

THIS DOCUMENT MAY CONTAIN INFORMATION DESIGNATED AS

“CONFIDENTIAL”

WUTC Docket UT-021120

Items Designated “Confidential” in testimony

Exhibit T-\_\_\_\_(LLS-1T)

Page	Line	Item	Changes agreed to by Qwest
i	none	Compares (less/greater) sale price to the range of valuation estimates.	Non-confidential
6	18	Compares (less/greater) sale to financial advisors’ estimate of business enterprise value (BEV).	Non-confidential
17	3	Specific percentage comparison of sale price to midpoint of range of BEV estimates.	Confidential
21	15	States specific loss of non-QC, non-Dex components of QCII financial results.	Confidential
24	18	Compares (high/low) sale price to the range of valuation estimates.	Non-confidential
26	2-5	Lists by date presentations Lehman Brothers of valuation studies.	Non-confidential
26	7-11	Explains why one Lehman Brothers document provides best estimate of value.	Non-confidential
26	13-16	Describes contents of specific Lehman Brothers study.	Confidential
26	fn. 32	Explains difference in two studies by same firm with same date.	Confidential
27	1-7	Summarizes range of valuation estimates in various Lehman Brothers studies.	Confidential
27	fn. 33	Explains relationship of LCI assets to sale price.	Confidential
28	Table 1	Summary data from a specific Lehman Brothers study.	Confidential
28	5-14	Reports conclusions of specific Lehman Brothers study.	Confidential
29	1-4	States factors from conclusion of specific Lehman Brothers study.	Confidential
29	10-17	Compares specific Lehman Brothers study to other valuation studies conducted by Lehman Brothers.	Confidential
29	fn. 37	Compares financial assumptions regarding Dex in two Lehman Brothers studies.	Confidential
30	1-12	Compares financial assumptions regarding Dex in Lehman Brothers studies.	Confidential
30	16	States dollar amounts of Lehman Brothers’ valuation range for Dex.	Confidential
30	17	States dollar amount of mid-point of Lehman Brothers’ valuation range for Dex.	Confidential
30	18	States dollar amount difference between mid-point of Lehman Brothers’ valuation range for Dex and sale price.	Confidential
30	fn. 39	States growth rate assumptions used in a Lehman Brothers study.	Confidential
31	5-8	Makes general comparison of Merrill Lynch results to Lehman Brothers results.	Confidential

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31	10-11	States dollar amount of mid-point of Merrill Lynch results and compares it to sale price.	Confidential
31	13	States dollar and percentage difference between mid-point of Merrill Lynch results and sale price.	Confidential
31	fn. 41	Explains difference in two Merrill Lynch studies.	Non-confidential
32	1-10	Discusses generally Merrill Lynch August 19 presentation.	Non-confidential
32	12	Compares (less/greater) Qwest valuation study estimates of BEV to Dex sale price.	Non-confidential
34	Table 2	Summary data for various investment banker valuations of Dex.	Confidential
35	7-9	Reports witness’ calculation of BEV using specific cash flow projections of Dex management.	Confidential
35	12-13	Compares (less/greater) QCII financial advisers’ valuation to sale price.	Non-confidential
35-36	19-20, 1-6	States a reservation in two financial adviser fairness opinions.	Confidential
36-38	10-22, 1-33, 1-8	Further explains a reservation in the Lehman Brothers fairness opinion.	Confidential
38	10-12	Yes/no question about whether a fairness opinion’s conclusion is conditioned on a specific consideration.	Confidential
38	14-21	States and discusses a reservation in the Merrill Lynch fairness opinion.	Confidential
39	7-9	States witness’ overall conclusion (less/greater) on sale price relative to economic value.	Non-confidential
39	9-11	States range of dollar amount difference between witness’ overall conclusion on sale price relative to economic value.	Confidential
42	4	States dollar amount Qwest witness recommends as compensation to customers.	Confidential
42	8	States dollar amount Qwest witness recommends as compensation to customers.	Confidential
42	10	States dollar amount of final “payment” recommended by Qwest witness.	Confidential
42	fn. 56	States dollar amount of final “payment” recommended by Qwest witness.	Confidential
45	21	States dollar amount Qwest witness recommends as compensation to customers.	Confidential
52	7-8	Compares (less/greater) sale price to witness’ assessment of BEV.	Non-confidential
52	12	Compares (less/greater) sale price to witness’ assessment of BEV.	Non-confidential

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Page	Line	Item	Changes agreed to by Qwest
53	2	States dollar amount of witness’ calculation of net present value (NPV) of directory imputation.	Confidential
53	5-7	States percentage values for two revenue-based allocators of Dex earnings to Washington and the reason for the difference between them.	Confidential
53	10	States dollar amount of witness’ assessment of minimum fair market BEV of Dex.	Confidential
53	13	States percentage value for earnings-based allocator.	Confidential
53	15	States dollar amount of witness’ calculation of net present value (NPV) of directory imputation.	Confidential
53	17	States dollar amount of witness’ assessment of minimum fair market BEV of Dex.	Confidential
54	Table 3	States dollar amounts of alternative calculations of witness’ assessment of minimum fair market BEV of Dex.	Non-confidential
54	14	States witness’ assessment of minimum fair market BEV of Dex.	Non-confidential
70	15	States a question relating to the Qwest Corporation Joinder? <<Note: Qwest Corporation Joinder is not confidential.>>	Not Confidential
72	11-12	States dollar amounts of book value of Dex tangible assets and Washington portion.	Confidential
89	5-8	Quotes a provision of the Branding Exhibit to the Publishing Agreement.	Not Confidential
89	10-11	States whether a particular provision appears in the Branding Exhibit.	Not Confidential
95	15-16	States dollar amount of value of direct marketing in Lehman Brothers report.	Confidential
95	19	States dollar amount of Qwest revenues from database business.	Confidential
101	8-12	States a general description of Qwest Dex’s operations.	Non-confidential
103	fn. 135	States whether the Branding Exhibit contains a particular provision.	Non-confidential
104	9-13	Quotes a general statement in Qwest’s 2000 affiliated interest report to the WUTC.	Non-confidential
104	15-17	Compares statements in the affiliated interest report and the Descriptive Memorandum.	Confidential
104	18-21	Quotes a general statement in the Descriptive Memorandum.	Confidential
105	1-7	Explains why witness does not exclude specific amounts from the calculation of ratepayers’ share.	Non-confidential
107	12	States the specific percentage amount of the revenue-based allocator used by Qwest.	Not Confidential

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Page	Line	Item	Changes agreed to by Qwest
108	4	States the specific percentage amount of the earnings-based allocator recommended by the witness.	Confidential
110	1	States the dollar amount range of the witness' estimate of the imputed fair market value of the directory business.	Confidential

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Items Designated “Highly Confidential” in testimony

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Page	Line	Item	Changes agreed to by Qwest
8	21	States dollar amount of witness’ calculation of net present value (NPV) of directory imputation. <<Note: This same information is merely “confidential” at page 53.>>	Confidential
9	1	States dollar amount of final “payment” recommended by Qwest witness. <<Note: This same information is merely “confidential” at page 42 and in Exh. TAJ-4C.>>	Confidential
9	4	States dollar amount Qwest witness recommends as compensation to customers. <<Note: This same information is merely “confidential” at page 42 and in Exh. TAJ-4C.>>	Confidential
9	6	States dollar amount difference between witness’ calculation of NPV of directory imputation and Qwest proposed amount.	Confidential
9	16	States dollar amount difference between witness’ calculation of NPV of directory imputation and Qwest proposed amount.	Confidential
46	1	States dollar amount of witness’ calculation of net present value (NPV) of directory imputation. <<Note: This same information is merely “confidential” at page 53.>>	Confidential
46	6	States dollar amount difference between witness’ calculation of NPV of directory imputation and Qwest proposed amount.	Confidential
50-51	13-20, 1-2	States highlighted conclusions of Lehman Brothers studies. <<Note: Description of these studies is merely “confidential” at page 50.>>	Confidential
51	4-7	States recommended actions in Lehman Brothers report.	Confidential
51	7-12	States dollar amount of additional value from recommended actions in Lehman Brothers report.	Confidential
51	14-16	States summary characterization of Lehman Brothers report.	Confidential
70	6	States a yes/no answer to question of whether the Dex sale includes only Dex assets.	Non-confidential
70	6-13	Describes and lists the parties to the Purchase Agreement and Qwest Corporation Joinder. <<Note: These agreements were not designated “confidential” by Qwest.>>	Not Confidential

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Page	Line	Item	Changes agreed to by Qwest
71	1-2	States whether the Qwest Corporation Joinder or the Purchase Agreement assigns any portion of the sale price to QC.	Not Confidential
71	13-14	Makes a general statement about the Purchase Agreement’s effect on QC Washington assets.	Non-confidential
78	2-6	Describes generally the types of QC assets being transferred by the Purchase Agreement. <<Note: The marker showing the end of the highly-confidential section is missing.>>	Non-confidential
78	15-21	Describes the Publishing Agreement. <<Note: This agreement was not designated “confidential” by Qwest.>>	Not Confidential
79	1-5	Describes the Noncompetition Agreement. <<Note: This agreement was not designated “confidential” by Qwest.>>	Not Confidential
79	7-12	Describes the Expanded Use List License Agreement. <<Note: This agreement was not designated “confidential” by Qwest.>>	Not Confidential
82	17-24	Quotes a provision of the Publishing Agreement. <<Note: This agreement was not designated “confidential” by Qwest.>>	Not Confidential
83	13	States the witness’ conclusion regarding a necessary condition of the Purchase Agreement.	Non-confidential
83	fn. 106	States a provision of the Purchase Agreement. <<Note: The page referenced, WA 000663, is not marked “confidential” by Qwest.>>	Not Confidential
92	10-18	Quotes a provision of the CMR Directory Advertising Agreement.	Non-confidential
93	2-10	Describes and quotes from AM National Advertising Letter.	Non-confidential
93-94	12-17, 1-2	Describes and quotes from Advertising Defector Tracking Study.	Confidential
94	9-14	Describes the Expanded Use List License Agreement. <<Note: This agreement, with the exception of the pricing exhibit that is not quoted here, was not designated “confidential” by Qwest.>>	Not Confidential
94-95	16-19, 1-13	Discusses value of the right to use subscriber list information.	Non-confidential
101	2-4	Characterizes a funding arrangement of Qwest Dex Holdings and Qwest Capital Funding.	Confidential

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Items Designated “Confidential” in testimony  
 Exhibit T-\_\_\_\_(GB-T-1)

Page	Line	Item	Changes agreed to by Qwest
8	5-6	States that buyer’s and seller’s valuation studies contradict the claim about future value of the directory business.	Not Confidential
8	10	States that buyer’s and seller’s valuation studies contradict the claim about future value of the directory business.	Not Confidential
25	9-10	Compares (less/greater) the sale price to the BEV of Dex and the NPV of future imputation benefits.	Not Confidential