the z- statistic for the measurement shall be used. (For benchmark measurements, the benchmark value shall be used.)

8.2.2.2 Step 2: The difference between the actual percentages for the CLEC and the calculated percentages shall be determined.

8.2.2.3 Step 3: For each performance measurement, the total number of data points shall be multiplied by the difference in percentage calculated in the previous step, and the per occurrence dollar amount taken from the Payment Table, to determine the payment to the CLEC for each non-conforming performance measurement.

8.2.3 Performance Measurements that are Ratios or Proportions:

8.2.3.1 Step 1: For each performance measurement the ratio that would yield the critical z-value shall be calculated. The same denominator as the one used in calculating the z-statistic for the measurement shall be used. (For benchmark measurements, the benchmark value shall be used.)

8.2.3.2 Step 2: The absolute difference between the actual rate for the CLEC and the calculated rate shall be determined.

8.2.3.3 Step 3: For each performance measurement, the total number of data points shall be multiplied by the difference calculated in the previous step, and the per occurrence dollar amount taken from the Payment Table, to determine the payment to the CLEC for each non-conforming performance measurement.

8.3 Performance Measurements for which Payment is Per Measure:

8.3.1 For each performance measurement where CenturyLink QC fails to meet the standard, the payment to the CLEC shall be the dollar amount shown on the "per measure" portion of Table 2: Escalations of Payments to CLEC.

9.0 [BLANK]

10.0 Low Volume, Developing Markets

10.1 For certain qualifying performance standards, if the aggregate monthly volumes of CLECs participating in the PAP are more than 10, but less than 100, CenturyLink QC will make payments to CLECs for failure to meet the parity or

Exhibit K

benchmark standard for the qualifying performance sub-measurements. The qualifying sub-measurements are the ADSL qualified loop product disaggregations of OP-3, OP-4, OP-5a, MR-3, MR-5, MR-7, and MR-8. If the aggregate monthly CLEC volume is greater than 100, the provisions of this section shall not apply to the qualifying performance sub-measurement.

10.2 The determination of whether CenturyLink QC has met the parity or benchmark standards will be made using aggregate volumes of CLECs participating in the PAP. In the event CenturyLink QC does not meet the applicable performance standards, a total payment to affected CLECs will be determined in accordance with the high, medium, low designation for each performance measurement (see Attachment 1) and as described in section 8.0, except that CLEC aggregate volumes will be used. In the event the calculated total payment amount to CLECs is less than \$5,000, a minimum payment of \$5,000 shall be made. The resulting total payment amount to CLECs will be apportioned to the affected CLECs based upon each CLEC's relative share of the number of total service misses.

10.3 At the six (6)-month reviews, CenturyLink QC will consider adding to the above list of qualifying performance sub-measurements, new products disaggregation representing new modes of CLEC entry into developing markets.

11.0 Payment

11.1 Payments to CLEC shall be made one month following the due date of the performance measurement report for the month for which payment is being made. CenturyLink QC will pay interest on any late payment and underpayment at the prime rate as reported in the Wall Street Journal. On any overpayment, CenturyLink QC is allowed to offset future payments by the amount of the overpayment plus interest at the prime rate.

11.2 Payment to CLEC shall be made via bill credits. Bill credits shall be identified on a summary format substantially similar to that distributed as a prototype to the CLECs and the Commissions. To the extent that a monthly payment owed to CLEC under this PAP exceeds the amount owed to CenturyLink QC by CLEC on a monthly bill, CenturyLink QC will issue a check or wire transfer to CLEC in the amount of the overage.

11.3 Under a prior version of the Idaho PAP, a Special Fund was created for the purpose of payment of an independent auditor and audit costs as specified in section 15.0 and payment of other expenses incurred by the participating Commissions in the regional administration of the PAP.

11.3.1 [BLANK]

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11.3.2 Commissions participating in the Special Fund shall appoint a person designated to administer and authorize disbursement of funds. All claims against the fund shall be presented to the Commissions' designates and shall be the responsibility of the participating Commissions.

11.3.3 Under the prior Idaho PAP, CenturyLink QC advanced funds to meet initial claims against the Special Fund. Such funds shall not exceed \$500,000 and shall be reduced appropriately in the event that at least six states in which the QPAP is in effect do not agree to participate in the Special Fund. Upon a determination by the participating Commissions that the Special Fund has become self-sustaining or is no longer required, CenturyLink QC shall be allowed to recover any such advances plus interest at the rate that the escrow account would have earned.

11.3.4 Under the prior Idaho PAP, Qwest established an Idaho Discretionary Fund as a separate interest bearing escrow account. The Commission shall appoint a person designated to administer and authorize disbursements of funds from the Discretionary Fund. Disbursements from the Discretionary Fund shall be limited to competitively neutral Idaho telecommunications initiatives. The costs of the Discretionary Fund will be paid for from the account's funds.

12.0 Cap on Payments

12.1 There shall be a cap on the total payments made by CenturyLink QC for a 12 month period beginning with the effective date of the PAP for the State of Idaho. The annual cap for the State of Idaho shall be 36% of ARMIS Net Return, recalculated each year based upon the prior year's Idaho ARMIS results, subject to any applicable adjustment permitted pursuant to section 12.2. CenturyLink QC shall submit to the Commission the calculation of each year's cap no later than 30 days after submission of ARMIS results to the FCC. CLEC agrees that this amount constitutes a maximum annual cap that shall apply to the aggregate total of liquidated damages, including any such damages paid pursuant to this Agreement, any other interconnection agreement, or any other payments made for the same underlying activity or omission under any other contract, order or rule or payments made by CenturyLink QC for the same underlying activity or omission under any other contract, order or rule.

12.2 The 36% annual cap may be increased to 44% or decreased to 30% of ARMIS Net Return as follows:

12.2.1 An increase in the cap of a maximum of 4 percentage points at any one time (i.e., first to 40 percent) shall occur upon order by the Commission if the cap has been exceeded for any consecutive period of 24 months by that same 4 percent or more, provided that: (a) the Commission has determined that the preponderance of the evidence shows CenturyLink QC could have remained beneath the cap through reasonable and prudent effort, and (b) the Commission has made that determination

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after having available to it on the record the results of audits and root cause analyses, and provided an opportunity for CenturyLink QC to be heard.

12.2.2 A decrease in the cap of a maximum of 4 percentage points at any one time shall occur upon order by the Commission after performance for any consecutive period of 24 months in which total payments are 8 or more percentage points below the cap amount, provided that: (a) the Commission has determined that the preponderance of the evidence shows the performance results underlying those payments results from an adequate CenturyLink QC commitment to meeting its responsibilities to provide adequate wholesale service and to keeping open its local markets and (b) the Commission shall have made that determination after providing all interested parties an opportunity to be heard.

12.2.3 The provisions of 12.2.1 and 12.2.2 shall be in effect for the next 24 month period commencing with the end of the 24 month period upon which the Commission's order is based.

12.3 If the annual cap is reached, each CLEC shall, as of the end of the year, be entitled to receive the same percentage of its total calculated payments. In order to preserve the operation of the annual cap, the percentage equalization shall take place as follows:

12.3.1 The amount by which any month's total year-to-date payment exceeds the cumulative monthly cap (defined as $1/12^{\text{th}}$ of the annual cap times the cumulative number of months to date) shall be calculated. The apportionment resulting of this calculation shall be known as the "Tracking Account."

12.3.2 The apportionment shall be debited against the monthly payment due to each CLEC, by applying to the year-to-date payments received by each the percentage necessary to generate the required total payment amount.

12.3.3 The Tracking Amount shall be apportioned among all CLECs so as to provide each with payments equal in percentage of its total year to date payment calculations.

12.3.4 This calculation shall take place in the first month that the year-to-date total payments are expected to exceed the cumulative monthly cap and for each month of that year thereafter. CenturyLink QC shall recover any debited amounts by reducing payments due to any CLEC for that month and any succeeding months, as necessary.

13.0 Limitations

13.1 The PAP shall not become available in the State unless and until CenturyLink QC receives effective section 271 authority from the FCC for that State.

CenturyLink QC Idaho SGAT Third Revised, Seventh Amended Exhibit K, December 17, 2010

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13.2 CenturyLink QC will not be liable for payments to CLEC in an FCC approved state until the Commission has approved an interconnection agreement between CLEC and CenturyLink QC which adopts the provisions of this PAP.

13.3 CenturyLink QC shall not be obligated to make payments for any measurement if and to the extent that non-conformance for that measurement was the result of any of the following: 1) with respect to performance measurements with a benchmark standard, a Force Majeure event as defined in section 5.7 of the SGAT. CenturyLink QC will provide notice of the occurrence of a Force Majeure event within 72 hours of the time CenturyLink QC learns of the event or within a reasonable time frame that CenturyLink QC should have learned of it; 2) an act or omission by a CLEC that is contrary to any of its obligations under its interconnection agreement with CenturyLink QC or under federal or state law; an act or omission by CLEC that is in bad faith. Examples of bad faith conduct include, but are not limited to: unreasonably holding service orders and/or applications, "dumping" orders or applications in unreasonably large batches, "dumping" orders or applications at or near the close of a business day, on a Friday evening or prior to a holiday, and failing to provide timely forecasts to CenturyLink QC for services or facilities when such forecasts are explicitly required by the SGAT; 3) problems associated with third-party systems or equipment, which could not have been avoided by CenturyLink QC in the exercise of reasonable diligence, *provided, however*, that this third party exclusion will not be raised in the State more than three times within a calendar year. If a Force Majeure event or other excusing event recognized in this section merely suspends CenturyLink QC's ability to timely perform an activity subject to a performance measurement that is an interval measure, the applicable time frame in which CenturyLink QC's compliance with the parity or benchmark criterion is measured will be extended on an hour-for-hour or day-for-day basis, as applicable, equal to the duration of the excusing event.

13.3.1 CenturyLink QC will not be excused from payments for any reason except as described in Section 13.0. CenturyLink QC will have the burden of demonstrating that its non-conformance with the performance measurement was excused on one of the grounds described in this PAP. A party may petition the Commission to require CenturyLink QC to deposit disputed payments into an escrow account when the requesting party can show cause, such as grounds provided in the Uniform Commercial Code for cases of commercial uncertainty.

13.3.2 Notwithstanding any other provision of section 13 of this QPAP, CenturyLink QC shall not be excused for failing to provide such performance that CenturyLink QC could reasonably have been expected to deliver assuming that it had designed, implemented, staffed, provisioned, and otherwise provided for resources reasonably required to meet foreseeable volumes and patterns of demands upon its resources by CLECs.

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13.4 CenturyLink QC's agreement to implement these enforcement terms, and specifically its agreement to pay any "liquidated damages" or "assessments" hereunder, will not be considered as an admission against interest or an admission of liability in any legal, regulatory, or other proceeding relating in whole or in part to the same performance.

13.4.1 CLEC may not use: 1) the existence of this enforcement plan; or 2) CenturyLink QC's payment of "liquidated damages" as evidence that CenturyLink QC has discriminated in the provision of any facilities or services under Sections 251 or 252, or has violated any state or federal law or regulation. CenturyLink QC's conduct underlying its performance measures, however are not made inadmissible by its terms.

13.4.2 By accepting this performance remedy plan, CLEC agrees that CenturyLink QC's performance with respect to this remedy plan may not be used as an admission of liability or culpability for a violation of any state or federal law or regulation. (Nothing herein is intended to preclude CenturyLink QC from introducing evidence of any "liquidated damages" under these provisions for the purpose of offsetting the payment against any other damages or payments a CLEC might recover.) The terms of this paragraph do not apply to any proceeding before the Commission or the FCC to determine whether CenturyLink QC has met or continues to meet the requirements of section 271 of the Act.

13.5 By incorporating these liquidated damages terms into the PAP, CenturyLink QC and CLEC accepting this PAP agree that proof of damages from any non-conforming performance measurement would be difficult to ascertain and, therefore, liquidated damages are a reasonable approximation of any contractual damages that may result from a non-conforming performance measurement. CenturyLink QC and CLEC further agree that payments made pursuant to this PAP are not intended to be a penalty. The application of the assessments and damages provided for herein is not intended to foreclose other non-contractual legal and non-contractual regulatory claims and remedies that may be available to a CLEC.

13.6 This PAP contains a comprehensive set of performance measurements, statistical methodologies, and payment mechanisms that are designed to function together, and only together, as an integrated whole. To elect the PAP, CLEC must adopt the PAP in its entirety, in its interconnection agreement with CenturyLink QC. By electing remedies under the PAP, CLEC waives any causes of action based on a contractual theory of liability, and any right of recovery under any other theory of liability (including but not limited to a state utility regulatory commission or Federal Communications Commission rule or order) to the extent such recovery is related to harm compensable under a contractual theory of liability (even though it is sought through a non-contractual claim, theory, or cause of action).

13.7 If for any reason a CLEC agreeing to this QPAP is awarded compensation for the same harm for which it received payment under the QPAP, the court or other

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adjudicatory body hearing such a claim may offset the damages resulting from such claim against payments made for the same harm.

13.8 [BLANK]

13.9 Whenever a CenturyLink QC payment to an individual CLEC exceeds \$3 million in a month, CenturyLink QC may commence a proceeding to demonstrate why it should not be required to pay any amount in excess of the \$3 million. Upon timely commencement of the proceeding, CenturyLink QC must pay the balance of payments owed in excess of \$3 million into escrow, to be held by a third-party pending the outcome of the proceeding. To invoke these escrow provisions, CenturyLink QC must file, not later than the due date of the payments, its application. CenturyLink QC will have the burden of proof to demonstrate why, under the circumstances, it would be unjust to require it to make the payments in excess of \$3 million. If CenturyLink QC reports non-conforming performance to CLEC for three consecutive months on 20% or more of the measurements reported to CLEC and has incurred no more than \$1 million in liability to CLEC, then CLEC may commence a similar proceeding. In any such proceeding CLEC will have the burden of proof to demonstrate why, under the circumstances, justice requires CenturyLink QC to make payments in excess of the amount calculated pursuant to the terms of the PAP. The disputes identified in this section shall be resolved in a manner specified in the Dispute Resolution section of the SGAT with the CLEC.

14.0 Reporting

14.1 Upon receiving effective section 271 authority from the FCC for a state, CenturyLink QC will provide CLEC that has an approved interconnection agreement with CenturyLink QC, a monthly report of CenturyLink QC's performance for the measurements identified in the PAP by the last day of the month following the month for which performance results are being reported. However, CenturyLink QC shall have a grace period of five business days, so that CenturyLink QC shall not be deemed out of compliance with its reporting obligations before the expiration of the five business day grace period. CenturyLink QC will collect, analyze, and report performance data for the measurements listed on Attachment 1 in accordance with the most recent version of the PIDs. Upon CLEC's request, data files of the CLEC's raw data, or any subset thereof, will be transmitted, without charge, to CLEC in a mutually acceptable format, protocol, and transmission medium.

14.2 CenturyLink QC will also provide the Commission a monthly report of aggregate CLEC performance results pursuant to the PAP by the last day of the month following the month for which performance results are being reported. However, CenturyLink QC shall have a grace period of five business days, so that CenturyLink QC shall not be deemed out of compliance with its reporting obligations before the expiration of the five business day grace period. Individual CLEC reports of participating CLECs will also be available to the Commission upon request. By accepting this PAP, CLEC consents to CenturyLink QC providing CLEC's report and

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raw data to the State Commission. Pursuant to the terms of an order of the Commission, CenturyLink QC may provide CLEC-specific data that relates to the PAP, provided that CenturyLink QC shall first initiate any procedures necessary to protect the confidentiality and to prevent the public release of the information pending any applicable Commission procedures and further provided that CenturyLink QC provides such notice as the Commission directs to the CLEC involved, in order to allow it to prosecute such procedures to their completion. Data files of participating CLEC raw data, or any subset thereof, will be transmitted, without charge, to the Commission in a mutually acceptable format, protocol, and transmission form.

14.3 In the event CenturyLink QC does not provide CLEC and the Commission with a monthly report by the last day of the month following the month for which performance results are being reported, CenturyLink QC will pay to the State a total of \$500 for each business day for which performance reports are 6 to 10 business days past the due date; \$1,000 for each business day for which performance reports are 11 to 15 business days past the due date; and \$2,000 for each business day for which performance results are more than 15 business days past the due date. If reports are on time but are missing performance results, CenturyLink QC will pay to the State a total of one-fifth of the late report amount for each missing performance measurement, subject to a cap of the full late report amount. These amounts represent the total payments for omitting performance measurements or missing any report deadlines, rather than a payment per report. Prior to the date of a payment for late reports, CenturyLink QC may file a request for a waiver of the payment, which states the reasons for the waiver. The Commission may grant the waiver, deny the waiver, or provide any other relief that may be appropriate.

14.4 To the extent that CenturyLink QC recalculates payments made under this PAP, such recalculation shall be limited to the preceding three years (measured from the later of the provision of a monthly credit statement or payment due date). CenturyLink QC shall retain sufficient records to demonstrate fully the basis for its calculations for long enough to meet this potential recalculation obligation. CLEC verification or recalculation efforts should be made reasonably contemporaneously with CenturyLink QC measurements. In any event, CenturyLink QC shall maintain the records in a readily useable format for one year. For the remaining two years, the records may be retained in archived format. Any payment adjustments shall be subject to the interest rate provisions of section 11.1.

15.0 Integrated Audit Program/Investigations of Performance Results

15.1 Audits of the PAP shall be conducted in a two-year cycle under the auspices of the participating Commissions in accordance with a detailed audit plan developed by an independent auditor retained for a two-year period. The participating Commissions shall select the independent auditor with input from CenturyLink QC and CLECs.

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15.1.1 The participating Commissions shall form an oversight committee of Commissioners who will choose the independent auditor and approve the audit plan. Any disputes as to the choice of auditor or the scope of the audit shall be resolved through a vote of the chairs of the participating commissions pursuant to Section 15.1.4.

15.1.2 The audit plan shall be conducted over two years. The audit plan will identify the specific performance measurements to be audited, the specific tests to be conducted, and the entity to conduct them. The audit plan will give priority to auditing the higher risk areas identified in the OSS report. The two-year cycle will examine risks likely to exist across that period and the past history of testing, in order to determine what combination of high and more moderate areas of risk should be examined during the two-year cycle. The first year of a two-year cycle will concentrate on areas most likely to require follow-up in the second year.

15.1.3 The audit plan shall be coordinated with other audit plans that may be conducted by other state commissions so as to avoid duplication, shall not impede CenturyLink QC's ability to comply with the other provisions of the PAP and should be of a nature and scope that can be conducted in accordance with the reasonable course of CenturyLink QC's business operations.

15.1.4 Any dispute arising out of the audit plan, the conduct of the audit, or audit results shall be resolved by the oversight committee of Commissioners. Decisions of the oversight committee of Commissioners may be appealed to a committee of the chairs of the participating Commissions.

15.2 CenturyLink QC may make management processes more accurate or more efficient to perform without sacrificing accuracy. These changes are at CenturyLink QC's discretion but will be reported to the independent auditor in quarterly meetings in which the auditor may ask questions about changes made in the CenturyLink QC measurement regimen. The meetings, which will be limited to CenturyLink QC and the independent auditor, will permit an independent assessment of the materiality and propriety of any CenturyLink QC changes, including, where necessary, testing of the change details by the independent auditor. The information gathered by the independent auditor may be the basis for reports by the independent auditor to the participating Commissions and, where the Commissions deem it appropriate, to other participants.

15.3 In the event of a disagreement between CenturyLink QC and CLEC as to any issue regarding the accuracy or integrity of data collected, generated, and reported pursuant to the PAP, CenturyLink QC and the CLEC shall first consult with one another and attempt in good faith to resolve the issue. If an issue is not resolved within 45 days after a request for consultation, CLEC and CenturyLink QC may, upon a demonstration of good cause, (e.g., evidence of material errors or discrepancies) request an independent audit to be conducted, at the initiating party's expense. The independent auditor will assess the need for an audit based upon whether there



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exists a material deficiency in the data or whether there exists an issue not otherwise addressed by the audit plan for the current cycle. The dispute resolution provision of section 18.0 is available to any party questioning the independent auditor's decision to conduct or not conduct a CLEC requested audit and the audit findings, should such an audit be conducted. An audit may not proceed until dispute resolution is completed. Audit findings will include: (a) general applicability of findings and conclusions (i.e., relevance to CLECs or jurisdictions other than the ones causing test initiation), (b) magnitude of any payment adjustments required and, (c) whether cost responsibility should be shifted based upon the materiality and clarity of any CenturyLink QC non-conformance with measurement requirements (no pre-determined variance is appropriate, but should be based on the auditor's professional judgment). CLEC may not request an audit of data more than three years from the later of the provision of a monthly credit statement or payment due date.

15.4 Expenses for the audit of the PAP and any other related expenses, except that which may be assigned under section 15.3, shall be paid first from any residual Tier 2 funds remaining in the Special Fund. For Idaho, the remainder of the audit expenses will be paid by CenturyLink QC.

16.0 Reviews

16.1 Every six (6) months, beginning six months after the effective date of section 271 approval by the FCC for the state of Idaho, CenturyLink QC, CLECs, or the Idaho Public Utilities Commission may initiate a review of the performance measurements to determine whether measurements should be added, deleted, or modified; whether the applicable benchmark standards should be modified or replaced by parity standards; and whether to move a classification of a measurement to High, Medium, or Low, Tier. The criterion for reclassification of a measurement shall be whether the actual volume of data points was less or greater than anticipated. Criteria for review of performance measurements, other than for possible reclassification, shall be whether there exists an omission or failure to capture intended performance, and whether there is duplication of another measurement. Any disputes regarding adding, deleting, or modifying performance measurements shall be resolved pursuant to a proceeding before the Commission and subject to judicial review. No new performance measurements shall be added to this PAP that have not been subject to observation as diagnostic measurements for a period of 6 months. Any changes made at the six-month review pursuant to this section shall apply to and modify this agreement between CenturyLink QC and CLEC, subject to a stay, modification or reversal upon appeal or judicial review.

16.1.1 Notwithstanding section 16.1, if any agreements on adding, modifying or deleting performance measurements as permitted by section 16.1 are reached between CenturyLink QC and CLECs participating in an industry Regional Oversight Committee (ROC) PID administration forum, those agreements shall be incorporated into the QPAP and modify the agreement between CLEC and CenturyLink QC at any

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time those agreements are submitted to the Commission, whether before or after a six-month review.

16.1.2 For the first twelve months that any changes made pursuant to paragraphs 16.1 or 16.1.1 are in effect, CenturyLink QC's liability for such changes shall be limited to 10% of the monthly payments that CenturyLink QC would have made absent the effect of such changes as a whole. This provision shall be referred to as "the 10% payment collar." Such payment limitation shall be accomplished by factoring the payments resulting from the changes to ensure that such payments remain within 10% of the payments CenturyLink QC would have made absent such changes.

16.1.3 In the event that the Commission adds, modifies, or reclassifies a performance measurement that has not been agreed upon in the ROC PID administration forum process in 16.1.1, the 10% payment collar shall remain in effect unless removed by the Commission pursuant to this section. If, after a minimum of 6 months of payments to a CLEC, CenturyLink QC's payments have been limited by the 10% payment collar to 80% or less of what the total payments would have been absent the collar for the preceding 6-month period, the Commission may, upon motion by an affected CLEC, conduct a record proceeding to determine whether the 10% payment collar should be removed from any such performance measure. The Commission can prospectively remove the 10% collar for payments to affected CLEC(s) for any such performance measure upon a demonstration through a record proceeding and a Commission determination that the total payments to the CLEC(s) under the QPAP were inadequate to compensate CLEC(s) for actual harm incurred during the same period and upon a determination that such change is otherwise necessary and appropriate and in the public interest.

16.1.4 Notwithstanding section 16.1, any party may submit a root cause analysis to the Commission requesting removal of a PID or sub-measure from the PAP or requesting exemption of a PID or sub-measure from the application of the trigger mechanism for reinstatement or subsequent removal. In the analysis and recommendations concerning the root cause analysis, the Commission is to consider, at a minimum, whether the root cause analysis provides evidence of no harm, the same harm as covered by other PID measures, non-CenturyLink QC related causes, or other factors which directly relate to the harm or circumstances specific to the PID or sub-measure being analyzed.

16.2 Two years after the effective date of the first FCC 271 approval of the PAP, the participating Commissions may conduct a joint review by an independent third party to examine the continuing effectiveness of the PAP as a means of inducing compliant performance. This review shall not be used to open the PAP generally to amendment, but would serve to assist Commissions in determining existing conditions and reporting to the FCC on the continuing adequacy of the PAP to serve its intended functions. The expense of the reviews shall be paid from the Special Fund.

CenturyLink QC Idaho SGAT Third Revised, Seventh Amended Exhibit K, December 17, 2010

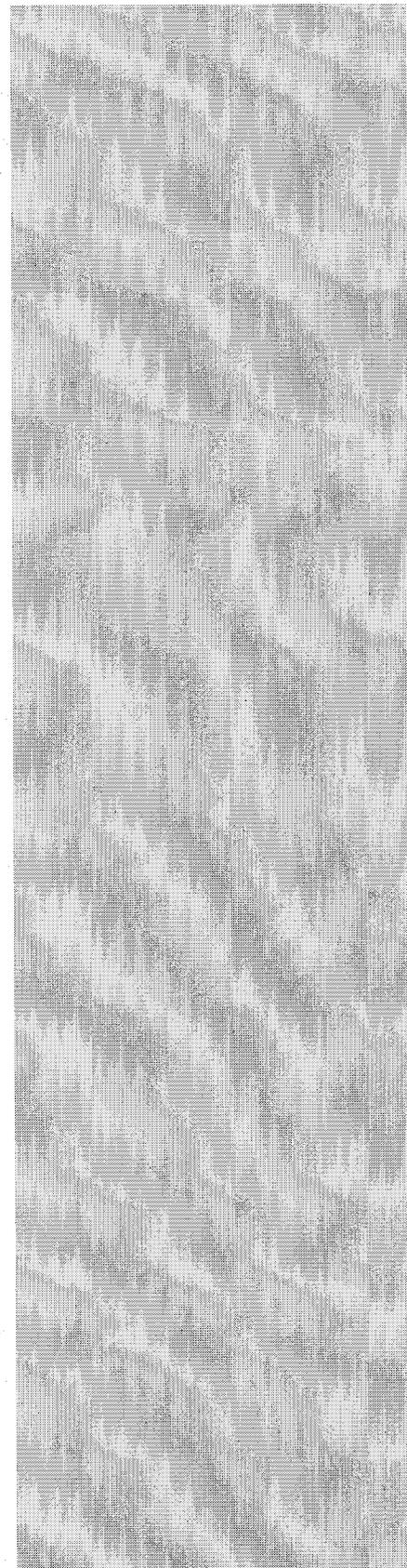


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16.3 CenturyLink QC will make the PAP available for CLEC interconnection agreements until such time as CenturyLink QC eliminates its Section 272 affiliate. At that time, the Commission and CenturyLink QC shall review the appropriateness of the PAP and whether its continuation is necessary. However, in the event CenturyLink QC exits the interLATA market, that State PAP shall be rescinded immediately.

17.0 Voluntary Performance Assurance Plan

This PAP represents CenturyLink QC's voluntary offer to provide performance assurance. Nothing in the PAP or in any conclusion of non-conformance of CenturyLink QC's service performance with the standards defined in the PAP shall be construed to be, of itself, non-conformance with the Act.

18.0 Dispute Resolution

For the purpose of resolving disputes over the meaning of the provisions of the PAP and how they should be applied, the dispute resolution provisions of the SGAT, section 5.18, shall apply whether the CLEC uses the SGAT in its entirety or elects to make the PAP part of its interconnection agreements (i.e., the unique dispute resolution provisions of interconnection agreements should not apply).

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Attachment 1: Performance Measurements Subject to Per Occurrence Payment

Performance Measurement		Payments Levels					
		Low	Med	High			
PRE-ORDER/ORDERS							
LSR Rejection Notice Interval	PO-3 ^{a,h}	X					
Firm Order Confirmations On Time	PO-5 ^h	X					
Work Completion Notification Timeliness	PO-6 ^{b,h}	X					
Billing Completion Notification Timeliness	PO-7 ^{b,h}	X					
Jeopardy Notice Interval	PO-8	X					
Timely Jeopardy Notices	PO-9	X					
(Expanded) – Manual Service Order Accuracy	PO-20 ^h		X				
ORDERING AND PROVISIONING							
Installation Commitments Met	OP-3 ^g			X			
Installation Intervals	OP-4 ^{c,g}			X			
New Service Quality	OP-5 ^{a,g} , b ^{d,g}			X			
Delayed Days	OP-6 ^{e,g}			X			
Number Portability Timeliness	OP-8			X			
Coordinated Cuts On Time – Unbundled Loops	OP-13a			X			
LNP Disconnect Timeliness	OP-17			X			
MAINTENANCE AND REPAIR							
Out of Service Cleared within 24 hours	MR-3 ^g			X			
All Troubles Cleared within 4 hours	MR-5 ^g			X			
Mean time to Restore	MR-6 ^{a,g} , b ^{b,g} , c ^{c,g} , d ^d , e ^e			X			
Repair Repeat Report Rate	MR-7 ^g			X			
Trouble Rate	MR-8 ^g			X			
LNP Trouble Reports Cleared within Specified Timeframes	MR-11			X			
BILLING							
Time to Provide Recorded Usage Records	BI-1	X					
Billing Accuracy-Adjustments for Errors	BI-3	X					
Billing Completeness	BI-4	X					
NETWORK PERFORMANCE							
Trunk Blocking	NI-1			X			
NXX Code Activation	NP-1			X			

Comment [MW2]: Also delete the right-most three columns, since they are no longer needed.

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- a. PO-3 is limited to PO-3a-1, PO-3x, and PO-3c.
- b. PO-6 is included with PO-7 as a "family." Measurements within the family share a single payment opportunity with only the measurements with the highest payment being paid.
- c. OP-4 is included with OP-6 as five "families:" OP-4a/OP-6-1, OP-4b/OP-6-2, OP-4c/OP-6-3, OP-4d/OP-6-4, and OP-4e/OP-6-5. Measurements within each family share a single payment opportunity with only the measurement with the highest payment being paid.
- d. Section 3.1.2 applies to OP-5b only if the number of orders with trouble in OP-5a is no more than one.
- e. For purposes of the PAP, OP-6a and OP-6b will be combined and treated as one. The combined OP-6 breaks down to OP-6-1 (within MSA), OP-6-2 (outside MSA), OP-6-3 (no dispatch), OP-6-4 (zone 1), and OP-6-5 (zone 2).
- f. Applicable only to xDSL-I capable loops.
- g. Excludes the following product disaggregations as applicable to this PID: Resale Centrex, Resale Centrex 21, Resale DS0 (non-designed), Resale DS0 (designed), Resale DS0, E911/911 Trunks, Resale Frame Relay, Resale Basic ISDN (non-designed), Resale Basic ISDN (designed), Resale Basic ISDN, Resale Primary ISDN (non-designed), Resale Primary ISDN (designed), Resale Primary ISDN, Resale PBX (non-designed), Resale PBX (designed), Resale PBX, Sub-Loop Unbundling, UNE-P (POTS), UNE-P (Centrex), and UNE-P (Centrex 21).
- h. Stabilization Period: For each of these new measures/sub-measures that include XML results there will be a 3-month measurement stabilization period. During this period, no payment applies if the payment is determined to have been caused by the development to include XML into the PID results and not due to an actual performance miss. In order to determine the cause of payments during the stabilization period, if any payments are identified, the payment's due date will be extended for 30 days to provide CenturyLink QC the opportunity to perform root cause analysis and make the results readily available to the impacted parties. Until performance reporting includes XML results, the prior measures/sub-measures included in the PAP will apply. Further, should either the IMA-GUI or IMA-XML interfaces be replaced in the future, results from the replacement interfaces will be automatically incorporated into these measures and be included in the PAP (with a stabilization period) coincident with CLEC migration to the new interfaces subject to changes to the impacted measures including but not limited to modification due to operational differences with the replacement interfaces.

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Attachment 2: Performance Measurements Subject to Per Measurement Caps

Billing

Time to Provide Recorded Usage Records – BI-1
Billing Accuracy – Adjustments for Errors – BI-3
Billing Completeness – BI-4

