

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Petitioners,

v.

ADVANCED TELECOM GROUP, INC.,
et al,

Respondents.

DOCKET NO. UT-033011

MCI SETTLEMENT
AGREEMENT

PARTIES

1 The Parties to this Settlement Agreement are Commission Staff (Staff), and MCI, Inc. (MCI) on behalf of its competitive local exchange carriers (CLECs).

INTRODUCTION

2 The Parties stipulate to this Settlement Agreement to resolve all matters in dispute between them regarding the Washington Utilities and Transportation Commission (Commission or WUTC) Complaint and Amended Complaint in this docket. The Parties request a Commission order approving this Settlement Agreement.

DEFINITIONS

3 The term “Interconnection Agreement” as used in this Settlement Agreement shall include any agreement required to be filed and/or approved by the Commission pursuant to RCW 80.36.150 and 47 U.S.C. § 252. “Interconnection Agreement” shall also include any future agreement required to be filed and/or approved by then existing law.

PROCEDURAL HISTORY

4 On August 13, 2003, and August 15, 2003, respectively, the Commission issued a complaint and an amended complaint against MCI and several other telecommunications companies. The Commission alleged that MCI failed to file and seek Commission approval for Interconnection Agreements 31A, dated November 18, 1999, 32A, dated December 1, 2000, 33A dated June 29, 2001, 34A, dated June 29, 2001, 35A, dated December 27, 2001 (“Agreements”), between MCI and Qwest Corporation, an incumbent local exchange carrier, as required by 47 U.S.C. § 252(a)(1), (e), and RCW 80.36.150. On November 7, 2003, Staff and MCI filed opposing Motions for Summary Disposition. Staff argued CLECs, including MCI, are legally obligated to file and seek Commission approval for Interconnection Agreements, while MCI argued Staff had no cause of action against it. Order Number 5 granted Staff’s Motion for Partial Summary Disposition and granted in part and denied in part MCI’s Motion for Summary Disposition.

SPECIFIC TERMS

5 Staff and MCI agree to the following terms and conditions:

6 1. MCI accepts and agrees to be bound by the terms of Commission Order
Number 05.

7 2. Staff and MCI agree that Agreement 31A, dated November 18, 1999,
between MCI WorldCom, Inc. and U S WEST Communications, Inc. is not an
Interconnection Agreement. Because Agreement 31A is not an Interconnection
Agreement, Staff agrees to bring a motion to dismiss this agreement from the complaint
at the time this Settlement Agreement is filed.

8 3. For the purposes of this Settlement Agreement only and in the interests of
settling the disputes between the Parties, MCI admits that Agreements A32, A33, A34,
and A35 between it and Qwest constitute Interconnection Agreements under current
FCC and WUTC rules and orders, but emphasizes that at the time it entered into each
Agreement it believed, based on law in existence at the time, that the Agreements did
not constitute Interconnection Agreements. MCI also believed that Qwest was the only
party obligated to file Interconnection Agreements.

9 4. MCI admits that under current WUTC rules and orders it shares a legal
obligation to file and seek Commission approval for all Interconnection Agreements.

10 5. MCI accepts its shared obligation to file and seek Commission approval
for all future Interconnection Agreements in compliance with this Settlement
Agreement and then existing law. MCI agrees that all Interconnection Agreements shall
be filed within thirty (30) days of execution.

11 6. MCI agrees that if an Interconnection Agreement is presently in existence
and not yet filed for approval, the Interconnection Agreement will be filed within forty-
five (45) days of approval of this Settlement Agreement by the Commission.

12 7. MCI agrees that if a conflict arises between the law in existence in the
future and the terms of this Settlement Agreement, the stricter obligation shall control,
unless complying with the stricter obligation would result in a violation of the law, in
which case the then existing law would control. Either party may give the other party
written notice of its belief that a change in the law has affected this Settlement
Agreement. The parties agree to meet and negotiate in good faith to bring this
Settlement Agreement into compliance with existing law. If the parties cannot reach
agreement within sixty (60) days of the date notice was given that a change in the law
has occurred, either party may petition any state or federal court in Washington State
for appropriate relief.

13 8. MCI agrees to pay the Commission six thousand dollars (\$6,000) in
settlement in this proceeding.

GENERAL TERMS

14 The Parties stipulate to the following general terms of the Settlement Agreement:

15 1. The Parties agree to use their best efforts to secure the approval by the Commission and, as necessary, other parties to this proceeding, of the Specific Terms of this Settlement Agreement. The Parties understand that the Specific Terms listed do not apply unless approved by the Commission.

16 2. The Settlement Agreement represents an integrated resolution of issues. Accordingly, the Parties recommend that the Commission adopt this Settlement Agreement in its entirety. Each party reserves the right to withdraw from the Settlement Agreement if the Commission does not approve the Settlement Agreement in its entirety or conditions approval of the Settlement Agreement on material revisions to its terms and conditions.

17 3. The Parties agree to cooperate to assure compliance with WAC 480-07-730 – 750, including providing at least one witness at the time the Settlement Agreement is presented to the Commission to provide testimony in support of the Settlement Agreement and answer any questions the Commission may have. The Parties agree to cooperate, in good faith, in the development of such other information as may be necessary to support and explain the basis of this Settlement Agreement, and to supplement the record accordingly.

4. The Parties enter into this Settlement Agreement to avoid further expense, uncertainty, and delay in resolving the issues between them in this docket. By executing this Settlement Agreement, the Parties shall not be deemed to have accepted or consented to the facts, principles, methods, or theories employed in arriving at the Settlement Agreement. The Parties shall not use, advocate or otherwise employ— itself or in conjunction with any other individual or entity— this Settlement Agreement for disputing, arguing, or resolving any issues in any other proceeding.

REQUEST FOR APPROVAL

This Settlement Agreement and the attachments are presented to the Commission under WAC 480-07-730 - 750 for the Commission's approval. If this Settlement Agreement is approved, it would constitute a full settlement of all issues raised against MCI in the Complaint and Amended Complaint by the Commission.

DATED this 20th day of July, 2004.

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