

**BEFORE THE WASHINGTON  
UTILITIES & TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

QWEST CORPORATION D/B/A CENTURYLINK QC,

Respondent.

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DOCKET UT-171082

SUSAN M. BALDWIN ON BEHALF OF PUBLIC COUNSEL

**EXHIBIT SMB-9**

CenturyLink's Response to Public Counsel Data Request 11

**June 1, 2018**

Re: Docket UT-171082

CenturyLink's Responses and Objections to Public Counsel DR Nos. 5 through 12

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**PC-11** In its response to PC-2, at page 67 (also Exh. SP-8 at 10), CenturyLink states in pertinent part:

Requiring 1000' of free line extension to developments where wireline and wireless services are already available from other providers will waste the ILEC's very limited (and ever shrinking) resources that could be used for economically viable investments, including further deployment of broadband. CenturyLink and other ILECs must be free to decline unnecessary uneconomic investment. This is especially important because the revenues available to operate a wireline voice network for people who have no other option continue their rapid decline.

- a. Please describe fully CenturyLink's broadband deployment plans for each of the upcoming three years assuming that *it is required* to provide 1000 feet "free line extension to developments where wireline and wireless services are already available from other providers."
- b. Please describe fully CenturyLink's broadband deployment plans for each of the upcoming three years assuming that *it were not required* to provide 1000 feet "free line extension to developments where wireline and wireless services are already available from other providers."
- c. Does CenturyLink ever deploy broadband internet access to new housing developments? If so, list all such instances since January 1, 2015.
- d. Please reference: <https://www.fcc.gov/document/wireline-bureau-announces-caf-phase-ii-auction-final-eligible-areas> and <https://www.fcc.gov/consumers/guides/connect-america-fund-phase-ii-faqs> as well as the list of census blocks, which can be found at <https://www.fcc.gov/files/caf2auctionpublishblockcsv> and the list of census block groups which can be found at <https://www.fcc.gov/files/caf2auctionpublishcbgcsv>. Applications to participate in the FCC's CAF II auction (scheduled for July 2018) were due in March 2018.
  - i. Did CenturyLink apply by March 2018 to participate in the CAF II program anywhere in the United States? If so, identify the states in which CenturyLink plans to participate and how those states were selected. If so, identify the states in which CenturyLink is an incumbent local exchange carrier and does not plan to participate, and indicate, separately by state, the reasons that CenturyLink is not participating in the CAF II auction in these states.

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- ii. Does CenturyLink plan to participate in the upcoming July 2018 auction to serve any portions of Washington State? If so, identify the areas in which it is seeking CAF II funding. If not, explain why not.
- iii. Does CenturyLink anticipate that new housing developments will occur in any of the areas that are eligible for CAF II monies?
- iv. What is CenturyLink's understanding of whether CAF II monies may be used to deploy broadband networks to serve new housing developments in areas that are eligible for CAF II monies.

**Response:** Except as specifically noted below, CenturyLink generally objects to the questions in subparts a.-d. as overbroad and unduly burdensome. Further, these questions request information not relevant to the issue in this proceeding, and information which is unlikely to lead to the discovery of admissible evidence. The question presented in this case is the proper interpretation and application of the line extension rule as it pertains to individual requests for service within developments. It is irrefutable that the line extension rule does not apply to service requested by a developer for a new development. Therefore, to the extent that these questions address terms and conditions for service to "developments" or "new housing developments" (as many of these do), or at the request of a developer, they are plainly outside the scope of the proceeding. To the extent that the questions address the provision of broadband service, they are even further from the issue in this case, which is the obligation to provide telecommunications services to a development or an individual. Broadband is outside the scope of this proceeding, and outside the jurisdiction of the Commission.

- a. Without waiver of the objections stated above, CenturyLink states that it has not modified its broadband deployment plans to assume that it will be required to provide line extensions within new housing developments contrary to the line extension rule. It is axiomatic that capital is a scarce resource. In order to invest in network facilities, CenturyLink must compete for that scarce resource. If CenturyLink were compelled to use capital to invest in facilities as contemplated by this question, CenturyLink would be using capital less efficiently than had it deployed facilities when the development's basic infrastructure—such as water mains, sewer lines, electric lines, natural gas lines, cable television cable--was being installed. Capital invested in facilities as contemplated by the question would necessarily be unavailable for other, more efficient investment, including investment in broadband.
- b. Without waiver of the objections stated above, CenturyLink states that its broadband deployment is planned under the assumption stated in this question – that CenturyLink will not be required to deploy facilities under the line extension rule in a no-build development. CenturyLink intends to comply with its obligations under CAF II and will deploy broadband in other geographic areas as well, where CenturyLink determines that it is economic to do so.

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- c. Please see the general objection stated above.
- d. Please see the general objection stated above.

**Respondents:** CenturyLink Legal as to the objections; Phil Grate for the substantive responses.