

August 9, 2000

For more information, contact:

Bob Rowe - 406-444-6167

Kate Whitney - 406-444-3056

MONTANA PSC INVITES PARTICIPATION IN REGIONWIDE EFFORT TO DEVELOP WHOLESAL PERFORMANCE ASSURANCE PLAN FOR QWEST

The Montana Public Service Commission joins state regulatory commissions in 11 of the 14 states in which Qwest (formerly U S WEST) provides local telephone service in inviting interested parties to participate with them and Qwest in a joint effort to develop an enforcement plan to ensure Qwest continues to provide satisfactory service to its competitors when Qwest earns Federal Communications Commission approval to offer full long-distance service in the states it serves.

Persons interested in joining the effort to develop the enforcement plan should contact the PSC at 406-444-3056 for information on how to participate.

"In order to get permission to provide in-region long distance service, Qwest must have a long-term plan in place that ensures it will provide ongoing satisfactory service to its local service competitors," according to Montana Public Service Commissioner Bob Rowe, chairman of the combined states' executive committee for this project. "This collaborative will develop effective, efficient ways to measure performance and penalize non-performance that state commissions will be able to use in considering Qwest's applications under Section 271."

Section 271 of the federal Telecommunications Act of 1996 sets out a procedure through which Bell Operating Companies such as Qwest could be allowed to provide long-distance service within their own regions in exchange for opening their systems to local competition. Section 271 sets out a "14- point checklist," and also requires Qwest to demonstrate that allowing it to provide long distance service is in the public interest. The FCC makes determinations, state-by-state, based on consultation with the federal Department of Justice and state public utility commissions. State commissions play a key role in developing a factual record, and resolving the entire range of problems associated with opening local phone systems to competition.

In its rulings on 271 applications, the FCC has indicated it favors a long-term post-271-approval enforcement plan that has built-in mechanisms for ensuring that the efforts the Bell Operating Company has taken to open up the local phone market are maintained. A post-271 enforcement plan includes performance requirements in a number of operational areas, including detailed descriptions of how such requirements are measured. It also identifies the self-enforcing penalties to be imposed on the company if it fails to meet the performance requirements of the plan.

The states participating in the collaborative development of a Qwest post-271 enforcement plan are: Colorado, Iowa, Idaho, Montana, Nebraska, North Dakota, South Dakota, Oregon, Utah, Washington and Wyoming. Expected benefits from the regionwide approach include the potential for more uniform service standards within the Qwest region, more efficient use of state and industry staff resources and increased cooperation among the various parties.

Preliminary plans call for three workshops to be held between this October and March 2001 to develop the post-271 enforcement plan, with the final product to be completed by April 2001. The state commissions have hired MTG Consulting and the National Regulatory Research Institute to manage the process and facilitate the workshops.

###