

To:

kfolsom@wutc.wa.gov

CC:

Subject: I-Called - Updated with Data

Hi Kathy. Please use this e-mail as it contains the I-Called data referenced below. Sorry for the confusion. Lis

I am writing to follow up on your voicemail to Adam Sherr and our discussions in December 2002. This correspondence will:

- 1) Provide you the I-CALLED usage data you requested;
- 2) Respond to your inquiry regarding the timing of Qwest's pending petition; and
- 3) Provide Qwest's perspective on the impact of the newly-adopted ADAD rule on Qwest's pending petition and Qwest's I-CALLED offering.

I-CALLED Data

I have attached information about the quantity of customers subscribing to the I-Called product offering and the number of activations this product produces monthly since the service was introduced. In addition, I am also providing you with information on the quantity of customers electing to block their account from receiving and/or placing I-Called calls. These numbers are specific to Washington State. Additionally, this information is considered Confidential by Qwest, is stamped as such and should be protected under and in accordance with WAC 480-09-015.

Timing of Owest's Petition

Regarding the timing of Qwest's petition for a permanent waiver despite the expiration of the Commission's temporary waiver on April 1, 2002, Qwest did not file the petition earlier do to its own administrative oversight. When Qwest originally sought the waiver (ultimately granted in Docket No. UT-010610), it requested a permanent waiver. Our team did not notice that the waiver, once granted, was temporary in nature. When Qwest did notice that important fact, it put together and filed the pending petition as soon as it could. Qwest apologizes for its oversight.

Impact of WAC 480-120-253

When Qwest filed the pending petition for permanent waiver of certain portions (subsections 2, 3(a) and 5) of WAC 480-120-088, the Commission's proposed rules, including WAC 480-120-253, had not been formally adopted. As you know, that rule has now been adopted by the Commission and will become effective on July 1, 2003. Until that date, WAC 480-120-088

remains in effect and Qwest believes its request for a permanent waiver of certain portions of WAC 480-120-088 remains necessary, at least through July 1, 2003.

As of July 1, 2003, the new rule will be in effect. That rule, as Qwest understands it, will no longer include, in the context of Qwest's I-CALLED product, the three provisions contained in WAC 480-120-088 from which Qwest's pending petition seeks waiver. Those are: (a) the requirement that a live operator precede the recorded message; (b) the requirement that the length of the call be stated; and (c) the prohibition on contacting unlisted telephone numbers. As such, Qwest does not believe that the waiver Qwest it is currently seeking needs to be carried forward past July 1, 2003. A waiver through that date, assuming that WAC 480-120-253 takes effect on July 1, 2003 as currently drafted, would be sufficient.

I look forward to discussing these issues with you at your convenience. Please let me know your availability upon your return and we'll set up a time to discuss. Again, thanks for your help with this matter. Lisa

