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July 21, 2010

David W. Danner, Executive Director and Secretary Washington Utilities and Transportation Commission 1300 S. Evergreen Park Dr. SW P. O. Box 47250 Olympia, Washington 98504-7250

RE: Washington Utilities and Transportation Commission v. Qwest Corporation

Docket UT-091870

Dear Mr. Danner:

Enclosed for filing in the above-referenced docket are the original and three copies of the Settlement Agreement entered into by the parties, Qwest Corporation and Commission Staff, and Certificate of Service.

Because they have settled, the parties request that the Commission suspend the procedural schedule in this matter. The Parties agree to waive their rights to petition for administrative review of the initial order so that the order may become final when issued.

This settlement represents a compromise of the positions of the two parties. In WAC 480-07-700, the Commission states its support of parties' informal efforts to resolve disputes without the need for contested hearings when doing so is lawful and consistent with the public interest. The parties have resolved all of the issues in dispute between them; their resolution complies with Commission rules; and it is in the public interest that this dispute conclude without the further expenditure of public resources on litigation expenses. The parties believe that the settlement reflects their best interests in avoiding the expense, inconvenience, uncertainty, and delay inherent in a litigated outcome.

In keeping with WAC 480-07-730, which provides that parties may suggest preferred procedural alternatives for review of the settlement, the parties suggest that a formal settlement hearing along with the opportunity for public comment are unnecessary in this case. This proceeding is less complex than a general rate case, and the settlement is uncontested. On this basis, the parties request that review proceed on a timetable for less complex matters, as provided in WAC 480-07-740(1)(b).

The parties do not intend to file documentation supporting the Agreement, with the exception of the Agreement itself and this letter. The formal complaint in this proceeding, as well as the report of the Staff investigation that lead to the formal complaint, are on file in the docket. If the Commission requires further documentation, the parties will provide it as needed.

In accordance with WAC 480-07-740(2)(b), the parties are prepared to present one or more witnesses each to testify in support of the proposal and answer questions concerning the Agreement's details, and its costs and benefits, should such testimony be required. In addition, counsel for both parties are available to respond to any questions regarding the proposed settlement that the Commission may have.

Sincerely,

Simula Canum-Mullands

JENNIFER CAMERON-RULKOWSKI

Assistant Attorney General

JCR/emd Enclosure cc: Parties