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May 10, 2010

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

RE:

UTC v. Verizon Northwest, Inc.

Docket UT-090073

Dear Mr. Danner:

Enclosed for filing in the above-referenced docket are an original and seven copies of an Investigation Report regarding Verizon's compliance with the terms of the Settlement Agreement approved by the Commission. This follow-up investigation was completed by Washington Utilities and Transportation Commission Staff (Staff) in accordance with the Settlement Agreement, paragraphs 19-21, and Order 02, paragraphs 29 and 33. Order 02 calls for Commission disposition of the issue of suspended penalties, following the completion of the investigation.

As detailed in the Investigation Report, Staff recommends that the suspended penalties set forth in Order 02 not be imposed, and should be waived by the Commission, because compliance with pertinent terms of the Settlement Agreement has been achieved. Thank you for your consideration.

Sincerely,

MICHAEL A. FASSIO

Assistant Attorney General

Milala, Jimo

MAF/emd Enclosures cc: Parties