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BEFORE THE ARIZONA CORPORATION COMMISSION

BOB STUMP
Chairman
GARY PIERCE
Commissioner
BRENDA BURNS
Commissioner
BOB BURNS
Commissioner
SUSAN BITTER SMITH
Commissioner

Arizona Corporation Commission

DOCKETED

FEB - 6 2013

DOCKETED BY NR

IN THE MATTER OF THE APPLICATION
OF QWEST CORPORATION DBA
CENTURYLINK QC, QWEST
COMMUNICATIONS COMPANY, LLC
DBA CENTURYLINK QCC, QWEST LD
CORP. DBA CENTURYLINK LD AND
EMBARQ COMMUNICATIONS, INC. DBA
CENTURYLINK COMMUNICATIONS FOR
APPROVAL OF A WAIVER FROM
COMMISSION RULE A.A.C. R14-2-
1115.C.3.

DOCKET NO. T-01051B-12-0481
DOCKET NO. T-02811B-12-0481
DOCKET NO. T-04190A-12-0481
DOCKET NO. T-20443A-12-0481

DECISION NO. 73648
ORDER

Open Meeting
January 30 and January 31, 2013
Phoenix, Arizona

BY THE COMMISSION:

FINDINGS OF FACT

1. Qwest Corporation d/b/a CenturyLink QC, Qwest Communications Company, LLC d/b/a CenturyLink QCC, Qwest LD Corp. d/b/a CenturyLink LD, and Embarq Communications, Inc. d/b/a CenturyLink Communications (collectively the "Joint Applicants" or the "CenturyLink Companies") are certificated to provide intrastate telecommunications services as public service corporations in the State of Arizona.

Introduction

2. On November 30, 2012, pursuant to Arizona Administrative Code ("A.A.C.") R14-2-1115.I, the CenturyLink Companies filed a Joint Application with the Arizona Corporation Commission ("Commission" or "ACC") seeking an exemption from A.A.C. R14-2-1115.C.3,

1 Commission (“Commission” or “ACC”) seeking an exemption from A.A.C. R14-2-1115.C.3,
2 subject to the condition that each of the CenturyLink Companies will be required to provide
3 Individual Case Basis (“ICB”) contracts to the Commission Staff at any time upon request.

4 Background

5 3. A.A.C. R14-2-1101 states “These rules shall govern the provision of competitive,
6 intrastate telecommunications services to the public by telecommunications companies subject to
7 the jurisdiction of the Arizona Corporation Commission. Unless otherwise ordered by the
8 Commission, these rules shall not govern the provision of service by independently or local
9 exchange carrier-owned pay telephones (COPTs) and alternative operator service (AOS)
10 providers, which shall instead be governed by Articles 9 and Article 10 of this Chapter,
11 respectively. The provision of local exchange service also shall be governed by Article 5 of this
12 Chapter, to the extent that Article is not inconsistent with these rules.”

13 4. A.A.C. R14-2-1115.C states “Each telecommunications company governed by this
14 Article shall file with the Commission current tariffs, price levels, and contracts that comply with
15 the provisions of this Article and with all Commission rules, orders, and all other requirements
16 imposed by the laws of the state of Arizona.”

17 5. A.A.C. R14-2-1115.C.3 states “Contracts of telecommunications companies
18 governed by this Article shall be filed with the Commission not later than five business days after
19 execution. If the contract includes both competitive and noncompetitive services, it must be filed
20 at least five business days prior to the effective date of the contract and must separately state the
21 tariffed rate for the noncompetitive services and the price for the competitive services.”

22 6. A.A.C. R14-2-1115.I states “The Commission may consider variations or
23 exemptions from the terms or requirements of any of the rules included herein (14 A.A.C. 2,
24 Article 11) upon the verified Application of an affected party. The Application must set forth the
25 reasons why the public interest will be served by the variation or exemption from the Commission
26 rules and regulations. Any variation or exemption granted shall require an order of the
27 Commission. Where a conflict exists between these rules and an approved tariff or order of the
28 Commission, the provisions of the approved tariff or order of the Commission shall apply.”

1 Staff's Analysis

2 7. The Joint Applicants state that they adopt and incorporate the same reasons given
3 by Cox in its Application for Exemption from the Contract Filing Rule¹ in support of their request
4 for a waiver from A.A.C. R14-2-1115.C.3:

- 5 (i) Confusion exists regarding the requirement to file ICBs,
6 (ii) Numerous Basic Services Arrangements, Commercial Service Agreements, ICBs
7 and other contracts may have to be filed pursuant to A.A.C. R14-2-1115.C.3,
8 depending on the Commission's interpretation of "contract",
9 (iii) The administrative time and cost of filing and securing confidential contracts by
10 Staff and the CenturyLink Companies are burdensome,
11 (iv) To date, no carrier has raised a dispute regarding ICBs,
12 (v) A.A.C. R14-2-1115.C.3 has created little direct public benefit in regards to ICBs,
13 and
14 (vi) The Commission has the authority to ask for any contract if issues are brought to
15 the Commission's attention regardless of whether any contracts have been filed
16 pursuant to A.A.C. R14-2-1115.C.3.

17 8. The Application of the CenturyLink Companies' for a waiver request asks only for
18 relief from Subsection C.3 relative to the filing of contracts. The Joint Applicants indicate that they
19 do not seek relief from the duty to file tariffs for competitive services.

20 9. As stated in the Application, the CenturyLink Companies provide or hold
21 Certificates of Convenience and Necessity ("CC&Ns") to provide facilities-based and resold local
22 exchange and interexchange telecommunications services in Arizona. All of the services provided
23 by the CenturyLink Companies are classified as competitive or competitive subject to conditions
24 under A.A.C. R14-2-1108.² As a result, the CenturyLink Companies are subject to the
25 administrative requirement of A.A.C. R14-2-1115.C.3 to file contracts it enters for providing
26 competitive services.

27 10. Cox Arizona Telcom, L.L.C. ("Cox") filed a similar Application with the
28 Commission for an exemption from R14-2-1115.C.3 in T-03471A-11-0256 and on November 21,

26 ¹ *In the Matter of the Application of Cox Arizona Telcom, LLC for an Exemption from Commission Rule A.A.C. R14-2-1115.C.3*, ACC Docket No. T-03471A-11-0256.

27 ² Opinion and Order, Decision No. 73354, *In the Matter of Qwest Corporation d/b/a CenturyLink – QC to Classify and Regulate Retail Local Exchange Telecommunications Services as Competitive, and to Classify and Deregulate Certain Services As Non-Essential*, Arizona Corporation Commission Docket No. T-01051B-11-0378, August 21, 2012.

1 2012, the Commission granted Cox a waiver regarding the filing of ICBs per R14-2-1115.C.3 in
2 Decision No. 73579.

3 11. CenturyLink states that no facts or circumstances distinguish this Application from
4 Cox's Application in a way that should result in a different outcome.

5 Staff's Recommendations

6 12. Staff recognizes that the telecommunications industry has evolved significantly
7 since these Commission rules were adopted. The need no longer exists today, in Staff's opinion,
8 to require carriers to file these contracts within five (5) days of their execution.

9 13. Therefore, while Staff does not recommend that the CenturyLink Companies be
10 exempt from the filing requirement of A.A.C. R14-2-1115.C.3 altogether, Staff does believe that a
11 conditional waiver of the ICBs filing requirement is appropriate. The waiver should be subject to
12 the condition that the CenturyLink Companies be required to provide its ICB contracts to Staff, at
13 any time, upon request.

14 CONCLUSIONS OF LAW

15 1. Qwest Corporation d/b/a CenturyLink QC, Qwest Communications Company, LLC
16 d/b/a CenturyLink QCC, Qwest LD Corp. d/b/a CenturyLink LD, and Embarq Communications,
17 Inc. d/b/a CenturyLink Communications are public service corporations within the meaning of
18 Article XV of the Arizona Constitution.

19 2. The Commission has jurisdiction over Qwest Corporation d/b/a CenturyLink QC,
20 Qwest Communications Company, LLC d/b/a CenturyLink QCC, Qwest LD Corp. d/b/a
21 CenturyLink LD, and Embarq Communications, Inc. d/b/a CenturyLink Communications and the
22 subject matter in this filing.

23 3. The Commission, having reviewed the filing and Staff's Memorandum dated
24 January 14, 2013, concludes that it is in the public interest to grant approval as proposed and
25 discussed herein.

26 ORDER

27 IT IS THEREFORE ORDERED that the Joint Application of Qwest Corporation d/b/a
28 CenturyLink QC, Qwest Communications Company, LLC d/b/a CenturyLink QCC, Qwest LD

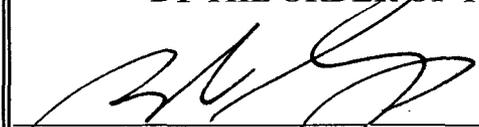
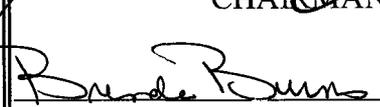
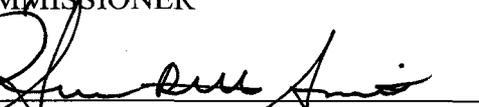
1 Corp. d/b/a CenturyLink LD, and Embarq Communications, Inc. d/b/a CenturyLink
2 Communications seeking an exemption from A.A.C. R14-2-1115.C.3., pursuant to A.A.C. R14-2-
3 1115.I, as described herein, be and hereby is denied.

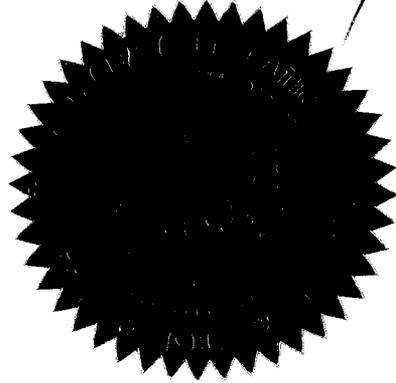
4 IT IS FURTHER ORDERED that Qwest Corporation d/b/a CenturyLink QC, Qwest
5 Communications Company, LLC d/b/a CenturyLink QCC, Qwest LD Corp. d/b/a CenturyLink
6 LD, and Embarq Communications, Inc. d/b/a CenturyLink Communications shall be granted a
7 waiver regarding the filing of Individual Case Basis ("ICB") contracts per A.A.C. R14-2-1115.C.3.

8 IT IS FURTHER ORDERED that Qwest Corporation d/b/a CenturyLink QC, Qwest
9 Communications Company, LLC d/b/a CenturyLink QCC, Qwest LD Corp. d/b/a CenturyLink
10 LD, and Embarq Communications, Inc. d/b/a CenturyLink Communications are required to
11 provide their ICB contracts to Staff and/or the Commission, at any time, upon request.

12 IT IS FURTHER ORDERED that this Decision shall be become effective immediately.

13
14 **BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION**

15
16  CHAIRMAN  COMMISSIONER
17  COMMISSIONER  COMMISSIONER  COMMISSIONER
18



19
20 IN WITNESS WHEREOF, I, JODI JERICH, Executive
21 Director of the Arizona Corporation Commission, have
22 hereunto, set my hand and caused the official seal of this
23 Commission to be affixed at the Capitol, in the City of
24 Phoenix, this ^{6th} day of February, 2013.

24 
25 JODI JERICH
26 EXECUTIVE DIRECTOR

26 DISSENT: _____
27 DISSENT: _____

28 SMO:PJG:sms/MAS

1 SERVICE LIST FOR: QWEST CORPORATION DBA CENTURYLINK QC, QWEST
2 COMMUNICATIONS COMPANY, LLC DBA CENTURYLINK QCC, QWEST LD CORP.
3 DBA CENTURYLINK LD AND EMBARQ COMMUNICATIONS, INC. DBA
4 CENTURYLINK COMMUNICATIONS
5 DOCKET NOS. T-01051B-12-0481, T-02811B-12-0481, T-04190A-12-0481, T-20443A-12-0481

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