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IDAHO PUBLIC
UTILITIES COMMISSION

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IDAHO TELEPHONE ASSOCIATION,
CITIZENS TELECOMMUNICATIONS
COMPANY OF IDAHO, CENTURYTEL OF
IDAHO, CENTURYTEL OF THE GEM
STATE, POTLATCH TELEPHONE
COMPANY and ILLUMINET, INC.

Complainants

QWEST CORPORATION⁴,

Respondent.

CASE NO.: QWE-T-02-11

EXHIBIT 1

AFFIDAVIT OF CHARLES W. STEESE

I, Charles, W. Steese, do depose and state:

1. I am a founding member of the law firm of Steese & Evans, P.C., formerly known as Steese & Associates, P.C. If called upon to testify, I could testify to the following from personal knowledge.

2. In April 2003, Qwest hired my law firm to represent it in all litigated matters concerning SS7 signaling across the region. In each such action, I was lead trial counsel.

3. Shortly after the Commission issued the Orders, Illuminet and some of its carrier customers initiated similar proceedings in the states of New Mexico, Iowa and North Dakota. The parties to the New Mexico proceeding (and to a more limited extent in North Dakota and Iowa) participated in extensive document and deposition discovery. Qwest produced over 10,000 pages of new material, gathered substantial new documentation from Illuminet, and took

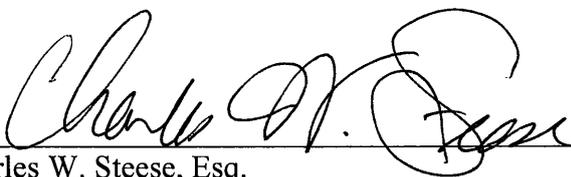
⁴ The Complaint names Qwest Communications, Inc. as the Respondent, but the proper party is Qwest Corporation.

Rule 30(b)(6) depositions of Illuminet and one of its wireless carrier customers. Over the course of this discovery, Qwest uncovered many new facts that previously had not been uncovered or presented to this Commission. Specifically:

- That Ameritech and Bellsouth bill for signaling messages associated with local traffic out of intrastate tariffs;
- That the entire telecommunications industry was well aware from a series of FCC decisions that incumbents such as Qwest planned to begin separately billing for signaling messages;
- That there is substantial documentary and anecdotal evidence that third-party signaling providers do not act as agents for their carrier customers;
- That the FCC specifically found that signaling should not be part of reciprocal compensation;
- That the FCC specifically found that BOCs, such as Qwest, should create message rating for signaling;
- That signaling messages that cross LATA lines are by definition interLATA traffic, not local traffic, and therefore are not paid for out of interconnection agreements;
- That Qwest developed a form interconnection agreement with the industry that specifically excluded signaling from reciprocal compensation;
- That Qwest's SGAT and many interconnection agreements specifically state that local traffic (including signaling traffic) delivered to Qwest from a third-party is to be billed and paid for out of tariffs;
- How the terms of Qwest's interconnection agreements evolved, and that no one ever planned to have signaling included as part of reciprocal compensation;
- That the rates for reciprocal compensation do not include any component of signaling; and,
- Unless a CLEC orders unbundled signaling, Qwest is not getting compensated for the use of its signaling network when it provides signaling to carriers to complete local calls.

Qwest is precluded from giving the full scope of the facts – indeed some facts altogether – due to protective orders issued in other proceedings. Thus, this is anything but a complete list.

Further affiant sayeth not.

A handwritten signature in black ink, appearing to read "Charles W. Steese". The signature is written in a cursive style with a large, prominent initial "C".

Charles W. Steese, Esq.