

Exhibits

Exhibit No. __BHP-15HC – “Wholesale Diligence Update” document produced by CenturyLink in response to Integra’s First Set of Information Requests, Request No. 143, and Commission Staff Request No. 13.

Exhibit No. __BHP-16HC – “Due Diligence Response No. 16” document produced by CenturyLink in response to Integra’s First Set of Information Requests, Request No. 143, and Commission Staff Request No. 13.

Exhibit No. __BHP-17HC – “Operations Overview” document produced by CenturyLink in response to Integra’s First Set of Information Requests, Request No. 143, and Commission Staff Request No. 13.

1 been designated as “Highly Confidential” pursuant to the ALJ’s Amended
2 Protective Order in this case. As such, they are subject to “Level C” protections.

3 **Q. HAVE YOU REVIEWED THE “WHOLESALE DILIGENCE UPDATE”**
4 **DOCUMENT PRODUCED BY CENTURYLINK?**

5
6 A. Yes. The “Wholesale Diligence Update” document¹ was produced by
7 CenturyLink on or about October 11, 2010 in response to Integra Request No. 143
8 and Commission Staff Request No. 13. Specifically, the document is entitled

9 ***** BEGIN HIGHLY CONFIDENTIAL** [REDACTED]
10 [REDACTED]
11 [REDACTED] **END HIGHLY CONFIDENTIAL ***]** (“Wholesale
12 Diligence Update”).

13 **Q. PLEASE DESCRIBE THE “WHOLESALE DILIGENCE UPDATE”**
14 **DOCUMENT, AND ITS RELEVANCE TO SOME OF THE ISSUES IN**
15 **THIS PROCEEDING.**

16
17 A. The “Wholesale Diligence Update” document ***** BEGIN HIGHLY**
18 **CONFIDENTIAL** [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED] **END HIGHLY CONFIDENTIAL**
22 *****]**

¹ See “Wholesale Diligence Update” document. Exhibit No. __BHP-15HC.

1 Q. HOW DOES CENTURYLINK VIEW CHARTER, AND OTHER CABLE
2 COMPANIES?
3

4 A. These documents show that competition from cable companies is [*** BEGIN

5 HIGHLY CONFIDENTIAL [REDACTED]

6 [REDACTED]

7 [REDACTED]

8 [REDACTED]

9 [REDACTED] END HIGHLY CONFIDENTIAL ***] In

10 fact, I think there are several reasons why cable companies like Charter are

11 viewed by CenturyLink as [*** BEGIN HIGHLY CONFIDENTIAL [REDACTED]

12 [REDACTED] END HIGHLY CONFIDENTIAL ***] First, cable companies

13 deploying interconnected VoIP services have been very successful at competing

14 with CenturyLink's traditional business by providing competitive voice service in

15 residential markets. Charter, in particular, operates in many of CenturyLink's

16 service areas and therefore competes directly with CenturyLink for voice service

17 customers. Second, cable companies generally offer industry leading high-speed

18 Internet connections in competition with CenturyLink's and Qwest's DSL and/or

19 Internet services. Third, CenturyLink is expanding its IPTV (Internet Protocol

20 Television) services which compete directly with traditional cable television

21 service.⁷ Thus, CenturyLink views cable as a [*** BEGIN HIGHLY

⁵ Exhibit__ BHP-16HC at 1.

⁶ Exhibit__ BHP-17HC at 6.

⁷ Direct Testimony of Mark S. Reynolds, on behalf of CenturyLink, at 4, lines 6-16, at 19, lines 8-13.