

CenturyLink Washington
Summary of Broadband Commitment Progress
March 31, 2014

Broadband Commitment and Reporting Requirements

In compliance with condition 14 of the Settlement Agreement between CenturyLink, Commission Staff and Public Counsel, adopted by the Commission in its Order 14 in Docket UT-100820, CenturyLink provides its final report regarding the company's progress towards and completion of its merger broadband commitment. Specifically, CenturyLink committed in condition 14 to the following:

In addition to the Qwest AFOR and CenturyTel/Embarq merger broadband commitments, CenturyLink shall invest no less than \$80,000,000 (eighty million dollars) in retail broadband infrastructure in Washington over a five year period, beginning January 1, 2011. No less than thirty-three percent (33%) of this amount shall be invested in unserved and underserved areas. In addition to the 33% of the total investment that is directed to unserved and underserved areas, CenturyLink will enable broadband in the following CenturyLink central offices: Clearwater, Glenwood, Willard, Nespelem, and Eureka. This investment will count toward the \$80,000,000 total.

For purposes of this Settlement Agreement, "unserved" means either an area that has no wireline broadband service from any carrier, or no wireline service available from the CenturyLink ILECs or Qwest; "underserved" means an area with wireline broadband service but only at download speeds of 4 Mbps and upload speeds of 1 Mbps or less; and "area" means one or more living units. CenturyLink may invest less than thirty-three (33%) of the total amount in unserved or underserved areas with Commission approval, after a showing that such investments would not be appropriate based on deployment costs, availability of other broadband services in those areas or other pertinent factors, but any such Commission approval shall not impact the total amount of the commitment.

Condition 14 establishes requirements for annual reporting of broadband deployment plan progress as follows:

For a period of five years, or until all capital commitments have been expended under this condition, CenturyLink will file with the Commission annually on the anniversary of the Transaction's close a confidential written report on the broadband deployment by wire center accomplished in the previous year, including the expenditure per wire center, the number of living units enabled or upgraded as to speed, and the broadband speeds available in each wire center.

CenturyLink will file with the Commission, with copies to Commission Staff and Public Counsel, a plan for broadband deployment annually, to begin within 60 days of the

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anniversary date of the closing of the Transaction and thereafter submitted on the anniversary of the Transaction's closing date, including the number of living units to be enabled or upgraded.

Status of Additional Deployment Commitment

The report filed in 2013 confirmed that the capital commitments under this condition had been expended, and that only one central office remained in the separate broadband enablement commitment. CenturyLink hereby confirms its completion of the Eureka central office deployment. Below is CenturyLink's update on total spending under the commitment through 2013.

	5 year Broadband Investment	5yr Unserved / Underserved Investment	Investment 2011-2013	% of Goal	Investment for Unserved / Underserved Customers 2011- 2013	% of Goal
WA	\$80,000,000	\$26,400,000	\$186,530,144	233%	\$59,577,589	226%

Conclusion

As outlined above, CenturyLink has completed all of the requirements of its merger broadband commitment as outlined in Condition 14 and no further reporting is required pursuant to this condition.