

May 4, 2004

**NOTICE OF PROCEDURE FOR ADDRESSING  
SETTLEMENT AGREEMENT**

RE: In the Matter of the Review of Unbundled Loop and Switching Rates and  
Review of the Deaveraged Zone Rate Structure  
Docket No. UT-023003

TO ALL PARTIES OF RECORD:

On April 20, 2004 Qwest, Commission Staff and AT&T filed a proposed settlement resolving issues related to Qwest's deaveraged loop rates. The settlement would remove from the recurring cost proceeding any remaining issues pertaining to Qwest. Under the terms of the settlement agreement, Qwest accepts Staff's loop rate deaveraging proposal except for "core and fringe" deaveraging.

Pursuant to notice issued on April 27, 2004, the Commission afforded the parties an opportunity to comment on or object to the proposed settlement. No party objected.

This is to advise the parties that the Commission will evaluate the Settlement Agreement based on the written filings. The Commission will not convene a hearing to address the Settlement Agreement.

Sincerely,

THEODORA M. MACE  
Administrative Law Judge