Dear Mr. Berg,

On August 30, 2002, Qwest filed an update to Exhibit A in its Statement of Generally Available Terms and Conditions ("SGAT"), apparently to comply with the Arizona Corporation Commission's Decision No. 64922, dated June 12, 2002. AT&T continues to pay the rates superseded by Decision No. 64922, although the Decision states that the rates and charges that were approved shall be effective immediately.

A.R.S. § 40-253 states that "[a]n application for rehearing shall not excuse any person from complying with and obeying any order or decision, or any requirements of any order or decision of the commission theretofore made, or operate in any manner to stay or postpone enforcement thereof except in such cases and upon such terms as the commission by order directs." Qwest's application for rehearing was not granted, and the Commission has not granted a stay of its order. Furthermore, A.R.S. §§40-254 and 40-254.01 state that the Commission's order remain in effect pending the decision of any appeal.

There is no legal basis for Qwest to continue to charge AT&T for rates that have been superseded by the Commission's Decision No. 64922. AT&T's right to receive the rates approved by the Commission is not contingent on opting into the SGAT but is based on the Commission's Decision. AT&T requests a refund for all relevant rates effective June 12, 2002, and requests that Qwest immediately commence billing AT&T pursuant to the Commission's June Decision.
AT&T wishes to avoid enforcement proceedings; however, the sums are not inconsequential, and AT&T will do so if the matter cannot be resolved amicably.

Sincerely,

[Signature]

Richard S. Wolters

RSW:ls

Cc: Service List, Docket No.
    T-00000A-00-0194
CERTIFICATE OF SERVICE

I certify that an original and 10 copies of a letter from AT&T Communications of the Mountain States, Inc. to Qwest regarding the Phase II Opinion and Order in Docket No. T-00000A-00-0194 were sent by overnight delivery on October 7, 2002 to:

Arizona Corporation Commission
Docket Control - Utilities Division
1200 West Washington Street
Phoenix, AZ 85007

and a true and correct copy was sent by overnight delivery on October 7, 2002 to:

Maureen Scott
Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

Jane Rodda
Chief Administrative Law Judge
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

and a true and correct copy was sent by United States Mail, postage prepaid, on October 7, 2002 to:

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