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Judge Robert Wallis
Administrative Law Division
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive SW
P.O. Box 47250
Olympia, WA 98504-7250

Re: In the Matter of the Joint Application of Verizon Communications Inc., and MCI, Inc.,
For Approval of Agreement and Plan of Merger
Docket No: UT-050814
Supplemental Information Regarding the Seattle Foundation TCEF Disbursement

Dear Judge Wallis:

Public Counsel and Commission Staff have conferred regarding your January 31, 2006, request for additional information regarding the Seattle Foundation's disbursement of funds as part of the final settlement of the refunds ordered in the 1995 US West rate case. It was agreed that Public Counsel would provide this response.

In June, 2001, the Seattle Foundation announced grants to five organizations as part of the Telecommunications Consumer Education Fund (TCEF) totaling \$2,033,879. The amount awarded exceeded the original \$2M payment from Qwest to the Seattle Foundation as a result of interest accrued. In this instance, enough interest accrued to also cover the foundation's administrative costs.

Qwest provided \$2M to the Seattle Foundation on August 16, 2000. On November 1, 2000 the Seattle Foundation issued an RFP distributed to non-profit and governmental organizations statewide. Proposals were due January 31, 2001 and the foundation selected and announced the grantees on or about June 20, 2001. During this period, from August 2000 to June 2001, interest rates were generally higher than they are today.

We hope this additional information is helpful.

Sincerely,

Mary M. Kimball
Analyst, Public Counsel Section
(206) 389-2529

cc: Service List (US Mail & Electronic Mail)

