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September 9, 2002

By ECFS

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Room TWB-204
Washington, DC 20554

Re: *Application by Qwest Communications International, Inc., for Authorization to Provide In-Region InterLATA Services in the States of Colorado, Idaho, Iowa, Nebraska and North Dakota*, Docket No. 02-148.

Application by Qwest Communications International, Inc., for Authorization to Provide In-Region InterLATA Services in the States of Montana, Utah, Washington and Wyoming, Docket No. 02-189.

Dear Ms. Dortch:

On behalf of AT&T Corp. ("AT&T"), we are writing to set forth the details of responses given to questions raised by Chairman Powell and other Commission staff in telephone conferences held on September 5, 2002 specifically with reference to AT&T's claims that Qwest has engaged, and is engaging, in discrimination in its service offerings through its entry into unfiled interconnection agreements.[1] In its presentation to the Chairman and Jordan Goldstein, the Senior Legal Advisor for Commissioner Copps, and responses to their questions regarding the issue of the "secret" agreements, AT&T stressed several points discussed in their previous pleadings and in reply to Qwest's pleadings. AT&T's assertions, summarized in this filing, have been supported by the attached declaration of Kenneth L. Wilson.

[1] Representatives of AT&T, including Leonard Cali, Robert Quinn, David Lawson and Mark Schneider, participated in a conference call with Chairman Powell, Christopher Libertelli, John Rogovin and Linda Kinney. Separately, Mark Schneider spoke with Jordan Goldstein, Senior Legal Advisor to Commissioner Copps, who requested that AT&T provide the information contained in this letter and the attached declaration.

Specifically, AT&T maintains that various agreements that Qwest previously had kept secret and failed to file with state commissions were significant, and contained a variety of terms and conditions that AT&T already had sought or would have elected to seek had they been made available. As Mr. Wilson describes, these terms include, among other things, advantageous pricing, assistance with service orders, dispute resolution, discounts or refunds for inadequate service, and access to services like databases. These types of terms are without question ones that cannot be made available to one CLEC without the filing of the agreements with the state commissions and the willingness to provide the same terms to other CLECs.

AT&T also reiterated its position that Qwest cannot demonstrate compliance with checklist items that require nondiscrimination to the extent that its practices have resulted in significant terms and conditions being offered to one or more CLECs while being intentionally withheld from other CLECs like AT&T. Such a practice, regardless of whether it is routine or limited to several CLECs, stands starkly against the requirements that Congress placed in the checklist. Whatever clarifications may be necessary to resolve the inevitable questions that are raised by "legal line drawing" for any requirement of the 1996 Act, the significant evidence present in the proceedings in Minnesota, Arizona and Iowa demonstrate that Qwest's actions have constituted discrimination, and much more than a "trifle." Qwest's brazen disregard for its own wrongdoing cannot be countenanced by this Commission. and honored with the grant of Section 271 authority.[2]

AT&T also stressed that the recent filing of some of these agreements with the state commissions has not eradicated the discrimination as of this date. Qwest has attempted to minimize the impact of its conduct by terminating a number of agreements, disputing the meaning or very existence of other terms, and making some agreements available at this late date. Given the timing and methods of disclosure, Qwest's termination, factual litigation, and recent publication fails to rehabilitate the discriminatory conduct that violates the checklist. First, as discussed in the attached declaration, Qwest's termination of agreements in favor of new agreements that include new "settlement" or "payment" terms that it claims do not relate to interconnection on a going-forward basis raises just as many issues about discrimination as it puts to rest. Second, the fact that Qwest is choosing to litigate the facts concerning certain

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[2] In its reply pleadings, Qwest has attempted to discount the proceedings in Arizona and Minnesota, refusing to credit the Arizona staff's recommendations and the Minnesota Department of Commerce's allegations before the Minnesota Public Utilities Commission. In Qwest's view, the Minnesota Department of Commerce is merely an advocate, and the Arizona staff's decisions and recommendations are entitled to little if any weight by this Commission. AT&T has presented the Commission with the various decisions and evidence provided by these bodies, and the Commission can decide for itself whether Qwest's disregard for their evidence and conclusions should be countenanced.

allegations of discrimination does not make its conduct nondiscriminatory or less violative of the checklist, given the level of discriminatory terms discussed previously and in the attached declaration. Finally, AT&T has not had sufficient time to review the agreements that only very recently have been made public or to determine the extent of agreements filed in the respective states, much less had sufficient opportunity to compare them to other agreements, including those being evaluated in the Arizona proceeding. Indeed, a large number of these agreements were only posted on Qwest's website on September 4, 2002.[3] AT&T therefore has not been able to determine whether there are additional provisions they should seek from Qwest at this time. Simply, the very late adoption of a new policy to file these agreements by Qwest not only violates the "complete when filed" rule, but also renders Qwest unable to comply belatedly with its checklist obligation of nondiscrimination.

In this respect, AT&T has stressed the arguments in its pleadings that Qwest's limitations on its willingness to produce agreements create substantial loop-holes that perpetuate discrimination. For example, Qwest's ability to replace private favorable interconnection terms with their economic value and to enter side arrangements which it claims are not part of interconnection agreements but settlement agreements or unrelated agreements are not consistent with its obligations under the Act.

Please feel free to address any questions or inquiries concerning this matter to the undersigned.

Sincerely,

/s/ Mark D. Schneider

Mark D. Schneider

[3] Qwest's contention that AT&T has done nothing to review these agreements is ludicrous on its face, and demonstrates the heights of disingenuous rhetoric in which it, not AT&T, engages.