



Qwest
1801 California Street, 10th Floor
Denver, Colorado 80202
Phone 303 383-6650
Facsimile 303 896-1107

Robert B. McKenna
Associate General Counsel

June 9, 2006

Marlene H. Dortch
Secretary
Federal Communications Commission
Room TW-B204
445 12th Street, S.W.
Washington, DC 20554

RE: *In the Matter of Regulation of Prepaid Calling Card Services,*
WC Docket No. 05-68

*In the Matter of AT&T Corp. Petition for Declaratory Ruling
Regarding Enhanced Prepaid Card Services, WC Docket No. 03-
133*

Dear Ms Dortch:

Over the course of the past month, Qwest has demonstrated that the Commission may not excuse AT&T from liability under Qwest's access charges for calls placed using so-called "enhanced" prepaid calling cards based on AT&T's assertions that it did not believe that access charges applied to such calls.

However, even if the law did permit the Commission to excuse private indebtedness based on the kind of "equitable" considerations upon which AT&T purports to rely, AT&T knew very well that it was taking a very significant risk when it determined to either avoid access payments or misallocate the jurisdiction of calls on which access was actually paid. This is documented in AT&T's own shifting regulatory positions and the powerful arguments consistently made on the record by AT&T's current owner, formerly SBC. However, it is also demonstrated in documents and testimony obtained through discovery in a pending lawsuit against AT&T. These documents have all been improperly marked as "confidential" by AT&T. The enclosed correspondence confirms that AT&T has gone through extraordinary contortions to prevent Qwest from submitting the documents to the Commission. These efforts include AT&T's failure to timely respond to Qwest's proposals in negotiations to submit redacted versions of the documents and transcripts, AT&T's untimely counterproposals which would require the redaction of virtually every statement contradicting AT&T's assertions to the Commission, and AT&T's most recent demand that prior to submitting any documents to the Commission, Qwest agree to AT&T's request, made for the first time on June 8, 2006, to allow AT&T to submit to the Commission any and all Qwest documents obtained by AT&T during discovery and designated "confidential."

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
June 9, 2006

Page 2 of 2

Qwest submits that AT&T's conduct in resisting the filing of these documents is sufficient to permit an evidentiary inference that AT&T is aware that the documents do not support AT&T's claim that it was confused about the applicability of the proper access charges to its "menu-driven" pre-paid calling cards or that AT&T detrimentally relied in good faith on an erroneous interpretation of the law in adopting its non-payment and improper payment positions during the last five years.

Please affiliate this filing with the appropriate dockets.

Very truly yours,

/s/ Robert B. McKenna

Enclosures

Copy via email to:

S. Bergmann
M. Berry
M. Carey
S. Deutchman
S. Feder
D. Griffin
J. Kaufman
T. Navin
J. Rosenworcel
D. Shaffer
D. Stockdale

Steve Perfrement

From: Steve Perfrement [sperf@musgravetheis.com]
Sent: Monday, May 22, 2006 4:15 PM
To: 'Schiffman, David M.'
Cc: 'Nodland, Jeff'
Subject: Motion Regarding Materials Designated Confidential

David:

In our conversation this morning, you advised that AT&T requires additional information to evaluate our request to lift the confidentiality designation AT&T has placed on certain documents and depositions. We intend to ask that the court issue an emergency order allowing Qwest, notwithstanding the limitations in the protective order, to submit certain documents and deposition transcripts generated in discovery with the Federal Communications Commission as part of the NPRM proceeding relating to intercarrier compensation for pre-paid calling card calls. We intend to use these discovery materials to demonstrate to the FCC that the "equitable considerations" AT&T contends should justify a decision by the FCC purporting to limit access recovery to going forward amounts are not supported by the factual record.

Specifically, we intend to demonstrate to the FCC that AT&T elected in 2002 to intentionally pursue a new and aggressive interpretation of the regulatory regime for the sole purpose of avoiding or minimizing access charges, and that AT&T was fully aware of the risks inherent in its position. We also intend to demonstrate that AT&T was paying access charges on the same services for years before adopting a new interpretation over a matter of just a few weeks in mid-2002, and that AT&T's "enhanced" service is not materially different than previous incarnations of the pre-paid calling card service.

We have endeavored to limit the discovery materials to be provided to the FCC as much as possible to eliminate any legitimate concern AT&T might have regarding confidentiality. The document pages we intend to provide are as follows: ATTQ810006232, ATTQ810006288, ATTQ440016996-17000, ATTQ440017639-17648, ATTQ440018441-18446, ATTQ440017653-17665, ATTQ510000117-119, ATTQ440008179-8180, ATTQ160008168-8169, ATTQ810007058-7060. We also intend to submit to the FCC the following excerpts of deposition testimony that AT&T has designated confidential: Carvelli (5/5/06) pages 24, 26, 27, 28, 30, 31, 32, 33, 34, 35, 36, 37, 42, 43, 44, 45, 66, 67, 68, 69; Burgess Rule 30(b)(6) (11/30/05) pages 16, 17, 18, 19, 21, 22, 43, 44, 45. We may submit additional testimony from the deposition of Cathy Wild (9/21/04) and Ardell Burgess (5/4/06), but I do not believe AT&T has designated these depositions confidential. Please let me know immediately if I am mistaken.

We intend to file our motion as early as possible in the morning, and will seek a hearing at the court's earliest convenience due to the apparent imminence of the FCC's decision in the NPRM proceeding. Please let me know as soon as possible whether AT&T will oppose the limited relief we are seeking. Please also advise whether you or your local counsel would like to attend any hearing, and I will make every reasonable effort to accommodate that request.

Steve

6/8/2006

MUSGRAVE & THEIS LLP

Republic Plaza, Suite 4450
370 Seventeenth Street
Denver, Colorado 80202
Phone: 303-385-4700
Fax: 303-385-4725
www.musgravetheis.com

Steven J. Perfrement
(303) 385-4710
sperf@musgravetheis.com

May 31, 2006

VIA ELECTRONIC MAIL and UPS

Michael J. Hunseder
David M. Schiffman
Brian A. McAleenan
Sidley Austin LLP
One S. Dearborn
Chicago, IL 60603

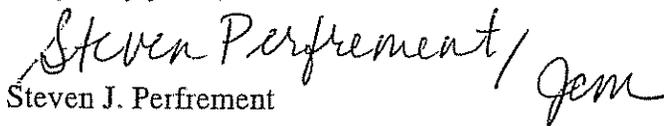
Re: *Qwest Corp. v. AT&T Corp., et al.*, Civil Action No. 05-RB-375 (BNB)

Dear Counsel:

Per our conversation with Mike Hunseder today following the conclusion of the hearing, we are enclosing herewith a set of the documents and deposition pages that are the subject of AT&T's motion for leave to submit same to the FCC. We have marked with a circle the portions of the documents and deposition pages that we believe, based on Mike's argument to the court, AT&T continues to insist upon confidential treatment, and that Qwest would redact prior to any submission to the FCC. The materials proposed for redaction include figures on minutes of use, revenues, and the names of customers and vendors.

Also per our conversation with Mike, by the close of business tomorrow, please call to let me know whether the redactions proposed herein are sufficient, or if AT&T believes they are not, what additional documents (by Bates number) and transcript pages (and portions thereof) AT&T wishes to have redacted. I am hopeful that we can resolve during that call any remaining disagreements.

Very truly yours,


Steven J. Perfrement

SJP;jcm

Enclosures



SIDLEY AUSTIN LLP
 1501 K STREET, N W
 WASHINGTON, D C 20005
 202 736 8000
 202 736 8711 FAX

BEIJING	GENEVA	SAN FRANCISCO
BRUSSELS	HONG KONG	SHANGHAI
CHICAGO	LONDON	SINGAPORE
DALLAS	LOS ANGELES	TOKYO
FRANKFURT	NEW YORK	WASHINGTON, DC

FOUNDED 1866

June 2, 2006

VIA ELECTRONIC MAIL

Steven J. Perfrement
 Musgrave & Theis, LLP
 Republic Plaza, Suite 4450
 370 Seventeenth Street
 Denver, Colorado 80202

Re: *Owest Corp. v. AT&T Corp., et al., Civil Action No. 05-375-REB-BNB*

Dear Steve:

I am writing about your letter dated May 31, 2006, and to follow up regarding the conversation I had with you and Roy Hoffinger at the Court's hearing that day. As you may be aware, the FCC has voted on an order in the rulemaking proceeding at issue in Qwest's motion. See "*FCC Votes on Prepaid Card Order*," Communications Daily (June 2, 2006). In light of the FCC's action, AT&T believes that the issue before the Court is moot. If you believe otherwise, please let me know.

Sincerely,

/s/ Michael J. Hunseder

Michael J. Hunseder

cc: David M. Schiffman
 Jane Michaels



SIDLEY AUSTIN LLP
1501 K STREET, N.W.
WASHINGTON, D.C. 20005
202 736 8000
202 736 8711 FAX

BEIJING GENEVA SAN FRANCISCO
BRUSSELS HONG KONG SHANGHAI
CHICAGO LONDON SINGAPORE
DALLAS LOS ANGELES TOKYO
FRANKFURT NEW YORK WASHINGTON, DC

FOUNDED 1866

June 5, 2006

VIA ELECTRONIC MAIL

Steven J. Perfrement
Musgrave & Theis, LLP
Republic Plaza, Suite 4450
370 Seventeenth Street
Denver, Colorado 80202

Re: *Owest Corp. v. AT&T Corp., et al.* Civil Action No. 05-375-REB-BNB

Dear Steve:

I am writing in response to your letter earlier today. AT&T continues to believe that the matter before the Court is moot. Although the FCC has not yet released its order, the press report – which you do not contend is inaccurate – indicates that the FCC has already voted.

Nevertheless, AT&T is willing to respond to your proposal promptly, and we were in the process of doing so when we learned of the FCC's ruling, thereby mooting the issue. Although AT&T cannot complete its review of the proposed redactions by the close of business today, we will respond within the next couple of days and, in any event, well within the 10-day time period outlined in the Protective Order for resolving these types of disputes. In the interim, please contact me if you have any questions.

Sincerely,

/s/ Michael J. Hunseder

Michael J. Hunseder

cc: David M. Schiffman
Jane Michaels

MUSGRAVE & THEIS LLP

Republic Plaza, Suite 4450
370 Seventeenth Street
Denver, Colorado 80202
Phone: 303-385-4700
Fax: 303-385-4725
www.musgravetheis.com

Steven J. Perfrement
(303) 385-4710
sperfrement@musgravetheis.com

June 5, 2006

By Facsimile

Michael J. Hunseder
Sidley Austin LLP
1501 K Street, N.W.
Washington, D.C. 20005

Re: *Qwest Corp. v. AT&T Corp., et al.*, Civil Action No. 05-CV-0375 (REB) (BNB)

Dear Michael:

For several reasons, we do not agree that the issue argued to the Court last Wednesday is moot. First, the FCC has announced no action in its docket, the media report notwithstanding. Second, even if the FCC has adopted an order, no order has been released, meaning that it remains subject to revision. Third, FCC decisions are subject to *sua sponte* reconsideration by the agency for up to 30 days after public notice. 47 C.F.R. §§ 1.108, 1. Thereafter, FCC decisions are subject to petitions for reconsideration. Therefore, we would appreciate a prompt response, such as by close of business today, to the proposal we made last week.

Very truly yours,


Steven J. Perfrement

SJP/lrm

MUSGRAVE & THEIS LLP

Republic Plaza, Suite 4450
370 Seventeenth Street
Denver, Colorado 80202
Phone: 303-385-4700
Fax: 303-385-4725
www.musgravetheis.com

Steven J. Perfremont
(303) 385-4710
sperf@musgravetheis.com

June 6, 2006

By Facsimile:

Michael J. Hunseder
Sidley Austin LLP
One S. Dearborn
Chicago, IL 60603

Re: *Qwest Corp. v. AT&T Corp., et al.*, Civil Action No. 05-RB-375 (BNB)

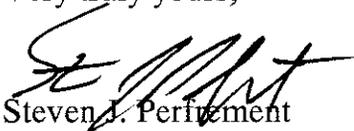
Dear Michael:

The counterproposal you made this morning is not acceptable for several reasons. First, AT&T's new condition requiring Qwest to agree that AT&T may submit unspecified Qwest confidential materials to the FCC before AT&T will consider lifting its confidentiality designations is entirely inappropriate, and appears to have no legitimate purpose. AT&T has not identified any specific Qwest documents that it seeks to provide to the FCC; nor has it challenged any of Qwest's confidentiality designations. We will consider and respond expeditiously to any requests as to specified documents that AT&T believes should not be deemed confidential if and when AT&T makes one.

Equally objectionable is the enormous volume of redactions in AT&T's counterproposal, which encompass the material that most clearly contradicts AT&T's assertions to the FCC and the D.C. Circuit, and go far beyond AT&T's purported concerns about disclosure of revenue or customer- and vendor-specific information. AT&T clearly has no legitimate business reason for these redactions. At the hearing on Qwest's motion, AT&T limited its claim of confidentiality to AT&T's revenues and expenses, and detailed descriptions of AT&T's commercial agreements. Our proposed redactions fully satisfy any legitimate concern in this regard. AT&T's proposal goes far beyond any legitimate confidentiality concerns, and eliminates the information that is most relevant to the FCC's decision, not trade secrets or other information that is properly protected from disclosure under the stipulated protective order.

AT&T's claim of privilege is also unfounded. Mr. MacAleenan advised in a message dated May 23, 2006, that he believed certain of the documents may contain privileged information. I immediately advised him that we disagree, and that the issue should be raised with the Judge at the hearing on our motion. AT&T's response, filed a week later, did not make any claim of privilege and certainly did not satisfy AT&T's burden to prove that these materials are privileged. AT&T then failed to raise or support a claim of privilege at the hearing on May 31, 2006. AT&T's latest assertion of privilege is merely another attempt to shield AT&T's most damaging admissions from FCC scrutiny.

Very truly yours,



Steven J. Perfement

cc: Jeff Nodland

Jennifer Miner

From: Hunseder, Michael [mhunseder@sidley.com]
Sent: Wednesday, June 07, 2006 6:46 PM
To: Steve Perfrement
Cc: Roy Hoffinger; Larry Theis; Jennifer Miner; Schiffman, David M ; Jane Michaels
Subject: RE: Qwest v. AT&T: Case No 06-CV-375-REB-BNB

Steve,

Thank you for your message. As I've indicated in my correspondence on this matter, I welcome any questions or comments via less formal means. AT&T will send a letter with a counterproposal tomorrow morning. At this juncture, I see no reason to engage in further debate about the process that Qwest chose to follow, but suffice it to say that AT&T believes that, under the circumstances presented, its responses to Qwest have been prompt and entirely appropriate.

Mike

Michael J. Hunseder
Sidley Austin LLP
1501 K Street, N W
Washington, D.C 20005
202-736-8236
202-736-8711 (fax)

From: Steve Perfrement [mailto:sperf@musgravetheis.com]
Sent: Wednesday, June 07, 2006 8:10 PM
To: Hunseder, Michael
Cc: 'Roy Hoffinger'; 'Larry Theis'; 'Jennifer Miner'
Subject: RE: Qwest v. AT&T: Case No. 06-CV-375-REB-BNB

Dear Michael:

I am writing less formally this time in a further attempt to confer with you regarding the matter addressed in the letter identified below.

AT&T has been aware of the nature of our request May 19. We provided a detailed listing of the documents and deposition excerpts at issue on May 22. After receiving no response other than a general opposition coupled with additional blanket confidentiality designations, we filed our motion on May 23.

AT&T then had a week to evaluate its position with respect to the modest number of documents and deposition excerpts at issue before filing its response to our motion. At the May 31 hearing, you made very clear the basis of AT&T's confidentiality designations, and it was limited to certain specific budgetary, revenue, and MOU numbers, plus certain vendor names. We immediately offered to accommodate these concerns by excising all categories of information that you advised the Judge formed the basis of your continued objection to providing the documents to the FCC. We even provided proposed redacted versions of the documents to you for evaluation that same day.

Nevertheless, we have yet to receive a substantive response from AT&T advising whether it will lift any or all of the designations, whether our proposal satisfies its alleged concerns, whether AT&T intends to offer a counter-proposal, or whether AT&T intends to ultimately stand on its objections. Indeed, the only substantive information we have received from AT&T is another message advising that every page of a certain deposition should be designated confidential – including, apparently, substantial amounts of clearly public information that cannot possibly be deemed confidential under any definition of the term. We would appreciate an immediate response to our proposal of last week.

Steve

From: Hunseder, Michael [mailto:mhunseder@sidley.com]
Sent: Monday, June 05, 2006 3:54 PM
To: Roy Hoffinger; Steve Perfrement; Jennifer Miner
Cc: Schiffman, David M.; Jane Michaels; McAleenan, Brian A.; Lawson, David
Subject: RE: Qwest v. AT&T: Case No. 06-CV-375-REB-BNB

Please see the attached

Michael J. Hunseder
Sidley Austin LLP
1501 K Street, N.W.
Washington, D.C. 20005
202-736-8236
202-736-8711 (fax)

Sidley Austin LLP mail server made the following annotations on 06/05/06, 16:51

IRS Circular 230 Disclosure: To comply with certain U.S. Treasury regulations, that, unless expressly stated otherwise, any U.S. federal tax advice contained communication, including attachments, was not intended or written to be used, a used, by any taxpayer for the purpose of avoiding any penalties that may be imp taxpayer by the Internal Revenue Service. In addition, if any such tax advice to by other parties in promoting, marketing or recommending any partnership or investment plan or arrangement, then (i) the advice should be construed as writ with the promotion or marketing by others of the transaction(s) or matter(s) ad communication and (ii) the taxpayer should seek advice based on the taxpayer's circumstances from an independent tax advisor.

This e-mail is sent by a law firm and may contain information that is privilege If you are not the intended recipient, please delete the e-mail and any attachm immediately.

Sidley Austin LLP mail server made the following annotations on 06/07/06, 19:46:05:

IRS Circular 230 Disclosure: To comply with certain U.S. Treasury regulations, we in that, unless expressly stated otherwise, any U.S. federal tax advice contained in th communication, including attachments, was not intended or written to be used, and ca used, by any taxpayer for the purpose of avoiding any penalties that may be imposed taxpayer by the Internal Revenue Service. In addition, if any such tax advice is us to by other parties in promoting, marketing or recommending any partnership or other

6/8/2006

investment plan or arrangement, then (i) the advice should be construed as written i
with the promotion or marketing by others of the transaction(s) or matter(s) address
communication and (ii) the taxpayer should seek advice based on the taxpayer's parti
circumstances from an independent tax advisor.

This e-mail is sent by a law firm and may contain information that is privileged or
If you are not the intended recipient, please delete the e-mail and any attachments
immediately.

Jennifer Miner

From: Steve Perfrement [sperf@musgravetheis.com]
Sent: Wednesday, June 07, 2006 6:10 PM
To: 'Hunseder, Michael'
Cc: 'Roy Hoffinger', 'Larry Theis', 'Jennifer Miner'
Subject: RE: Qwest v. AT&T: Case No. 06-CV-375-REB-BNB

Dear Michael:

I am writing less formally this time in a further attempt to confer with you regarding the matter addressed in the letter identified below.

AT&T has been aware of the nature of our request May 19. We provided a detailed listing of the documents and deposition excerpts at issue on May 22. After receiving no response other than a general opposition coupled with additional blanket confidentiality designations, we filed our motion on May 23.

AT&T then had a week to evaluate its position with respect to the modest number of documents and deposition excerpts at issue before filing its response to our motion. At the May 31 hearing, you made very clear the basis of AT&T's confidentiality designations, and it was limited to certain specific budgetary, revenue, and MOU numbers, plus certain vendor names. We immediately offered to accommodate these concerns by excising all categories of information that you advised the Judge formed the basis of your continued objection to providing the documents to the FCC. We even provided proposed redacted versions of the documents to you for evaluation that same day.

Nevertheless, we have yet to receive a substantive response from AT&T advising whether it will lift any or all of the designations, whether our proposal satisfies its alleged concerns, whether AT&T intends to offer a counter-proposal, or whether AT&T intends to ultimately stand on its objections. Indeed, the only substantive information we have received from AT&T is another message advising that every page of a certain deposition should be designated confidential – including, apparently, substantial amounts of clearly public information that cannot possibly be deemed confidential under any definition of the term. We would appreciate an immediate response to our proposal of last week.

Steve

From: Hunseder, Michael [mailto:mhunseder@sidley.com]
Sent: Monday, June 05, 2006 3:54 PM
To: Roy Hoffinger; Steve Perfrement; Jennifer Miner
Cc: Schiffman, David M.; Jane Michaels; McAleenan, Brian A.; Lawson, David
Subject: RE: Qwest v. AT&T: Case No. 06-CV-375-REB-BNB

Please see the attached

Michael J. Hunseder
Sidley Austin LLP

6/8/2006

1501 K Street, N W.
Washington, D.C. 20005
202-736-8236
202-736-8711 (fax)

Sidley Austin LLP mail server made the following annotations on 06/05/06, 16:51:17:

IRS Circular 230 Disclosure: To comply with certain U.S. Treasury regulations, we in that, unless expressly stated otherwise, any U.S. federal tax advice contained in th communication, including attachments, was not intended or written to be used, and ca used, by any taxpayer for the purpose of avoiding any penalties that may be imposed taxpayer by the Internal Revenue Service. In addition, if any such tax advice is us to by other parties in promoting, marketing or recommending any partnership or other investment plan or arrangement, then (i) the advice should be construed as written i with the promotion or marketing by others of the transaction(s) or matter(s) address communication and (ii) the taxpayer should seek advice based on the taxpayer's parti circumstances from an independent tax advisor.

This e-mail is sent by a law firm and may contain information that is privileged or If you are not the intended recipient, please delete the e-mail and any attachments immediately.



SIDLEY AUSTIN LLP
1501 K STREET, N.W.
WASHINGTON, D.C. 20005
202 736 8000
202 736 8711 FAX

BEIJING	GENEVA	SAN FRANCISCO
BRUSSELS	HONG KONG	SHANGHAI
CHICAGO	LONDON	SINGAPORE
DALLAS	LOS ANGELES	TOKYO
FRANKFURT	NEW YORK	WASHINGTON, DC

FOUNDED 1866

June 8, 2006

VIA ELECTRONIC MAIL

Steven J. Perfrement
Musgrave & Theis, LLP
Republic Plaza, Suite 4450
370 Seventeenth Street
Denver, Colorado 80202

Re: Qwest Corp. v. AT&T Corp., et al., Civil Action No. 05-375-REB-BNB

Dear Steve:

AT&T has reviewed the proposal outlined in your letter dated May 31, 2006, regarding a negotiated resolution to the matters currently pending before the Court. AT&T cannot agree to Qwest's proposal, but is willing to make a counterproposal on the following terms:

First, before AT&T will agree to allow Qwest to file any of AT&T's confidential material with the FCC under the terms outlined below, Qwest must agree that AT&T can simultaneously file with the FCC information about Qwest's prepaid calling card services. As AT&T stated in its briefs and to the Court, AT&T's position is that internal business documents from a particular carrier's files are generally not relevant to the legal and policy questions that the Commission addressed in its rulemaking proceeding. Nevertheless, if Qwest insists on presenting such material culled from AT&T's files, then Qwest must also be willing to allow the FCC to examine Qwest's internal documents regarding its calling card product, including Qwest's supplemental response to AT&T's Interrogatory No. 13.

Second, with respect to the AT&T documents and deposition transcripts ("AT&T Confidential Material") attached to your letter of May 31, 2006, AT&T's counterproposal is as follows. AT&T believes that Qwest has included more material than is necessary to state its advocacy position at the FCC. For example, Qwest included numerous pages from Cathleen Wild's deposition that relate to AT&T's phone-to-phone IP services and that are not at all germane to the FCC's rulemaking proceeding. There are several additional materials that are likewise not relevant to the FCC's rulemaking. Accordingly, AT&T will agree to allow Qwest to submit the designated deposition testimony to the FCC only if the following material is removed: Ardell Burgess Dep. (May 4, 2006) pp. 13-18, p. 18:10-15, p. 79, p. 93:8-25, p. 95:1-96:23, p. 98:16-25, p. 108:1-6, p. 122:15-25, p. 133:15-25; Cathleen Wild Dep. pp. 37-38, 48-49,

June 8, 2006

Page 2

59-60; Robert Carvelli Dep., pp. 43:10-44. AT&T has attached the foregoing deposition excerpts, striking through the portions that AT&T believes should be removed.

Further, as indicated in Brian McAleenan's email dated Tuesday May 23, 2006, certain documents (pages ATTQ440017657 and page ATTQ440017661) included by Qwest are privileged and were inadvertently produced. Further, AT&T has subsequently determined that certain additional information on page ATTQ440016988 is privileged and that the subject document was inadvertently produced in a non-redacted form. AT&T will provide later today a redacted version of these documents, and the redacted versions must be used in any filing at the FCC.

Further, if the FCC issues a protective order to limit access to the AT&T Confidential Material that AT&T agrees that Qwest may submit (*i.e.*, the material identified by Qwest after removing the deposition transcript excerpts identified above), AT&T will stipulate that the material can be filed at the FCC with no redactions. This approach would avoid detailed negotiations regarding the scope of any redactions on the AT&T Confidential Material that is submitted to the FCC pursuant to a protective order.

Alternatively, AT&T will agree that the AT&T Confidential Material can be filed at the FCC without the entry of a protective order only if the materials are filed with the redactions that AT&T considers necessary. On the attached mark-up of the AT&T Confidential Material, AT&T has circled additional portions of the AT&T Confidential Material that must be redacted before filing with the FCC. In addition, all redactions must be made in a manner that prevents any member of the public from accessing the redacted material (*i.e.*, manual redactions rather than electronic redactions that can be changed by readers). Further, by agreeing to permit the filing of the AT&T Confidential Material in redacted form, AT&T does not waive or relinquish any other rights under the Protective Order.

Please let me know if these terms are agreeable to Qwest. Also, if you have questions about AT&T's counterproposal, please call me with questions.

Sincerely,

/s/ Michael J. Hunseder

Michael J. Hunseder

cc: David M. Schiffman
Jane Michaels