

1 **Q. DID YOU TESTIFY IN THE 1998 ACCOUNTING ORDER CASE THAT**
2 **THE RATEPAYERS WERE ENTITLED TO THE FULL GROSS VALUE**
3 **OF THE BUSINESS LESS ONLY THE ASSETS TRANSFERRED IN 1984,**
4 **AS INTIMATED BY MR. BROSCH IN HIS DIRECT TESTIMONY³?**

5 A. No, I did not. As I just explained, in the 1998 case, I was testifying about what had
6 historically occurred, not about what I believed or what the Company believed
7 "should have occurred." In the Accounting Order Case, the Company presented an
8 expert's business valuation of the directory business on January 1, 1984. I
9 presented testimony that compared what Washington ratepayers had received
10 between 1984 and the then current date with the estimated business value as of
11 1984. There was no need to analyze what the ratepayers were entitled to or what
12 had been correctly or incorrectly included, because, from the Company's
13 perspective, Washington ratepayers had already received more than the 1984 value
14 of the business.

15 **Q. DID THE COMMISSION ACCEPT QWEST'S POSITION IN THAT CASE?**

16 A. No.

³ Direct Testimony of Michael L. Brosch, dated March 18, 2003 ("Brosch"), page 104, line 27 to page 105, line 5.