

Washington Rural Broadband Service Expansion Final Report - August 31, 2011

In response to Docket UT-061625, Order No. 6 (“Order”), paragraph 40, Qwest files this final Rural Broadband Service Expansion Plan Report. In accordance with the plan, Qwest agreed to invest not less than four million dollars to make economical high-speed access to the internet available in the following targeted wire centers/communities: Roy, Northport, Pateros, Springdale, Elk, Easton, Waitsburg, Steamboat Island, Joyce, Hoodsport, Napavine, Omak, Shelton, Rochester, Deer Park, Winlock and Belfair. Also, as noted in paragraph 29 of the Order, Qwest agreed to ensure that wire-line high-speed Internet service became available to at least 83% of consumers in Qwest’s Washington serving area during the four-year period of the Alternative Form of Regulation (“AFOR”).

The attached Broadband Availability Report reflects **90%** statewide broadband availability to Qwest’s customers which compares favorably with the broadband availability in other Qwest states. The Broadband Expansion Expenditures Report filed in August of 2010 reflected that \$3,854,645, or 96% of the four million dollar target investment, had been spent halfway through 2010. As of 9/30/10, a total of \$4,093,942 had been invested. At year-end 2010, \$4,524,787 had been invested in these communities. More has been invested since then.

Beyond having invested more dollars in these communities than originally promised, Qwest deployed considerably more equipment in the targeted wire centers than originally planned. This has resulted in much wider availability of service in these communities than was originally forecasted. This result is displayed in the table below:

Wire Center/ Community	Central Office DSLAM (Plan/Actual)	Remote Terminal DSLAM (Plan/Actual)	Availability Before (%)	Availability After (%Plan/% Actual)
Roy				
NorthPort				
Pateros				
Springdale				
Elk				

Easton				
Waitsburg				
Joyce				
Hoodsport				
Napavine				
Omak				
Shelton				
Rochester				
Deer Park				
Winlock				
Belfair				
<u>Steamboat</u>^[1]				
Total				

¹ Steamboat Island is part of the Olympia Evergreen Wire Center

As depicted in the table, Qwest deployed 79 remote terminal sites as opposed to the 43 initially proposed under the Plan.¹ Two of the 79 sites remained under construction after submission of the third annual status report submitted a year ago. One site was in Rochester and one in Deer Park. Negotiation of easement with the Bureau of Indian Affairs created a delay in Rochester. The Deer Park site required boring under a waterway. As such, it required an Environmental Protection Agency permit and a Joint Aquatic Resource Permit approval that delayed completion. These projects produced the dual benefit of supporting high-speed, fiber-optic-cable-based internet access as well as higher grade basic telephone service in the area. Rochester now has fourteen Remote Terminal sites and Deer Park has three as reflected in the table above. The table above also reflects that Qwest deployed 9 central office terminals as opposed to the 8 initially proposed under the Plan. Not reflected in the table is the fact that this Plan has also had the effect of reinforcing interoffice backbone between the targeted Wire Centers and more centrally located Wire Centers. This reinforcement was a critical prerequisite to introducing high-speed Internet access to customers in the targeted wire centers.

¹ WUTC Docket UT-061625, Order 16, Order Accepting Washington Rural Broadband Service Expansion Plan, On Condition, and Denying Request for Alternative Reporting, January 10, 2008.

High-speed Internet access was available to customers from all sites on the original list well in advance of the deadlines of Docket UT-061625, Order No. 6. The facilities deployed by Qwest through its investment commitment has made service available in a footprint far beyond what was originally proposed, yet within the same set of rural communities determined to be most in need.

Finally, statewide availability of service at **90%** is considerably above the 83% target set by the AFOR despite persistent wireline customer loss, competition and a very challenging economy.² In good faith, Qwest has fully satisfied this obligation and will not supply additional status reporting on rural broadband service expansion per Docket UT-061625. Similar, but more extensive, future reports will be submitted per the Qwest-CenturyLink Merger Agreement Approval Order from the WUTC.

² Footnote 125 of Order 6 states, “In evaluating Qwest’s performance towards the goal of ensuring 83% high speed internet service availability in its Washington service area during the review process, consideration shall be given to Qwest’s access line loss and the loss of high speed internet service customers to other broadband service providers operating in its territory.”