

Re: *Further Dispute of Qwest Corporation ("Qwest") Regarding Amounts Billed by PacWest*

Dear Robert Munoz:

The purpose of this letter is to provide notice to PacWest that Qwest further disputes invoices sent by PacWest to Qwest for terminating compensation under the parties' interconnection agreements. The nature of the further dispute, as discussed below, relates to PacWest's continued use of a virtual NXX ("VNXX") architecture in its provision of services to internet service providers ("ISPs").

As I am sure you are aware, Qwest has long disputed amounts billed for traffic that Qwest determined to be VNXX traffic, or traffic bound for an ISP located outside of the local calling area of the originating caller. The amounts disputed by Qwest were based on Qwest's methodology for determination of VNXX traffic. However, PacWest personnel recently admitted to Qwest personnel that all ISP traffic originated in Qwest's service territory was terminated to ISPs located outside of Qwest's service territory. Thus, based on PacWest's own admission, all traffic bound for ISPs served by PacWest is VNXX traffic. As a result, Qwest disputes all invoices for terminating compensation issued by PacWest for traffic bound for ISPs, since none of the ISPs receive the traffic in the same local calling area from which the call originated.

I am happy to discuss this issue with you, should you have any questions or need any further information. However, absent information sufficient to show that PacWest terminates traffic to ISPs in the same local calling area that the calls originate from, it remains Qwest's position, supported by judicial and administrative decisions in several states within Qwest's service territory, that no compensation is required for termination of that traffic to PacWest.

Very truly yours,  
Barb Newman

cc: Ethan Sprague  
cc: Robert Munoz