

[Service Date April 3, 2012]

April 3, 2012

**NOTICE OF OPPORTUNITY TO RESPOND  
(Comments due by Friday, April 13, 2012, by 3:00 p.m.)**

RE: *In the Matter of the Joint Application of Qwest Communications International Inc., and CenturyTel, Inc., for Approval of Indirect Transfer of Control of Qwest Corporation, Qwest Communications Company LLC, and Qwest LD Corp.,*  
Docket UT-100820

TO ALL PARTIES:

On March 14, 2011, the Washington Utilities and Transportation Commission (Commission) entered Order 14, approving the acquisition of Qwest Communications International Inc. (Qwest) by CenturyLink, Inc. (CenturyLink), subject to several conditions, one of which required CenturyLink to separate its broadband deployment commitment of \$80 million from general corporate funds and place those monies in an irrevocable escrow account over a three year period.<sup>1</sup> The Commission directed CenturyLink to deposit the first installment of \$30 million into the escrow account within 30 days after the transaction's close.<sup>2</sup> The next two payments would be due on the transaction's anniversary in 2012<sup>3</sup> and 2013, respectively.<sup>4</sup> The Commission authorized CenturyLink to petition the Commission quarterly for reimbursement of monies from the

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<sup>1</sup> Order 14 – Final Order Approving and Adopting, Subject to Conditions, Multiparty Settlement Agreements and Authorizing Transaction, ¶ 249.

<sup>2</sup> *Id.*

<sup>3</sup> Since the transaction closed on April 1, 2011, the second broadband escrow installment would have been due on April 1, 2012. However, CenturyLink requested and the Commission granted a sixty-day extension of time within which to satisfy that requirement.

<sup>4</sup> Order 14 – Final Order Approving and Adopting, Subject to Conditions, Multiparty Settlement Agreements and Authorizing Transaction, ¶ 249.

escrow account.<sup>5</sup> If the Commission determines that CenturyLink's petition and accompanying documentation are appropriate, the Commission will alert the third-party escrow agent to release the monies.<sup>6</sup>

On March 30, 2012, CenturyLink filed a Petition for Release of Funds from Broadband Escrow Account and Elimination of Requirements for Future Escrow Payments (Escrow Elimination Petition).<sup>7</sup> Specifically, CenturyLink is seeking Commission approval to discontinue further payments into the broadband escrow account. CenturyLink contends that it has made substantial progress in achieving its broadband deployment commitment in Washington.<sup>8</sup> In fact, CenturyLink asserts that its broadband expenditures already exceed \$55 million for the first two escrow installments.<sup>9</sup>

**NOTICE IS HEREBY GIVEN That parties who wish to respond to CenturyLink's Escrow Elimination Petition must do so by 3:00 p.m., Friday, April 13, 2012.**

Sincerely,

MARGUERITE E. FRIEDLANDER  
Administrative Law Judge

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<sup>5</sup> *Id.* at ¶ 250.

<sup>6</sup> *Id.*

<sup>7</sup> Escrow Elimination Petition, ¶ 2. While CenturyLink has stylized its request for disbursement as a petition, the request is more akin to a compliance filing. As such, the request will be processed as a compliance filing on a separate track from the Petition. The Company's petition to eliminate the requirement of future escrow payments is in essence a motion to amend Order 14.

<sup>8</sup> *Id.*

<sup>9</sup> *Id.* at ¶ 3. CenturyLink states that it has expended more than \$57 million on expansion of fiber-based high speed Internet services in 2011 in Washington state. *Id.* at ¶ 8.