

CARRIER-TO-CARRIER AGREEMENT CHECKLIST

INSTRUCTIONS: Please complete all applicable parts of this form and submit it with related materials when filing a carrier-to-carrier agreement pursuant to 47 U.S.C. 252 and OAR 860-016-0000 et al. The Commission will utilize the information contained in this form to determine how to process the filing.

1. PARTIES	<i>Requesting Carrier</i>	<i>Affected Carrier</i>	
Name:	_____	Qwest Corporation	Don Mason
Address:	McLeodUSA	Director-Interconnect	Qwest Corporation
	6400 C Street SW	1801 California St., Ste. 2401	421 S.W. Oak, Ste. 810
	Cedar Rapids, IA 52406-3177	Denver, CO 80202	Portland, OR 97204

2. PRIMARY CONTACT PERSON FOR PROCESSING INFORMATION:

Name: Jamaica L. Wilson Phone: (503) 727-2081
Address: Perkins Coie LLP Fax: (503) 727-2222
1211 S.W. Fifth Avenue, Suite 1500 E-Mail: jamaicawilson@perkinscoie.com
Portland, OR 97204

3. TYPE OF FILING (Check all that apply. For example, parties seeking to adopt a previously approved agreement with new negotiated amendments should check both "Adoption" and "Amendment" categories.)

- Adoption:** Adopts interconnection agreement previously approved by the Commission.
Parties to prior agreement _____ & _____
Approved in Docket ARB _____, Order No(s). _____
Does filing adopt amendments to base agreement previously approved by the Commission?
 NO
 YES, approved in Docket ARB _____, Order No(s). _____
- New Agreement:** Seeks approval of new negotiated agreement.
Does this filing replace an agreement between the same parties that was previously approved by the Commission?
 NO
 YES, approved in Docket ARB _____, Order No(s). _____
- Amendment:** Amends an existing carrier-to-carrier agreement.
If the original agreement was negotiated, has it been approved by Commission?
 NO, decision pending in Docket ARB _____
 YES, approved in Docket ARB 302(1), 302(2-4), 302(5), Order No(s). 01-241, 01-732, 02-079
If original agreement was an adoption, what was its docket number? Docket ARB 250
- Other:** Please explain.
ARB 302(6+7) Order No. 02-150

October 1, 2002

VIA HAND DELIVERY

Ms. Cherie Powers
Administrative Specialist
Oregon Public Utility Commission
Suite 215
550 Capitol Street NE
Salem, OR 97301-2551

**Re: Proof of Service of Materials Filed on September 4, 2002 in
Docket ARB 302**

EXPEDITED TREATMENT REQUESTED

Dear Ms. Powers:

This letter is to advise you that today I served the materials that Qwest filed on September 4, 2002 in this docket (checklist, cover letter, and amendment to the interconnection agreement) on the CLEC's representative, as you requested. A certificate of service demonstrating completion of service is attached.

This is not the first communication Qwest has had with this CLEC regarding this issue. As we discussed yesterday, Qwest previously communicated with the CLEC regarding the filing of this agreement in other states. On August 22, 2002, Qwest sent the CLEC a letter notifying the CLEC that this agreement would be publicly filed in other jurisdictions and posted on the Qwest wholesale Web site for review by any interested parties. The CLEC was provided with an opportunity to object to that filing and posting. Qwest also followed up with telephone calls to the CLEC. The CLEC has not objected to either the public filing of the amendment or the corresponding publication of the agreement on Qwest's wholesale Web site.

Given that Qwest has completed service as you requested, I trust that you will now post the materials to the Commission's Web site to provide the public notice of the filing as described in OAR 860-016-0020. Qwest expected the posting and notice to occur on September 4, the date of filing. Qwest did not receive any indication that the Commission did not post the materials to the Commission's Web site until

Ms. Cherie Powers
October 1, 2002
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September 24, 2002, twenty days after the filing. Given that Qwest did not receive timely notice of the purported deficiencies in the filings, and that the CLEC has already received adequate prior notice of the filing of this agreement in other jurisdictions without voicing an objection, **Qwest requests that the Commission establish a 14-day time period for public comment, as permitted by OAR 860-016-0020(5).**

Thank you for your attention to this matter. If you have any questions, please contact me or Larry Reichman immediately.

Very truly yours,

Jay Nusbaum

JPN:kh

Cc: Lauraine Harding, McLeodUSA, Inc.
Randy Rings, McLeodUSA, Inc.
Todd Lundy
Alex Duarte
Don Mason
Larry Reichman

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CERTIFICATE OF SERVICE

ARB 302

I hereby certify that on this day I served the foregoing **Carrier-to-Carrier Agreement Checklist, Confidential Settlement Agreement, Facility Decommissioning Agreement, Confidential Billing Settlement Agreement, Confidential Letter Agreement (Escalation), and Cover Letter**, which Qwest filed with the Public Utility Commission of Oregon on September 4, 2002, on the following persons by causing to be mailed a true copy thereof, contained in a sealed envelope, with postage prepaid, addressed to said persons at the following addresses and deposited in the post office at Portland, Oregon on this day:

**Lauraine Harding
McLeodUSA, Inc.
6400 C Street SW
Cedar Rapids, IA 52406-3177**

**Randy Rings
McLeodUSA, Inc.
6400 C Street SW
Cedar Rapids, IA 52406-3177**

DATED: October 1, 2002.

PERKINS COIE LLP

By _____
Lawrence Reichman, OSB No. 86083
Jay P. Nusbaum, OSB No. 96378

Attorneys for Qwest Corporation

Jay Nusbaum
PHONE: 503.727.2025
EMAIL: nusbj@perkinscoie.com

September 4, 2002

VIA HAND DELIVERY

Ms. Cherie Powers
Oregon Public Utility Commission
Suite 215
550 Capitol Street NE
Salem, OR 97310

**Re: Public Utility Commission of Oregon Docket ARB 302,
Confidential Settlement Agreement, Facility Decommissioning
Agreement, Confidential Billing Settlement Agreement,
Confidential Letter Agreement (Escalation) between Qwest
Corporation and McLeodUSA**

Dear Ms. Powers:

Pursuant to Section 252(e)(2) of the Telecommunications Act of 1996, Qwest Corporation ("Qwest") hereby submits three copies of the enclosed fully executed negotiated agreements, Confidential Settlement Agreement, Facility Decommissioning Agreement, Confidential Billing Settlement Agreement, Confidential Letter Agreement (Escalation) between Qwest Corporation and McLeodUSA, for filing with and approval by the Commission. Given the multi-state nature of these agreements, the originals are not available for filing. Also enclosed is a completed Carrier-to-Carrier Agreement Checklist, which includes the names of the parties, a contact person, and the type of filing. The electronic version was electronically filed on September 4, 2002.

Qwest has previously submitted hundreds of agreements with CLECs in Oregon for approval by the Commission under Section 252(e)(2). In addition to the

filed agreements, Qwest also has implemented other contractual arrangements with CLECs that it does not believe fall within the filing requirements of Section 252.

Earlier this year, questions were raised regarding Qwest's decisions in this area, most notably a complaint filed by the Minnesota Department of Commerce ("DOC") alleging, after a review of dozens of Qwest-CLEC contracts, that eleven should have been filed with the Minnesota PUC. Qwest promptly brought this matter to the Commission's attention in a letter dated March 11, 2002, including providing copies of our answer to the DOC complaint, and copies of those of the 11 identified agreements that also had applicability in Oregon. Qwest invited the Commission to review the agreements for itself. Qwest also filed a petition with the FCC requesting a declaratory ruling as to the scope of the Section 252(a) filing requirement in this area.

Qwest has at all times operated in good faith in filing with the Commission the pertinent interconnection agreements and amendments, and is committed to full compliance with the Act. As a further demonstration of our good faith, after this issue arose Qwest modified its processes and standards for all new agreements with CLECs. Qwest advised the Commission of this policy by letter on May 9, 2002. Under this policy, Qwest is broadly filing all contracts, agreements or letters of understanding between Qwest Corporation and CLECs that create obligations to meet the requirements of Section 251(b) or (c) on a going forward basis. Qwest believes that commitment goes well beyond the requirements of Section 252(a). For example, it reaches details of business-to-business carrier relations that Qwest does not think the Communications Act requires to be filed with state commissions for approval. However, we are committed to follow this standard until the FCC issues a decision on the appropriate line-drawing in this area. Qwest has not been filing routine day-to-day paperwork, orders for specific services, or settlements of past disputes that do not otherwise meet the above definition.

Older agreements provide a more complicated case. Qwest naturally has been concerned about second-guessing of its past filing decisions in an area where the standards have not been clearly defined. Nevertheless, Qwest is now taking a further step as a sign of its good faith. Specifically, Qwest has reviewed all of our currently effective agreements with CLECs in Oregon that were entered into prior to adoption of the new policy. This group includes those agreements that relate to Section 251(b) or (c) services on an on-going basis which have not been terminated or superseded by

agreement, Commission order, or otherwise. Qwest has applied its broad new review standard to all such agreements and provided them here.

Qwest is petitioning the Commission to approve the attached agreements such that, to the extent any active provisions of such agreement relate to Section 251 (b) or (c), they are formally available to other CLECs under Section 252(i). For the Commission's benefit, Qwest has marked, highlighted or bracketed those terms and provisions in the agreements which Qwest believes relate to Section 251(b) or (c) services, and have not been terminated or superseded by agreement, Commission order, or otherwise, and are thus subject to filing and approval under Section 252. We are not asking the Commission to decide whether these agreements, or specific provisions therein, in fact are required to be filed under Section 252 as a matter of law. The Commission need simply approve those provisions relating to Section 251(b) or (c) services under its Section 252(e) procedures, and Qwest will make the going forward provisions related to Section 251(b) or (c) available under Section 251(i). Thus, the Commission does not at this time need to reach a legal interpretation of Section 252(a), or decide when the 1996 Act makes a filing mandatory, and when it does not.

As noted above, Qwest has not been and is not filing routine day-to-day paperwork, settlements of past disputes, stipulations or agreements executed in connection with federal bankruptcy proceedings, or orders for specific services. Included in this last category are contract forms for services provided in approved interconnection agreements, such as signaling, call-related databases, and operator or directory services. The parties may execute a form contract memorializing the provision of such services offered and described in the interconnection agreement. Qwest can provide examples of routine paperwork, order documents, or form contracts for the Commission's review.

Qwest realizes that this voluntary decision to submit the attached agreements does not bind the Commission with respect to the question of Qwest's past compliance. However, Qwest submits that it has acted in good faith. In any event, Qwest's actions here remove any argument with respect to Qwest's compliance with Section 252 now and going forward.

Qwest requests that the Commission approve the agreements as soon as reasonably practicable. Qwest reserves its rights to demonstrate that these agreements need not have been filed in the event of an enforcement action in this area.

September 4, 2002

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Meanwhile, however, Qwest will offer other CLECs any terms in effect for the benefit of the contracting CLEC pursuant to the policies and rules related to Section 251(i). Provisions that settle past carrier-specific disputes, that do not relate to Section 251, or that are no longer in effect are not subject to Section 251(i) and this offering.

As a further sign of good faith, Qwest will also be posting these agreements on the website it uses to provide notice to CLECs and announcing the immediate availability to other CLECs in Oregon of the interconnection-related terms and conditions. This will facilitate the ability of CLECs to request terms and conditions, subject to the Commission's decision approving the agreement filed here.

Given the confidentiality provisions contained in some of the agreements filed by Qwest and the fact that the CLECs involved may deem the information contained therein confidential, Qwest has redacted those terms, such as confidential settlement amounts relating to settlement of historical disputes between Qwest and the particular CLEC, confidential billing and bank account numbers and facility locations, which relate solely to the specific CLEC and do not relate to Section 251(b) or (c) services.

Thank you for your attention to this matter.

Sincerely yours,

Jay Nusbaum

JPN:jpn
Enclosure

Cc: Don Mason
Alex Duarte
Todd Lundy
Larry Reichman

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CONFIDENTIAL SETTLEMENT AGREEMENT

[Trade Secret Data Begins

This Confidential Settlement Agreement ("Agreement") is dated this 1st day of May, 2000 by and between U S WEST Communications, Inc., ("U S WEST"), with its headquarters at 1801 California Street, Denver, Colorado 80202 and McLeodUSA Telecommunications Services, Inc. ("McLeodUSA"), 6400 C Street, S.W., P.O. Box 3177, Cedar Rapi, IA 52406-3177 (collectively, the "Parties").

Recitals

WHEREAS, on or about March 6, 2000, McLeodUSA filed a complaint (the "Complaint") against U S WEST with the Colorado Public Utilities Commission (the "Commission") concerning the provision of resold Centrex services to L & L Subway, Inc. in Greeley, Colorado. The Complaint was assigned Docket No. 00F-118T by the Commission (this "Docket").

WHEREAS, U S WEST has filed an answer ("Answer") to the Complaint denying the material allegations therein.

WHEREAS, the Complaint is currently set for hearing on May 15, 2000.

WHEREAS, the Parties have engaged in settlement discussion in an attempt to resolve their differences regarding the issues raised in the Complaint and thereby avoid the expense of a hearing.

Agreement

For full and fair mutual consideration, the Parties hereto agree as follows:

1. McLeodUSA shall file for dismissal, with prejudice, its Complaint in this Docket by May 5, 2000. Upon receipt of a final decision from the Commission dismissing the

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Complaint with prejudice, U S WEST shall pay or credit to McLeodUSA [REDACTED]

2. U S WEST agrees that it will provide to McLeodUSA telecommunications services for resale that are at least equal in quality and in substantially the same manner that U S WEST provides these services to itself and others, including other resellers and end users.

3. McLeodUSA agrees that it is responsible for providing to U S WEST complete and accurate end user information when ordering services from U S WEST. To the extent that correct information is not provided to U S WEST, McLeodUSA agrees that the terms of this Agreement shall not apply until McLeodUSA provides complete and accurate information to U S WEST.

4. The Parties also agree as follows:

a. If McLeodUSA believes it has a legitimate concern over facility availability parity in a case where it has placed an order for resold Centrex services to be used to provision basic local exchange service and has complied with all applicable tariff requirements, including forecasting and tendering payment of any applicable construction charges, and the order goes held, McLeodUSA will promptly contact its designated McLeodUSA Account Executive at U S WEST, to allow U S WEST the opportunity to investigate the matter and to respond to McLeodUSA within five (5) working days of McLeodUSA's contact to U S WEST regarding the matter as to the state of the service installation.

b. If, upon investigation, U S WEST confirms that there is a legitimate issue with respect to facility availability parity, U S WEST will undertake immediate action to

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correct the situation consistent with the terms of this Agreement and will, to the extent required, include the matter in its reporting requirements under Commission rules.

c. Where an issue with respect to facility availability parity is identified through the informal process contained in this Paragraph 6, U S WEST agrees to reimburse McLeodUSA for all reasonable legal and administrative expenses incurred by McLeodUSA in responding to the situation.

d. If, upon investigation, U S WEST confirms that an issue raised by McLeodUSA with respect to facility availability parity is frivolous or asserted in bad faith, McLeodUSA agrees to reimburse U S WEST for all reasonable legal and administrative expenses incurred by U S WEST in response to the allegation.

7. McLeodUSA agrees that it will cooperate in good faith with U S WEST and use its best efforts to work with U S WEST on a business to business basis to forecast, provision, process and cancel orders for services from McLeodUSA.

8. This Agreement is entered for the purpose of settlement of the Docket in this Complaint proceeding only. The terms in this Agreement are the result of compromise and negotiation by both Parties of positions which they held and continue to hold. Nothing in this Agreement shall constitute a waiver or admission by any party with respect to any matter not specifically addressed in this Agreement.

9. This Agreement is made for settlement purposes only. Nothing in this Agreement, including the fact that it was entered into by the Parties, shall constitute, or be construed as, an admission on behalf of any of the Parties as to the validity of any claims, defenses, or allegations made in the complaint or in any other pleading in this Docket. This Agreement does not constitute an agreement, by any Party, that any principle or methodology

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contained within this Agreement may be applied to a situation other than this Docket. No precedential effect or other significance except as may be necessary to enforce this Agreement shall attach to any principle or methodology contained in this Agreement.

10. This Agreement shall be treated as confidential by the Parties hereto and shall not be disclosed except as may be required by law or order of a court or agency with appropriate jurisdiction. This Agreement, as well as the negotiations or discussions undertaken in conjunction with the Agreement, shall not be admissible into evidence in this Docket or in any other proceedings. Nor shall any statements be made to any media with respect to this Agreement, except, however, that the Parties may indicate that the Parties have mutually agreed to a resolution of the Docket.

11. This Agreement may be executed in separate counterparts and transmitted by facsimile. The counterparts taken together shall constitute the whole Agreement.

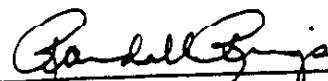
12. This Agreement constitutes the entire agreement between the Parties with respect to the issues raised in this Docket.

13. The Parties represent that those persons signing this Agreement have full authority to bind their respective Parties in all respects.

Dated this ____ day of May, 2000.

Trade Secret Data Ends]
Approved:

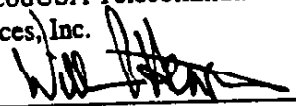
By:


Randall E. Rings
General Counsel
McLeodUSA Technology Park
6400 C Street S.W.
P.O. Box 3177
Cedar Rapids, Iowa 52406-3177

Approved as to form:

McLeodUSA Telecommunications
Services, Inc.

By:


William P. Heaston
140 North Phillips, 4th Floor
Sioux Falls, South Dakota 57104
(605) 263-7212
Attorney for McLeodUSA
Telecommunications Services, Inc.

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CONTAINS TRADE SECRET DATA 4

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Approved:

By: Patricia Kline
Patricia Kline
General Manager-Eastern Region
150 South 5th Street, Room 570
Minneapolis, Minnesota 55402
(612) 663-7377

Approved as to form:

U S WEST, Inc.

By: Mrs. A. Ciccolo
Mrs. A. Ciccolo, Reg. No. 17948
1801 California Street, Suite 510
Denver, Colorado 80202
(303) 672-2884
Attorney for U S WEST
Communications, Inc.

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