

Qwest

1600 7th Avenue, Room 1506
Seattle, Washington 98191
Phone: (206) 345-1574
Facsimile (206) 343-4040

Lisa A. Anderl

Associate General Counsel
Regulatory Law Department

February 19, 2010

*Via E-mail and
Overnight Mail*

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

Re: Docket No. UT-093035 – North County Arbitration
Qwest Status Report

Dear Mr. Danner:

On February 9, 2010, the Commission issued a notice requiring the parties to file status reports no later than February 19, 2010, including the status of negotiations and a list of remaining issues. Qwest's report follows.

Status of Negotiations: On February 10 and 11, 2010, Qwest responded to North County's request for supporting legal authority on what Qwest believes to be the only open issue. Qwest supplemented that information on February 18, and negotiations appear to be ongoing, with an outstanding request from Qwest as to whether a particular resolution of an issue would be acceptable to North County. To date, North County has not responded.

Remaining Issues: Based on e-mail correspondence to date, a number of issues have been raised, but, in Qwest's view have been resolved between the parties, save one. The open issue is the proper application of the Relative Use Factor (RUF). Qwest's position is that, consistent with its arguments in the Level 3 Arbitration, ISP-Bound traffic should be placed on the CLEC's side of the RUF calculation.

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Proposed Next Steps: Based on representations by North County that North County believes that negotiations may still be productive, Qwest is willing to extend the schedule for an additional week, on the condition that North County responds to Qwest on RUF issue no later than February 23, 2010. If not, then Qwest would request that North County be required to file an answer to Qwest's petition for arbitration no later than March 15, 2010, and that the matter be set for hearing. Qwest is willing to provide another status report on February 26, 2010 if that would be helpful to the Commission.

Sincerely,

Lisa A. Anderl

LAA/ldj