

THIS AMENDMENT: **ORIGINAL**

Passed Passed as amended by _____
 Failed Not Offered Withdrawn



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HATCH-MILLER PROPOSED AMENDMENT #1
To March 19, 2004 ROO

2004 APR 19 P 4: 30

AZ CORP COMMISSION
DOCUMENT CONTROL

TIME/DATE PREPARED: 4:30 pm/April 19, 2004

COMPANY: Qwest Corporation

ITEM NO. U-1

DOCKET NO. T-00000A-97-0238
RT-00000F-02-0271
T-01051B-02-0871

OPEN MEETING DATE: April 21, 2004

Page 44, DELETE lines 5 through 20 and INSERT:

“In addition, to rectify the harm to competition caused by Qwest providing discounts to Eschelon and McLeod, Qwest should be required to provide each CLEC certificated in Arizona during the period January 1, 2001 to June 30, 2002, with a one-time credit totaling a percentage of its purchases of unbundled network elements and Section 251 (b) and (c) services from Qwest Communications Corporation or Qwest Corporation, and their affiliates, in Arizona from January 1, 2001 through June 30, 2002. The amount of the total CLEC payments discussed in this paragraph should not exceed \$11,650,000 for eligible CLECs.

The underlying agreements with Eschelon and McLeod from which these discounts are derived, included unbundled network elements and Section 251 (b) and (c) services purchased from Qwest. This Commission does not have jurisdiction to order discounts on interstate services. The Eschelon agreement was in effect from November 15, 2000 to March 2, 2002, a period of 17 months. (Kalleberg Direct, EX, ST-2, p. 20) The McLeod agreement was in effect from January 1, 2001 to June 30, 2002, a period of 18 months. (Brotherson Rebuttal, 6:19-25) The discounts we order herein are intended to reflect the period that the Eschelon and McLeod agreements were in effect.”

Page 44, DELETE lines 26 through 28 and INSERT:

“Qwest may provide the discounts to the CLECs in the form of credits; however, if an eligible CLEC is no longer doing business in Arizona, does not do sufficient business in Arizona to use the credits within six months, or has filed for relief under federal bankruptcy laws since January 1, 2001, Qwest should provide the discount as a cash payment.”

Page 45, line 21, after “period”

DELETE “October 1, 2000 to June 30, 2002” and INSERT “January 1, 2001 to June 30, 2002”

Arizona Corporation Commission

DOCKETED

APR 19 2004

DOCKETED BY	<i>[Signature]</i>
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Page 45, line 22, after "herein." DELETE the remainder of the line. DELETE lines 23 through 24

Page 46, DELETE lines 1 through 9

Page 55, DELETE lines 6 through 12 and INSERT New Ordering Paragraph:

"IT IS FURTHER ORDERED that Qwest Corporation shall provide each CLEC, certificated in Arizona at any time during the period January 1, 2001 to June 30, 2002, with a one-time credit totaling a percentage of its purchases of unbundled network elements and Section 251 (b) and (c) services from Qwest Communications Corporation or Qwest Corporation, and their affiliates, in Arizona from January 1, 2001 through June 30, 2002. The amount of the total CLEC payments ordered pursuant to this paragraph shall not exceed \$11,650,000 for eligible CLECs identified by Staff and Qwest Corporation. Qwest Corporation shall not be eligible for the CLEC payment. Eligible CLECs shall not include Eschelon Telecom, Inc., McLeod, Inc., High Performance Communications, and CLECs that have filed for relief under federal bankruptcy laws since January 1, 2001. If such eligible CLEC does not currently do sufficient business in Arizona to use its full credit within six months, Qwest Corporation shall make a cash payment to such CLEC for the balance of the credit to which it is entitled. Qwest Corporation shall issue such credits or payments due under this provision to all eligible CLECs within 60 days of the effective date of this Decision."

Page 55, after New Ordering Paragraph, INSERT New Ordering Paragraph:

"IT IS FURTHER ORDERED that Qwest Corporation shall submit a written report to Staff demonstrating payment to the CLECs within 120 days of the effective date of this Decision. Qwest Corporation shall provide any additional reasonable information requested by Staff in determining that such CLEC payments were issued in a proper and timely manner. Qwest Corporation shall submit CLEC-specific information to Staff."

Page 56, DELETE lines 5 through 10

MAKE ALL CONFORMING CHANGES AS NECESSARY