

Qwest Corporation

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Mark Brinton Manager - Regulatory Public Policy

January 10, 2007

Carole Washburn, Secretary Washington Utilities and Transportation Commission 1300 S. Evergreen Park Drive SW Olympia, Washington 98504-9022

RE: Basic Contract Number: OMR #1116678

Dear Ms. Washburn:

Pursuant to WAC 480-80-241, Qwest Corporation (Qwest) is forwarding a copy of a Special Contract for Advanced Ethernet Services that will become effective upon the Washington Utilities and Transportation Commission's approval on or after January 20, 2007.

This contract is not subject to federal competitive bid. Pursuant to the requirements of the Telecommunications Act of 1996, and RCW 80.36.170 and 80.36.180, where those statutes are applicable, Qwest offers the local exchange service in this contract for resale under the same terms and conditions set forth in this contract and at the discounted rate where applicable as established by the Commission in Docket No. UT-960369.

Attached is a non-proprietary statement of the essential terms and condition of this contract. Also attached is the associated Contract Analysis. Some of these documents are considered confidential and should be protected under provisions of WAC 480-07-160.

Very truly yours,

Attachments

RECEIVED JAN. 10, 2007 WA. UT. & TRANS. COMM. ORIGINAL UT-040241

ESSENTIAL TERMS AND CONDITIONS

Basic Contract Number: OMR #1116678
New Modified X Renewal
Duration of Basic Contract: 48 months
Effective Date: On January 20, 2007

This Site Agreement is effective on the date that all mandatory filing requirements are met and approved by the Washington Utilities and Transport Commission ("WUTC").

This is an Amendment to the supplemental Work Order 04-01 of Contract Number T02-TSD-319 for Advanced Transport Service by and between Qwest Corporation and the State of Washington, Department of Information Services for the provision of Ethernet Service. Amendment 04-01 to Supplemental Work Order 04-01 to Basic Contract Number T02-TSD-319 was approved on February 25, 2004 and became effective on February 26, 2004.

Description of Service:

Metro Optical Ethernet Service is a flexible transport service that uses established Ethernet transport technology. The service provides connections between multiple customer locations within a metropolitan area using native Ethernet protocol.

Description of Underlying Services:

Advanced Ethernet is a flexible transport service that uses established Ethernet transport technology. The service provides connections between multiple customer locations with an area using native Ethernet protocol.

Monthly recurring Charge: \$9,028.00 Nonrecurring Charge: \$98,160.00

Number of Circuits:

Service Location(s) in Washington: Friday Harbor, Lopez Island, Lopez, Eastsound, Shaw Island

TELECOMMUNICATIONS CONTRACTS: 480-80-241

- (A) Documentation: Standard filing requirements and effective dates. Contracts must be filed with the commission not less than 10 days before the proposed effective date of the contract. Each application filed for commission approval of a contract must include a complete copy of the proposed contract. Documentation must show that the contract does not result in undue or unreasonable discrimination between customers receiving like and contemporaneous service under substantially similar circumstances; and demonstrate, at a minimum, that the contract charges cover the company's cost of providing the service. In addition, the company must summarize the following information with each contract submitted:
- (1) Summarize the basis of the charge(s) proposed in the contract and explain the derivation of the proposed charge(s) including all cost computations involved.

Answer: The charges for the Ethernet connections to the above locations are based upon costs for this service from Qwest's subcontractor. The competitive nature of this service justifies providing a cost plus offering to our customer and a deviation from traditional tariff pricing for similar services. The underlying costs of the individual component elements are identified in Attachment A that provides summary cost and contribution analysis.

(2) Indicate the basis for using a contract rather than a filed tariff for the specific service involved. Answer: This service represents a custom Ethernet offering provided to the State of Washington Department of Information Services by Qwest through our subcontractor. With these prices, Qwest is responding to the competitive marketplace.