

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of  
  
QWEST CORPORATION  
  
for an Alternative Form of Regulation  
Pursuant to RCW 80.36.135.

DOCKET NO. UT-061625  
  
COMMISSION STAFF'S  
COMMENTS ON QWEST'S  
REVISED BROADBAND PLAN  
COMPLIANCE FILING OF  
NOVEMBER 26, 2007

1           On July 24, 2007, the Commission entered Order 06 in this proceeding allowing Qwest to provide telecommunications service under an alternative form of regulation and directing Qwest to submit an initial plan for Commission approval that specifies where, when and how \$4 million would be spent to facilitate the broad deployment of advanced telecommunications services to underserved areas and customer classes. On October 24, 2007, Qwest filed its Washington Rural Broadband Service Expansion Plan. After significant discussions with Staff and Public Counsel, Qwest submitted its Revised Washington Rural Broadband Service Expansion Plan (Revised Plan) on November 26, 2007.

**Staff's Analysis of Qwest's Revised Plan and Public Counsel Comments**

2           Staff worked closely with Qwest and Public Counsel to evaluate and understand where, when and how Qwest planned to spend the \$4 million. Staff has reviewed, in conjunction with the Revised Plan, data responses and supplemental information submitted by Qwest.

3 Qwest's Revised Plan states that the broadband expansion projects will be completed in the order shown in the Revised Plan's table, and that all projects will be completed by June 30, 2010. The table includes cost estimates for specific wire centers that meet the Commission guideline to invest the money in those wire centers with broadband availability less than 75 percent. Staff's review and analysis of where and how Qwest will invest relies heavily on the supplemental information shown in Confidential Attachments 2, 3, and 4.<sup>1</sup>

4 Staff asked Qwest to correct statements in the Revised Plan about when annual filings will be submitted to the Commission. Qwest filed a letter on November 29, clarifying that the annual filings mentioned in the Revised Plan will be made through 2011. Staff's review also identified two inconsistencies between the percentage of broadband availability in the Revised Plan and the percentage of broadband availability in Confidential Attachment 1.<sup>2</sup> To address Staff's concern, Qwest sent an e-mail on December 3, 2007, provided as Attachment 5 to these Comments. Staff's analysis indicates that the inconsistencies did not change the eligibility of the wire centers in the Revised Plan for investment under the Commission's guidelines from Order 06. In addition to the clarifications and supplemental information discussed above, Staff also supports the two modifications to the Revised Plan recommended by Public Counsel and filed November 30, 2007.

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<sup>1</sup> Confidential Attachment 2, submitted November 14, 2007, describes the general components included in the cost estimates. Confidential Attachment 3, submitted November 16, 2007, describes the actual amount spent on specific components of the interoffice facilities built to support DSL expansion for the Roy wire center. Confidential Attachment 4, submitted November 14, 2007, describes the component details for DSL expansion projects. This supplemental information was e-mailed to Staff and Public Counsel as part of Qwest's Responses to Public Counsel's Informal Information Request Regarding Qwest's Washington Rural Broadband Extension Plan. These attachments describe where and how Qwest will invest.

<sup>2</sup> Confidential Attachment 1 contains the wire-center specific data as of December 2006 and June 2007, and complements the December 2006 state-by-state data in Qwest's Confidential Attachment A to its Supplemental Response to Bench Request 3. Staff intends to use the June 2007 data as the baseline for comparison with Qwest's future reports. It was e-mailed to Staff and Public Counsel on November 16, 2007, as Confidential Attachment 1a to its Responses to Public Counsel's Informal Information Request Regarding Qwest's Washington Rural Broadband Extension Plan.

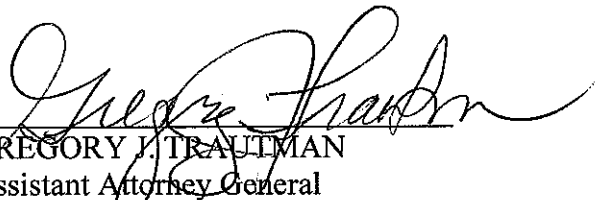
**Conclusion**

5           Based on the review of the Revised Plan and supplemental information provided by Qwest, and based on the modifications proposed by Public Counsel, Staff recommends the Commission approve Qwest's Revised Washington Rural Broadband Service Expansion Plan.

DATED this 7<sup>th</sup> day of December, 2007.

Respectfully submitted,

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