# **CenturyLink**

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# **Mark S. Reynolds**

# Northwest Region Vice President

# Public Policy

August 23, 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. 4 to the Joint Applicants’ agreement with Commission Staff and Public Counsel, Docket UT-100820, Order 14, Appendix C

Dear Mr. Danner,

Condition No. 4 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 reflecting merger costs and synergy savings:

1. ***Synergy Report***

*For a period of five years after the Transaction closes, CenturyLink will track and file annually a confidential report reflecting merger costs and synergy savings on a company-wide and Washington basis. The first report shall be filed with the Commission within 150 days after the first anniversary of the close of the Transaction, and subsequent reports will be filed annually with the Commission on the anniversary date of the first report. The report shall reflect the following information:*

1. *Synergy Savings – The report will provide estimated achieved synergy savings by the functional areas being tracked by CenturyLink. Estimated achieved synergy savings by the functional areas will be shown for CenturyLink company-wide and for each CenturyLink ILEC and Qwest (total company and intrastate jurisdiction amounts).*
2. *Merger Costs – The report will provide total merger costs incurred for the reporting period for CenturyLink company-wide and for each CenturyLink ILEC and Qwest (total company and intrastate jurisdictional amounts).*

CenturyLink provides Highly Confidential Attachment 1 which contains the required information on estimated synergy savings and merger costs for the period April 1, 2011 through March 31, 2012.

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

Sincerely,

Mark Reynolds

MSR/ldj

cc: Jennifer Cameron-Rulkowski

Lisa Gafken