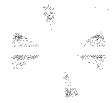


UT-130479-SI



**CenturyLink™**

**CenturyLink**  
1600 7th Avenue, Room 1506  
Seattle, Washington 98191  
(206) 345-1568  
Facsimile (206) 343-4040

Mark S. Reynolds  
Regional VP Regulatory and Legislative Affairs

March 28, 2013

Mr. Steven V. King,  
Acting Executive Director  
Washington Utilities and Transportation Commission  
1300 S. Evergreen Park Drive SW  
Olympia, Washington 98504-7250

RE: Annual Securities Transaction Report for 2012 by Qwest Corporation

Dear Mr. King:

Pursuant WAC 480-120-389 enclosed is the Annual Securities Transaction Report for securities transactions of Qwest Corporation dba CenturyLink QC that occurred in 2012.

CenturyLink considers the cost data contained in this report to be competitively valuable information and believes that it could be harmed if such information were made publicly available. Consequently, CenturyLink requests confidential designation for this data in accordance with WAC 480-07-160.

If you have any questions regarding the information provided, please call me on (206)345-1568.

Sincerely,

A handwritten signature in cursive script, appearing to read "Kevin Madella".

for  
Mark Reynolds

Enclosures

STATE OF WASHINGTON  
UTIL. AND TR. COM.  
2013 APR -2 AM 11:03  
RECEIVED

**QWEST CORPORATION**

**ANNUAL SECURITIES TRANSACTION REPORT**

**PRO FORMA CAPITAL STRUCTURE & EMBEDDED COST OF DEBT**

Prepared for WUTC

PERIOD: JANUARY 1 THROUGH DECEMBER 31, 2012

REDACTED

This Report Incorporates the Following Financing Events That Occurred In 2012:

1. Issued new debt:
  - a) Issued \$525M, 7.00% Coupon, 40 Yr Notes that closed on 4/2/2012.
  - b) Issued \$400M, 7.00% Coupon, 40 Yr Notes that closed on 6/25/2012.
2. Reduced debt:
 

The net proceeds from the above new issuances were used in the following transactions:

  - a) Early retirement of portion of \$400M, 7.625% Notes due 6/15/2015
  - b) Early retirement of portion of \$810.5M, 8.375% Notes due 5/1/2016
  - c) Early retirement of \$484M, 7.50% Notes due 6/15/2023

**PROFORMA CAPITAL STRUCTURE**

(MR Basis \$ in 000's)

	12/31/2011 Balance	Issued \$525M-Gross (Net Proceeds)	Issued \$400M-Gross (Net Proceeds)	Reduced 6/15/2015 Notes (Net Book Value)	Reduced 5/1/2016 Notes (Net Book Value)	Retired 6/15/2023 Notes (Net Book Value)	Total Pro Forma Effect of Financing	Pro Forma Adjusted Balance
Qwest Corporation								
Short - Term Debt								
Long-Term Debt								
Total Debt								
Total Shareholders Equity								
Total Invested Capital								
Debt Ratio								

**EMBEDDED COST OF DEBT**

	12/31/2011	Issued Securities	Issued Securities	Debt Removed/ Reduced	Debt Removed/ Reduced	Debt Removed/ Reduced	Pro Forma Adjusted
Qwest Corporation							
Short - Term Debt							
Long-Term Debt							
Total Debt							

**QWEST CORPORATION****ANNUAL SECURITIES TRANSACTION REPORT****Prepared for WUTC**

PERIOD: JANUARY 1 THROUGH DECEMBER 31, 2012

**DESCRIPTION OF THE USE OF PROCEEDS**

(\$ in 000's)

**PROCEEDS FROM SECURITIES ISSUED**

	Amount of Net Proceeds from Securities Issued
1. Issued new debt:	
a) Issued \$525M, 7.00% Coupon, 40 Yr Notes that closed on 4/2/2012. in exchange for net proceeds, after deducting underwriting discounts and expenses.	508,889
b) Issued \$400M, 7.00% Coupon, 40 Yr Notes that closed on 6/25/2012. in exchange for net proceeds, after deducting underwriting discounts and expenses.	387,677
<b>TOTAL</b>	<b>896,566</b>

**USE OF PROCEEDS FROM SECURITIES ISSUED AS ALLOWED BY RCW 80.08.030****Debt Amounts Discharged or Refunded By the Following Transactions:  
(Net book value as of December 2011)**

2. Reduced debt:	
The net proceeds from the above new issuances were used in the following transactions:	
a) Early retirement of portion of \$400M, 7.625% Notes due 6/15/2015	(309,493)
b) Early retirement of portion of \$810.5M, 8.375% Notes due 5/1/2016	(538,944)
c) Early retirement of \$484M, 7.50% Notes due 6/15/2023	(481,217)
<b>TOTAL</b>	<b>(1,329,654)</b>