

AT&T DRAFT PROPOSAL TO QWEST FOR WASHINGTON  
1/7/04

Following is a draft proposal to resolve Issue 5 in the state of Washington. We have tried to incorporate the ALJ's reasoning and his guidance to seek a negotiated resolution to this issue.

Issue 5: Definition of Exchange Service

1. The following starts with the Qwest proposed definition for Exchange Service (plain text). The underlined sentence is a new proposed addition to the Qwest definition. This change recognizes the ability of the parties to offer FX services, as recognized by the ALJ in paras 32 and 33.

"Exchange Service" or "Extended Area Service (EAS)/Local Traffic" means traffic that is originated and terminated within the same Local Calling Area as determined for Qwest by the Commission. This definition does not prevent either party from providing FX or FX-like Service and shall not affect the compensation between CLEC and Qwest for such traffic.

2. The following is a proposed new definition.

"FX and FX-like Service" means service provided to an End User Customer under which such customer is assigned a number associated with a rate center in which the customer is not physically located. Traffic exchanged in the provision of such service is FX or FX-like Traffic.

3. The following is a proposed new provision in the interconnection compensation section of the ICA. We say here how FX traffic is compensated and what FX traffic qualifies for this compensation in line with the ALJ's guidance in paras. 35 and 36. Although the ALJ indicated that voice FX and FX-like traffic should be exchanged on a bill and keep basis, we suggest here that compensation should be exchanged for voice FX traffic, because of the difficulty in distinguishing it from other local voice traffic. We can discuss this.

7.3.4.3.1 When either Party provides FX or FX-like Service, the Parties shall compensate one another for the exchange of such traffic as follows: (i) FX and FX-like voice traffic shall be compensated at the same rate as non-FX and non-FX-like voice traffic (e.g., if 1+ is not dialed to complete the call, local rates apply), and (ii) ISP-bound-FX and FX-like traffic shall be compensated as ISP-bound traffic pursuant to Section 7.3.6. This compensation arrangement applies to all FX and FX-like Traffic exchanged between the parties where the Parties offer FX or FX-like Services that are functionally equivalent from an End User Customer's perspective to Qwest's FX retail service offering(s) as of January 1, 2004 (FX and FX-like Services need not be provisioned in the same manner by each company in order to be functionally equivalent).