

QWEST CORPORATION

SGAT Advice Notice No. 7

November 24, 2004

NEW MEXICO PUBLIC REGULATION COMMISSION

Qwest Corporation ("Qwest") hereby gives notice to the public and the Commission of the filing of Sixth Amended Exhibit B (Version 8.1) and Fourth Amended Exhibit K to Qwest's New Mexico Statement of Generally Available Terms ("SGAT"), Eleventh Revision. Qwest asks the Commission to permit the Sixth Amended Exhibit B and, through its petition filed contemporaneously with this SGAT Advice Notice No. 7, Fourth Amended Exhibit K to take effect by December 31, 2004, but in any event not later than 60 days after the filing of this SGAT Advice Notice pursuant to 47 U.S.C. § 252(f)(3)(B). Sixth Amended Exhibit B contains Qwest's Performance Indicator Definitions ("PIDs"). Fourth Amended Exhibit K sets forth Qwest's Performance Assurance Plan ("QPAP"). In accordance with Qwest's SGAT Review Procedures as approved by the Commission on December 16, 2003, in Case No. 03-00025-UT, Qwest provides the following information regarding this filing:

1. Copies of Sixth Amended Exhibit B and Fourth Amended Exhibit K are submitted with this SGAT Advice Notice. Additional copies of Sixth Amended Exhibit B and Fourth Amended Exhibit K are also submitted with the text marked to show all changes and revisions to Fifth Amended Exhibit B (Version 8.0) and Third Amended Exhibit K to Qwest's New Mexico SGAT, Eleventh Revision. All such changes are explained in Attachment A to this SGAT Advice Notice.

2. This filing is prompted by a stipulation reached by the parties to the Arizona First Six Month Review of the Qwest Performance Assurance Plan (the "Arizona Stipulation"). The parties to the Arizona Stipulation include Qwest, the Utilities Division Staff of the Arizona Corporation Commission and several competitive local exchange carriers participating in the review. A copy of the Arizona Stipulation is attached to Attachment A to this SGAT Advice Notice No. 7. Sixth Amended Exhibit B and Fourth Amended Exhibit K reflect the resolution of two issues related to OP-5-B, "New Service Quality/New Service Provisioning Quality" – standards and low volume treatment – reflected in the Arizona Stipulation and described in Attachment A. Pursuant to the Arizona Stipulation the resolutions reached by the parties are to be submitted to the commissions in the remaining states of Qwest's incumbent local exchange region.

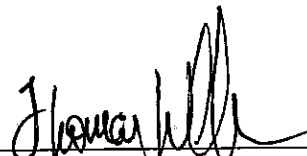
3. To Qwest's knowledge, the proposed changes reflected in Sixth Amended Exhibit B and Fourth Amended Exhibit K do not conflict with any order or rule of the Commission currently in effect and comport with Section 20 of Qwest's SGAT, Eleventh Revision. Pursuant to Section 20 of Qwest's SGAT, Eleventh

Revision, the changes reflected in Sixth Amended Exhibit B will also be incorporated in existing interconnection agreements that include the PIDs. Because the QPAP is not changed in the same manner as the SGAT Qwest is, through a petition filed contemporaneously with this SGAT Advice Notice No. 7, asking the Commission to approve the changes reflected in Fourth Amended Exhibit K. Upon such approval, Fourth Amended Exhibit K will take effect as ordered. Pursuant to Section 16.0 of the QPAP and Section 20 of the SGAT, the changes reflected in Fourth Amended Exhibit K will also be incorporated in existing interconnection agreements that include the QPAP.

4. Copies of this SGAT Advice Notice, Sixth Amended Exhibit B, and Fourth Amended Exhibit K with and without marked changes, are posted to Qwest's website and are available at <http://www.qwest.com/about/policy/sgats/NM.html>.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

By  _____
Thomas W. Olson
Post Office Box 2307
Santa Fe, NM 87504-2307
(505) 982-3873
tolson@montand.com

George B. Thomson, Jr., Esq.
Staff Attorney
Policy and Law Department
Qwest Corporation
1801 California Street, 9th Floor
Denver, CO 80202
(303) 383-6645
George.Thomson@qwest.com

Attorneys for Qwest Corporation

**ATTACHMENT A
SGAT ADVICE NOTICE NO. 7**

AGREED UPON ITEMS AND DESCRIPTION OF CHANGES

A. Standards for OP-5B

As part of the Arizona Stipulation, the Stipulating Parties agreed to apply a 96.5% benchmark standard to all products reported in OP-5B except for three product disaggregations, which are to remain diagnostic: frame relay, sub-loop unbundling and dark fiber.¹ Changes incorporated in Sixth Amended Exhibit B and Fourth Amended Exhibit K effectuate this agreement.

B. Low Volume Treatment for OP-5B

Additionally, as part of the Arizona Stipulation, the Stipulating Parties agreed to low volume treatment for OP-5B in Exhibit K. Low volume treatment for OP-5B will apply if both (1) the CLEC volume of orders is less than or equal to 29 (the denominator of OP-5T) and (2) the number of orders with trouble in OP-5A is no more than one. When these two conditions are met, a standard of no more than one order with new service trouble applies. Changes incorporated in Fourth Amended Exhibit K effectuate this agreement.

¹ On September 15, 2004, Qwest filed SGAT Advice Notice No. 6 with Fifth Amended Exhibit B (Version 8.0) in order to give effect to the agreement that Qwest and CLECs reached in the Washington Second Six Month Review. One change was to add a disaggregation for loop splitting on a diagnostic basis in the event the volume criteria, specified in the Washington Stipulation, were met; accordingly, loop splitting disaggregation remains diagnostic and is to remain diagnostic even if volumes are eventually reported.

RECEIVED
BEFORE THE ARIZONA CORPORATION COMMISSION

2004 NOV -1 P 4 02

1
2 MARC SPITZER
3 CHAIRMAN
4 WILLIAM A. MUNDELL
5 COMMISSIONER
6 JEFF HATCH-MILLER
7 COMMISSIONER
8 MIKE GLEASON
9 COMMISSIONER
10 KRISTIN K. MAYES
11 COMMISSIONER

AZ CORP COMMISSION
DOCUMENT CONTROL

12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
IN THE MATTER OF QWEST
CORPORATION'S PERFORMANCE
ASSURANCE PLAN

DOCKET NO. T-01051B-03-0859

STIPULATION OF THE PARTIES

COME NOW MCI, Inc. ("MCI"), Eschelon Telecom, Inc. ("Eschelon"), AT&T Communications of the Mountain States, Inc. and TCG of Phoenix, Inc. (collectively "AT&T"), DIECA Communications Company dba Covad Communications ("Covad"), (collectively, the "CLECs"), the Commission Utilities Division Staff ("Staff") and Qwest Corporation ("Qwest") (collectively, the "Stipulating Parties") and submit the following Stipulation, resolving the majority of outstanding issues in the Arizona First 6 Month Review of the Qwest Performance Assurance Plan ("QPAP") Proceeding. A copy of the QPAP may be found in the Statement of Generally Available Terms and Conditions ("SGAT") as Exhibit K.

The Stipulating Parties have agreed and respectfully recommend that the Arizona Corporation Commission ("ACC" or "Commission") issue its Order approving the following disposition of issues identified in the initial issues matrix in this Proceeding that relate to both the QPAP (Exhibit K) and Performance Indicator Definitions ("PIDs") found in Exhibit B of the SGAT. This Stipulation is intended to be a comprehensive resolution. As such, each Stipulating Party has agreed to compromise its positions, including legal positions, with the goal of achieving an overall resolution that is fair and in the public interest. The CLECs and Qwest have agreed to

1 support the Stipulation and bring no additional issues forward during this First 6 Month Review.
2 Staff has agreed to support the Stipulation and bring no additional issues forward except as to the
3 limited issue described herein in this Stipulation. Thus, the Stipulating Parties, at arms' length and
4 with full knowledge of the facts, recommend that this Stipulation be approved by the Commission
5 as it is consistent with the Federal Telecommunications Act of 1996 ("the Act") and this
6 Commission's prior orders regarding the QPAP.

7 The Stipulating Parties have entered into this Stipulation with the intent that it be
8 submitted to and recommended by the CLECs and Qwest to the other commissions in Qwest's
9 14-state region except as to the limited issue raised by Staff.

10 If the ACC does not adopt the proposal in this Stipulation, in whole or in part, the CLECs
11 and Qwest reserve their rights to take positions on issues in future proceedings in Arizona that
12 may be contrary to this Stipulation. If any other regulatory commission does not adopt the
13 proposal in this Stipulation, in whole or in part, the CLECs and Qwest reserve their rights to take
14 positions on issues in future proceedings in those states that may be contrary to this Stipulation.
15 Except as necessary to effectuate their agreement to promptly submit and recommend this
16 Stipulation to all remaining state regulatory commissions, nothing in this Stipulation may be used
17 as precedent or an admission against interest by any Stipulating Party against any other
18 Stipulating Party in any future proceeding. Any Party may bring to Arizona subsequent
19 agreements reached in other state proceedings on these or other issues for inclusion in the SGAT
20 Exhibits B and K.

21 Agreement to Resolutions in Washington 2nd 6 Month Review Proceeding

22 Issues 2, 3, 4, 7, and 9 appearing on the Arizona 6 Month PAP Review Issues Matrix
23 Tentative List filed on August 24, 2004 in this Docket ("Arizona initial issues list") were pending
24 resolution in Washington when submitted in this docket. Subsequently, the CLECs and Qwest
25 reached resolution in that proceeding. The Parties agree to resolve the Arizona issues in the same
26

1 manner as contained in the Washington Stipulation.¹ The following reflects the Stipulating
2 Parties' further resolution as to issues on the Arizona initial issues list matrix:

3 OP-5, New Service Quality

4 *Summarized Issue:* What benchmark should apply to OP-5B?

5 *Resolution:* The performance indicator definition OP-5B will be updated to reflect a benchmark
6 of 96.5% for all products except Dark Fiber, Sub-Loop Unbundling and Frame Relay which will
7 remain diagnostic. The QPAP and Minnesota Wholesale Service Quality Plan ("MWSQP") will
8 also be revised to include OP-5A and B.

9 Further, in the QPAP, OP-5B for all states, and in the MWSQP in Minnesota, apply a
10 standard of no more than one order with new service trouble (of the total orders in OP-5T) when
11 order volumes are ≤ 29 . That is, low volume treatment for OP-5B will only be triggered if both
12 (1) the CLEC volume of orders is less than or equal to 29 (the denominator of OP-5T) and (2) the
13 number of orders with trouble in OP-5A is no more than one.

14 This resolution eliminates Issues 5 and 6 on the Arizona initial issues list. The Parties do
15 not agree as to whether low volume treatment is appropriate. CLECs will not object to low
16 volume treatment in this one instance to resolve this disputed issue. In agreeing to this
17 compromise, the Parties are making no representations that low volume treatment or the linking
18 of measures to determine low volume treatment is appropriate for any other measurement or
19 purpose. All Parties reserve their rights to their positions as to the low volume treatment in other
20 contexts, and Qwest will not state in any other context that CLECs agreed that low volume relief
21 is appropriate based on this compromise.

22 In addition, the Parties do not agree as to whether a 96.5% benchmark is appropriate.
23 Qwest will not object to a 96.5% benchmark in the instance of this one sub-measurement, for all
24 states, to resolve this disputed issue. In agreeing to this compromise, the Parties are making no
25 representations that such a standard or benchmark level is appropriate for any other measurement.
26

¹ The Washington Stipulation was filed in Docket T-01051-B-99-0068 on September 15, 2004 with the clean and redlined versions of both SGAT Exhibits B and K and is also attached to the Arizona initial issues list as an exhibit and filed concurrently with this Stipulation.

1 All Parties reserve their rights to their positions as to the types and levels of standards for other
2 measurements in other contexts, and CLECs will not state in any other context that Qwest agreed
3 that a 96.5% benchmark is appropriate for the OP measures or for any other measurement.

4 PO-2, Electronic Flow-Through and BI-5, Billing Claims Adjustments

5 *Summarized Issue:* Should PO-2 and BI-5 be added to the QPAP?

6 *Resolution:* The Stipulating Parties agree to withdraw PO-2 and BI-5 (Issue 8) from the issues list
7 in this proceeding. The CLECs and Qwest intend by this agreement to maintain the status quo as
8 to PO-2 and BI-5 in all states at least until the next 6 month review cycle following what may
9 currently be started or underway.²

10 This resolution eliminates Issue 8 on the Arizona initial issues list.

11 QPAP Modifications Pending from May 3, 2004 SGAT Exhibit B Filing

12 *Summarized Issue:* How will the QPAP Exhibit K be modified to reflect applicable changes
13 resulting from the May 3, 2004 SGAT Exhibit B filing in Docket No. T-01051B-99-0068?

14 *Resolution:* Changes to modify the Arizona QPAP based on Qwest's May 3, 2004 SGAT Exhibit
15 B filing will be implemented for PID performance beginning with September data as governed by
16 the business rules for each measurement. Application of the QPAP will begin with October data
17 and will be paid pursuant to the applicable section of the QPAP. This resolution eliminates Issue
18 10 on the Arizona initial issues list.

19 Changes to PID Administration Process

20 *Summarized Issue:* How will PID modifications outside of the 6 month review process be made
21 and issues remaining on the Long Term PID Administration ("LTPA") issues matrix be handled?

22
23
24 ² CLECs agree not to seek the addition of PO-2 or BI-5 to any PAP that currently does not contain PO-2 (Arizona, Idaho, Iowa,
25 Montana, Nebraska, North Dakota, Oregon, South Dakota, Utah and Wyoming) or BI-5 (all states) until at least the next 6 month
26 review cycle following what may currently be started or underway. Qwest agrees not to seek the removal of PO-2 from the PAPs
that currently contain PO-2 (Colorado, Minnesota, New Mexico & Washington) until at least the next 6 month review cycle
following what may currently be started or underway and in any case not to begin earlier than January 1, 2005.

1 going forward?

2 *Resolution:* The Stipulating Parties disagree regarding the LTPA process. The CLECs and Qwest
3 reserve all rights and positions if and when the issue arises; however, for the purpose of this
4 Arizona First 6 Month Review Proceeding, with the exception of the staff, the CLECs and Qwest
5 hereby withdraw issues 19 and 20 from the issues list. If Staff decides to pursue this issue, all
6 Parties reserve their right to participate before the Commission. In the event that Staff pursues
7 this issue, it does not void the agreement among the Parties as to the other issues.

8 Staff Reporting Requests

9 *Summarized Issue:* Staff indicated on the October 15, 2004 conference call, that it had two
10 remaining issues relating to Qwest reporting, one of which does not appear on the initial Arizona
11 issues matrix. Staff requested that Tier II payment information be provided directly to the
12 business office and that Qwest provide data regarding CLECs who had not opted-in to the QPAP
13 and the amount of payments that those CLECs may have received had they opted-in to the QPAP.

14 *Resolution:* The first issue has been resolved with Qwest's agreement to provide the report with
15 its monthly QPAP payment to the business office. The other issue, relating to a data request from
16 Staff has been resolved with Qwest's agreement to provide the data but pending final
17 confidentiality language to be determined by Staff and Qwest. This resolution eliminates Issue 24
18 from the Arizona initial issues list.

19 Compromise

20 The series of resolutions identified above and in the Washington Stipulation appear to
21 resolve all known issues that may require a hearing in this Arizona First 6 Month Review
22 Proceeding except as to the LTPA process which Staff continues to consider.

23 Implementation

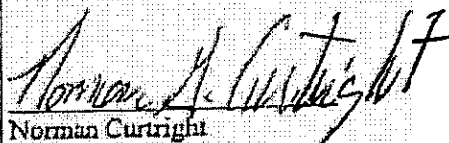
24 Application of the QPAP in all states and the MWSQP will begin with October data and
25 will be paid pursuant to the applicable section of the QPAP. Qwest agrees to file the Stipulation
26 and such SGAT revisions to Exhibits B and K by November 12, 2004 in Arizona and by

1 November 30, 2004 in Qwest's other 13 states. This Stipulation may be executed in counterparts.
2 Changes to Exhibits B and K in other states resulting from this Arizona Stipulation are intended
3 to be applicable to all CLECs that have adopted the QPAP in those states and in the MWSQP, and
4 Qwest will request that the interconnection agreements be so amended. Party CLECs will not
5 object to Qwest's request.

6 So have we all stipulated.

7
8 RESPECTFULLY SUBMITTED this 1st day of November, 2004.

9
10 QWEST CORPORATION

11
12 
13 Norman Curtright
14 Counsel for Qwest Corporation
15 4041 N. Central Ave
16 Phoenix, AZ 85012

Dated _____

17 COMMISSION STAFF

18
19
20 _____
21 Maureen A. Scott
22 Attorney, Legal Division
23 1200 West Washington Street
24 Phoenix, AZ 85007
25
26

Dated _____

Implementation

Application of the QPAP in all states and the MWSQP will begin with October data and will be paid pursuant to the applicable section of the QPAP. Qwest agrees to file the Stipulation and such SGAT revisions to Exhibits B and K by November 12, 2004 in Arizona and by November 30, 2004 in Qwest's other 13 states. This Stipulation may be executed in counterparts. Changes to Exhibits B and K in other states resulting from this Arizona Stipulation are intended to be applicable to all CLECs that have adopted the QPAP in those states and in the MWSQP, and Qwest will request that the interconnection agreements be so amended. Party CLECs will not object to Qwest's request.

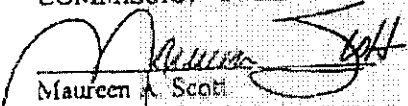
So have we all stipulated.

QWEST CORPORATION

Norman Curtright
Counsel for Qwest Corporation
4041 N. Central Ave
Phoenix, AZ 85012

Dated _____

COMMISSION UTILITIES DIVISION STAFF


Maureen A. Scott
Attorney, Legal Division
1200 West Washington Street
Phoenix, AZ 85007

Dated 11/1/04

ESCHELON TELECOM, INC.

Catherine Murray Dated 11-1-04
Catherine Murray
Manager Regulatory of Affairs
730 Second Avenue South, Suite 1200
Minnesota, MN 55402

MCI INC.

_____ Dated _____
Thomas Dixon
Counsel for MCI
707 17th Street, Suite 3900
Denver, CO 80202

COVAD

_____ Dated _____
Karen Frame
Counsel for Covad
7901 Lowry Blvd.
Denver, CO 80230

AT&T

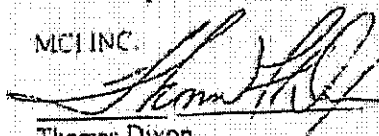
_____ Dated _____
Lety S.D. Friesen
Counsel for AT&T
1875 Lawrence Street, Suite 1575
Denver, CO 80202

ESCHELON TELECOM. INC.

Dated _____

Catherine Murray
Manager Regulatory of Affairs
730 Second Avenue South, Suite 1200
Minnesota, MN 55402

MCI INC.



Dated 11/1/04

Thomas Dixon
Counsel for MCI
707 17th Street, Suite 3900
Denver, CO 80202

COVAD

Dated _____

Karen Frame
Counsel for Covad
7901 Lowry Blvd.
Denver, CO 80230

AT&T

Dated _____

Letty S.D. Friesen
Counsel for AT&T
1875 Lawrence Street, Suite 1575
Denver, CO 80202

ESCHELON TELECOM, INC.

Catherine Murray
Manager Regulatory of Affairs
730 Second Avenue South, Suite 1200
Minnesota, MN 55402


Dated _____

MCI INC.

Thomas Dixon
Counsel for MCI
707 17th Street, Suite 3900
Denver, CO 80202

Dated _____

COVAD



Karen Frame
Counsel for Covad
7901 Lowry Blvd.
Denver, CO 80230

Dated 10/31/19

AT&T

Letty S.D. Friesen
Counsel for AT&T
1875 Lawrence Street, Suite 1575
Denver, CO 80202

Dated _____

ESCHELON TELECOM, INC.

Dated _____

Catherine Murray
Manager Regulatory of Affairs
730 Second Avenue South, Suite 1200
Minnesota, MN 55402

MCI INC.

Dated _____

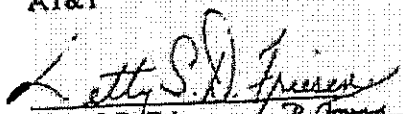
Thomas Dixon
Counsel for MCI
707 17th Street, Suite 3900
Denver, CO 80202

COVAD

Dated _____

Karen Frame
Counsel for Covad
7901 Lowry Blvd.
Denver, CO 80230

AT&T



Letty S.D. Friesen
Counsel for AT&T
1875 Lawrence Street, Suite 1575
Denver, CO 80202

Dated 11-1-04

CERTIFICATE OF SERVICE

I hereby certify that I caused a true and correct copy of the foregoing **ADVICE NOTICE NO. 7** to be mailed or hand-delivered on November 24, 2004 to the following:

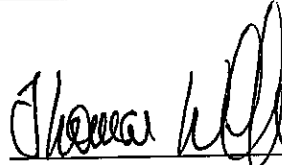
*Nancy Burns, Esq.
Staff Counsel
Public Regulation Commission
224 E. Palace Avenue
Santa Fe, NM 87501

David M. Kaufman, Esq.
128 E. DeVargas
Santa Fe, NM 87501

Lesley Lehr, Esq.
MCI Western Law and Public Policy
638 Summit Avenue
St. Paul, MN 55105

Brian Harris, Esq.
Judith Ann Moore, Esq.
Assistant Attorneys General
Office of the Attorney General
Post Office Drawer 1508
Santa Fe, NM 87504-1508

Copies of the foregoing documents are posted to Qwest Corporation's website at the following URL: <http://www.qwest.com/about/policy/sqats/NM.html>



Thomas W. Olson

* = hand-delivered