

UT-030000

**Qwest Corporation**  
1600 7<sup>th</sup> Avenue, Room 3206  
Seattle, Washington 98191  
(206) 345-1568  
Facsimile (206) 343-4040



Mark S. Reynolds  
Senior Director – Regulatory  
Policy and Law

April 5, 2008

Ms. Carole Washburn  
Executive Secretary  
Washington Utilities and Transportation Commission  
1300 S. Evergreen Park Drive SW  
PO Box 47250  
Olympia, WA 98504-7250

Dear Ms. Washburn:

Pursuant to section 12.0 of Qwest's Performance Assurance Plan (PAP), the attachment contains Qwest's recalculation of the annual cap on total payments to be made by Qwest under the PAP.

If you have any questions, please feel free to call me.

Sincerely,

A handwritten signature in cursive script that reads "Ron L. Trullinger".

For Mark S. Reynolds  
Senior Director – Regulatory

Attachment

RECEIVED  
REGULATORY MANAGEMENT  
2008 APR -8 AM 11:10  
STATE OF WASH.  
UTIL. AND TRANSP.  
COMMISSION

**QPAP Net Return Calculation  
 FCC 43-01 - w/ no adjustments**

YEAR = 2007

(\$ 000)		<b>Washington</b>
Lines		<b><u>2007</u></b>
1915	+ Interstate Net Return	\$194,403
1090	+ Total operating revenues	\$697,287
1290	+ Other op incl/losses	\$3,964
1190	- Total operating expenses	\$594,850
1390	- Total non op exp	\$285,627
1590	- Fed income taxes	(\$105,814)
1490	- Total other taxes	\$41,044
	= QPAP Net Return	\$79,947

State PAP %age	<b>36%</b>
Annual at State %age, no overlays/adjmts	<b>\$28,781</b>
Monthly	\$2,398