

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION  
COMMISSION

In the Matter of the Application of

QWEST CORPORATION

Regarding the Sale and Transfer of Qwest  
Dex to Dex Holdings, LLC, a non-  
affiliate.

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Docket No. UT-021120

THE UNITED STATES DEPARTMENT  
OF DEFENSE AND ALL OTHER  
FEDERAL EXECUTIVE AGENCIES'

REPLY BRIEF

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OF

THE UNITED STATES DEPARTMENT OF DEFENSE AND  
ALL OTHER FEDERAL EXECUTIVE AGENCIES

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The Secretary of Defense, through duly authorized counsel, on behalf of the customer interests of the United States Department of Defense and All Other Federal Executive Agencies (collectively referred to herein as "DoD/FEA"), hereby submits<sup>1</sup> its Reply Brief in the above-captioned proceeding.

DoD/FEA does not wish to further burden this proceeding's already voluminous record with repetitive argument and legal analysis. The record and DoD/FEA's Initial Brief and those of all other parties, likewise supporting the Agreement<sup>2</sup>, clearly address and dispel the Staff's positions and arguments detailed in its Opening Brief. DoD/FEA continues to support the Agreement, of which DoD/FEA is a signatory.

For the reasons addressed in its Initial Brief, DoD/FEA continues to recommend that the Commission disregard the Staff's positions and objections to the Agreement.

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<sup>1</sup> This reply brief is filed pursuant to the Commission's procedural schedule as modified by the Administrative Law Judge's Notice of Extension of Time for Filing Briefs issued June 6, 2003.

<sup>2</sup> Stipulation and Settlement Agreement ("Agreement"), filed with the Commission on May 16, 2003, Exhibit 2.

Based on the record, DoD/FEA continues to believe that the Agreement is in the public interest and is an appropriate, fair and beneficial resolution of all the issues in this proceeding. The Agreement represents a fair balancing of ratepayer and company interests. Ratepayers gain an immediate significant refund in the form of a bill credit and significant ongoing rate reduction benefits for 15 years. A financially strengthened QCI/Qwest is a result. Accordingly, the Commission should either issue an order approving the Agreement and terminating the proceeding, or issue an order that incorporates the essential terms of the Agreement so that there is no further litigation.<sup>3</sup>

Respectfully Submitted,

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For

The United States Department of Defense

And

All Other Federal Executive Agencies

Dated: July 17, 2003

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<sup>3</sup> The parties to the Agreement have committed not to challenge the terms of such an order. Any subsequent failure by Qwest to comply with any of those approved or incorporated terms would constitute a violation of the Commission's order and would allow the Commission to invoke its enforcement authority to ensure that all benefits promised to Washington ratepayers are realized.