
Please provide the following information by **February 12, 2018**:

CenturyTel of Inter Island, CenturyTel of Cowiche, CenturyTel of Washington, United Telephone Company of the Northwest, and Qwest Corporation (hereinafter “CenturyLink” or “CenturyLink Companies”) object to the Staff’s Information Requests regarding the federal Tax Cuts and Jobs Act (“TCJA”). The information sought may be relevant if a company is rate regulated, or rate of return regulated, but CenturyLink is not. Pursuant to the Commission’s order in Docket No. UT-130477, all of the CenturyLink companies in Washington are regulated under an alternative form of regulation (“AFOR”). Under the terms of the AFOR, which extends through January 2021, the Commission has granted an exemption from rate of return regulatory treatment. In fact, the CenturyLink Companies have pricing flexibility under the AFOR, and rates are governed by the competitive market, not by the Commission. Thus, federal tax savings, if any, play no part in setting CenturyLink’s rates for telecommunications services.

Furthermore, under the AFOR the CenturyLink Companies are to be regulated “as if” they were competitively classified companies. To date, the competitive companies in the state have not been asked to respond to these requests. The CenturyLink Companies should be treated the same.

Without waiver of this objection, CenturyLink provides the following responses:

1. Accumulated Deferred Federal Income Tax (ADFIT) balance as of December 31, 2017, for Total Washington and Washington Intrastate.

Response:

The requested information is not yet available and will not be available until after the books are closed and jurisdictional separations has been completed.

2. The amount of excess deferred income tax reserve as described in the Internal Revenue Code at 26 U.S.C. § 168(i)(9)(A)(ii) as of December 31, 2017, for Total Washington and Washington Intrastate, to comply with the TCJA.

Response:

The requested information is not yet available and will not be available until after the books are closed, adjusting entries are made and separations has been run.

3. The amount of excess deferred income tax expense the Company is currently collecting through Washington Intrastate rates and charges as of January 1, 2018, through December 31, 2018.

Response:

Because the company's rates were not established pursuant to rate base rate-of-return rate making, the amount of excess deferred tax liability the company is currently collecting in rates is indeterminant.

4. A proposed amortization schedule for numbers 2. and 3. (above) along with a supporting rationale for each schedule. Please identify and describe the amortization assumption, e.g., composite, average rate, or other alternative method.

Response:

Because the Company's rates were not established pursuant to rate base rate-of-return rate making, the company has no amortization proposal.

5. In the event that all impacts of the TCJA are not fully known to the Company by the due date set forth in this information request, please provide a date certain by which the Company intends to supplement its response including its plans to address these impacts.

Response:

The Company will supplement its answer to information requests 1 and 2 on May 1, 2018 or sooner if the information becomes available before then.

6. Supporting workpapers in electronic format with all formulae and links intact. See WAC 480-07-510(3)(c).

Response:

The Company has no workpapers pertaining to the responses to this information request.