

CONFIDENTIAL PER PROTECTIVE ORDER IN WUTC DOCKET NO. UT-042022

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

SANDRA JUDD, et al.,

Complainants,

v.

AT&T COMMUNICATIONS OF THE
PACIFIC NORTHWEST, INC.; and
T-NETIX, INC.,

Respondents.

DOCKET NO. UT-042022

REDACTED FOR PUBLIC FILING
DECLARATION OF CHRIS R. YOUTZ
IN SUPPORT OF COMPLAINANTS'
MEMORANDUM IN OPPOSITION TO
T-NETIX' MOTION FOR SUMMARY
DETERMINATION AND AT&T'S
MOTION FOR SUMMARY
DETERMINATION

Chris R. Youtz declares, under penalty of perjury and in accordance with the laws of the State of Washington, that:

1. I am one of the attorneys for Complainants in this matter. I base this declaration on my personal knowledge and am competent to testify.

2. Attached as *Exhibit A* is a true and correct copy of a June 16, 1995 "Amendment No. 2 to Agreement Between State of Washington Department of Corrections and AT&T Corp. for Installation and Operation of an Inmate Telephone System at State Correctional Institutions and Work Facilities."

3. Attached as *Exhibit B* is a true and correct copy of an August 25, 2000 letter from Casciotta (AT&T) to Stibler (T-NETIX) regarding "Washington Rate Quote."

4. Attached as *Exhibit C* is a true and correct copy of a December 5, 1991 "Order Granting Waiver of Rules."

5. Attached as *Exhibit D* is a true and correct copy of a November 21, 1991 letter from Huzjak (Tele-Matic) to Motyl (AT&T) regarding "Agreement," enclosing a November 1, 1991 Agreement.

6. Attached as *Exhibit E* is a true and correct copy of excerpts of the transcript of the July 16, 2009 oral deposition of Karen Vitale.

7. Attached as *Exhibit F* is a true and correct copy of "Opinions of Mark Pollman in Judd, et al. v. T-Netix and AT&T, Docket No. UT-042022."

8. Attached as *Exhibit G* is a true and correct copy of excerpts of the transcript of the August 7, 2009 deposition of Kenneth L. Wilson.

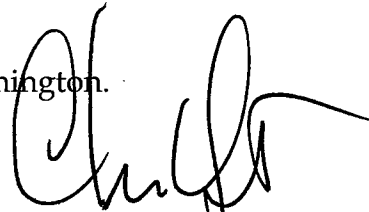
9. Attached as *Exhibit H* is a true and correct copy of a September 12, 2001 "Recommendation" and "Discussion" regarding "Issue a Complaint against Qwest Corporation."

10. Attached as *Exhibit I* is a true and correct copy of excerpts of the transcript of the June 4, 2009 deposition of Daniel Gross.

11. Attached as *Exhibit J* is a true and correct copy of a January 26, 1994 "Order Granting Waiver of Rules."

12. Attached as *Exhibit K* is a true and correct copy of a December 13, 1995 letter from Kern (WUTC) to Huzjak (Tele-Matic).

DATED: September 10, 2009, at Seattle, Washington.



Chris R. Youtz

EXHIBIT A

**AMENDMENT NO. 2 TO AGREEMENT BETWEEN
STATE OF WASHINGTON DEPARTMENT OF CORRECTIONS
AND AT&T CORP. FOR INSTALLATION AND OPERATION OF
AN INMATE TELEPHONE SYSTEM AT STATE CORRECTIONAL
INSTITUTIONS AND WORK FACILITIES**

This Second Amendment is made and entered into effective June 16, 1995, by and between the State of Washington Department of Corrections ("Department") and AT&T Corp., previously known as American Telephone and Telegraph Company ("Contractor" or "AT&T").

WHEREAS, Department and Contractor entered into an Agreement on March 16, 1992 for the Installation and Operation of an Inmate Telephone System at State Correctional Institutions and Work Facilities, bearing Contract No. CDOP2681 (the "Agreement");

WHEREAS, Department and Contractor entered into an Amendment No. 1 to the Agreement on November 30, 1994 for the purpose of modifying certain terms and conditions relating to Contractor's subcontractor GTE Northwest Incorporated;

WHEREAS, the parties now wish to further amend the Agreement to provide for the addition of certain call control features for calls carried by Contractor and for an increase in commissions on calls carried by Contractor;

NOW THEREFORE, Department and Contractor do mutually agree as follows:

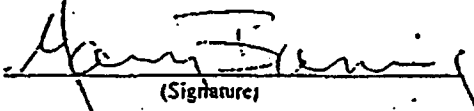
1. Department and Contractor agree that Contractor shall arrange for the installation of certain call control features for intraLATA, interLATA and international calls carried by AT&T. The State Correctional Institutions and Work Facilities to receive such call control features and the installation schedule shall be determined by agreement between Department and Contractor. Contractor shall install and operate such call control features through its subcontractor Tele-Matic Corporation in accordance with the terms and conditions set forth in Attachment B and Exhibit 1 hereto, which are incorporated herein by reference.
2. Commencing on the 16th day of the month following the signing of this Amendment by Department, the commission rate paid by AT&T under the Agreement shall increase to twenty-nine percent (29%) on billed revenues from operator-assisted intraLATA, interLATA and international calls carried by AT&T.

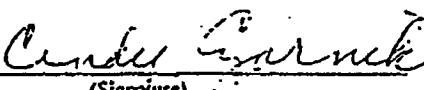
3. Except as set forth above and in Amendment No. 1, the Agreement remains unchanged and its terms and conditions in full force and effect.

STATE OF WASHINGTON

AT&T CORP.


DEPARTMENT OF CORRECTIONS

By: 
(Signature)
Gary Banning
(Typed or Printed Name)
Administrator
(Title)
Office of Contracts & Regulations
(Title)
7/24/81
(Date)

By: 
(Signature)
CINDY EARNIK
(Typed or Printed Name)
Sales Director
(Title)
8-15-85
(Date)

Approved as to Form:

OFFICE OF THE ATTORNEY GENERAL
STATE OF WASHINGTON

By: 
(Signature)
John Scott Blomion
(Typed or Printed Name)
Sr. Ass't. Atty. Gen.
(Title)
6/11/85
(Date)

ATTACHMENT B AMENDMENT TO AT&T COMMISSION AGREEMENT

INMATE CALLING SERVICE

The Agreement entered into on _____ 16, 199____ (hereinafter "Agreement") between AT&T Communications Inc. acting on behalf of the Interstate Division of the American Telephone and Telegraph Company and the AT&T Communications interexchange companies (hereinafter "AT&T") and _____ (hereinafter "Agent") is hereby amended to include the following:

FACILITY NAME

1. AT&T agrees that there will be no additional cost to Agent for AT&T's provision of AT&T Inmate Calling Services ("ICS") to Agent. This Amendment shall apply to all inmate telephones at the Locations, whether such telephones are provided by a LEC, by AT&T, or by AT&T's vendor. The customized ICS elements requested by Agent for each facility are specified in Exhibit 1 hereto.

2. In order to provide ICS, AT&T will cause certain "control" equipment to be placed at either Agent's premises or an off-premises location; however, that to the extent such equipment is already in place at the Agent's premises and compatible with ICS, AT&T will use that existing equipment. The ICS equipment shall be maintained in proper working order to insure the functioning of the ICS features. If the equipment is placed at the Agent's premises, Agent shall provide necessary space, power, heat, air conditioning, and any other reasonable requirements necessary for the functioning of the equipment required to provide ICS. Agent shall permit AT&T or its vendor reasonable access to the equipment in order to maintain the equipment.

3. All equipment placed pursuant to paragraph 2 above to provide ICS shall remain the property of AT&T or its vendor, as the case may be, and at the termination or expiration of this agreement, AT&T shall have the right to enter the premises, under the supervision of Agent, and remove any said equipment placed thereon pursuant to paragraph 2 above. Upon removal of the equipment, neither AT&T nor its vendor shall be responsible for restoring the premises to their original condition, provided

however, that AT&T or its vendor shall be responsible for any extraordinary damage to the premises to the extent such damage is caused by the negligence of AT&T or its vendor.

4. In the event AT&T is unable to provide ICS as of the effective date of this Agreement, as defined in Section 3 of the Agreement, then AT&T will provide its standard live operator services to connect the inmate's call to the called party until it is able to provide ICS.

5. The commission rate payable to Agent for each Location listed in Attachment A, is _____ Percent (___ %) of revenues from AT&T Non-Sent Paid Collect Calls placed from the Inmate Telephones, the total number of which is _____.

6. Except in the event of a material default by AT&T in its performance under the Agreement, if Agent terminates the Agreement at any time prior to the expiration of the term of the Agreement, in addition to any other remedies available to AT&T at law or in equity, Agent shall pay a termination charge to AT&T, within thirty (30) days of such termination, calculated in the following manner:

Twenty-six and one-half cents (\$.265) times (x) the average number of messages per month, times (x) the number of months remaining in the term of the Agreement at the time of termination.

7. In the event of any dispute or inconsistency between this Amendment and the Agreement, the terms of this Amendment shall prevail.

AGENT/FACILITY _____

Authorized Signature _____

Typed or Printed Name _____

Title _____

Date _____

Federal Tax ID _____

AT&T COMMUNICATIONS, INC.

Authorized Signature _____

Typed or Printed Name _____

Title _____

Date _____

EXHIBIT 1 AT&T INMATE CALLING SERVICE COMMISSION AGREEMENT

AGENT INFORMATION

Agent Name: _____ Date Contract Signed: _____

Expected Implementation Date: _____

<u>Facility Name</u>	<u>Number of Inmates</u>

CONTROLS REQUESTED

	<u>Yes</u>	<u>No</u>	<u>Details</u>
ON-PREMISE	_____	_____	
OFF PREMISE	_____	_____	
PIN	_____	_____	IF YES: With list _____ Without list _____
LOCAL TIME LIMITS	_____	_____	IF YES: Length of time _____
LOCAL DISTANCE TIME LIMITS	_____	_____	IF YES: Length of time _____
HOUR OF DAY RESTRICTIONS	_____	_____	IF YES: Specify Hours _____
TOTAL DURATION RESTRICTION	_____	_____	IF YES: Specify _____
NUMBER OF CALLS RESTRICTION	_____	_____	IF YES: Specify _____
PASSIVE CALL ACCEPTANCE	_____	_____	
ACTIVE CALL ACCEPTANCE	_____	_____	
ADDITIONAL EQUIPMENT NEEDED	_____	_____	



**Confidential Per Protective Order in
WUTC Docket No. UT-042022**

EXHIBIT B

This exhibit contains
CONFIDENTIAL
information and has been
REDACTED FOR PUBLIC FILING.

EXHIBIT C

288
SERVICE DATE

DEC 05 1991

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of) DOCKET NO. UT-911048
AT&T COMMUNICATIONS OF THE PACIFIC)
NORTHWEST, INC. for a Waiver of) ORDER GRANTING
Administrative Rules) WAIVER OF RULES

On September 17, 1991, AT&T Communications of the Pacific Northwest, Inc. (AT&T) filed a petition requesting waiver of certain administrative rules. This waiver request concerns the provision of telecommunications services to inmates of correctional institutions, and mental facilities. AT&T provides interLATA toll, and operator service at price listed rates. No surcharges are added to calls.

All calls from the inmate phones will be collect only, with no authorization for credit card calls, third number billings or direct dials. Calls are handled on a semi-automatic basis, with a live operator on the line only for call acceptance from the called party. AT&T will block all 800, 900, and 976 calls, as well as 911 access and directory assistance. In order to prevent fraudulent use, inmates are not allowed to reach an alternate carrier by any dialing means. The calls are branded by AT&T to both the calling and called party. Due to the restricted and specialized nature of its service, AT&T requests waiver of the following payphone and AOS rules:

WAC 480-120-137 (2); (911 and emergency access)
480-120-138 (3); (emergency access)
(5); (emergency numbers posted)
(6); (service assistance and refunds)
(7); (number of telephone displayed)
(10); (access to all IXCs)
(11); (two way service)
480-120-141 (4) (a); (sticker requirement)
(4) (b) (ii) and (iii); (other providers)
(7); emergency calls.

The waiver is requested only for the limited access inmate phones served by AT&T. These same rules have been waived on several previous occasions for the same type of service.

FINDINGS

THE COMMISSION FINDS:

1. AT&T Communications of the Pacific Northwest, Inc. is a public service company subject to the jurisdiction of the this Commission under the provisions of Chapter 80.36 RCW.

2. It appears, upon investigation, that the request

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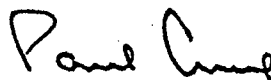
for waiver of Commission rules by AT&T Communications of the Pacific Northwest, Inc., is reasonable and consistent with the public interest and should therefore be granted.

ORDER

1. After the effective date of this order and subject to the conditions hereof, the petition of AT&T Communications of the Pacific Northwest, Inc., filed with the Commission requesting waiver of the following Commission rules is hereby granted, applicable only to applicant's limited access inmate phones: WAC 480-120-137 (2); (911 and emergency access); 480-120-138 (3); (5); (6); (7); (10); (11); 480-120-141 (4) (a); (4) (b) (ii) and (iii); and (7); emergency calls.

2. This order shall in no way affect the authority of this Commission over rates, service, or accounts, evaluations, estimates, or determination of cost or any matters whatsoever that may come before it, nor shall anything herein be construed as an acquiescence in any estimate or determination of cost or any valuation of property claimed or asserted.

DATED at Olympia, Washington, and effective this 5th day of December, 1991.



Paul Curl
Secretary

**Confidential Per Protective Order in
WUTC Docket No. UT-042022**

EXHIBIT D

This exhibit contains
CONFIDENTIAL
information and has been
REDACTED FOR PUBLIC FILING.

**Confidential Per Protective Order in
WUTC Docket No. UT-042022**

EXHIBIT E

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CONFIDENTIAL
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EXHIBIT F

Opinions of Mark Pollman in Judd, et al. v. T-Netix and AT&T, Docket No. UT-042022

1. AT&T did not serve as the Operator Service Provider at the Washington prisons at issue between 1996 and 2000.
2. T-Netix, through its P-III Premise platform, served as the Operator Service Provider at the Washington prisons at issue between 1996 and 2000.
3. T-Netix, through its P-III Premise platform, provided the connection to intrastate or interstate long-distance or to local services from the locations of the Washington prisons at issue (call aggregators).
4. T-Netix, through its P-III Premise platform, provided all operator services for calls from the Washington prisons at issue, including voice prompts, call validation and authorization, call detail records, and removal of the split on the line allowing the called and calling parties to communicate.
5. AT&T could not and did not have oversight responsibility for the operator services provided for calls from the Washington prisons at issue.

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EXHIBIT

DF 82 8-10-09

EXHIBIT G

1 BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
2 COMMISSION

3 CASE NO. UT-042022

4

5 DEPOSITION OF KENNETH L. WILSON

6

August 7, 2009

7

8 SANDRA JUDD, et al.,

9 Complainants,

10 vs.

11 AT&T COMMUNICATIONS OF THE PACIFIC NORTHWEST, INC.;

12 and T-NETIX, INC.,

13 Respondents.

14

15 APPEARANCES:

16

SIRIANNI YOUTZ MEIER & SPOONEMORE

By Richard E. Spoonemore, Esq.

17

1100 Millennium Tower

719 Second Avenue

18

Seattle, Washington 98104

(206) 223-0303

19

Appearing on behalf of Complainants.

20

SCHIFF HARDIN LLP

By Charles H.R. Peters, Esq.

21

6600 Sears Tower

Chicago, Illinois

22

(312) 258-5683

Appearing on behalf of Respondent AT&T.

23

24

25

Job No: 211473

1 in the context of this case and more generally.

2 Q Was that an understanding that you came to
3 before you had your discussion with Mr. Spoonmore?

4 A Yes. That -- that term has been at issue
5 in this case, and I have spent some time thinking
6 about it.

7 Q What do you understand the term
8 "connection" to mean?

9 A As an engineer, I typically like to think
10 about the connectivity of a call, how a call routes
11 through the network, the various pieces of equipment
12 and trunks or lines or links in a call.

13 When I think about the word "connection,"
14 I generally associate it with those links. I also
15 associate it with completing a connection, meaning
16 as a call is being set up, it goes through various
17 pieces of equipment, various trunks. The connection
18 is finally made when the call is complete from end
19 to end.

20 Q Do you recall having an additional
21 discussion with Mr. Spoonmore about that subject?

22 A I may have talked about various kinds of
23 telecommunications connections. I believe I even --
24 since recently I've been dealing with the electrical
25 grid to some extent, I believe I likened it to

EXHIBIT H

Agenda Date: September 12, 2001
Item Number: 2G

Docket: UT-990043
Company Name: Qwest Corporation

Staff: Bob Johnston, Compliance Specialist
Vicki Elliott, Assistant Director, Consumer Affairs
John Cupp, Consumer Program Specialist

Recommendation:

Issue a Complaint against Qwest Corporation. Accept the proposed Settlement Agreement to resolve the Complaint.

Discussion:

The proposed Complaint and Settlement Agreement in this matter comes from a staff investigation into the operator services practices of Qwest Corporation (Qwest). The investigation was initiated by the Commission through its Order in UT-990043 dated September 27, 2000. Within this Order, which granted a temporary waiver of the verbal disclosure requirements of WAC 480-120-141(2)(b), the Commission directed Staff to investigate the operator services practices of Qwest after December 1, 2000.

Staff began its investigation in January 2001, by requesting a list of pay phone locations from Qwest. On January 30 and 31, 2001, Staff conducted test calls from fifty-seven pay phones where Qwest is the operator services provider. During the ensuing investigation, Staff found that Qwest did not meet the requirements for verbal disclosure of rates as contained in WAC 480-120-141(2)(b). RCW 80.36.520 directs the Commission to adopt rules to assure appropriate disclosure to consumers of the rates, charges, and fees for services provided by an operator services provider. The Commission adopted such rules in WAC 480-120-141(2) on December 29, 1998. During its investigation, Staff found thirty-five instances where the operators did not properly offer a rate quote to pay phone consumers.

In June 2001, Staff notified Qwest of its findings and invited the company to enter into discussions to resolve these issues. Over the next two months, Commission Staff and Qwest shared information and discussed a possible resolution. These discussions resulted in the proposed Settlement Agreement presented today.

Briefly, in the Agreement, Qwest has admitted to violation of Commission rules and has agreed to pay the Commission \$30,000 for such violations, with an additional \$10,300 in penalties suspended, pending no evidence of violations of WAC 480-120-141(2)(b) for six months. In addition, Qwest has agreed to immediate and continued compliance with all state laws and rules.

Docket No. UT-990043
September 12, 2001
Page 2

Recommendation

Staff recommends the Commission issue a Complaint against Qwest Corporation, and accept the proposed Settlement Agreement to resolve the Complaint.

Attachments

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND)	
TRANSPORTATION COMMISSION,)	DOCKET NO. UT-990043
)	
Complainant,)	
)	
v.)	SETTLEMENT AGREEMENT
)	
QWEST CORPORATION)	
)	
Respondent.)	
.....)	

Qwest Corporation (Qwest) and the Staff of the Washington Utilities and Transportation Commission (Staff) (collectively, “the Parties”) have reached agreement on certain issues raised by the Complaint and wish to present their agreement on these issues for the Commission’s consideration. The Parties therefore adopt the following Agreement. The Parties enter into this Agreement voluntarily to resolve the matters in dispute between them and to expedite the orderly disposition of this matter.

AGREEMENT

Now, therefore, the Parties hereby agree as follows:

I. RESOLUTION OF ISSUES RAISED IN THE COMPLAINT

A. Scope of Agreement

Staff and Qwest agree that the terms of this Agreement resolve, between them, all contested issues in this proceeding before the Commission. Nothing in this Agreement shall be construed to limit or bar any other entity from pursuing available legal remedies against Qwest or to limit or bar Qwest from asserting any defenses to such claims. This Agreement resolves all issues raised by the Complaint and except as specifically set forth herein, nothing in this Agreement shall be cited or construed as precedent or as indicative of the parties’ positions on

any of the issues resolved. This limitation shall not apply to any proceeding to enforce the terms of this Agreement or any Commission Order fully adopting this Agreement.

B. Support of Agreement

Qwest and Staff shall cooperate in submitting this Agreement promptly to the Commission for consideration, and shall support adoption of this Agreement in proceedings before the Commission, through testimony or briefing, as resolution of the issues included in the Complaint. No party to this Agreement or its agents, employees, consultants or attorneys will engage in any advocacy contrary to the Commission's adoption of this Agreement in resolution of the issues included in the Complaint. Qwest and Staff shall make available a witness or witnesses in support of this Agreement, if a hearing is determined to be necessary by the Commission.

II. COMMITMENTS OF QWEST

A. Compliance with Verbal Disclosure Rules

The complaint was based on an investigation of intrastate, intralata calls made from pay phones after September 1, 2000, where Qwest is the operator services provider. The investigation tested compliance of verbal rate quote disclosure requirements. Qwest commits to full compliance with Washington's verbal disclosure requirements set forth in WAC 480-120-141(2)(b) for all aggregator locations. Qwest has reformatted the rate information source utilized by operators to provide rate quotes and retrained all of its operators. Qwest also has changed its current voice message for automated operator services rate quotes so that it informs consumers of the option to receive a rate quote by pressing no more than two keys and asking the operator for a quote. Qwest also will conduct regular audits to ensure compliance with the requirements set forth in WAC 480-120-141(2)(b).

B. Remedy

Staff will request that the Commission issue an order accepting, in settlement of the issues raised in the Complaint, a total payment by Qwest of \$40,300, for violations of WAC 480-120-141(2)(b). Further, Staff will request that \$30,000 of the total amount be ordered due and payable 15 days after the Commission issues its order, and that the remaining \$10,300 be suspended on the condition there is no evidence of violations of the verbal rate disclosure rules set forth in WAC 480-120-141(2)(b) for six months following the Commission's order accepting this Agreement.

C. Compliance Regarding Other Rules

Qwest will comply with all applicable Commission rules. This Agreement does not preclude the Commission from pursuing penalties for violations of Commission rules not related to the subject matter of this Agreement.

III. GENERAL PROVISIONS**A. Effective Date of Agreement**

This Agreement is an integrated document that shall become effective when executed, and the parties shall recommend that the Commission adopt this Agreement in its entirety. In the event that the Commission rejects all or any portion of this Agreement as resolving the issues within the Complaint, each party reserves the right to withdraw from this Agreement by written notice to the other party and the Commission. In such case, neither party to this Agreement shall be bound or prejudiced by the terms of this Agreement, and either party shall be entitled to seek reconsideration of the Commission Order rejecting all or any portion this Agreement, file any testimony it chooses, cross-examine witnesses, and in general to put on such case as it deems appropriate. If this Agreement does not become effective according to its terms, it shall be null and void.

B. Execution in Counterparts

This Agreement may be executed by the Parties in counterparts and as executed shall constitute one agreement. Copies sent by facsimile are as effective as original documents.

C. Necessary Actions

The Parties shall take all actions necessary and appropriate to carry out this Agreement.

D. Entire Agreement

This Agreement constitutes the parties' entire agreement on all matters set forth herein and supersedes any and all prior oral and written agreement on such matters that previously existed or occurred. The parties acknowledge that this Agreement is the product of negotiations and compromise and shall not be construed against either party on the basis that it was the drafter of any or all portions of this Agreement.

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION
STAFF

CHRISTINE O. GREGOIRE
Attorney General

QWEST CORPORATION

JONATHAN THOMPSON
Attorney General
Counsel for Commission Staff

General Vice President - Operator Assistant
and Information Services

Dated: _____, 2001.

Director - Washington Policy and Law

Dated: _____, 2001.

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,)	
)	DOCKET NO. UT-990043
Complainant,)	
)	
v.)	COMMISSION ORDER
)	ACCEPTING SETTLEMENT
QWEST CORPORATION)	
)	
Respondent.)	
.....)	

SUMMARY

- 1 PROCEEDINGS:** The Washington Utilities and Transportation Commission, proceeding on its own motion, filed a Complaint on September 12, 2001. The Commission alleged in its Complaint that Qwest Corporations' s operating practices violated WAC 480-120-141.
- 2 PARTIES:** Jonathan Thompson, Assistant Attorney General, Olympia, Washington, represents Commission Staff (Staff). Theresa A. Jensen, Director of Washington Policy and Law, represents Qwest Corporation (Qwest).
- 3 SETTLEMENT AGREEMENT:** On September 12, 2001, Staff and Qwest (the Parties) filed a Settlement Agreement to resolve all issues raised in the Complaint.
- 4 COMMISSION:** The Commission accepts the Parties' settlement as filed.

MEMORANDUM

- 5 On September 12, 2001, the Commission issued a Complaint alleging violations of WAC 480-120-141(2)(b). The Parties have reached agreement on the resolution of the issued raised by the Complaint and have voluntarily entered into the attached Settlement Agreement (Agreement). The Agreement reflects the Parties' proposal to the Commission for resolution of all outstanding issues and constitutes a settlement agreement within the meaning of WAC 480-09-466.**
- 6 In summary, the Agreement provides for the following actions to be taken by Qwest to resolve the outstanding Complaint:**

- Qwest agrees to full compliance with the Commission's verbal disclosure rules.
- Qwest agrees to change its voice message for automated operator services so that it informs consumers to receive a rate quote by pressing no more than two keys and then asking for a rate quote from the operator.
- Qwest agrees to pay \$30,000 for rule violations.
- Qwest agrees to suspend, for six months, an additional amount of \$10,300 dependent upon no evidence of similar violations of Commission rule.

7 The Commission finds that the Settlement Agreement fairly and equitably resolves all of the issues raised by the Complaint and is therefore in the public interest.

FINDINGS OF FACT

8 The Washington Utilities and Transportation Commission is an agency of the State of Washington, vested by statute with authority to regulate rates, practices, accounts, and other matters pertinent to the operation of public service companies, including telecommunications companies.

9 Qwest Corporation engages in the business of providing operator services within Washington state as a telecommunications company.

10 On September 12, 2001, the Commission issued a Complaint in which it alleged that Qwest Corporation had violated a Commission rule.

11 On September 12, 2001, Staff and Qwest Corporation filed a Settlement Agreement to resolve all violations to date, which are known to Staff, of the rules cited in the Commission's Complaint.

CONCLUSIONS OF LAW

12 The Washington Utilities and Transportation Commission has jurisdiction over the subject matter and the parties. Chapters 80.04 and 80.36 RCW.

13 Qwest Corporation violated WAC 480-120-141(2)(b).

14 The Settlement Agreement, which is attached to this Order as Appendix A, is consistent with the public interest.

15 The settlement fully and fairly resolves the issues pending in Docket No. UT-990401 and is in the public interest. The terms of the Settlement Agreement should be approved and adopted as set out therein.

16 The Commission retains jurisdiction to effectuate the provisions of this order.

ORDER

17 THE COMMISSION ORDERS That the terms of the Settlement Agreement, as signed by representatives for the Parties, are hereby approved and adopted by the Commission.

DATED at Olympia, Washington, and effective this day of September 2001.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARILYN SHOWALTER, Chairwoman

RICHARD HEMSTAD, Commissioner

PATRICK J. OSHIE, Commissioner

EXHIBIT I

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BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION

SANDRA JUDD, et al.,)
Complainants,)
vs.) NO. UT-0420022
AT&T COMMUNICATION of the)
PACIFIC NORTHWEST, INC.; and)
T-NETIX, INC.,)
Respondents.)

DEPOSITION UPON ORAL EXAMINATION
OF
DANIEL GROSS

12:00 Noon
June 4, 2009
719 Second Avenue, Suite 1100
Seattle, Washington

Pat Lessard
Court Reporter

1 Exhibit 45, I'd like you just to read that and let me
2 know when you're done, please.

3 A. Okay.

4 Q. Have you seen Exhibit 45 before?

5 A. I think I have, yes.

6 Q. I wanted to show Exhibit 45 to you to see if
7 this brings back any more memories about the project
8 that Mr. Roth was doing regarding rate quotation in
9 Washington state which is called in this email
10 "Operation cooperation rate quote, AT&T/Washington."

11 Do you now have any further memory regarding
12 the rate quoting project in the state?

13 A. Well, this is in reference to us trying
14 to -- Ken Stibler, when he came on, one of his things
15 was revenue generation. And that was to get the
16 people like partners to pay for additional items that
17 we had been doing.

18 We used to just change announcements and
19 stuff, just -- we just did a change. They told us
20 "Hey, we did a change. That shouldn't be AT&T, it
21 should be Verizon" or whatever, and we went ahead and
22 changed it and sent it out to the field, and expensed
23 all the personnel cost and stuff to change that.

24 What they were trying to do with that is to
25 make them charge AT&T for us to recreate the chips and

1 replace the chips, especially voice chips.

2 So they went to Qwest to change it from
3 U.S. West to Qwest. And AT&T had a bunch of changes
4 and changing rate quoting, and so on. And so on.

5 So they wanted us to get reimbursed for
6 that, and that's what part of this is. And that's
7 what he's quoting at \$85,000. That's \$85,000 of what,
8 billing AT&T to change the stuff.

9 Q. Okay.

10 A. And I know that was a contentious thing
11 between us and AT&T at the time, and especially Qwest
12 and U S West. Qwest refused to pay and said "Leave it
13 as U S West."

14 And i think to this day the one site we have
15 left as P-III still quotes U S West for local calls,
16 because they refused to pay to change the chip.

17 Q. What site is that?

18 A. It's a juvenile site. Multnomah Juvenile in
19 Portland.

20 Q. So on any of the U S West sites here within
21 the state of Washington there was no change made to
22 change from U S West to Qwest?

23 A. No, none.

24 Q. Do you know whether U S West paid T-Netix to
25 have rate quoting put on the systems?

1 A. I do not know the answer to that.

2 Q. You don't know one way or the other?

3 A. No.

4 Q. Any other memory you have of what's
5 discussed in Exhibit 45 regarding either additional
6 revenue generation or the whole rate quote process?

7 A. Not in reference to this, no.

8 MR. YOUTZ: Why don't we mark this as the
9 next one, please.

10 (Marked Deposition Exhibit No. 61.)

11 Q. (By Mr. Youtz) Handing you what's been
12 marked as Exhibit 61, is Exhibit 61 the two-page Word
13 document that came off of your computer that you
14 provided to counsel --

15 A. Yes.

16 Q. -- that we discussed earlier?

17 A. Yes.

18 Q. Okay. First of all, who is Andy Harris?

19 A. Engineer.

20 Q. And he's a T-Netix engineer?

21 A. Yes.

22 Q. Is he still with the company, do you know?

23 A. I don't think so.

24 Q. Was he in Dallas or --

25 A. Denver.

EXHIBIT J

SERVICE DATE

JAN 26 1994

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of) DOCKET UT-931581
TELE-MATIC CORPORATION)
for Waiver of Washington) ORDER GRANTING
Administrative Rules.) WAIVER OF RULES
.)

On December 27, 1993, Tele-Matic Corporation (Tele-Matic) filed a petition requesting waiver of certain administrative rules in conjunction with Tele-Matic's application for registration as a telecommunications company in Docket UT-931580. This waiver request concerns the provision of telecommunications services to inmates of correctional institutions and mental facilities. Tele-Matic proposes to provide automated collect-only telecommunications services to inmates at confinement facilities.

All calls from the inmate phones will be collect only, with no authorization for credit card calls, third number billings or direct dial calling. Calls are handled on an automatic basis, with an automated operator on the line for call acceptance from the called party. Tele-Matic will block all 800, 900, and 976 calls, as well as 911 access and directory assistance. In order to prevent fraudulent use, inmates are not allowed to reach an alternate carrier by any dialing means. The calls are branded by Tele-Matic by both the calling and called party. Due to the restricted and specialized nature of its service, Tele-Matic requests waiver of the following payphone and AOS rules:

- WAC 480-120-137 (2); (911 and emergency access)
- 480-120-138 (3); (emergency access)
- (5); (emergency numbers posted)
- (6); (service assistance and refunds)
- (10); (access to all IXCs)
- (11); (two way service)
- 480-120-141 (4) (a); (sticker requirement)
- (4) (b) (ii) and (iii); (other providers)
- (7); (emergency calls)

The waiver is requested only for the limited access inmate phones served by Tele-Matic. These same rules have been waived on several previous occasions for the same type of service.

FINDINGS

THE COMMISSION FINDS:

1. Tele-Matic Corporation is a public service company subject to the jurisdiction of this Commission under the provisions of Chapter 80.36 RCW.

2. It appears, upon investigation, that the request for waiver of Commission rules by Tele-Matic Corporation is reasonable and consistent with the public interest and should therefore be granted.

ORDER

1. After the effective date of this order and subject to the conditions hereof, the petition of Tele-Matic Corporation filed with the Commission requesting waiver of the following Commission rules is hereby granted, applicable only to applicant's limited access inmate phones: WAC 480-120-137(2); 480-120-138 (3); (5); (6); (7); (10) (11); 480-120-141 (4) (a); (4) (b) (ii) and (iii); and (7).

2. This order shall in no way affect the authority of this Commission over rates, service, or accounts, evaluations, estimates, or determination of cost or any matters whatsoever that may come before it, nor shall anything herein be construed as an acquiescence in any estimate or determination of cost or any valuation of property claimed or asserted.

DATED at Olympia, Washington, and effective this 26th day of January, 1994.

Steve McLellan
STEVE McLELLAN, Secretary

EXHIBIT K

John J



STATE OF WASHINGTON
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250
(206) 753-6423 • (SCAN) 234-6423 • TTY (206) 586-8203

REF: UT6-0590
DOCKET: UT-951344

December 13, 1995

Mr. Thomas J. Huzjak, President
Tele-Matic Corporation
6675 South Kenton Street, Suite 100
Englewood, Colorado 80111

Dear Mr. Huzjak:

The Washington Utilities and Transportation Commission is in receipt of your letter dated November 21, 1995, notifying the Commission of the adoption of Tele-Matic Corporation by T-NETIX, Inc. This adoption becomes effective with the Commission on December 22, 1995.

Sincerely,

Cathy Kern
Cathy Kern
Transportation Specialist

WIGGINS & VILLACORTA, P.A.

ATTORNEYS AT LAW

301 EAST TENNESSEE STREET

POST OFFICE DRAWER 1057

TALLAHASSEE, FLORIDA 32302

TELEPHONE (904) 222-1534

TELECOMER (904) 222-1669

November 21, 1995

VIA FEDERAL EXPRESS

Mr. Steve McLellan
Washington Utilities and Transportation Commission
Chandler Plaza Building
1300 South Evergreen Park Drive, S.W.
Olympia, Washington 98504

RE: Tele-Matic Corporation

Dear Mr. McLellan:

Enclosed for filing are the original and two (2) copies of the Adoption Notice of T-NETIX, Inc. This Adoption Notice is filed to advise the Commission that the above-referenced company, "Tele-Matic Corporation" has changed its name to "T-NETIX, Inc." No changes in shareholders or control have resulted from this action.

Please contact me if the Commission requires any additional information. Thank you for your assistance with this matter.

Sincerely,


Susan Davis Morley

SDM/mab

ADOPTION NOTICE

T-NETIX, Inc. hereby adopts, ratifies, and makes its own in every respect, as if the same had been originally filed by it, all tariffs, rules, notices, concurrences, provisions, authorities, power of attorney or whatsoever other instruments filed with the Washington Utilities and Transportation Commission or its predecessors by Tele-Matic Corporation prior to September 25, 1995, the beginning of its possession. By this notice, it also adopts and ratifies all supplements or amendments to any of the above tariffs, rules, notices, concurrences, provisions, authorities, power of attorney or whatsoever other instruments which have heretofore been filed with the Washington Utilities and Transportation Commission.