

Qwest
421 SW Oak Street
Room 810
Portland, OR 97204
Telephone: 503-242-5623
Facsimile: 503-242-8589
Alex.Duarte@qwest.com



Alex M. Duarte
Corporate Counsel

June 7, 2004

Ms. Cheryl Walker
Oregon Public Utility Commission
P. O. Box 2148
Salem, OR 97308-2148

Re: Filing of OS/DA Agreements

Dear Ms. Walker:

Pursuant to Section 252 of the Telecommunications Act of 1996, Qwest is filing today the following agreements relating to the provisioning of directory assistance and operator services:

1. Directory Assistance Agreement, U S WEST Communications, Inc. and American Telephone Technology, Inc., dated February 16, 2000;
2. Operator Services Agreement, U S WEST Communications, Inc. and American Telephone Technology, Inc., dated February 16, 2000;
3. Directory Assistance Agreement, U S WEST Communications, Inc. and Frontier Local Services, Inc., dated July 31, 1998; and
4. Operator Services Agreement, U S WEST Communications, Inc. and Frontier Local Services, Inc., dated July 31, 1998.

As explained below, the review and analysis of directory assistance and operator services agreements by state regulatory agencies and the Federal Communications Commission (FCC) indicated to Qwest that these types of agreements did not fall within the Section 252 filing requirement. However, recent FCC pronouncements tell us that such agreements should be filed. Thus, Qwest is filing the agreements listed above in order to eliminate any questions regarding to Qwest's compliance with Section 252.

As you may know, the Minnesota Department of Commerce (DOC) initiated an investigation into Qwest's agreements with Competitive Local Exchange Carriers (CLECs) in the Fall of 2001. The DOC requested and Qwest provided all of its agreements with CLECs executed after January 1, 2000. The purpose of the DOC's investigation and review was to determine whether Qwest had entered into agreements with CLECs that Qwest should have filed under Section 252. Qwest provided approximately 90 agreements to the DOC, which included 20 standardized agreements for the provisioning of directory assistance and operator services.

On February 14, 2002, the Minnesota DOC identified 11 CLEC agreements that it believed should have been filed under Section 252, and listed them in a complaint filed with the

Minnesota Public Utilities Commission. The DOC did not identify any of the standardized agreements relating to directory assistance or operator services in the complaint as agreements that it believed should have been filed under Section 252.

In the Fall of 2002, the FCC was reviewing Qwest's application for authority in nine states to provide interLATA services pursuant to Section 271. As part of Qwest's application, the FCC reviewed Qwest's compliance with its obligations under Section 252 to file agreements relating to section 251 services. In footnote 1746 of the FCC's nine-state 271 order granting Qwest's Section 271 application, the FCC addressed a directory assistance agreement and noted parenthetically that it was "not 251-related." *In the Matter of Application by Qwest Communications International, Inc. for Authorization To Provide In-Region, InterLATA Services in the States of Colorado, Idaho, Iowa, Montana, Nebraska, North Dakota, Utah, Washington, and Wyoming*, WC Docket No. 02 – 314 (released Dec. 23, 2002), at footnote 1746.

The Arizona Commission and Staff also undertook an investigation into allegedly unfiled agreements, and Qwest provided the Staff with eight standardized directory assistance and operator services agreements. In its testimony filed February 21, 2003, the Arizona Staff identified only one of the directory assistance agreements, and none of the operator services agreements, as being agreements it believed were within the Section 252 filing requirement. After the Arizona hearing and briefing were completed in May 2003, Qwest was willing to compromise and remove from further litigation in Arizona the question whether that directory assistance agreement was subject to the filing requirement. Thus, Qwest filed under Section 252 the eight directory assistance and operator service agreements, as well as four other form agreements relating to ancillary services (a total of 12 agreements), with the Arizona Commission on May 21, 2003.

Qwest concluded, based on the Minnesota DOC and Arizona Staff reviews, that standardized agreements relating to directory assistance and operator services were not within the filing requirement. At the very least, these state agency reviews showed that the issue was not free from ambiguity.¹ In any event, no CLEC has ever been denied the opportunity to receive these standardized directory assistance or operator services. These services always have been available to any requesting CLEC through Qwest's Statement of Generally Available Terms and Conditions (SGAT), provisions in other interconnection agreements, through Qwest's website postings, or simply through CLEC contacts with Qwest's Wholesale organization.

On March 12, 2004, the FCC issued its Notice of Apparent Liability (NAL) addressing Qwest's filing of the 12 Arizona agreements, eight of which included agreements for directory assistance and operator services. The NAL alleged that Qwest violated the filing requirement under Section 252, and thus should be assessed penalties for failing to file the 12 Arizona agreements until May 21, 2003. Qwest's response to the NAL was due May 12, 2004.²

Qwest does not agree with the NAL regarding the Arizona agreements, and it certainly does not agree the circumstances warrant penalties, particularly due to the ambiguities regarding standardized agreements, especially with respect to directory assistance and operator services.

¹ In order to eliminate any question of discrimination or non-compliance with the filing requirement, Qwest's Wholesale Agreement Review Committee, out of an abundance of caution, has directed the filing of newly-executed operator services and directory assistance agreements since the Committee's formation in June of 2002.

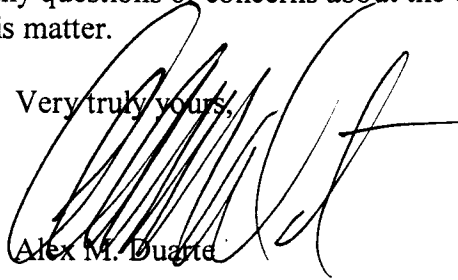
² The FCC granted Qwest a 30-day extension, or until May 12, 2004, to respond to the NAL.

However, in order to place these issues behind it, and to move forward with other more current issues, Qwest determined not to contest the NAL, and thus has paid the recommended penalty.

Because the FCC's NAL alleged that the directory assistance and operator services agreements at issue in Arizona were within the section 252 filing requirement, and because Qwest has decided not to contest this finding, Qwest is hereby making remedial filings of all directory assistance and operator services agreements in each of its other 13 in-region states. As stated above, any delays in the filing of these agreements have not had any discriminatory effect upon CLECs, especially because these standardized services have always been available to any requesting carrier - they are contained in filed and effective SGATs, in other filed interconnection agreements, through postings on Qwest's website, and through contacts with Qwest's wholesale organization.

Please feel free to call me if you have any questions or concerns about the enclosed agreement. Thank you for your attention to this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read "Alex M. Duarte", written over the typed name.

Alex M. Duarte

AMD:amd

Enclosures

Cc: Mr. Phil Nyegaard, OPUC Staff (w/ encl.)
Mr. Dave Booth, OPUC Staff (w/encl.)
Mr. Don Mason, Qwest

OPERATOR SERVICES AGREEMENT

This Operator Services Agreement ("Agreement") is made and entered into by and between U S WEST Communications, Inc. ("USWC") and American Telephone Technology, Inc., a subsidiary of Advanced Telecommunications, Inc. ("Co-Provider"). This Agreement may refer to Co-Provider or to USWC as a Party ("Party") to this Agreement. The Operator Services provided in this Agreement (the "Services") will be delivered in the state of Oregon.

WHEREAS, Co-Provider desires to purchase and USWC desires to provide the Services as described and set forth in this Agreement.

NOW THEREFORE, in consideration of the promises, mutual covenant, and agreements contained herein, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. SCOPE OF AGREEMENT

1.1 This Agreement sets forth the terms and conditions for the provision of the Services by USWC to Co-Provider. The Services will be provided by live operators or computers and include the following:

1.1.1 Local Assistance - Provide assistance to Co-Provider's end user requesting help or information on placing or completing local calls, connecting to home NPA directory assistance, and provide such other information and guidance, including referral to business office and repair numbers, as may be consistent with USWC's customary practice for providing customer assistance.

1.1.1.1 Emergency Assistance - Provide assistance for handling the emergency local and intraLATA toll calls to emergency agencies of Co-Provider's end user, including, but not limited to, police, sheriff, highway patrol and fire. Co-Provider will be responsible for providing USWC with the appropriate emergency agencies numbers and updates.

1.1.1.2 Busy Line Verify ("BLV") - Performed when Co-Provider's end user requests assistance from the operator to determine if the called line is in use. The operator will not complete the call for the end user initiating the BLV inquiry. Only one BLV attempt will be made per end user call, and a charge will apply.

1.1.1.3 Busy Line Interrupt ("BLI") - Performed when Co-Provider's end user requests assistance from the operator to interrupt a telephone call in progress after BLV has occurred. The operator will interrupt the busy line and inform the called party that there is a call waiting. The operator will only interrupt the busy line and will not connect Co-Provider's end user and the called party. The operator will make only one BLI attempt per end user call and the applicable charge applies whether or not the called party releases the line.

1.1.1.4 Quote Service - Provide time and charges to hotel/motel and other end users of Co-Provider for guest/account identification.

1.1.1.5 Coin Refund Requests - Provide information regarding Co-Provider's end users requesting coin refunds

1.1.2 IntraLATA Toll Assistance - USWC will direct Co-Provider's end user to contact their carrier to complete intraLATA toll calls.

1.1.3 Branding - Announces Co-Provider's name at the introduction and conclusion of the call, where technically feasible. USWC will record the Brand.

1.2. This Agreement arises out of an interconnection agreement between the Parties ("Interconnection Agreement"), and this Agreement will be interpreted consistent with that Interconnection Agreement and the relationship of the Parties described therein. In the event of any conflicts between the terms of the Interconnection Agreement and this Agreement, the terms of this Agreement as to the provision of Operator Services shall control. Further, the expiration or termination of the Interconnection Agreement, unless otherwise agreed in writing by the Parties, will also end this Agreement.

2. TERMS AND CONDITIONS

2.1 Co-Provider elects to receive the following Operator Services:

Local Assistance	<u> X </u>
Emergency Assistance	<u> X </u>
Busy Line Verify	<u> X </u>
Quote Service	<u> </u>
Busy Line Interrupt	<u> X </u>
Coin Refund Requests	<u> </u>
IntraLATA Toll Assistance	<u> X </u>
Branding	<u> </u>

2.2 Interconnection to USWC Services from an end office to USWC is technically feasible at two distinct points on the trunk side of the switch. The first connection point is an operator services trunk connected directly to the USWC Operator Services host switch. The second connection point is an operator services trunk connected directly to a remote USWC Operator Services switch.

2.3 Trunk provisioning and facility ownership will follow the guidelines recommended by the Trunking and Routing, IOF and Switch sub-teams. All trunk interconnections will be digital.

2.4 Operator Services interconnection will require a dedicated operator services type trunk, per NPA, between the end office and the interconnection point on the USWC switch. Subject to availability and capacity, access may be provided via operator services trunks purchased from USWC or provided by Co-Provider via collocation arrangements to route calls to Co-Provider's platform.

2.5 The technical requirements of operator services type trunks and the circuits to connect the positions to the host are covered in the Operator Services Systems Generic Requirement (OSSGR), Bellcore Document No. FR-NWT-000271, Section 6 (Signaling) and Section 10 (System Interfaces) in general requirements form.

2.6 The Co-Provider will provide separate (not the local/intraLATA trunks) no-test trunks to the USW BLV-BLI validation hubs or to the USWC operator services switches.

- 2.7 USWC will perform Services provided under this Agreement in accordance with operating methods, practices, and standards in effect for all its end users. Nothing in this Agreement is intended to obligate USWC to provide any toll services to Co-Provider or Co-Provider's end users.
- 2.8 It is understood that USWC will have no obligation to supply a Service where facilities or technical abilities are limited. USWC, in its reasonable discretion, may modify and change the nature, extent and detail of the Services from time to time during the term hereof.
- 2.9 Co-Provider will complete the "USWC Operator Services/Directory Assistance Questionnaire for Local Service Providers" to request Services, and Co-Provider represents that the information is true and correct to the best of its knowledge and belief.
- 2.10 USWC will maintain adequate equipment and personnel to reasonably perform the Services. Co-Provider will provide and maintain the facilities necessary to connect its end users to the place(s) where USWC provides the Services and to provide all information and data needed or reasonably requested by USWC in order to perform the Services.

3. TERM AND TERMINATION

This Agreement arises out of an Interconnection Agreement between the Parties which has been submitted for approval to the Oregon Public Utility Commission. This Agreement shall become effective upon Commission approval of the Wireline Agreement, and shall terminate at the same time as the said Interconnection Agreement, provided however, either Party may terminate this Agreement upon sixty (60) days prior written notice to the other.

4. CHARGES

The charges for the Services provided by USWC under this Agreement are listed in Exhibit A, attached hereto and incorporated herein by reference.

5. BILLING

- 5.1. USWC will track usage and bill Co-Provider, and Co-Provider will pay USWC for the calls placed by Co-Provider's end users and facilities.
- 5.2 Usage will be calculated according to Option A (Price Per Message) and Option B (Price Per Work Second and Computer Handled Calls), as defined in Exhibit A, and USWC will charge Co-Provider whichever is lower.
- 5.3 If, due to equipment malfunction or other error, USWC does not have available the necessary information to compile an accurate billing statement, USWC may render a reasonably estimated statement, but will notify Co-Provider of the methods of such estimate and cooperate in good faith with Co-Provider to establish a fair, equitable estimate. USWC will render a statement reflecting actual billable quantities when and if the information necessary for the billing statement becomes available.

- 5.4 Co-Provider alone and independently establishes all prices it charges its end users for Services provided by means of this Agreement, and USWC is not liable or responsible for the collection of any such amounts.
- 5.5 If Branding is selected, a non-recurring charge for studio set-up and recording will apply. The non-recurring studio/recording charge will be assessed each time the brand message is changed. The non-recurring charge to load the switches will be assessed each time there is any type of change to the switch. (CLECs offering service in more than one state will be assessed a one time only non-recurring charge for studio set-up and recording.) The non-recurring charge(s) must be paid prior to commencement of service.

Branding – Studio Set-up and Record Brand: (Includes both front-end and back-end Brand)	\$10,500.00
Branding – Load brand into Switch: (Per Switch)	\$175.00

6. PAYMENT

- 6.1 Amounts payable under this Agreement are due and payable within thirty (30) days after the date of statement.
- 6.2 Unless prohibited by law, any amount due and not paid by the due date stated above will be subject to a late charge equal to either i) 0.03 percent per day compounded daily for the number of calendar days from the payment due date to and including, the date of payment, that would result in an annual percentage rate of 12% or ii) the highest lawful rate, whichever is less.
- 6.3 Should Co-Provider dispute any portion of the statement under this Agreement, Co-Provider will notify USWC in writing within thirty (30) days of the receipt of such billing, identifying the amount and details of such dispute. Co-Provider will pay all amounts due. Both Co-Provider and USWC agree to expedite the investigation of any disputed amounts in an effort to resolve and settle the dispute prior to initiating any other rights or remedies.

7. CONFIDENTIAL INFORMATION

- 7.1 "Confidential Information" means all documentation and technical and business information, whether oral, written or visual, which is legally entitled to be protected from disclosure, which a Party to this Agreement may furnish to the other Party or has furnished in contemplation of this Agreement to such other Party. Each Party agrees (1) to treat all such Confidential Information strictly as confidential and (2) to use such Confidential Information only for purposes of performance under this Agreement or for related purposes.
- 7.2 The Parties shall not disclose Confidential Information to any person outside their respective organizations unless disclosure is made in response to, or because of an obligation to, or in connection with any proceeding before any federal, state, or local governmental agency or court with appropriate jurisdiction, or to any person properly seeking discovery before any such agency or court. The Parties' obligations under this

Section shall continue for one (1) year following termination or expiration of this Agreement.

8. FORCE MAJEURE

With the exception of payment of charges due under this Agreement, a Party shall be excused from performance if its performance is prevented by acts or events beyond the Party's reasonable control, including but not limited to, severe weather and storms; earthquakes or other natural occurrences; strikes or other labor unrest; power failures; computer failures; nuclear or other civil or military emergencies; or acts of legislative, judicial, executive, or administrative authorities.

9. LIMITATION OF LIABILITY

USWC SHALL BE LIABLE TO CO-PROVIDER, AND CO-PROVIDER ONLY, FOR THE ACTS OR OMISSIONS OF USWC, EXPRESSLY INCLUDING THE NEGLIGENT ACTS OR OMISSIONS OF USWC OR THOSE ATTRIBUTABLE TO USWC, IN CONNECTION WITH USWC'S SUPPLYING OR CO-PROVIDER'S USING THE SERVICES, BUT STRICTLY IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THIS AGREEMENT. IT IS EXPRESSLY AGREED THAT USWC'S LIABILITY TO CO-PROVIDER, AND CO-PROVIDER'S SOLE AND ONLY REMEDY FOR ANY DAMAGES ARISING IN CONNECTION WITH THE SERVICES AND THIS AGREEMENT SHALL BE A REFUND TO CO-PROVIDER OF THE AMOUNT OF THE CHARGES BILLED AND PAID BY CO-PROVIDER TO USWC FOR FAILED OR DEFECTIVE SERVICES. UNDER NO CIRCUMSTANCES OR THEORY, WHETHER BREACH OF AGREEMENT, PRODUCT LIABILITY, TORT, OR OTHERWISE, SHALL USWC BE LIABLE FOR LOSS OF REVENUE, LOSS OF PROFIT, CONSEQUENTIAL DAMAGES, INDIRECT DAMAGES OR INCIDENTAL DAMAGES, AND ANY CLAIM FOR DIRECT DAMAGES SHALL BE LIMITED AS SET FORTH ABOVE. UNDER NO CIRCUMSTANCES SHALL USWC EVER BE LIABLE TO CO-PROVIDER'S END USERS FOR ANY DAMAGES WHATSOEVER BY REASON OF THIS AGREEMENT.

10. INDEMNIFICATION

Each Party to this Agreement hereby indemnifies and holds harmless the other Party with respect to any third-party claims, lawsuits, damages or court actions arising from performance under this Agreement to the extent that the indemnifying Party is liable or responsible for said third-party claims, losses, damages, or court actions. Whenever any claim shall arise for indemnification hereunder, the Party entitled to indemnification shall promptly notify the other Party of the claim and, when known, the facts constituting the basis for such claim. In the event that one Party to this Agreement disputes the other Party's right to indemnification hereunder, the Party disputing indemnification shall promptly notify the other Party of the factual basis for disputing indemnification. Indemnification shall include, but is not limited to, costs and attorney fees.

11. LAWFULNESS OF AGREEMENT

- 11.1. This Agreement and the Parties' actions under this Agreement shall comply with all applicable federal, state, and local laws, rules, regulations, court orders, and governmental agency orders. This Agreement shall only be effective when mandatory regulatory filing requirements are met, if applicable. If a court or a governmental agency with proper jurisdiction determines that this Agreement, or a provision of this Agreement, is unlawful, this Agreement, or that provision of this Agreement shall terminate on written notice to Co-Provider to that effect.
- 11.2. If a provision of this Agreement is so terminated, the Parties will negotiate in good faith for replacement language. If replacement language cannot be agreed upon, either Party may terminate this Agreement.

12. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the state in which Services are delivered to the end user.

13. DISPUTE RESOLUTION

Any claim, controversy or dispute between the Parties shall be resolved by arbitration in accordance with the then current rules of the American Arbitration Association. The arbitration shall be conducted by a single arbitrator engaged in the practice of law and knowledgeable about telecommunications. The arbitrator's decision and award shall be final and binding and may be entered in any court with jurisdiction.

14. DEFAULT

If a Party defaults in the performance of any substantial obligation herein, and such default continues, uncured and uncorrected, for thirty (30) days after written notice to cure or correct such default, then the non-defaulting Party may immediately terminate this Agreement. Subject to Section 9 (Limitation of Liability) above, the non-defaulting Party may also pursue other permitted remedies by arbitration as set forth above.

15. SUCCESSORS, ASSIGNMENT

This Agreement binds the Parties, their successors, and their assigns. Either Party may assign its rights and delegate its duties under this Agreement with the express, written permission of the other Party, which permission shall not unreasonably be withheld; provided, however, that either Party may assign its rights and delegate its duties under this Agreement to its parent, its subsidiaries, or its affiliates without prior, written permission.

16. AMENDMENTS TO AGREEMENT

The Parties may by mutual agreement and execution of a written amendment to this Agreement amend, modify, or add to the provisions of this Agreement.

17. NOTICES

All notices required or appropriate in connection with this Agreement shall be in writing and shall be deemed effective and given upon deposit in the United States Mail, postage pre-paid, addressed as follows:

CO-PROVIDER

Mr. Jeff Oxley
Director of Regulatory Affairs
730 2nd Avenue South, #1200
Minneapolis, MN 55402

USWC

Director - Interconnection Compliance
1801 California Street, Suite 2410
Denver, CO 80202

Copy to:

Mr. Pat O'Malley
Manager E911 & Phone Administration
730 2nd Avenue South, #1200
Minneapolis, MN 55402

Copy to:


U S WEST Law Department
General Counsel - Interconnection
1801 California Street, Suite 5100
Denver, CO 80202

18. ENTIRE AGREEMENT

This Agreement, including all exhibits and properly executed amendments, is the entire Agreement between the Parties.

Each of the Parties has caused this Agreement to be duly executed for and on its behalf on the day and year indicated below:

American Telephone Technology, Inc.




Signature
J. JEFF OXLEY

Name Printed/Typed
DIRECTOR REGULATORY AFFAIRS

Title
2-16-00

Date

U S WEST Communications, Inc.



Signature
STEPHEN P. SHEAHAN

Name Printed/Typed
ACCOUNT MANAGER

Title
2-16-00

Date

**EXHIBIT A
CHARGES**

Oregon

OPTION A: Price Per Message		
Operator Handled Calling Card	\$ 0.44	For each completed calling card call that was dialed 0+ where the operator entered the calling card number.
Machine Handled Call	\$ 0.20	For each completed call that was dialed 0+ where the end user entered the required information, such as calling card number.
Station Call	\$ 0.88	For each completed station call, including station sent paid, collect, 3rd number special billing or 0- calling card call.
Person Call	\$ 2.13	For each completed person-to-person call regardless of the billing used by the end user.
Connect to Directory Assistance	\$ 0.45	For each operator placed call to directory assistance.
Busy Line Verify	\$ 0.69	For each call where the operator determines that conversation exists on a line.
Busy Line Interrupt	\$ 0.84	For each call where the operator interrupts conversation on a busy line and requests release of the line.
Operator Assistance	\$ 0.36	For each local call completed or not, that does not potentially generate an operator surcharge. These calls include, but are not limited to: calls given the DDD rate because of transmission problems; calls where the operator has determined there should be no charge, such as Busy Line Verify attempts where conversation was not found on the line; calls where the end user requests information from the operator, and no attempt is made to complete a call; calls for quote service.

"Completed call" as used in this Agreement shall be conclusively determined to mean that "end user makes contact with the location, telephone number, person, or extension designated by the end user".

A completed call shall be computed, calculated and recorded in accordance with the methods and practices of USWC and the operating capacity and ability of USWC's measuring equipment.

EXHIBIT A (page 2)
CHARGES

Oregon

OPTION B: Price Per Work Second and Computer Handled Calls		
Operator Handled	\$ 0.0252	Per operator work second for all operator assisted Services and functions of Services.
Machine Handled	\$ 0.16	Per call for all Services which are handled solely by computers and USWC equipment.

Co-Provider is charged per work second for all calls originating from its end user(s) and facilities that go to USWC's operator facilities for handling. Work second charging begins when the USWC operator position connects with Co-Provider's end user and terminates when the connection between the USWC operator position and Co-Provider's end user is terminated.

Calls without live operator intervention are computer (machine) handled and include, but are not limited to, credit card calls where the end user enters the calling card number, calls originating from coin telephones where the computer requests deposit of coins, additional end user key actions, recording of end user voice, etc.