## October 15, 2002

Dennis Moss Administrative Law Judge Washington Utilities and Transportation Commission 1300 S. Evergreen Park Dr. SW P. O. Box 47250 Olympia, Washington 98504-7250

Re: *Owest Dex Sale* 

Docket No. UT-021120

Dear Judge Moss:

During the prehearing conference on October 8, 2002, Qwest's attorney, Mr. Roselli, stated that the company had a pressing need for a decision by the Commission in advance of the December 15, 2003, "termination date" of the transaction itself. He attributed this need to the company's current financial situation.

Staff believes that Mr. Roselli's representations are inconsistent with statements that the company's officers have made to the financial community and to the Securities and Exchange Commission. His statements suggest a need for speed when the company has said otherwise to investors.

On August 20, 2002, Qwest announced an agreement to sell its directory business, with the Washington portion agreed to close by December 15, 2003. On September 4, 2002, Mr. Oren Schaffer, vice chairman and chief financial officer of the parent company, Qwest Communications International, Inc., announced a restructuring of the company's debt and said, "Coupled with the pending sale of QwestDex, these actions announced today and the cash flow from our operations should provide us with enough funding for the next several years, and put any liquidity concerns behind us."

This statement was made in a news release that was filed with the Securities and Exchange Commission as part of the Form 8-K filing (at page 2) disclosing the debt restructuring. The filing also specifically stated that the restructured debt arrangements "permit the sale of Dex as currently contemplated."

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Qwest's chief executive officer, Mr. Richard Notebaert, has made substantially the same statement in subsequent meetings with investor and financial analysts.

Rather than relying on the statements made by Qwest at the prehearing conference, Staff requests that you consider the statements made by Qwest's officers in evaluating the company's proposed schedule for this case.

Very truly yours,

GREGORY J. TRAUTMAN Assistant Attorney General

GJT:kll Enclosures