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August 16, 2012

Arizona Corporation Commission
Docket Control
CenturyLink-QC T-01051B-11-0378

RE: Dissent Letter –In the Matter of the Application of Qwest Corporation DBA Century Link-QC ("CenturyLink") to Classify and Regulate Retail Local Exchange Telecommunications Services as Competitive to Classify and Deregulate Certain Services as Non-Essential

I am docketing this dissent regarding my "No" vote in the above matter.

As I stated at the August 14, 2012 Open Meeting, I have worked hard to find ways to streamline the Commission's processes and to address regulatory lag. However, there are times when streamlining the Commission's regulatory processes may not be in the public interest.

I believe there are provisions in the Settlement Agreement in this case that will not benefit CenturyLink residential customers, and thus in my view are not in the public interest. I offered an amendment to modify the Settlement Agreement to exclude certain residential services from deregulation at this time. My amendment did not pass.

I am unconvinced that the record in this case establishes that the four residential maintenance plans and services that were the subject of my amendment are neither essential nor integral to the public service. Without appropriate regulatory protection by the Commission, I am concerned that residential customers may be vulnerable and without regulatory oversight as recourse related to these telecommunication services. Therefore, these services should not be deregulated at this time.

The Commission must balance approval of competitive opportunities such as those sought by CenturyLink in this docket with the impact of deregulation of services on customers. After due consideration of CenturyLink's request, and the weighing of the implicated public interest, it is my assessment that the record falls short in favor of deregulation as proposed by the Settlement Agreement.

It is for these reasons I voted against the Commission's approval of the Settlement Agreement.

Sandra D. Kennedy
Corporation Commissioner