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Mark S. Reynolds

Director Western Region Regulatory Affairs

March 29, 2012

Via E-mail and Overnight Delivery

Mr. David Danner, Executive Director Washington Utilities & Transportation Commission 1300 S. Evergreen Park Drive SW P.O. Box 47250 Olympia, WA 98504-7250

Re: CenturyLink's compliance with Condition No. 13 to the Joint Applicants' agreement with Commission Staff and Public Counsel, Docket UT-100820, Order 14, Appendix C

Dear Mr. Danner,

Condition No. 13 in the Docket UT-100820 merger settlement agreement between CenturyLink, Commission Staff and Public Counsel, adopted by the Commission in its Order 14 in the docket, requires the filing with the Commission of a report on the company's capital expenditures:

13. Report of Capital Expenditures

After the Transaction closes, until such time as an AFOR proceeding for the CenturyLink ILECs and Qwest has concluded, CenturyLink will submit to the Commission, with copies to Commission Staff and Public Counsel, a confidential report for the previous calendar year detailing Washington regulated capital expenditures as a percentage of total system expenditures and a comparison of the amount of regulated capital expenditures per Washington access line with the amount of regulated capital expenditures per CenturyLink system-wide access line.

Dave Danner Washington Utilities and Transportation Commission March 29, 2012 Page 2

After the Transaction closes, until such time as an AFOR proceeding for the CenturyLink ILECs and Qwest has concluded, CenturyLink will submit a report annually, within 30 days after capital budgets have been approved by the CenturyLink board, to the Commission, with a copy to Commission Staff and Public Counsel, containing the projected capital budgets for the CenturyLink ILECs and Qwest for the current budget year. Recognizing that projected capital budgets are fluid, and that these budgets will be provided for informational purposes, follow-up filings will not be made except in the case of a major variance.

CenturyLink provides Attachment 1 which provides the required information concerning the company's capital expenditures.

If you have any questions regarding this report, please don't hesitate to call me.

Sincerely,

Mark Reynolds

MSR/ldj

cc: Jennifer Cameron-Rulkowski

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