Honorable Beth M. Andrus 1 Noted for Consideration: April 1, 2013 Without Oral Argument 2 3 4 5 IN THE SUPERIOR COURT OF WASHINGTON 6 FOR KING COUNTY 7 SANDY JUDD, TARA HERIVEL, and COLUMBIA LEGAL SERVICES, for Case No. 00-2-17565-5 SEA 8 themselves, and on behalf of all similarly AT&T'S RESPONSE TO THE situated persons. 9 INTERLATA AND INTRALATA Plaintiffs, **CLASSES' REVISED** 10 **MOTION FOR: (1) PRELIMINARY** APPROVAL OF SETTLEMENT V. 11 AGREEMENT WITH AT&T; (2) PRELIMINARY APPROVAL OF AMERICAN TELEPHONE AND 12 PLAN OF ALLOCATION; TELEGRAPH COMPANY, and T-NETIX, (3) DIRECTIVE TO SEND NOTICE; INC., 13 AND (4) SCHEDULING OF FINAL APPROVAL HEARING Defendants. 14 15 Of counsel: 16 Charles H.R. Peters Kelly Twiss Noonan (WSBA #19096) Bradford J. Axel (WSBA #29269) 17 David C. Scott STOKES AND LAWRENCE, P.S. Brian L. Josias SCHIFF HARDIN LLP 1420 Fifth Avenue, Suite 3000 18 Seattle, Washington 98101 233 S. Wacker Dr. Suite 6600 Chicago, IL 60606 (206) 626-6000 19 (312) 258-5500 (206) 464-1496 (fax) (312) 258-5600 (fax) 20 21 Charles W. Douglas David W. Carpenter David F. Graham SIDLEY AUSTIN LLP 22 One South Dearborn Street 23 Chicago, IL 60603 (312) 853-7000 24 (312) 853-7036 (fax) 25 Dated: March 29, 2013 26 AT&T'S RESPONSE TO THE INTERLATA AND INTRALATA CLASSES' REVISED MOTION FOR PRELIMINARY APPROVAL OF SETTLEMENT AGREEMENT WITH AT&T, ETC.

AT&T respectfully files this response to Plaintiffs' motion for preliminary approval of the final settlement agreement between the InterLATA and IntraLATA Call Recipients Classes and AT&T. AT&T does not oppose this motion.

AT&T submits this response for the sole purpose of ensuring that the Court is aware of the order that was entered by Commissioner Schmidt of the Court of Appeals Division II on March 21, 2013. The Order is attached hereto as Exhibit A. The Order was entered in the proceeding in which Division II is reviewing the WUTC's determination that AT&T was the OSP on the interLATA and intraLATA calls at issue — which affects AT&T's indemnification claim against T-Netix and which is therefore very much a live controversy that is expressly not resolved by the settlement between Plaintiffs and AT&T.

The Order concludes that the Court's February 24, 2012 Order that withdrew the primary jurisdiction referral on the *other* issue that it had originally referred to the WUTC – whether the rate disclosure regulations had been violated – was improper because AT&T did not obtain permission from Division II under RAP 7.2(e) before it moved for withdrawal of the referral of this issue. The Order states that "under RAP 7.2(a), once the notice of appeal as to the WUTC Final Order was filed with [Division II], the trial courts, both in Thurston County and in King County, lost authority to act while this appeal [of the WUTC Order] was pending." On this basis, Commissioner Schmidt stayed this Court's February 24, 2012 Order. (See Exhibit A.)

AT&T believes that the foregoing Order of Division II would only affect the litigation in this Court on the question of whether the rate disclosure regulations were violated – which is an issue that is mooted by the settlements. Accordingly, the Order should not prevent the Court from proceeding to approve the settlements. However, out of an abundance of caution, AT&T will shortly file a motion with Division II for clarification of the Order or, in the alternative, modification of the Order to allow the Court to proceed with approval of the settlement.

DATED this March 29, 2013.

STOKES LAWRENCE, P.S.

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DECLARATION OF SERVICE

I do hereby certify that on this 29th day of March, 2013, I caused to be served a true and correct copy of the foregoing document by the method indicated below and addressed to the following:

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I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

EXECUTED at Seattle, King County, Washington, this 29th day of March, 2013.

James M. Bauer, Practice Assistant

AT&T'S RESPONSE TO THE INTERLATA AND INTRALATA CLASSES' REVISED MOTION FOR PRELIMINARY APPROVAL OF SETTLEMENT AGREEMENT WITH AT&T, ETC. - 3

EXHIBIT A

Washington State Court of Appeals Division Two

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General Orders, Calendar Dates, and General Information at http://www.courts.wa.gov/courts OFFICE HOURS: 9-12, 1-4.

March 21, 2013

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AT&T Communications, Inc., Appellant v. WA. Utilities & Transport Commission et al, Respondents

Counsel:

On the above date, this court entered the following notation ruling:

A RULING BY COMMISSIONER SCHMIDT:

It has come to this court's attention that, subsequent to the January 2012 appeal from the Thurston County Superior Court's order on APA review of the WUTC Final Order, AT&T obtained an order in King County Superior Court that withdrew its grant of primary jurisdiction to the WUTC. But under RAP 7.2(a), once the notice of appeal as to the WUTC Final Order was filed with this court, the trial courts, both in Thurston County and in King County, lost authority to act while this appeal was pending. There is no evidence that AT&T obtained permission by motion to this court under RAP 7.2(e) for the King County Superior Court to enter its order withdrawing its grant of primary jurisdiction to the WUTC. Accordingly, that order is stayed pending future order of this court and the parties should be prepared to address that order, and the status of the King County Superior Court proceedings, at oral argument in the appeal from the Thurston County Superior Court's decision.

Very truly yours,

David C. Ponzoha Court Clerk