

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO**

Docket No. _____

IN THE MATTER OF THE COMPLAINT OF MCLEODUSA TELECOMMUNICATIONS
SERVICES, INC., FOR ENFORCEMENT OF AN INTERCONNECTION AGREEMENT
WITH QWEST CORPORATION

**MCLEODUSA'S NOTICE OF WITHDRAWAL OF
ITS MOTION FOR EMERGENCY RELIEF**

McLeodUSA Telecommunications Services, Inc. ("McLeodUSA"), through its undersigned counsel, hereby provides notice that it may now withdraw its Motion seeking emergency relief from this Commission in connection with its Complaint filed in this docket. However, McLeodUSA also provides notice through this pleading that it will be required to seek separate interim relief from this Commission, albeit on a somewhat less expedited basis.

1. On March 30, 2005, shortly after the Complaint was filed in this docket, a brief telephone conference/hearing was held, attended by the chief Administrative Law Judge, counsel for Qwest, and the undersigned counsel for McLeodUSA. During that telephone call, counsel for Qwest acknowledged that the Temporary Restraining Order issued by the United States District Court for the Northern District of Iowa ("Iowa TRO") prevented Qwest from taking the actions threatened in its March 21, 2005 letter, including the disconnection of Colorado subscribers served by McLeodUSA. Based upon this representation, and conditional upon receipt of written confirmation of these representations, McLeodUSA agreed to file this withdrawal.

2. On the morning of March 31, 2005, an additional telephonic hearing was held between the parties and the chief Administrative Law Judge. During that hearing, Qwest's

counsel reported that Qwest had made assurances to the U.S. District Court Judge presiding over the federal case in Iowa, the Hon. Mark W. Bennett, that Qwest would continue to honor the terms of the Iowa TRO should a decision issue to transfer the Iowa federal case to Colorado, at least until such time as the U.S. District Court in Colorado has an opportunity to rule on a motion for a new temporary restraining order filed by McLeodUSA. Qwest's counsel reiterated that a letter confirming his statements made at the previous afternoon's hearing, as well as this new information, would be forthcoming.

3. The undersigned received the letter from Qwest via fax just before noon today. A copy of that letter is attached hereto as Exhibit A. While the letter accurately reflects the commitments made by Qwest *to the Iowa Court* in connection with its request to transfer the federal case in Iowa to Colorado, it contains no mention of the commitments made orally *to this Commission* by Qwest counsel yesterday afternoon. Most notably, an oral commitment was made that Qwest acknowledged not only the existence of the Iowa TRO, but that the scope of the Iowa TRO prevented Qwest from taking any action to discontinue the taking of orders from McLeodUSA or disconnecting services under the parties' Colorado Interconnection Agreement ("Agreement"). The letter contains no mention of this key commitment.

4. Notwithstanding this deficiency in the written confirmation provided by Qwest, McLeodUSA will nevertheless withdraw its Motion for Emergency Relief. Qwest counsel's verbal commitments were clear, and as he correctly pointed out, those commitments were made by a licensed attorney authorized to bind Qwest to those commitments. While the non-responsiveness of the letter is frustrating, it is inconceivable that Qwest would willfully violate the Iowa TRO and the commitments made to this Commission, and intentionally disconnect service to thousands of Colorado homes and businesses after assuring the Commission it would

not do so.

5. While the need for immediate Commission intervention has been averted, McLeodUSA will need to seek additional relief from this Commission, albeit on a less expedited basis, to ensure that any claim of default made by Qwest can be disputed and resolved under the terms of the agreement. McLeodUSA's concern is that Qwest may claim default relating back to its original security deposit demand, and attempt to circumvent the dispute resolution provisions of the Agreement and this Commission's jurisdiction to protect Colorado subscribers from disconnection without notice. Such a pleading will be filed as soon as practically possible.

Respectfully submitted,

MCLEODUSA TELECOMMUNICATIONS
SERVICES, INC

By: 

Andrew R. Newell (#31121)

KRYS BOYLE, P.C.

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Counsel for McLeodUSA

CERTIFICATE OF SERVICE

I hereby certify that an original and 15 copies of the foregoing **MCLEODUSA'S NOTICE OF WITHDRAWAL OF ITS MOTION FOR EMERGENCY RELIEF** was hand delivered this 31st day of March, 2005, to the following addressee:

Mr. Doug Dean, Director
COLORADO PUBLIC UTILITIES COMMISSION
Logan Tower, Office Level 2
1580 Logan Street
Denver, CO 80203

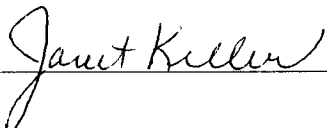
and a copy of the foregoing was mailed by depositing same in the U.S. Mail, postage prepaid this 31st day of March, 2005, with additional electronic courtesy copies to the chief Administrative Law Judge, as well as to the following addressees:

David McGann, Esq.
Qwest Corporation
1005 17th St., Suite 200
Denver, CO 80202

James Greenwood, Director
Colorado Office of Consumer Counsel
1580 Logan Street, Office Level 7
Denver, CO 80203

Steven Southwick
G. Harris Adams
First Assistant Attorney General
1525 Sherman St.
Denver, CO 80203

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Gary Witt
Assistant Attorneys General
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Denver, Colorado 80202
Phone 303.896.3892
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David.McGann@qwest.com

David W. McGann
Corporate Counsel

March 31, 2004

Via Fax: 303-893-2882

Andrew R. Newell
Krys Boyle, PC
600 Seventeenth Street
Suite 2700, South Tower
Denver Colorado, 80202

Re: McLeodUSA v. Qwest

Dear Mr. Newell:

When I returned to the office after our conference call yesterday with Judge Isley, I learned some additional information not known to me at the time of our call.

As I stated on our March 30, 2005 conference call with Judge Isley, the Temporary Restraining Order ("TRO") was entered on March 23, 2005 by Chief Judge Mark W. Bennett of the United States District Court for the Northern District of Iowa in Docket Number C05-0039-MWB. By its terms, the TRO is effective up to and including April 12, 2005.

When we spoke I was not aware of the fact that yesterday afternoon the Court heard argument on a motion filed by Qwest to have the Iowa proceeding transferred or stayed under the "first filed" doctrine. Qwest's "first filed" argument is essentially that because Qwest filed a claim in Colorado before McLeodUSA filed its claim in Iowa, the proper forum to hear the dispute is the Colorado court. If the Court grants the "first filed" motion, by operation of law, the TRO would be dissolved.

To protect against this result, the Court obtained assurance from Qwest's counsel that if the stay or transfer to Colorado were granted, the TRO entered on March 23, 2005 would remain in effect until it is modified, extended, or rescinded by the District of Colorado. Qwest requested that, as a condition of the agreement, McLeodUSA be required to cooperate with Qwest and to use its best efforts to ensure that a hearing on the existing TRO is quickly and expeditiously scheduled in the Colorado court.

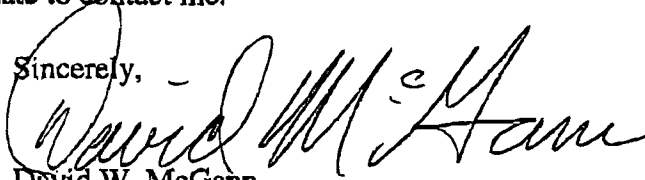
The Court indicated that it would rule by the end of the week on Qwest's "first filed" motion, and Qwest expects that if the motion is granted, the Court will set out each of these stipulated conditions in the order, or will make some other accommodation to its ruling to keep the TRO in place until the Colorado court has a hearing.

Based upon our discussions, the representations in this letter and Judge Isley's instructions to you, I understand that you will make a written request to withdraw your motion for emergency relief.

Mr. Andrew R. Newell
March 31, 2005
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Should you have any questions, do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "David W. McGann". The signature is written in a cursive style with a large initial "D" and "M".

David W. McGann

cc: Doug Hsiao
Paul McDaniel