BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Petitioners,

v.

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ADVANCED TELECOM GROUP, INC., et al.,

Respondents.

DOCKET NO. UT-033011

INTEGRA TELECOM OF WASHINGTON, INC., SETTLEMENT AGREEMENT

PARTIES

The Parties to this Settlement Agreement are Commission Staff ("Staff"), and INTEGRA Telecom of Washington, Inc. ("INTEGRA") (collectively "Parties" or individually "Party").

INTRODUCTION

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

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this docket. The Parties request a Commission order approving this Settlement Agreement.

DEFINITIONS

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

On August 13, 2003, and August 15, 2003, respectively, the Commission issued a complaint and an amended complaint against INTEGRA and several other telecommunications companies. The Commission alleged that INTEGRA failed to file and seek Commission approval for Interconnection Agreement 25A, dated November 20, 2001 ("Agreement"), between INTEGRA and Qwest Corporation ("Qwest"), 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 INTEGRA filed opposing Motions for Summary Disposition. Staff argued competitive local exchange carriers ("CLECs"), including INTEGRA, are legally obligated to file and seek Commission approval for Interconnection Agreements, while INTEGRA argued Staff had no

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cause of action against it. Order Number 5 granted Staff's Motion for Partial Summary Disposition and denied INTEGRA's Motion for Summary Disposition.

SPECIFIC TERMS

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

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

- 7 2. For the purposes of this Settlement Agreement only and in the interests of settling the disputes between the Parties, INTEGRA admits that the Agreement constitutes an Interconnection Agreement under current FCC and WUTC rules and orders, but INTEGRA emphasizes that at the time it entered into the Agreement, INTEGRA believed, based on the law in existence at the time, that the Agreement did not constitute a Interconnection Agreement and that Qwest was the only party obligated to file a Interconnection Agreement.
- 4. INTEGRA admits that under current WUTC rules and orders it shares
 a legal obligation to file and seek Commission approval for all Interconnection
 Agreements.
 - 5. INTEGRA accepts its shared obligation to file and seek Commission approval for all future Interconnection Agreements in compliance with this

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Settlement Agreement and then existing law. INTEGRA agrees that all Interconnection Agreements shall be filed within thirty (30) days of execution.

- 10 6. INTEGRA 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.
- 7. INTEGRA 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.
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INTEGRA agrees to pay the Commission one thousand dollars
 (\$1,000) in settlement in this proceeding.

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GENERAL TERMS

- 13 The Parties stipulate to the following general terms of the SettlementAgreement:
- 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.
- 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.
- 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

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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 INTEGRA in the Complaint and Amended Complaint by the

Commission.

DATED this _____ day of August, 2004.

CHRISTINE O. GREGOIRE Attorney General LAW OFFICE OF RICHARD A. FINNIGAN

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