

Qwest

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*Via E-mail and
Overnight Delivery*

January 31, 2005

Ms. Carole J. Washburn, Executive Secretary
Washington Utilities and
Transportation Commission
1300 S. Evergreen Park Dr. S.W.
P.O. Box 47250
Olympia, WA 98504-7254

RE: Settlement Agreement between Qwest and Winstar Communications
FOR INFORMATIONAL PURPOSES ONLY

Dear Ms. Washburn:

Qwest and Winstar have recently entered into two Agreements:

1. Amendment Setting Forth the Process to Terminate Certain Elements and Services Purchased from The Interconnection Agreement between Qwest Corporation and Winstar Communications; and
2. Settlement Agreement.

By separate letter of today's date, Qwest is filing with the Commission the Amendment identified above for review and approval under Section 252(a) and (e) of the Telecommunications Act. The Amendment was tendered to Winstar shortly after execution of the Settlement Agreement, but Winstar just returned the signed Amendment in the past few weeks.

Enclosed herewith is a Settlement Agreement among Qwest Corporation (“QC”), Qwest Communications Corporation (“QCC”) several Winstar entities and IDT Corporation which was negotiated by the parties contemporaneously with the above-referenced amendment to the interconnection agreement. The enclosed Settlement Agreement is not an “interconnection agreement” or “interconnection amendment” under Section 252(a) and (e) of the Telecommunications Act, because it does not create any on-going obligations pertaining to services provided under Sections 251(b) or (c) of the Telecommunications Act.¹ Thus, Qwest has not filed the enclosed Settlement Agreement for review and approval by the Commission pursuant to Section 252(e).

Qwest encloses this Settlement Agreement **for informational purposes only** and to present the context in which the Section 251 agreement filed separately arose.

We emphasize that our review and analysis of the enclosed Settlement Agreement results in the conclusion that it is not an interconnection agreement or amendment within the Section 252 filing requirement. The enclosed Settlement Agreement has no legal connection to the Amendment to the Winstar Interconnection Agreement. The Amendment to the Interconnection Agreement stands on its own, independent of the enclosed Settlement Agreement, and parties will be able to opt into the Winstar Interconnection Amendment without reference to the terms of the enclosed Settlement Agreement.

Because the enclosed Settlement Agreement contains information that the parties consider proprietary in nature, such as settlement amounts, **please treat this agreement and its contents as confidential information pursuant to WAC 480-07-160. Pursuant to that rule, redacted and unredacted versions of the Settlement Agreement have been provided.**

Please note that the enclosed Settlement Agreement refers in paragraph 3.9 to the parties’ execution of an interconnection amendment in a separate document for the purposes of filing with the applicable state commissions pursuant to Section 252(e). Again, the portions of the Settlement Agreement with Winstar alluding to on-going Section 251 obligations and creating a filing requirement under Section 252(a) and (e) have in fact been placed into a separate document and are being filed separately with the Commission under Section 252(e); and it is Qwest’s understanding that simply a reference in the enclosed Settlement Agreement to the interconnection agreement amendment does not itself raise any filing requirements under Section 252(a) and (e).

¹ See *In the Matter of Qwest Communications International Inc. Petition for Declaratory Ruling on the Scope of the Duty to File and Obtain Prior Approval of Negotiated Contractual Arrangements under Section 252(a)(1)*, WC Docket No. 02-89 (Rel. October 4, 2002), ¶¶ 8-14.

Ms. Carole J. Washburn

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Please contact the undersigned if you have any questions or concerns about the enclosed Settlement Agreement. Thank you.

Sincerely,

Adam L. Sherr

Enclosure

cc: Richard S. Dodd, Senior Directory & Counsel, Winstar, LLC