Arizona
T-01051B-03-0454 and T-00000D-00-0672
WDA 04-006

INTERVENOR: William W. Dunkel and Associates

REQUEST NO: 006

In response to WDA 02-002, Qwest states that it does not recognize the "2003 State Depreciation Rates" workpaper referenced. Attached is a copy of the file. The first tab of this document is the entitled "Booked Results". The first line of this document is "COMPOSITE DEPRECIATION RATES (%) STATE (INTRASTATE) Booked Results". The footer on this document indicates "Jim Jones".

a. Is there a Jim Jones who works with depreciation for Qwest or on behalf of Qwest?

b. Does Qwest acknowledge that someone working for Qwest or on behalf of Qwest prepared the Excel spreadsheet attached?

c. Does Qwest acknowledge that Qwest provided that Excel spreadsheet to Staff and/or Staff consultants in response to a data request as a non-confidential document?

d. If Qwest denies any of the prior parts of this request, please provide a full explanation of why Qwest disagrees with that statement, and provide the corrected statement.

RESPONSE:

a. Yes.

b. Yes.

c. Qwest provided the data to Utilitech (Michael Brosch) as part of an information request.

d. Please see responses to (a), (b), and (c).

Respondent: Dennis Wu

QWEST CORPORATION

COMPOSITE DEPRECIATION RATES (%) STATE (INTRASTATE) Booked Results

Year	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
New Mexico	7.3	7.4	7.9	7.7	7.5	7.5	6.4	6.3	6.3	6.0	6.0	6.0
Oregon	5.8	5.9	6.3	6.1	7.5	7.5	7.0	6.9	6.8	6.6	6.6	6.7
Utah	6.2	6.3	6.6	7.9	8.4	8.2	6.9	7.2	6.5	6.5	6.8	6.7
Washington	6.0	6.5	6.3	6.3	6.3	6.6	6.6	6.2	5.7	5.9	6.0	6.1
Minnesota	7.2	7.0	7.3	8.2	8.4	8.3	6.2	8.1	7.4	7.7	7.8	7.2
Colorado	8.0	7.4	8.9	8.6	8.6	8.6	7.2	7.1	7.1	7.1	6.4	5.6
South Dakota	5.9	6.5	6.5	6.5	8.1	8.1	7.4	6.9	7.3	7.4	7.5	7.3
Arizona	7.2	7.2	7.3	7.3	7.3	7.3	6.8	6.3	8.3	9.2	9.4	9.5
Iowa	7.5	6.2	6.5	6.7	6.7	6.7	6.7	6.5	6.7	6.8	6.7	6.9
Montana	5.7	6.2	6.5	6.0	6.2	6.4	6.7	8.7	7.5	6.3	6.3	6.4
Wyoming	6.2	6.3	6.6	6.2	6.4	6.4	7.3	7.3	7.4	7.6	7.8	7.8
Nebraska	7.7	8.9	8.7	8.5	9.3	9.3	8.1	8.0	7.9	8.0	7.9	6.3
North Dakota	6.2	6.0	6.4	6.3	7.6	8.1	8.2	8.0	7.7	6.8	6.9	6.9
So. Idaho	4.5	7.2	7.7	7.2	7.3	7.4	8.9	8.3	8.0	7.5	7.9	7.6
No. Idaho	6.8	6.8	6.5	6.4	6.4	7.9	7.9	7.5	7.7	7.7	7.0	7.4
QC (exluding Malheur)								7.0	7.1	7.2	7.2	6.9

Notes:

Arizona
T-01051B-03-0454
WDA 02-005

INTERVENOR: William W. Dunkel and Associates

REQUEST NO: 005

The Qwest response to Dunkel 01-010 provided a "technical update" as of 12/31/03. That response indicates that the vintage "retirement adjustments" referred to in Dunkel Request No. 1.7 were not included.

(a) Please provide a copy of this "technical update" as of 12/31/03, with the vintage "retirement adjustments" included.

(b) Is it correct that only changes need to adjust this "technical update" as of 12/31/03, to include the vintage "retirement adjustments" would be to (1) reduce the UG Cable Metallic Investment and Depreciation reserve amounts by $9,923,(000) (2) reduce the Buried Cable Metallic Investment and Depreciation reserve amounts by $15,939,(000), (3) reduce the Intra-building Metallic Investment and Depreciation reserve amounts by $3,128,(000), and carry the impact of these above changes through the calculations. (These figure are for the 1925 vintages as of 12/31/2003, according to data provided by Qwest in response to Dunkel Request 01-001.)

(c) If you do not agree with the statement in part (b), then provide each of the adjustments, and the amount to be used in each of those adjustments, to adjust this "technical update" as of 12/31/03, to include the vintage "retirement adjustments".

RESPONSE:

(a) Please see Non-Confidential Attachment A.

(b) Yes.

(c) See response to (b).

Respondent: Dennis Wu

DOCKET NO. T-01051B-03-0454
& T-00000D-00-0672
WDA 02-005 (a)
ATTACHMENT: A

'18/04
:51 AM
XREF: 09
PRES: 1997,SF,02
PROP: 2004,SG,02
PRESCRIBED PARAMETERS

COMPANY: QWEST CORPORATION
STATE: ARIZONA
ACCOUNT: STATEMENT A
PAGE 1 OF 1

SUMMARY OF DEPRECIATION RATES
ALL VINTAGE RECOVERY

ACCOUNT NUMBER	CLASS OR SUBCLASS OF PLANT	DEPRECIATION RATES IN EFFECT 12/31/2003 REM LIFE YEARS	RESERVE %	FUTURE NET SALVAGE %	RATE %	RATES EFFECTIVE IN 2004 REM LIFE YEARS	RESERVE %	FUTURE NET SALVAGE %	RATE %
		A	B	C	D	E	F	G	H
2112	MOTOR VEHICLES	3.6	66.4	16.0	4.9	3.8	57.7	16.0	6.9
2114	SPEC PURPOSE VEHICLE	9.8	0.0	0.0	10.2	4.4	43.9	0.0	12.8
2115	GARAGE WORK EQUIP	10.2	-55.1	-4.0	15.6	9.1	-17.2	-4.0	13.3
2116	OTHER WORK EQUIP	5.4	7.2	7.0	15.9	6.7	44.6	7.0	7.2
2121	BUILDINGS	26.0	29.2	-6.0	3.0	24.0	27.6	-6.0	3.3
2122	FURNITURE	5.5	-10.8	0.0	20.1	6.8	72.6	0.0	4.0
2123.1	OFFICE EQUIPMENT	3.3	26.3	0.0	22.3	2.5	102.4	0.0	0.0
2123.2	COMPANY COMM EQUIP	5.3	67.7	0.0	6.1	4.6	92.3	0.0	1.7
2124	GEN PURPOSE CMPTR	2.4	72.4	5.0	9.4	1.7	95.9	5.0	0.0
2212	DIGITAL SW EQUIP	5.4	37.5	3.0	11.0	5.2	54.9	3.0	8.1
2220	OPERATOR SYSTEMS	4.1	96.6	-3.0	1.6	3.8	5.1	-3.0	25.8
2231	RADIO SYSTEMS	6.6	64.0	-2.0	5.8	5.0	98.3	-2.0	0.7
2232	CIRCUIT EQUIP								
	CIRCUIT DDS	4.0	75.4	3.0	5.4	3.4	90.2	3.0	2.0
	CIRCUIT DIGITAL	5.1	47.8	2.0	9.8	5.3	60.6	2.0	7.1
	CIRCUIT ANALOG	3.3	89.3	0.0	3.2	2.8	101.3	0.0	0.0
2362	OTHER TERM EQUIP	6.4	49.9	2.0	7.5	6.5	56.4	2.0	6.4
11	POLE LINES	26.0	71.6	-138.0	6.4	25.0	90.3	-138.0	5.9
.421	AERIAL CABLE MET	5.2	61.5	-27.0	12.6	5.0	104.9	-27.0	4.4
2421	AERIAL CABLE NON MET	13.1	12.5	-27.0	8.7	8.7	44.0	-27.0	9.5
2422	UNDGRD CABLE MET	5.8	50.8	-6.0	9.5	5.6	83.1	-6.0	4.1
2422	UNDGRD CABLE NON MET	7.7	26.5	-6.0	10.3	6.8	49.7	-6.0	8.3
2423	BURIED CABLE MET	5.6	40.0	-7.0	12.0	5.4	71.7	-7.0	6.5
2423	BURIED CABLE NON MET	12.9	24.8	-7.0	6.4	8.7	49.3	-7.0	6.6
2424	SUB CABLE MET	1.4	-20.6	0.0	86.1	0.5	121.6	0.0	0.0
2424	SUB CABLE NON MET	9.0	0.0	0.0	11.1	0.0	0.0	0.0	0.0
2426	INTRA BLDG CA MET	8.3	70.7	0.0	3.5	8.1	76.8	0.0	2.9
2426	INTRA BLDG NON MET	6.1	20.2	0.0	13.1	6.2	61.2	0.0	6.3
2431	AERIAL WIRE	5.5	16.8	-30.0	20.6	5.3	90.5	-30.0	7.5
2441	CONDUIT SYSTEMS	44.0	21.1	-20.0	2.2	43.0	23.8	-20.0	2.2

DIGITAL SW RESERVE ADJ FOR RESIDUAL ANALOG SW, SXS, & XBR - UCB, BCB, NCB 1925 VINTAGE INVESTMENT EXCLUDED

/10/04
:2:51 AM
XREF: 09
PRES: 1997,SF,02
PROP: 2004,SG,02
PRESCRIBED PARAMETERS

COMPANY: QWEST CORPORATION
STATE: ARIZONA
ACCOUNT: STATEMENT B
PAGE 1 OF 1

CHANGE IN ANNUAL DEPRECIATION ACCRUALS
RESULTING FROM CHANGES IN DEPRECIATION RATES
INTRA STATE FACTORS APPLIED ($000)

			RATES EFFECTIVE 12/31/2003			RATES EFFECTIVE IN 2004			
ACCOUNT NUMBER	CLASS OR SUBCLASS OF PLANT	INVESTMENT 1/1/04	RATE AMOUNT	AMORT AMOUNT	TOTAL	RATE AMOUNT	AMORT AMOUNT	TOTAL	CHANGE IN ACCRUALS
		I	J=D*I	K	L=J+K	M=H*I	N	O=M+N	P=O-L
2112	MOTOR VEHICLES	50,002	2,450	0	2,450	3,450	0	3,450	1,000
2114	SPEC PURPOSE VEHICLE	18	2	0	2	2	0	2	0
2115	GARAGE WORK EQUIP	1,075	168	0	168	143	0	143	-25
2116	OTHER WORK EQUIP	27,124	4,313	0	4,313	1,953	0	1,953	-2,360
2121	BUILDINGS	168,555	5,057	0	5,057	5,562	0	5,562	505
2122	FURNITURE	1,253	252	0	252	50	0	50	-202
2123.1	OFFICE EQUIPMENT	4,186	933	0	933	0	0	0	-933
2123.2	COMPANY COMM EQUIP	1,719	105	0	105	29	0	29	-76
2124	GEN PURPOSE CMPTR	68,171	6,408	0	6,408	0	0	0	-6,408
2212	DIGITAL SW EQUIP	899,493	98,944	0	98,944	72,859	0	72,859	-26,085
2220	OPERATOR SYSTEMS	1,962	31	0	31	506	0	506	475
2231	RADIO SYSTEMS	20,998	1,218	0	1,218	147	0	147	-1,071
2232	CIRCUIT EQUIP								
	CIRCUIT DDS	3,517	190	0	190	70	0	70	-120
	CIRCUIT DIGITAL	1,084,182	106,250	0	106,250	76,977	0	76,977	-29,273
	CIRCUIT ANALOG	25,342	811	0	811	0	0	0	-811
2362	OTHER TERM EQUIP	51,022	3,827	0	3,827	3,265	0	3,265	-562
11	POLE LINES	38,664	2,474	0	2,474	2,281	0	2,281	-193
.421	AERIAL CABLE MET	145,482	18,331	0	18,331	6,401	0	6,401	-11,930
2421	AERIAL CABLE NON MET	6,840	595	0	595	650	0	650	55
2422	UNDGRD CABLE MET	284,540	27,031	0	27,031	11,666	0	11,666	-15,365
2422	UNDGRD CABLE NON MET	133,505	13,751	0	13,751	11,081	0	11,081	-2,670
2423	BURIED CABLE MET	1,194,457	143,335	0	143,335	77,640	0	77,640	-65,695
2423	BURIED CABLE NON MET	17,322	1,109	0	1,109	1,143	0	1,143	34
2424	SUB CABLE MET	2	2	0	2	0	0	0	-2
2424	SUB CABLE NON MET	0	0	0	0	0	0	0	0
2426	INTRA BLDG CA MET	31,784	1,112	0	1,112	922	0	922	-190
2426	INTRA BLDG NON MET	773	101	0	101	49	0	49	-52
2431	AERIAL WIRE	8,069	1,662	0	1,662	605	0	605	-1,057
2441	CONDUIT SYSTEMS	330,286	7,266	0	7,266	7,266	0	7,266	0
	TOTALS	4,600,343	447,728	0	447,728	284,717	0	284,717	-163,011
	COMPOSITES				9.7			6.2	

DIGITAL SW RESERVE ADJ FOR RESIDUAL ANALOG SW, SXS, & XBR - UCB, BCB, NCB 1925 VINTAGE INVESTMENT EXCLUDED

6/18/04
12:51 AM
XREF: 09
PRES: 1997,SF,02
PROP: 2004,SG,02
PRESCRIBED PARAMETERS

COMPANY: QWEST CORPORATION
STATE: ARIZONA
ACCOUNT: STATEMENT C - RESERVES
PAGE 1 OF 1

SUMMARY OF RESERVES (INTRA STATE FACTORS APPLIED) 1-1-2004

ACCOUNT	CATEGORY	1-1-2004 INVESTMENT	BOOK RESERVE AMOUNT	BOOK RESERVE PERCENT	AVERAGE SERVICE LIFE	AVERAGE REM LIFE	AVERAGE NET SALVAGE	FUTURE NET SALVAGE	THEORETICAL RESERVE AMOUNT	THEORETICAL RESERVE PERCENT
		A$	B$	C=B/A	D	E	F	G	H$	I
2112	MOTOR VEHICLES	50,002,464	28,870,369	57.7	9.2	3.8	15	16	24,451,205	48.9
2114	SPEC PURPOSE VEHICLE	18,258	8,024	43.9	14.9	4.4	0	0	12,872	70.5
2115	GARAGE WORK EQUIP	1,074,994	-184,705	-17.2	13.6	9.1	-24	-4	225,749	21.0
2116	OTHER WORK EQUIP	27,123,901	12,101,709	44.6	10.8	6.7	9	7	9,900,224	36.5
2121	BUILDINGS	168,555,110	46,482,803	27.6	34.0	24.0	2	-6	62,028,280	36.8
2122	FURNITURE	1,253,232	910,003	72.6	13.4	6.8	3	0	636,642	50.8
2123.1	OFFICE EQUIPMENT	4,185,608	4,287,951	102.4	12.5	2.5	0	0	3,348,486	80.0
2123.2	COMPANY COMM EQUIP	1,719,023	1,586,731	92.3	10.2	4.6	0	0	943,744	54.9
2124	GEN PURPOSE CMPTR	68,171,220	65,345,000	95.9	8.7	1.7	6	5	52,219,155	76.6
2212	DIGITAL SW EQUIP	899,492,511	493,905,660	54.9	11.0	5.2	3	3	459,640,673	51.1
2220	OPERATOR SYSTEMS	1,962,173	100,607	5.1	12.0	3.8	-3	-3	1,381,370	70.4
2231	RADIO SYSTEMS	20,997,530	20,642,508	98.3	17.6	5.0	-1	-2	15,391,189	73.3
2232	CIRCUIT EQUIP									
	CIRCUIT DDS	3,516,888	3,171,205	90.2	10.4	3.4	8	3	2,352,798	66.9
	CIRCUIT DIGITAL	1,084,181,775	657,468,596	60.6	10.7	5.3	2	2	536,669,979	49.5
	CIRCUIT ANALOG	25,342,409	25,674,921	101.3	14.7	2.8	-1	0	20,476,666	80.8
2362	OTHER TERM EQUIP	51,022,353	28,796,299	56.4	11.1	6.5	8	2	22,500,858	44.1
2411	POLE LINES	38,664,356	34,911,771	90.3	35.0	25.0	-86	-138	40,636,238	105.1
2421	AERIAL CABLE MET	145,481,570	152,605,742	104.9	14.5	5.0	-21	-27	124,095,779	85.3
2421	AERIAL CABLE NON MET	6,839,635	3,012,601	44.0	15.0	8.7	-27	-27	3,645,525	53.3
2422	UNDGRD CABLE MET	284,539,853	236,393,171	83.1	19.0	5.6	-6	-6	212,835,810	74.8
2422	UNDGRD CABLE NON MET	133,504,518	66,293,221	49.7	13.4	6.8	-6	-6	69,689,358	52.2
2423	BURIED CABLE MET	1,194,457,308	855,895,237	71.7	13.9	5.4	-7	-7	781,175,079	65.4
2423	BURIED CABLE NON MET	17,321,629	8,542,486	49.3	18.0	8.7	-7	-7	9,578,861	55.3
2424	SUB CABLE MET	1,887	2,294	121.6	22.0	0.5	0	0	1,844	97.7
2424	SUB CABLE NON MET	0	0	0.0	0.0	0.0	0	0	0	0.0
2426	INTRA BLDG CA MET	31,784,356	24,404,951	76.8	21.0	8.1	2	0	19,769,869	62.2
2426	INTRA BLDG NON MET	773,315	473,231	61.2	10.5	6.2	0	0	317,059	41.0
2431	AERIAL WIRE	8,068,659	7,303,094	90.5	11.2	5.3	-25	-30	5,712,611	70.8
2441	CONDUIT SYSTEMS	330,285,891	78,455,729	23.8	57.0	43.0	-20	-20	97,434,338	29.5
	TOTAL	4,600,342,426	2,857,461,209	62.1					2,577,072,261	56.0

DIGITAL SW RESERVE ADJ FOR RESIDUAL ANALOG SW. SXS. & XBR - UCB. BCB. NCB 1925 VINTAGE INVESTMENT EXCLUDED

/18/04
:2:51 AM
XREF: 09
PRES: 1997,SF,02
PROP: 2004,SG,02
PRESCRIBED PARAMETERS

COMPANY: QWEST CORPORATION
STATE: ARIZONA
PAGE 1 OF 1

PARAMETER REPORT

PRESCRIBED

CATEGORY	FIRST ELG YEAR	P.L. OR AYFR	AVG. NET SALV.	FUTURE NET SALV.	CURVE SHAPE PARAMETERS c	G	S	COMMENTS
2112 MOTOR VEHICLES			15	16				
2112 PASSENGER CARS	1983	8.6	15.4	16.0	IOWA CURVE L3.0			
2112 LIGHT TRUCKS	1983	8.6	15.4	16.0	IOWA CURVE L3.0			
2112 HEAVY TRUCKS	1983	8.6	15.4	16.0	IOWA CURVE L3.0			
2114 SPEC PURPOSE VEHICLES	0	16.1	0	0	IOWA CURVE S6.0			
2115 GARAGE WORK EQUIP	0	13.7	-24	-4	IOWA CURVE L0.0			
2116 OTHER WORK EQUIP	0	11.5	9	7	IOWA CURVE L4.0			
2121 BUILDINGS			2	-6				
2121 LARGE BUILDINGS	1983	43.0	2.0	-6.0	IOWA CURVE R1.0			
2121 OTHER BUILDINGS	1983	43.0	2.0	-6.0	IOWA CURVE R1.0			
2122 FURNITURE	1983	9.5	3	0	IOWA CURVE O4.0			
2123.1 OFFICE EQUIPMENT	1983	7.0	0	0	IOWA CURVE L0.5			
2123.2 COMPANY COMM EQUIP			0	0				
2123.2 STAND ALONE	0	8.3	-0.1	0.0	IOWA CURVE L0.5			
2123.2 PBX & KEY INTRASYSTEMS	0	8.3	-0.1	0.0	IOWA CURVE L0.5			
2124 GEN PURPOSE CMPTR	1983	5.0	6	5	IOWA CURVE O1.0			
2212 DIGITAL SW EQUIP	1983	10.0	3	3	IOWA CURVE O1.0			
2220 OPERATOR SYSTEMS	1983	10.7	-3	-3	IOWA CURVE S2.0			
31 RADIO SYSTEMS	1983	15.1	-1	-2	IOWA CURVE S1.5			
2232 CIRCUIT DDS	1983	8.1	8	3	IOWA CURVE L1.0			
2232 CIRCUIT DIGITAL	1983	10.0	2	2	IOWA CURVE O2.0			
2232 CIRCUIT ANALOG	1983	8.0	-1	0	IOWA CURVE L0.0			
2362 OTHER TERM EQUIP	0	6.8	8	2	IOWA CURVE O3.0			
2411 POLE LINES	1982	46.4	-86	-138	IOWA CURVE O1.0			
2421 AERIAL CABLE MET	1982	12.0	-21	-27	IOWA CURVE R1.0			
2421 AERIAL CABLE NON MET	1982	14.5	-27	-27	IOWA CURVE SQ			
2422 UNDGRD CABLE MET	1982	15.0	-6	-6	IOWA CURVE R1.5			
2422 UNDGRD CABLE NON MET	1982	13.1	-6	-6	IOWA CURVE SQ			
2423 BURIED CABLE MET	1982	12.0	-7	-7	IOWA CURVE L1.5			
2423 BURIED CABLE NON MET	1982	17.6	-7	-7	IOWA CURVE SQ			
2424 SUB CABLE MET	1982	15.0	0	0	IOWA CURVE SQ			
2424 SUB CABLE NON MET	1982	9.0	0	0	IOWA CURVE SQ			
2426 INTRA BLDG CA MET	1982	19.0	2	0	IOWA CURVE L2.0			
2426 INTRA BLDG CABLE NON MET	1982	11.5	0	0	IOWA CURVE O1.0			
2431 AERIAL WIRE	0	8.9	-25	-30	IOWA CURVE L0.0			
2441 CONDUIT SYSTEMS	1982	56.6	-20	-20	IOWA CURVE SQ			

DIGITAL SW RESERVE ADJ FOR RESIDUAL ANALOG SW, SXS, & XBR - UCB, BCB, NCB 1925 VINTAGE INVESTMENT EXCLUDED

Arizona
T-01051B-03-0454
Dunkel 01-010

INTERVENOR: Dunkel and Associates

REQUEST NO: 010

a. Have the Qwest personnel or Qwest consultants prepared a Depreciation Study or Technical Update, (using either interstate or state depreciation rates) pertaining to or including the Qwest Arizona investments, using data which included data as of 12-31-2001, or later?

b. If the answer to part (a) is yes, list each such Depreciation Study or Technical Update, including the date of the most recent data used in the study.

c. For each Depreciation Study or Technical Update listed in response to part (b), state whether the data shown in that Study or Update included any fitting of curves (either Iowa curves or Gompertz- Makeham) to mortality data (either full or computed).

RESPONSE:

(a) Yes. Qwest personnel prepared Technical Updates on a 12/31/02 and 12/31/03 basis. There have been no full Depreciation Studies prepared for Arizona during 12/31/01 to 12/31/03.

(b) The Technical Update as of 12/31/02 is filed as Exhibit 1 of the Direct Testimony of K. Dennis Wu. The 12/31/03 Technical Update statements are provided as Non-confidential Attachment "A". The 12/31/03 Technical Update does <u>not</u> include the vintage "retirement adjustment" referred to in Qwest's Response to Dunkel Set 1, Data Request No. 1.7. It does include adjustments to the digital switch account for residual reserve amounts from the accounts noted on the Technical Update statements (Non-confidential Attachment "A").

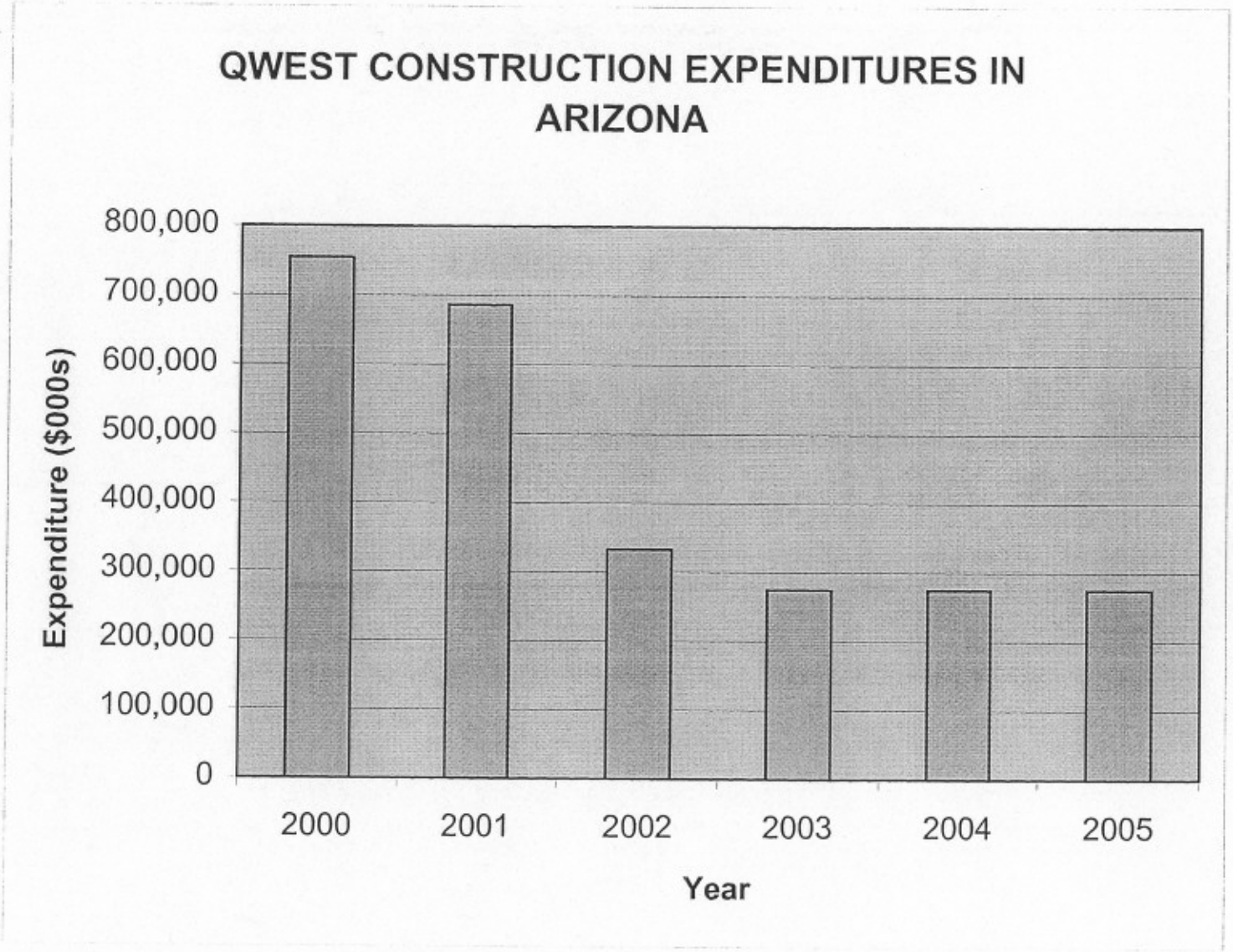
(c) There have been no curve fitting routines performed for either of the Technical Updates referred to in part (b). Qwest utilized Iowa curve shapes currently prescribed by the Arizona Corporation Commission.

Respondent: Jim Jones, Qwest Manager

Summary of Depreciation Adjustments
Intrastate Basis
($000s)

	Change from Qwest Filing in Annual Depreciation Accrual	Change from Qwest Filing in Net Rate Base (see note a)	Source
(1) Staff - Adjustment to End of Test Year Percent Reserve, Calculated on 12/31/03 Investments	-53,310	-66,661	WDA 02-005 and PFA-01
(2) Staff - Adjustment to Update Projection Lives and Future Net Salvage Depreciaiton Parameters	-86,563	0	Schedule WDA-12 and WDA 02-005
(3) Overall Impact of Both Staff Adjustments	-139,873	-66,661	Row (1) + Row (2)

Note:
a. Staff accounting witness will include any income tax impacts.


QWEST CONSTRUCTION EXPENDITURES IN ARIZONA
800,000
700,000
600,000
500,000
400,000
300,000
200,000
100,000
0
Expenditure ($000s)
2000
2001
2002
2003
2004
2005
Year

QWEST CONSTRUCTION EXPENDITURES IN ARIZONA
($000)

	2000	2001	2002	2003	2004	2005
Publicly Available Construction Expenditure Amount	754,173	685,877	332,556	275,002	275,002	275,002
Source	FCC ARMIS Report 43-02 Table B-6	FCC ARMIS Report 43-02 Table B-6	FCC ARMIS Report 43-02 Table B-6	Schedule F-3 Qwest's R14 Filing	Schedule F-3 Qwest's R14 Filing	Schedule F-3 Qwest's R14 Filing
Confidentially Available Construction Expenditure Amount				275,002	275,002	275,002
Source	Confidential Attachment A to Qwest's Response to RUCO 3-17	Confidential file Entitled "Inputs_1203.xls" Provided by Qwest	Confidential file Entitled "Inputs_1203.xls" Provided by Qwest	Public Schedule F-3 Qwest's R14 Filing	Public Schedule F-3 Qwest's R14 Filing	Public Schedule F-3 Qwest's R14 Filing

Arizona
T-01051B-03-0454
Dunkel 01-005

INTERVENOR: Dunkel and Associates

REQUEST NO: 005

For each depreciable account, provide the Gross Salvage and Cost of Removal data for the years 1983 through 2003. This should be information similar to that provided on "Table A, Annual Retirements, Gross Salvage and Cost of Removal" included in the Qwest Supplement to Application filed November 12, 1997 in the prior Depreciation Case (Docket No T-1051B-97-0689), excepted using the more current data (20 years through 2003). For each year the information should at include, but not necessarily limited to, the plant in service, the plant retired, the gross salvage, and the cost of removal. Provide in electronic format (in the same electronic format as this information is provided to the FCC) on an IBM compatible 3.5" disk or CD and in paper format.

RESPONSE:

See Non-confidential Attachments "A" and "B" for the requested information.

Respondent: Jim Jones, Qwest Manager

ATTACHMENT "A"
ARIZONA - DOCKET NO. T-01051E-03-0454
DUNKEL SET 1, NO. 1.5

06/04/04
09:42 AM
XREF: 09
PRES: 1997,SF,02
PROP: 2004,SA,02

COMPANY: QWEST CORPORATION
STATE: ARIZONA
ACCOUNT: 2423 BURIED CABLE MET
CATEGORY: 2423 BURIED CABLE MET
PAGE 1 OF 1

TABLE A
ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

TOTAL RETIREMENTS

YEAR	PLANT IN SERVICE DEC. 31	PLANT RETIRED*	GROSS AMOUNT	SALVAGE* PERCENT	COST OF REMOVAL* AMOUNT	COST OF REMOVAL* PERCENT	NET SALVAGE PERCENT
	A	B	C	D=(C/B) *100	E	F=(E/B) *100	G=(D-F)
1983	341,030,033	1,091,942	269,318	24.7	271,322	24.8	-0.1
1984	453,054,876	2,952,967	252,694	8.6	359,699	12.2	-3.6
1985	515,528,004	3,942,588	391,710	9.9	378,851	9.6	0.3
1986	568,349,007	3,828,198	505,262	13.2	268,159	7.0	6.2
1987	621,495,274	8,526,647	312,824	3.7	350,990	4.1	-0.4
1988	661,399,112	5,205,021	335,453	6.4	475,687	9.1	-2.7
1989	697,118,053	8,571,997	251,777	2.9	528,112	6.2	-3.3
1990	726,997,349	7,912,039	232,275	2.9	630,559	8.0	-5.1
1991	755,505,302	8,371,185	185,734	2.2	542,710	6.5	-4.3
1992	789,491,483	3,725,800	125,320	3.4	526,421	14.1	-10.7
1993	821,220,535	3,335,448	214,946	6.4	417,838	12.5	-6.1
1994	862,860,571	4,482,470	274,889	6.1	462,087	10.3	-4.2
1995	923,074,315	393,716	335,694	85.3	528,989	134.4	-49.1
1996	1,010,068,793	6,564,761	417,460	6.4	686,101	10.5	-4.1
1997	1,096,797,018	5,451,901	1,323,477	24.3	616,741	11.3	13.0
1998	1,161,283,610	5,630,145	-656,088	-11.7	822,731	14.6	-26.3
1999	1,256,424,735	3,437,219	322,711	9.4	2,434,733	70.8	-61.4
2000	1,358,187,361	45,598,074	332,533	0.7	18,271,820	40.1	-39.4
2001	1,490,943,138	6,550,043	1,565,792	23.9	8,569,771	130.8	-106.9
2002	1,603,813,910	5,974,011	276,720	4.6	1,813,299	30.4	-25.8
2003	1,644,110,671	5,131,169	117,459	2.3	992,325	19.3	-17.0
GRAND TOTAL		146,677,341	7,387,960	5.0	39,948,945	27.2	-22.2
1983-2003#		146,677,341	7,387,960	5.0	39,948,945	27.2	-22.2
1994-2003##		89,213,509	4,310,647	4.8	35,198,597	39.5	-34.7

\# REPRESENTS RETIREMENTS FROM SURVIVING VINTAGES.
\## BAND OF LAST 10 ACTIVITY YEARS.
* EXCLUDING SALES & TRANSACTIONS THAT WERE EXCLUDED FROM LIFE DETERMINATION.

Qwest Assumed 44 Times More Retirement than Actually Occurred in Buried Cable Metallic Account

	Amount	Source
Actual Amount Retired in 2003	$5.1 million	Schedule WDA-5
Assumed 2003 Retired Amount in Qwest Calculation	$228 million	Page 3 of this Schedule
Qwest Calculation divided by Actual Retirement in 2003	**44.7**	

Company: Qwest - Arizona
Account: 2423 Buried Cable Metallic

Avg Life: 12.0
Iowa Curve: L1.5

Retirement Amount Projected by Curve

	Vintage	Age	1/1/03 Amount Surviving	Percent Retired During Year based on Curve	Qwest Projected Retirement Amount in 2003
	A	B	C	D	E = C*D
*	2002	0.5	67,153,436	0.63%	421,008
*	2001	1.5	104,985,190	1.30%	1,366,650
*	2000	2.5	138,272,697	2.19%	3,031,834
*	1999	3.5	103,905,174	3.23%	3,359,513
*	1998	4.5	88,168,309	4.55%	4,010,533
*	1997	5.5	94,242,748	6.16%	5,803,124
*	1996	6.5	92,591,577	7.77%	7,193,203
*	1995	7.5	70,944,467	9.20%	6,527,601
*	1994	8.5	44,929,447	10.47%	4,702,139
*	1993	9.5	33,970,174	11.54%	3,919,454
*	1992	10.5	36,489,077	12.44%	4,540,760
*	1991	11.5	35,183,412	13.24%	4,657,605
*	1990	12.5	34,823,081	13.99%	4,870,853
*	1989	13.5	41,594,703	14.77%	6,143,982
*	1988	14.5	48,007,424	15.63%	7,504,609
*	1987	15.5	58,944,952	16.62%	9,793,973
*	1986	16.5	52,207,748	17.74%	9,263,712
*	1985	17.5	60,864,325	19.00%	11,561,467
*	1984	18.5	54,321,832	20.39%	11,076,988
*	1983	19.5	38,943,562	21.91%	8,532,715
*	1982	20.5	50,962,708	23.56%	12,006,120
	1981	21.5	21,558,966	25.34%	5,462,723
	1980	22.5	20,371,825	27.28%	5,557,187
	1979	23.5	19,908,568	29.38%	5,848,220
	1978	24.5	17,984,499	31.65%	5,692,131
	1977	25.5	12,237,868	34.16%	4,179,996
	1976	26.5	8,702,672	36.85%	3,207,077
	1975	27.5	7,420,084	39.78%	2,951,697
	1974	28.5	13,585,162	42.98%	5,839,175
	1973	29.5	22,934,853	46.41%	10,644,570
	1972	30.5	12,670,377	50.18%	6,357,697
	1971	31.5	12,420,541	54.56%	6,776,561
	1970	32.5	12,403,581	59.95%	7,435,376

Company: Qwest - Arizona
Account: 2423 Buried Cable Metallic

Avg Life: 12.0
Iowa Curve L1.5

Retirement Amount Projected by Curve

Vintage	Age	1/1/03 Amount Surviving	Percent Retired During Year based on Curve	Qwest Projected Retirement Amount in 2003
A	B	C	D	E = C*D
1969	33.5	7,980,942	66.95%	5,343,177
1968	34.5	4,191,031	75.67%	3,171,309
1967	35.5	3,380,570	100.00%	3,380,570
1966	36.5	3,423,840	100.00%	3,423,840
1965	37.5	2,081,092	100.00%	2,081,092
1964	38.5	2,782,549	100.00%	2,782,549
1963	39.5	2,582,261	100.00%	2,582,261
1962	40.5	1,499,420	100.00%	1,499,420
1961	41.5	1,110,473	100.00%	1,110,473
1960	42.5	859,272	100.00%	859,272
1959	43.5	301,454	100.00%	301,454
1958	44.5	195,393	100.00%	195,393
1957	45.5	235,269	100.00%	235,269
1956	46.5	462,193	100.00%	462,193
1955	47.5	169,497	100.00%	169,497
1954	48.5	270,590	100.00%	270,590
1953	49.5	60,690	100.00%	60,690
1952	50.5	91,618	100.00%	91,618
1951	51.5	4,543	100.00%	4,543
1950	52.5	2,476	100.00%	2,476
1949	53.5	13,427	100.00%	13,427
1948	54.5	3,193	100.00%	3,193
1947	55.5	427	100.00%	427
1946	56.5	1,455	100.00%	1,455
1945	57.5	1,320	100.00%	1,320
1944	58.5	0	100.00%	0
1943	59.5	0	100.00%	0
1942	60.5	364	100.00%	364
1941	61.5	78,315	100.00%	78,315
1940	62.5	2,371	100.00%	2,371
1939	63.5	0	100.00%	0
1938	64.5	1,640	100.00%	1,640
1937	65.5	230	100.00%	230
1936	66.5	5,024	100.00%	5,024
1935	67.5	0	100.00%	0
1934	68.5	0	100.00%	0
1933	69.5	0	100.00%	0
1932	70.5	0	100.00%	0
1931	71.5	93	100.00%	93
1930	72.5	2,314	100.00%	2,314
Total		1,565,500,385	14.59%	228,378,109

Source:
Qwest Response to WDA 2-25

Arizona
T-01051B-03-0454 and T-00000D-00-0672
WDA 16-006

INTERVENOR: William W. Dunkel and Associates

REQUEST NO: 006

Regarding the "generation arrangement" as of 1/1/2003 for buried cable metallic (account 2423) provided by Qwest as part of "Attachment A" in response to WDA 02-025:

(a) For 1956, the "remaining life years" shown is "0.50". Is it correct that indicates that for purposes of this calculation, all the surviving investments on that line were calculated as retiring during the year 2003? If this is not a correct statement, provide the corrected statement, and the supporting calculations.

(b) The "projection life table" for buried cable metallic (account 2423) provided by Qwest as part of "Attachment A" in response to WDA 02-025 for the age "19.5" shows $2,508 retiring out of $11,444 (surviving at the start of the year). Is it correct that indicates that for purposes of this calculation, 21.9% of all the surviving investments which is age 19.5 (at the start of the year) is considered as retiring during the year 2003? If this is not a correct statement, provide the corrected statement, and the supporting calculations.

RESPONSE:

Objection. This request is not reasonably calculated to lead to the discovery of admissible evidence concerning issues related to the modification, renewal or termination of the Price Cap Plan. Therefore, this request is overly broad and unduly burdensome because it seeks information beyond the scope of this proceeding. Without waiving this objection, Qwest provides the following response:

(a) 0.50 represents the average remaining life in years for vintage 1956 investment as of 1/1/2003. "For the purposes of this calculation", the surviving vintage 1956 investment dollars are essentially retired during the year 2003.

(b) "For the purposes of this calculation", yes.

Respondent: Dennis Wu

Arizona
T-01051B-03-0454
WDA 02-025

INTERVENOR: William W. Dunkel and Associates

REQUEST NO: 025

Column E of Exhibit KDW-1 shows remaining life years. Provide the workpapers showing the calculation of each of the remaining life figures in that column.

RESPONSE:

Please see Non-Confidential Attachment A.

Respondent: Dennis Wu

06/18/04
01:36 PM
XREF: 09
PRES: 1997.SF.02
PROP: 2003.SJ.02

COMPANY: QWEST CORPORATION
STATE: ARIZONA
ACCOUNT: 2423 BURIED CABLE MET
CATEGORY: 2423 BURIED CABLE MET
TABLE 1-VG/ELG

GENERATION ARRANGEMENT
DEVELOPMENT OF AVERAGE REMAINING LIFE AND AVERAGE SERVICE LIFE

VINT AGE	AGE	EXPERIENCE AS OF 1-1-2003% AMOUNT SURVIVING	PROP SURV	REAL LIFE	REMAIN ING LIFE YEARS	VINT AVG LIFE YEARS	AVERAGE LIFE WEIGHTS	REMAINING LIFE WEIGHTS
N	A	B	C	D	E++	F+++	G=B/F	H=E*G
*2002	0.5	67,153,436	0.9982	0.50	8.19	8.69	7,727,540	63,289,666
*2001	1.5	104,985,190	0.9887	1.49	7.63	9.13	11,494,826	87,742,951
*2000	2.5	138,272,697	0.9875	2.48	7.08	9.58	14,427,296	102,204,456
*1999	3.5	103,905,174	0.9690	3.44	6.58	10.08	10,308,001	67,827,169
*1998	4.5	88,168,309	0.9802	4.45	6.12	10.62	8,302,580	50,806,698
*1997	5.5	94,242,748	0.9921	5.48	5.72	11.22	8,399,286	48,046,674
*1996	6.5	92,591,577	0.9893	6.46	5.40	11.90	7,781,012	42,015,001
*1995	7.5	70,994,467	0.9881	7.46	5.15	12.65	5,614,332	28,886,976
*1994	8.5	44,929,447	0.9807	8.42	4.94	13.44	3,344,015	16,505,316
*1993	9.5	33,970,174	0.9807	9.40	4.76	14.26	2,382,678	11,334,730
*1992	10.5	36,489,077	0.9822	10.43	4.60	15.10	2,417,247	11,107,986
*1991	11.5	35,183,412	0.9712	11.35	4.44	15.94	2,207,422	9,798,064
*1990	12.5	34,823,081	0.9620	12.26	4.28	16.78	2,075,398	8,880,602
*1989	13.5	41,594,703	0.9673	13.29	4.11	17.61	2,361,789	9,710,557
*1988	14.5	48,007,424	0.9617	14.24	3.94	18.44	2,604,039	10,248,863
*1987	15.5	58,944,952	0.9462	15.16	3.75	19.25	3,061,623	11,489,797
*1986	16.5	52,207,748	0.9517	16.20	3.57	20.07	2,601,837	9,277,430
*1985	17.5	60,864,325	0.4319	15.68	3.38	20.88	2,915,251	9,847,436
*1984	18.5	54,321,832	0.9214	17.73	3.19	21.69	2,504,330	7,991,718
*1983	19.5	38,943,562	0.9309	18.86	3.01	22.51	1,730,229	5,204,099
*1982	20.5	50,962,708	0.9315	19.86	2.83	23.33	2,184,561	6,179,210
1981	21.5	21,558,966	0.9277	20.61	2.86	23.26	926,763	2,647,738
1980	22.5	20,371,825	0.9053	21.32	2.66	23.73	858,571	2,280,923
1979	23.5	19,908,568	0.9215	22.52	2.47	24.80	802,888	1,979,728
1978	24.5	17,984,499	0.9167	23.47	2.28	25.56	703,654	1,606,942
1977	25.5	12,237,868	0.8777	23.97	2.11	25.83	473,866	999,494
1976	26.5	8,702,672	0.8792	24.88	1.94	26.59	327,257	636,487
1975	27.5	7,420,084	0.7384	24.49	1.79	25.81	287,504	513,537
1974	28.5	13,585,162	0.7903	25.73	1.64	27.02	502,742	822,490
1973	29.5	22,934,853	0.7478	26.33	1.49	27.45	835,565	1,245,188
1972	30.5	12,670,377	0.6567	27.06	1.35	27.94	453,435	611,284
1971	31.5	12,420,541	0.6729	27.12	1.21	27.93	444,694	538,428
1970	32.5	12,403,581	0.6770	27.66	1.08	28.39	436,880	470,121
1969	33.5	7,980,942	0.5904	27.89	0.89	28.42	280,815	251,256
1968	34.5	4,191,031	0.6088	28.44	0.75	28.89	145,054	108,790
1967	35.5	3,380,570	0.6031	28.91	0.50	29.21	115,744	57,872
1966	36.5	3,423,840	0.6174	30.72	0.50	31.03	110,333	55,166
1965	37.5	2,081,092	0.6167	31.51	0.50	31.81	65,413	32,706
1964	38.5	2,782,549	0.6268	31.43	0.50	31.74	87,664	43,832
1963	39.5	2,582,261	0.5897	32.15	0.50	32.45	79,581	39,790
1962	40.5	1,499,420	0.5805	32.96	0.50	33.25	45,093	22,547
1961	41.5	1,110,473	0.4754	32.69	0.50	32.92	33,729	16,864
1960	42.5	859,272	0.3778	29.86	0.50	30.05	28,595	14,298
1959	43.5	301,454	0.4089	31.16	0.50	31.37	9,611	4,805
1958	44.5	195,393	0.2838	29.43	0.50	29.58	6,606	3,303
1957	45.5	235,269	0.2103	26.55	0.50	26.65	8,827	4,414
1956	46.5	462,193	0.2050	25.92	0.50	26.02	17,764	8,882
1955	47.5	169,497	0.1687	25.20	0.50	25.28	6,705	3,352
1954	48.5	270,590	0.1526	29.42	0.50	29.50	9,173	4,586
1953	49.5	60,690	0.0769	26.76	0.50	26.80	2,265	1,132
1952	50.5	91,618	0.2333	32.71	0.50	32.83	2,791	1,395
1951	51.5	4,543	0.0410	26.48	0.50	26.50	171	86

06/18/04
01:36 PM
XREF: 09
PRES: 1997.SF,02
PROP: 2003.SJ,02

COMPANY: QWEST CORPORATION
STATE: ARIZONA
ACCOUNT: 2423 BURIED CABLE MET
CATEGORY: 2423 BURIED CABLE MET
TABLE 1-VG/ELG

GENERATION ARRANGEMENT
DEVELOPMENT OF AVERAGE REMAINING LIFE AND AVERAGE SERVICE LIFE

VINT AGE	AGE	EXPERIENCE AS OF 1-1-2003% AMOUNT SURVIVING	PROP SURV	REAL LIFE	REMAIN ING LIFE YEARS	VINT AVG LIFE YEARS	AVERAGE LIFE WEIGHTS	REMAINING LIFE WEIGHTS
N	A	B	C	D	E++	F+++	G=B/F	H=E*G
1950	52.5	2,476	0.0124	23.88	0.50	23.89	104	52
1949	53.5	13,427	0.0847	23.97	0.50	24.01	559	280
1948	54.5	3,193	0.2004	28.43	0.50	28.53	112	56
1947	55.5	427	0.0044	35.49	0.50	35.49	12	6
1946	56.5	1,455	0.0988	36.23	0.50	36.28	40	20
1945	57.5	1,320	0.1437	36.59	0.50	36.66	36	18
1944	58.5	0	0.0000	0.00				
1943	59.5	0	0.0000	0.00				
1942	60.5	364	0.1661	36.77	0.50	36.86	10	5
1941	61.5	78,315	0.1852	36.95	0.50	37.04	2,114	1,057
1940	62.5	2,371	0.0682	32.25	0.50	32.29	73	37
1939	63.5	0	0.0000	0.00				
1938	64.5	1,640	0.2709	36.42	0.50	36.56	45	22
1937	65.5	230	0.0041	28.74	0.50	28.74	8	4
1936	66.5	5,024	0.0240	32.29	0.50	32.30	156	78
1935	67.5	0	0.0000	0.00				
1934	68.5	0	0.0000	0.00				
1933	69.5	0	0.0000	0.00				
1932	70.5	0	0.0000	0.00				
1931	71.5	93	0.0851	26.76	0.50	26.80	3	2
1930	72.5	2,314	0.1157	23.98	0.50	24.04	96	48
TOTAL		1,565,550,385					114,558,413	633,424,521
NON-ELG V		213,994,342					8,113,120	15,029,122
ELG V		1,351,556,043					106,445,293	618,395,399

AVG SERVICE LIFE:	ALL VINTS	NELG VINTS	ELG VINTS
TOT B/TOT G	13.66596	26.37633	12.69719
AVG REMAINING LIFE:	ALL VINTS	NELG VINTS	ELG VINTS
TOT H/TOT G	5.52927	1.85245	5.80951

COMPUTED GROSS ADDS-ALL VINTS: SUM OF (B/C) 1,753,449,939
AVG PROPORTION SURVIVING: B/ SUM OF (B/C) 0.89284

USING IOWA CURVE: L1.5
* ELG VINTAGES, PROJECTION LIFE 12.0
++ FROM TABLE 2-VG/ELG; COL H FOR ELG, COL I FOR VG
+++ FROM TABLE 2-VG/ELG FOR ELG VINTAGES, COMPUTED AS D+(C*E) FOR VG VINTAGES
% ACTUAL

06/18/04
01:36 PM
XREF: 09
PRES: 1997.SF.02
PROP: 2003.SJ.02

COMPANY: QWEST CORPORATION
STATE: ARIZONA
ACCOUNT: 2423 BURIED CABLE MET
CATEGORY: 2423 BURIED CABLE MET
TABLE 1-VG/ELG

GENERATION ARRANGEMENT
DEVELOPMENT OF AVERAGE REMAINING LIFE AND AVERAGE SERVICE LIFE

VINT AGE	AGE	EXPERIENCE AS OF 1-1-2003% AMOUNT SURVIVING	PROP SURV	REAL LIFE	REMAIN ING LIFE YEARS	VINT AVG LIFE YEARS	AVERAGE LIFE WEIGHTS	REMAINING LIFE WEIGHTS
N	A	B	C	D	E++	F+++	G=B/F	H=E*G
*2002	0.5	67,153,436	0.9982	0.50	8.19	8.69	7,727,540	63,289,666
*2001	1.5	104,985,190	0.9887	1.49	7.63	9.13	11,494,826	87,742,951
*2000	2.5	138,272,697	0.9875	2.48	7.08	9.58	14,427,296	102,204,456
*1999	3.5	103,905,174	0.9690	3.44	6.58	10.08	10,308,001	67,827,169
*1998	4.5	88,168,309	0.9802	4.45	6.12	10.62	8,302,580	50,806,698
*1997	5.5	94,242,748	0.9921	5.48	5.72	11.22	8,399,286	48,046,674
*1996	6.5	92,591,577	0.9893	6.46	5.40	11.90	7,781,012	42,015,001
*1995	7.5	70,994,467	0.9881	7.46	5.15	12.65	5,614,332	28,886,976
*1994	8.5	44,929,447	0.9807	8.42	4.94	13.44	3,344,015	16,505,316
*1993	9.5	33,970,174	0.9807	9.40	4.76	14.26	2,382,678	11,334,730
*1992	10.5	36,489,077	0.9822	10.43	4.60	15.10	2,417,247	11,107,986
*1991	11.5	35,183,412	0.9712	11.35	4.44	15.94	2,207,422	9,798,064
*1990	12.5	34,823,081	0.9620	12.26	4.28	16.78	2,075,398	8,880,602
*1989	13.5	41,594,703	0.9673	13.29	4.11	17.61	2,361,789	9,710,557
*1988	14.5	48,007,424	0.9617	14.24	3.94	18.44	2,604,039	10,248,863
*1987	15.5	58,944,952	0.9462	15.16	3.75	19.25	3,061,623	11,489,797
*1986	16.5	52,207,748	0.9517	16.20	3.57	20.07	2,601,837	9,277,430
*1985	17.5	60,864,325	0.4319	15.68	3.38	20.88	2,915,251	9,847,436
*1984	18.5	54,321,832	0.9214	17.73	3.19	21.69	2,504,330	7,991,718
*1983	19.5	38,943,562	0.9309	18.86	3.01	22.51	1,730,229	5,204,099
*1982	20.5	50,962,708	0.9315	19.86	2.83	23.33	2,184,561	6,179,210
1981	21.5	21,558,966	0.9277	20.61	2.86	23.26	926,763	2,647,738
1980	22.5	20,371,825	0.9053	21.32	2.66	23.73	858,571	2,280,923
1979	23.5	19,908,568	0.9215	22.52	2.47	24.80	802,888	1,979,728
1978	24.5	17,984,499	0.9167	23.47	2.28	25.56	703,654	1,606,942
1977	25.5	12,237,868	0.8777	23.97	2.11	25.83	473,866	999,494
1976	26.5	8,702,672	0.8792	24.88	1.94	26.59	327,257	636,487
1975	27.5	7,420,084	0.7384	24.49	1.79	25.81	287,504	513,537
1974	28.5	13,585,162	0.7903	25.73	1.64	27.02	502,742	822,490
1973	29.5	22,934,853	0.7478	26.33	1.49	27.45	835,565	1,245,188
1972	30.5	12,670,377	0.6567	27.06	1.35	27.94	453,435	611,284
1971	31.5	12,420,541	0.6729	27.12	1.21	27.93	444,694	538,428
1970	32.5	12,403,581	0.6770	27.66	1.08	28.39	436,880	470,121
1969	33.5	7,980,942	0.5904	27.89	0.89	28.42	280,815	251,256
1968	34.5	4,191,031	0.6088	28.44	0.75	28.89	145,054	108,790
1967	35.5	3,380,570	0.6031	28.91	0.50	29.21	115,744	57,872
1966	36.5	3,423,840	0.6174	30.72	0.50	31.03	110,333	55,166
1965	37.5	2,081,092	0.6167	31.51	0.50	31.81	65,413	32,706
1964	38.5	2,782,549	0.6268	31.43	0.50	31.74	87,664	43,832
1963	39.5	2,582,261	0.5897	32.15	0.50	32.45	79,581	39,790
1962	40.5	1,499,420	0.5805	32.96	0.50	33.25	45,093	22,547
1961	41.5	1,110,473	0.4754	32.69	0.50	32.92	33,729	16,864
1960	42.5	859,272	0.3778	29.86	0.50	30.05	28,595	14,298
1959	43.5	301,454	0.4089	31.16	0.50	31.37	9,611	4,805
1958	44.5	195,393	0.2838	29.43	0.50	29.58	6,606	3,303
1957	45.5	235,269	0.2103	26.55	0.50	26.65	8,827	4,414
1956	46.5	462,193	0.2050	25.92	0.50	26.02	17,764	8,882
1955	47.5	169,497	0.1687	25.20	0.50	25.28	6,705	3,352
1954	48.5	270,590	0.1526	29.42	0.50	29.50	9,173	4,586
1953	49.5	60,690	0.0769	26.76	0.50	26.80	2,265	1,132
1952	50.5	91,618	0.2333	32.71	0.50	32.83	2,791	1,395
1951	51.5	4,543	0.0410	26.48	0.50	26.50	171	86

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XREF: 09
PRES: 1997,SF,02
PROP: 2003,SJ,02

COMPANY: QWEST CORPORATION
STATE: ARIZONA
ACCOUNT: 2423 BURIED CABLE MET
CATEGORY: 2423 BURIED CABLE MET
TABLE 1-VG/ELG

GENERATION ARRANGEMENT
DEVELOPMENT OF AVERAGE REMAINING LIFE AND AVERAGE SERVICE LIFE

VINT AGE	AGE	EXPERIENCE AS OF 1-1-2003% AMOUNT SURVIVING	PROP SURV	REAL LIFE	REMAIN ING LIFE YEARS	VINT AVG LIFE YEARS	AVERAGE LIFE WEIGHTS	REMAINING LIFE WEIGHTS
N	A	B	C	D	E++	F+++	G=B/F	H=E*G
1950	52.5	2,476	0.0124	23.88	0.50	23.89	104	52
1949	53.5	13,427	0.0847	23.97	0.50	24.01	559	280
1948	54.5	3,193	0.2004	28.43	0.50	28.53	112	56
1947	55.5	427	0.0044	35.49	0.50	35.49	12	6
1946	56.5	1,455	0.0988	36.23	0.50	36.28	40	20
1945	57.5	1,320	0.1437	36.59	0.50	36.66	36	18
1944	58.5	0	0.0000	0.00				
1943	59.5	0	0.0000	0.00				
1942	60.5	364	0.1661	36.77	0.50	36.86	10	5
1941	61.5	78,315	0.1852	36.95	0.50	37.04	2,114	1,057
1940	62.5	2,371	0.0682	32.25	0.50	32.29	73	37
1939	63.5	0	0.0000	0.00				
1938	64.5	1,640	0.2709	36.42	0.50	36.56	45	22
1937	65.5	230	0.0041	28.74	0.50	28.74	8	4
1936	66.5	5,024	0.0240	32.29	0.50	32.30	156	78
1935	67.5	0	0.0000	0.00				
1934	68.5	0	0.0000	0.00				
1933	69.5	0	0.0000	0.00				
1932	70.5	0	0.0000	0.00				
1931	71.5	93	0.0851	26.76	0.50	26.80	3	2
1930	72.5	2,314	0.1157	23.98	0.50	24.04	96	48
TOTAL		1,565,550,385					114,558,413	633,424,521
NON-ELG V		213,994,342					8,113,120	15,029,122
ELG V		1,351,556,043					106,445,293	618,395,399

AVG SERVICE LIFE:	ALL VINTS	NELG VINTS	ELG VINTS
TOT B/TOT G	13.66596	26.37633	12.69719
AVG REMAINING LIFE:	ALL VINTS	NELG VINTS	ELG VINTS
TOT H/TOT G	5.52927	1.85245	5.80951

COMPUTED GROSS ADDS-ALL VINTS: SUM OF (B/C) 1,753,449,939
AVG PROPORTION SURVIVING: B/ SUM OF (B/C) 0.89284

USING IOWA CURVE: L1.5
* ELG VINTAGES, PROJECTION LIFE 12.0
++ FROM TABLE 2-VG/ELG; COL H FOR ELG, COL I FOR VG
+++ FROM TABLE 2-VG/ELG FOR ELG VINTAGES, COMPUTED AS D+(C*E) FOR VG VINTAGES
% ACTUAL

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XREF: 09
PRES: 1997,SF,02
PROP: 2003,SJ,02

COMPANY: QWEST CORPORATION
STATE: ARIZONA
ACCOUNT: 2423 BURIED CABLE MET
CATEGORY: 2423 BURIED CABLE MET
TABLE 2-VG/ELG

PROJECTION LIFE TABLE
AVERAGE SERVICE LIFE AND REMAINING LIFE BY AGE

PROJECTION LIFE TABLE PARAMETERS AVG LIFE 12.00

USING IOWA CURVE: L1.5

BEGINNING OF YEAR		AMOUNT RETIRED		ANNUAL ACCRUALS FOR BOY AGE A		ELG	ELG	VG
AGE	AMOUNT IN SERVICE	DURING YEAR (LIFE GROUP)	AGE OF AMOUNT RETIRED	EACH LIFE GROUP	FOR ALL REMAINING GROUPS	AVG. SERVICE LIFE	AVG. REMAINING LIFE	VINT REMAIN. LIFE
A	B	C=B-next B	D	E=C/D	F*	G=B/F	H=G-A	I#
0.0	100,000	149	0.5	298	11,788	8.48	8.48	12.00
0.5	99,851	626	1.0	626	11,490	8.69	8.19	11.52
1.5	99,225	1,292	2.0	646	10,864	9.13	7.63	10.59
2.5	97,933	2,147	3.0	716	10,218	9.58	7.08	9.72
3.5	95,786	3,097	4.0	774	9,503	10.08	6.58	8.93
4.5	92,689	4,216	5.0	843	8,728	10.62	6.12	8.21
5.5	88,473	5,448	6.0	908	7,885	11.22	5.72	7.58
6.5	83,025	6,450	7.0	921	6,977	11.90	5.40	7.04
7.5	76,575	7,046	8.0	881	6,056	12.65	5.15	6.59
8.5	69,529	7,277	9.0	809	5,175	13.44	4.94	6.21
9.5	62,253	7,183	10.0	718	4,366	14.26	4.76	5.88
10.5	55,070	6,853	11.0	623	3,648	15.10	4.60	5.58
11.5	48,217	6,383	12.0	532	3,025	15.94	4.44	5.30
12.5	41,834	5,852	13.0	450	2,493	16.78	4.28	5.03
13.5	35,982	5,315	14.0	380	2,043	17.61	4.11	4.77
14.5	30,668	4,794	15.0	320	1,663	18.44	3.94	4.51
15.5	25,874	4,299	16.0	269	1,344	19.25	3.75	4.25
16.5	21,574	3,828	17.0	225	1,075	20.07	3.57	4.00
17.5	17,746	3,371	18.0	187	850	20.88	3.38	3.75
18.5	14,375	2,931	19.0	154	663	21.69	3.19	3.51
19.5	11,444	2,508	20.0	125	508	22.51	3.01	3.28
20.5	8,936	2,105	21.0	100	383	23.33	2.83	3.07
21.5	6,831	1,731	22.0	79	283	24.15	2.65	2.86
22.5	5,100	1,392	23.0	61	204	24.98	2.48	2.66
23.5	3,709	1,090	24.0	45	144	25.82	2.32	2.47
24.5	2,619	829	25.0	33	98	26.66	2.16	2.28
25.5	1,790	612	26.0	24	65	27.51	2.01	2.11
26.5	1,178	434	27.0	16	42	28.36	1.86	1.94
27.5	745	296	28.0	11	25	29.22	1.72	1.79
28.5	448	193	29.0	7	15	30.08	1.58	1.64
29.5	256	119	30.0	4	8	30.94	1.44	1.49
30.5	137	69	31.0	2	4	31.81	1.31	1.35
31.5	68	37	32.0	1	2	32.68	1.18	1.21
32.5	31	18	33.0	1	1	33.56	1.06	1.08
33.5	13	9	34.0	0	0	34.38	0.88	0.89

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XREP: 09
PRES: 1997.SF.02
PROP: 2003.SJ.02

COMPANY: QWEST CORPORATION
STATE: ARIZONA
ACCOUNT: 2423 BURIED CABLE MET
CATEGORY: 2423 BURIED CABLE MET
TABLE 2-VG/ELG

PROJECTION LIFE TABLE
AVERAGE SERVICE LIFE AND REMAINING LIFE BY AGE

PROJECTION LIFE TABLE PARAMETERS AVG LIFE 12.00

USING IOWA CURVE: L1.5

BEGINNING OF YEAR		AMOUNT RETIRED		ANNUAL ACCRUALS FOR BOY AGE A		ELG AVG.	ELG AVG.	VG
AGE	AMOUNT IN SERVICE	DURING YEAR (LIFE GROUP)	AGE OF AMOUNT RETIRED	EACH LIFE GROUP	FOR ALL REMAINING GROUPS	SERVICE LIFE	REMAINING LIFE	VINT REMAIN. LIFE
A	B	C=B-next B	D	E=C/D	F*	G=B/F	H=G-A	I#
34.5	4	3	35.0	0	0	35.24	0.74	0.75
35.5	1	1	36.0	0	0	36.00	0.50	0.50
TOTAL		100,000						

* F(AGE A) = SUM OF COL E AGE A TO END
\# I = 0.5 + ((SUM OF COL B FROM AGE A+1 THROUGH END)/(COL B AT AGE A))

Arizona
T-01051B-03-0454
Dunkel 01-001S2

INTERVENOR: Dunkel and Associates

REQUEST NO: 001S2

Please provide each of the following on a state basis for each depreciable account:

a. Separately for each depreciable account please provide the complete Generations Arrangements, using data through December 31, 2003. In addition to the paper copy, please also provide this requested information in electronic format (in the same electronic format as depreciation information is provided to the FCC) on an IBM compatible 3.5" disk or CD. (Note, page 2 of Qwest Exhibit NHH-2 indicates the Generation Arrangements with cost data as of December 31, 2003 exist.) In the electronic copy, the information for earlier years should not all be combined, if the separate vintage information is available (for example-not "1971 and prior years").

b. The Generation Arrangements provided should include all information normally included, similar to (but with data through 12-31-2003) the Generation Arrangements included in the Qwest Supplement to Application filed November 12, 1997 in the prior Depreciation Case (Docket No T-1051B-97-0689). The data should include, but is not necessarily limited to, the "Amount Surviving", the "Proportion Surviving", and the "Realized Life" for each vintage.

c. The dividing point between the vintages treated as ELG (Equal Life Group) and those treated as VG (Vintage Group) should be the same dividing point as it is for that account in the Generation Arrangement used in the Commission approved calculations of depreciation in the prior Depreciation Case (Docket No T-1051B-97-0689). (For example in the Buried Cable Metallic account, VG for the year 1981 and prior, but ELG for the year 1982 and after.)

RESPONSE:

a. See Non-confidential Attachments "A" and "B" for the requested information;

b. See also Non-confidential Attachments "A" and "B" for the requested information;

c. See also Non-confidential Attachments "A" and "B" for the requested information;

Respondent: Jim Jones, Qwest Manager

06/04/04
09:03 AM
XREF: 09
PRES: 1997.SF.02
PROP: 2004.SA.02

COMPANY: QWEST CORPORATION
STATE: ARIZONA
ACCOUNT: 2423 BURIED CABLE MET
CATEGORY: 2423 BURIED CABLE MET
TABLE 1-VG/ELG

GENERATION ARRANGEMENT
DEVELOPMENT OF AVERAGE REMAINING LIFE AND AVERAGE SERVICE LIFE

VINT AGE	AGE	EXPERIENCE AS OF 1-1-2004% AMOUNT SURVIVING	PROP SURV	REAL LIFE	REMAIN ING LIFE YEARS	VINT AVG LIFE YEARS	AVERAGE LIFE WEIGHTS	REMAINING LIFE WEIGHTS
N	A	B	C	D	E++	F+++	G=B/F	H=E*G
*2003	0.5	63,550,598	0.9997	0.50	8.19	8.69	7,312,951	59,894,123
*2002	1.5	68,916,847	0.9879	1.49	7.63	9.13	7,545,704	57,598,291
*2001	2.5	119,473,541	0.9849	2.47	7.08	9.58	12,465,803	88,309,034
*2000	3.5	141,529,013	0.9832	3.47	6.58	10.08	14,040,506	92,387,240
*1999	4.5	102,216,637	0.9634	4.41	6.12	10.62	9,625,475	58,902,001
*1998	5.5	86,892,236	0.9781	5.44	5.72	11.22	7,744,179	44,299,249
*1997	6.5	92,883,712	0.9912	6.47	5.40	11.90	7,805,562	42,147,562
*1996	7.5	91,141,285	0.9875	7.45	5.15	12.65	7,207,568	37,084,525
*1995	8.5	69,927,991	0.9868	8.45	4.94	13.44	5,204,611	25,688,800
*1994	9.5	44,263,132	0.9795	9.40	4.76	14.26	3,104,629	14,769,152
*1993	10.5	33,488,287	0.9800	10.38	4.60	15.10	2,218,457	10,194,487
*1992	11.5	35,981,118	0.9816	11.41	4.44	15.94	2,257,470	10,020,213
*1991	12.5	34,697,266	0.9707	12.32	4.28	16.78	2,067,900	8,848,517
*1990	13.5	34,346,643	0.9616	13.22	4.11	17.61	1,950,237	8,018,449
*1989	14.5	40,979,775	0.9662	14.25	3.94	18.44	2,222,842	8,748,566
*1988	15.5	47,281,737	0.9603	15.20	3.75	19.25	2,455,831	9,216,354
*1987	16.5	57,779,416	0.9417	16.10	3.57	20.07	2,879,508	10,267,527
*1986	17.5	51,397,405	0.9501	17.15	3.38	20.88	2,461,809	8,315,752
*1985	18.5	59,990,601	0.4315	16.11	3.19	21.69	2,765,671	8,825,696
*1984	19.5	53,499,362	0.9200	18.65	3.01	22.51	2,376,930	7,149,217
*1983	20.5	38,354,000	0.9296	19.79	2.83	23.33	1,644,078	4,650,409
*1982	21.5	50,176,909	0.9300	20.79	2.65	24.15	2,077,371	5,513,441
1981	22.5	21,061,546	0.9212	21.54	2.66	23.98	878,151	2,332,941
1980	23.5	20,006,214	0.9022	22.23	2.47	24.45	818,219	2,017,531
1979	24.5	19,527,131	0.9175	23.44	2.28	25.54	764,601	1,746,128
1978/PRIOR		164,748,269	0.5066	26.38	1.23	27.31	6,032,162	7,400,469
TOTAL		1,644,110,671					117,928,224	634,345,674
NON-ELG V		225,343,160					8,493,133	13,497,069
ELG V		1,418,767,511					109,435,091	620,848,606

	ALL VINTS	NELG VINTS	ELG VINTS
AVG SERVICE LIFE: TOT B/TOT G	13.94162	26.53240	12.96447
AVG REMAINING LIFE: TOT H/TOT G	5.37908	1.58917	5.67321

COMPUTED GROSS ADDS-ALL VINTS: SUM OF (B/C) 1,928,901,066
AVG PROPORTION SURVIVING: B/ SUM OF (B/C) 0.85236

USING IOWA CURVE: L1.5
* ELG VINTAGES, PROJECTION LIFE 12.0
++ FROM TABLE 2-VG/ELG: COL H FOR ELG, COL I FOR VG
+++ FROM TABLE 2-VG/ELG FOR ELG VINTAGES, COMPUTED AS D+(C*E) FOR VG VINTAGES
% ACTUAL

Company: Qwest - Arizona
Account: 2423 Buried Cable Metallic

Generation Arrangement

		Experience to 1/1/2004		
Vintage	Age	Amount Surviving	Proportion Surviving	Realized Life
A	B	C	D	E
2003	0.5	63,550,598	0.9997	0.50
2002	1.5	68,916,847	0.9879	1.49
2001	2.5	119,473,541	0.9849	2.47
2000	3.5	141,529,013	0.9832	3.47
1999	4.5	102,216,637	0.9634	4.41
1998	5.5	86,892,236	0.9781	5.44
1997	6.5	92,883,712	0.9912	6.47
1996	7.5	91,141,285	0.9875	7.45
1995	8.5	69,927,991	0.9868	8.45
1994	9.5	44,263,132	0.9795	9.40
1993	10.5	33,488,287	0.9800	10.38
1992	11.5	35,981,118	0.9816	11.41
1991	12.5	34,697,266	0.9707	12.32
1990	13.5	34,346,643	0.9616	13.22
1989	14.5	40,979,775	0.9662	14.25
1988	15.5	47,281,737	0.9603	15.20
1987	16.5	57,779,416	0.9417	16.10
1986	17.5	51,397,405	0.9501	17.15
1985	18.5	59,990,601	0.4315	16.11
1984	19.5	53,499,362	0.9200	18.65
1983	20.5	38,354,000	0.9296	19.79
1982	21.5	50,176,909	0.9300	20.79
1981	22.5	21,061,546	0.9212	21.54
1980	23.5	20,006,214	0.9022	22.23
1979	24.5	19,527,131	0.9175	23.44
1978	25.5	17,663,610	0.9136	24.38
1977	26.5	11,938,044	0.8707	24.85
1976	27.5	8,522,878	0.8745	25.76
1975	28.5	7,285,589	0.7358	25.23
1974	29.5	13,335,239	0.7874	26.52
1973	30.5	22,447,435	0.7435	27.08
1972	31.5	12,266,613	0.6481	27.71
1971	32.5	12,159,835	0.6692	27.79
1970	33.5	12,104,735	0.6718	28.34
1969	34.5	7,867,593	0.5899	28.48
1968	35.5	4,092,856	0.6044	29.04
1967	36.5	3,304,809	0.5992	29.51
1966	37.5	3,348,121	0.6135	31.34
1965	38.5	2,036,749	0.6131	32.12
1964	39.5	2,717,453	0.6223	32.05
1963	40.5	2,538,316	0.5881	32.74
1962	41.5	1,471,783	0.5783	33.54
1961	42.5	1,084,117	0.4718	33.16
1960	43.5	823,545	0.3702	30.23
1959	44.5	289,326	0.4011	31.57
1958	45.5	184,169	0.2750	29.71
1957	46.5	224,482	0.2054	26.75
1956	47.5	449,632	0.2030	26.12
1955	48.5	156,131	0.1609	25.36

Company: Qwest - Arizona
Account: 2423 Buried Cable Metallic

Generation Arrangement

		Experience to 1/1/2004		
Vintage	Age	Amount Surviving	Proportion Surviving	Realized Life
A	B	C	D	E
1954	49.5	251,252	0.1464	29.57
1953	50.5	53,309	0.0711	26.84
1952	51.5	90,420	0.2333	32.94
1951	52.5	4,091	0.0385	26.52
1950	53.5	2,444	0.0124	23.89
1949	54.5	10,083	0.0707	24.04
1948	55.5	3,151	0.2004	28.63
1947	56.5	317	0.0036	35.50
1946	57.5	361	0.0476	36.30
1945	58.5	1,303	0.1437	36.74
1944	59.5	0	0.0000	0.00
1943	60.5	0	0.0000	0.00
1942	61.5	6,996	0.1661	36.94
1941	62.5	60,465	0.1683	37.12
1940	63.5	2,340	0.0682	32.32
1939	64.5	0	0.0000	0.00
1938	65.5	1,619	0.2709	36.70
1937	66.5	227	0.0041	28.74
1936	67.5	4,958	0.0240	32.31
1935	68.5	0	0.0000	0.00
1934	69.5	0	0.0000	0.00
1933	70.5	0	0.0000	0.00
1932	71.5	0	0.0000	0.00
1931	72.5	92	0.0851	26.84
1930	73.5	2,284	0.1157	24.10
1929	74.5	0	0.0000	0.00
1928	75.5	0	0.0000	0.00
1927	76.5	0	0.0000	0.00
1926	77.5	0	0.0000	0.00
1925	78.5	15,939,497	0.1445	21.20
Total		**1,644,110,671**		

Source:
All data from the text delimited filed "WAZGCO.FCC"
provided by Qwest in response to WDA 01-01.

Arizona
T-01051B-03-0454
WDA 02-006S1

INTERVENOR: William W. Dunkel and Associates

REQUEST NO: 006S1

For each depreciable account Qwest should provide the "observed life" points for the most recent "band" of years (The most recent "band" is the years 2001-2003 inclusive. (The "observed life" points are the percentages of investment surviving at each age. These are standard depreciation terms). This is the same Observed Life information as Qwest provided in the Depreciation Rate Study Qwest filed in Arizona the last time Qwest requested a change in depreciation rates (Docket Number T-01051B-97-0689), except data through 12-31-2003 is requested.

This request does not ask that Qwest fit curves to the "observed life" data.

RESPONSE:

Qwest did not develop "Observed Life Information" as part of its depreciation Technical Update. To be responsive to this request, Qwest will perform the special study required to produce the historical retirement based "observed life" data. Because of the time and resources involved with such a study, Qwest will provide the data on or before July 2, 2004.

Respondent: Dennis Wu

SUPPLEMENTAL RESPONSE DATED 07/02/04:

Please see Non-Confidential Attachment A. Qwest has provided the observed life points for all accounts studied on a "Full Mortality" basis. This is consistant with exhibits filed in the previous Arizona Depreciation Rate Study. Accounts studied on a "Computed Mortality" basis do not produce observed life points and are not included in Attachment A. The "Computed Mortality" accounts are: 2114 Special Purpose Vehicles, 2115 Garage Work Equipment, 2116 Other Work Equipment, 2123.2 Stand Alone, and 2431 Aerial Wire.

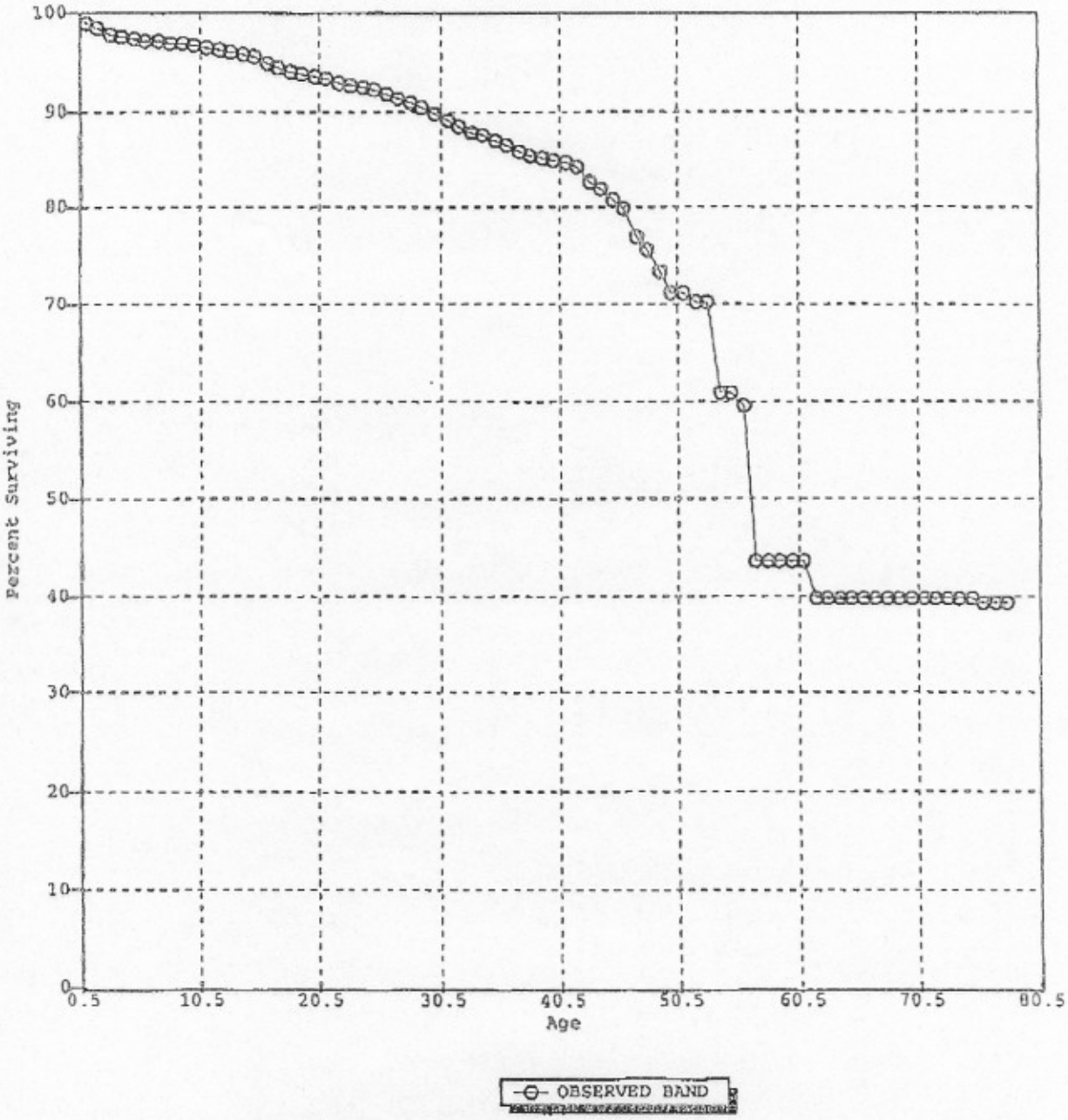
Respondent: Dennis Wu

ARIZONA
DOCKET NO. T01051B-03-0454
WDA 02-0651
ATTACHMENT A

DATE: 6/21/2004

COMPANY: QWEST CORPORATION
STATE: ARIZONA
ACCOUNT: 2423 BURIED CABLE TOTAL
CATEGORY: 2423 BURIED CABLE TOTAL

CURVE SHAPE COMPARISION
BAND=0103



CURVES SCALED TO THE OBSERVED LIFE OF 58.8

Company: Qwest - Arizona
Account: 2423 Buried Cable Metallic

Avg Life: 23.0
Iowa Curv L1.5

Generation Arrangement (Staff Recommendation)

			Experience to 1/1/2004			Average	Average	Average	Remaining	Computed
	Vintage	Age	Amount Surviving	Proportion Surviving	Realized Life	Remaining Life	Service Life	Life Weights	Life Weights	Original Investment
	A	B	C	D	E	F	G	H=C/G	I=F*H	J=C/D
*	2003	0.5	63,550,598	0.999716	0.50	15.88	16.38	3,880,694	61,610,251	63,568,646
*	2002	1.5	68,916,847	0.987931	1.49	15.41	16.91	4,075,112	62,804,179	69,758,742
*	2001	2.5	119,473,541	0.984909	2.47	14.85	17.35	6,887,478	102,254,845	121,304,171
*	2000	3.5	141,529,013	0.983217	3.47	14.28	17.78	7,960,224	113,668,230	143,944,861
*	1999	4.5	102,216,637	0.963392	4.41	13.73	18.23	5,606,496	76,987,405	106,100,753
*	1998	5.5	86,892,236	0.978074	5.44	13.21	18.71	4,644,739	61,346,169	88,840,134
*	1997	6.5	92,883,712	0.991171	6.47	12.71	19.21	4,835,520	61,452,830	93,711,117
*	1996	7.5	91,141,285	0.987499	7.45	12.23	19.73	4,619,086	56,498,140	92,295,053
*	1995	8.5	69,927,991	0.986783	8.45	11.78	20.28	3,448,799	40,613,196	70,864,604
*	1994	9.5	44,263,132	0.979483	9.40	11.35	20.85	2,122,642	24,098,028	45,190,292
*	1993	10.5	33,488,287	0.979959	10.38	10.97	21.47	1,559,892	17,109,418	34,173,144
*	1992	11.5	35,981,118	0.981579	11.41	10.63	22.13	1,626,245	17,279,305	36,656,349
*	1991	12.5	34,697,266	0.970713	12.32	10.32	22.82	1,520,273	15,693,851	35,744,088
*	1990	13.5	34,346,643	0.961611	13.22	10.06	23.56	1,458,115	14,662,089	35,717,805
*	1989	14.5	40,979,775	0.966155	14.25	9.82	24.32	1,685,324	16,542,574	42,415,332
*	1988	15.5	47,281,737	0.960292	15.20	9.60	25.10	1,883,825	18,082,455	49,236,812
*	1987	16.5	57,779,416	0.941736	16.10	9.40	25.90	2,230,764	20,971,808	61,354,147
*	1986	17.5	51,397,405	0.950074	17.15	9.22	26.72	1,923,629	17,733,890	54,098,321
*	1985	18.5	59,990,601	0.431542	16.11	9.05	27.55	2,177,663	19,703,827	139,014,362
*	1984	19.5	53,499,362	0.920023	18.65	8.89	28.39	1,884,747	16,746,802	58,149,998
*	1983	20.5	38,354,000	0.929587	19.79	8.73	29.23	1,312,277	11,452,331	41,259,171
*	1982	21.5	50,176,909	0.930020	20.79	8.57	30.07	1,668,653	14,300,868	53,952,528
	1981	22.5	21,061,546	0.921153	21.54	10.02	30.76	684,658	6,856,864	22,864,318
	1980	23.5	20,006,214	0.902218	22.23	9.75	31.02	644,944	6,286,170	22,174,469
	1979	24.5	19,527,131	0.917524	23.44	9.48	32.14	607,509	5,759,982	21,282,411
	1978	25.5	17,663,610	0.913623	24.38	9.22	32.80	538,489	4,963,760	19,333,595
	1977	26.5	11,938,044	0.870708	24.85	8.96	32.65	365,678	3,274,935	13,710,734
	1976	27.5	8,522,878	0.874516	25.76	8.69	33.36	255,456	2,221,121	9,745,821
	1975	28.5	7,285,589	0.735790	25.23	8.44	31.43	231,779	1,955,110	9,901,718
	1974	29.5	13,335,239	0.787381	26.52	8.18	32.96	404,628	3,308,821	16,936,194
	1973	30.5	22,447,435	0.743466	27.08	7.92	32.97	680,858	5,393,743	30,192,952
	1972	31.5	12,266,613	0.648086	27.71	7.67	32.68	375,348	2,878,749	18,927,433
	1971	32.5	12,159,835	0.669171	27.79	7.42	32.75	371,266	2,754,956	18,171,481
	1970	33.5	12,104,735	0.671782	28.34	7.18	33.16	365,070	2,619,452	18,018,831
	1969	34.5	7,867,593	0.589900	28.48	6.93	32.57	241,537	1,674,880	13,337,163
	1968	35.5	4,092,856	0.604431	29.04	6.70	33.09	123,684	828,407	6,771,414
	1967	36.5	3,304,809	0.599154	29.51	6.47	33.38	99,002	640,180	5,515,796
	1966	37.5	3,348,121	0.613466	31.34	6.24	35.17	95,207	594,122	5,457,714
	1965	38.5	2,036,749	0.613094	32.12	6.02	35.81	56,875	342,293	3,322,081
	1964	39.5	2,717,453	0.622303	32.05	5.80	35.66	76,198	442,083	4,366,765
	1963	40.5	2,538,316	0.588080	32.74	5.59	36.03	70,450	393,837	4,316,280
	1962	41.5	1,471,783	0.578314	33.54	5.38	36.65	40,154	216,145	2,544,955
	1961	42.5	1,084,117	0.471812	33.16	5.18	35.60	30,450	157,753	2,297,771
	1960	43.5	823,545	0.370227	30.23	4.98	32.08	25,672	127,930	2,224,434
	1959	44.5	289,326	0.401073	31.57	4.79	33.49	8,640	41,383	721,379
	1958	45.5	184,169	0.274988	29.71	4.60	30.98	5,945	27,354	669,734
	1957	46.5	224,482	0.205434	26.75	4.42	27.66	8,115	35,845	1,092,720
	1956	47.5	449,632	0.203020	26.12	4.24	26.98	16,666	70,608	2,214,723
	1955	48.5	156,131	0.160886	25.36	4.06	26.01	6,002	24,376	970,448
	1954	49.5	251,252	0.146353	29.57	3.89	30.14	8,336	32,425	1,716,751

Company: Qwest - Arizona
Account: 2423 Buried Cable Metallic

Avg Life: 23.0
Iowa Curv L1.5

Generation Arrangement (Staff Recommendation)

		Experience to 1/1/2004			Average	Average	Average	Remaining	Computed
Vintage	Age	Amount Surviving	Proportion Surviving	Realized Life	Remaining Life	Service Life	Life Weights	Life Weights	Original Investment
A	B	C	D	E	F	G	H=C/G	I=F*H	J=C/D
1953	50.5	53,309	0.071082	26.84	3.72	27.10	1,967	7,322	749,961
1952	51.5	90,420	0.233334	32.94	3.56	33.77	2,677	9,530	387,513
1951	52.5	4,091	0.038511	26.52	3.40	26.65	154	522	106,229
1950	53.5	2,444	0.012415	23.89	3.24	23.93	102	331	196,866
1949	54.5	10,083	0.070657	24.04	3.09	24.26	416	1,286	142,703
1948	55.5	3,151	0.200361	28.63	2.94	29.22	108	318	15,727
1947	56.5	317	0.003611	35.50	2.80	35.51	9	25	87,786
1946	57.5	361	0.047594	36.30	2.65	36.43	10	26	7,585
1945	58.5	1,303	0.143664	36.74	2.51	37.10	35	88	9,070
1944	59.5	0	0.000000	0.00	0.00	0.00	0	0	0
1943	60.5	0	0.000000	0.00	0.00	0.00	0	0	0
1942	61.5	6,996	0.166104	36.94	2.07	37.28	188	388	42,118
1941	62.5	60,465	0.168268	37.12	1.91	37.44	1,615	3,083	359,338
1940	63.5	2,340	0.068177	32.32	1.75	32.44	72	126	34,322
1939	64.5	0	0.000000	0.00	0.00	0.00	0	0	0
1938	65.5	1,619	0.270900	36.70	1.40	37.07	44	61	5,976
1937	66.5	227	0.004100	28.74	1.19	28.75	8	9	55,366
1936	67.5	4,958	0.023955	32.31	0.93	32.33	153	143	206,972
1935	68.5	0	0.000000	0.00	0.00	0.00	0	0	0
1934	69.5	0	0.000000	0.00	0.00	0.00	0	0	0
1933	70.5	0	0.000000	0.00	0.00	0.00	0	0	0
1932	71.5	0	0.000000	0.00	0.00	0.00	0	0	0
1931	72.5	92	0.085093	26.84	0.50	26.89	3	2	1,081
1930	73.5	2,284	0.115662	24.10	0.50	24.16	95	47	19,747
1929	74.5	0	0.000000	0.00	0.00	0.00	0	0	0
1928	75.5	0	0.000000	0.00	0.00	0.00	0	0	0
1927	76.5	0	0.000000	0.00	0.00	0.00	0	0	0
1926	77.5	0	0.000000	0.00	0.00	0.00	0	0	0
1925	78.5	15,939,497	0.144481	21.20	0.50	21.28	749,152	374,576	110,322,184
Total		1,644,110,671					76,207,620	915,933,657	1,928,901,062
Non-ELG		225,343,160					7,195,420	54,321,166	391,550,633
ELG		1,418,767,511					69,012,199	861,612,490	1,537,350,429

	All Vintages	Non-ELG Vintages	ELG Vintages
Average Service Life:			
(col C/ col H)	**21.57**	31.32	20.56
Average Remaining Life:	**All Vintages**	Non-ELG Vintages	ELG Vintages
(col I/ col H)	**12.02**	7.55	12.48

STATEMENT A
SUMMARY OF DEPRECIATION RATES

		Rates Effective 12/31/03				Update Reserve to 12/31/03				Adjust Lives and Salvage Parameters			
Account Number	Category	Remaining Life Years	Reserve %	Future Net Salvage %	Depreciation Rate %	Remaining Life Years	Reserve %	Future Net Salvage %	Depreciation Rate %	Remaining Life Years	Reserve %	Future Net Salvage %	Depreciation Rate %
		A	B	C	D	E	F	G	H	I	J	K	L
2112	Motor Vehicles	3.6	66.4%	16.0%	4.9%	3.8	57.7%	16.0%	6.9%	3.8	57.7%	16.0%	6.9%
2114	Special Pupose Vehicles	9.8	0.0%	0.0%	10.2%	4.4	43.9%	0.0%	12.8%	4.4	43.9%	0.0%	12.8%
2115	Garage Work Equipment	10.2	-55.1%	-4.0%	15.6%	9.1	-17.2%	-4.0%	13.3%	9.1	-17.2%	-4.0%	13.3%
2116	Other Work Equipment	5.4	7.2%	7.0%	15.9%	6.7	44.6%	7.0%	7.2%	6.7	44.6%	7.0%	7.2%
2121	Buildings	26.0	29.2%	-6.0%	3.0%	24.0	27.6%	-6.0%	3.3%	24.0	27.6%	-6.0%	3.3%
2122	Furniture	5.5	-10.8%	0.0%	20.1%	6.8	72.6%	0.0%	4.0%	6.8	72.6%	0.0%	4.0%
2123.1	Office Equipment	3.3	26.3%	0.0%	22.3%	2.5	102.4%	0.0%	0.0%	2.5	102.4%	0.0%	0.0%
2123.2	Company Communications Equipment	5.3	67.7%	0.0%	6.1%	4.6	92.3%	0.0%	1.7%	4.6	92.3%	0.0%	1.7%
2124	General Purpose Computer	2.4	72.4%	5.0%	9.4%	1.7	95.9%	5.0%	0.0%	1.7	95.9%	5.0%	0.0%
2212	Digital Switching Equipment	5.4	37.5%	3.0%	11.0%	5.2	54.9%	3.0%	8.1%	8.3	54.9%	0.0%	5.4%
2220	Operator Systems	4.1	96.6%	-3.0%	1.6%	3.8	5.1%	-3.0%	25.8%	3.8	5.1%	-3.0%	25.8%
2231	Radio Systems	6.6	64.0%	-2.0%	5.8%	5.0	98.3%	-2.0%	0.7%	5.0	98.3%	-2.0%	0.7%
2232	Circuit DDS	4.0	75.4%	3.0%	5.4%	3.4	90.2%	3.0%	2.0%	3.9	90.2%	0.0%	2.5%
2232	Circuit Digital	5.1	47.8%	2.0%	9.8%	5.3	60.6%	2.0%	7.1%	6.3	60.6%	0.0%	6.3%
2232	Circuit Analog	3.3	89.3%	0.0%	3.2%	2.8	101.3%	0.0%	0.0%	3.6	101.3%	0.0%	0.0%
2362	Other Terminal Equipment	6.4	49.9%	2.0%	7.5%	6.5	56.4%	2.0%	6.4%	6.5	56.4%	2.0%	6.4%
2411	Pole Lines	26.0	71.6%	-138.0%	6.4%	25.0	90.3%	-138.0%	5.9%	24.7	90.3%	-75.0%	3.4%
2421	Aerial Cable - Metallic	5.2	61.5%	-27.0%	12.6%	5.0	104.9%	-27.0%	4.4%	11.4	104.9%	-35.0%	2.6%
2421	Aerial Cable - Non Metallic	13.1	12.5%	-27.0%	8.7%	8.7	44.0%	-27.0%	9.5%	21.7	44.0%	-17.5%	3.4%
2422	Underground Cable - Metallic	5.8	50.8%	-6.0%	9.5%	5.5	83.1%	-6.0%	4.2%	13.3	83.1%	-30.0%	3.5%
2422	Underground Cable - Non Metallic	7.7	26.5%	-6.0%	10.3%	6.8	49.7%	-6.0%	8.3%	21.1	49.7%	-6.0%	2.7%
2423	Buried Cable - Metallic	5.6	40.0%	-7.0%	12.0%	5.4	71.7%	-7.0%	6.5%	12.0	71.7%	-10.0%	3.2%
2423	Buried Cable - Non Metallic	12.9	24.8%	-7.0%	6.4%	8.7	49.3%	-7.0%	6.6%	18.6	49.3%	-5.0%	3.0%
2424	Submarine Cable - Metallic	1.4	-20.6%	0.0%	86.1%	0.5	121.6%	0.0%	0.0%	0.5	121.6%	-1.0%	0.0%
2424	Submarine Cable - Non Metallic	9.0	0.0%	0.0%	11.1%	0.0	0.0%	0.0%	0.0%	0.0	0.0%	0.0%	0.0%
2426	Intrabuilding Cable - Metallic	8.3	70.7%	0.0%	3.5%	7.7	76.8%	0.0%	3.0%	9.5	76.8%	0.0%	2.4%
2426	Intrabuilding Cable - Non Metallic	6.1	20.2%	0.0%	13.1%	6.2	61.2%	0.0%	6.3%	14.6	61.2%	0.0%	2.7%
2431	Aerial Wire	5.5	16.8%	-30.0%	20.6%	5.3	90.5%	-30.0%	7.5%	10.2	90.5%	-40.0%	4.9%
2441	Conduit Systems	44.0	21.1%	-20.0%	2.2%	43.0	23.8%	-20.0%	2.2%	42.9	23.8%	-20.0%	2.2%

STATEMENT B
INTRASTATE BASIS
CHANGE IN ANNUAL DEPRECIATION ACCRUALS
RESULTING FROM CHANGES IN DEPRECIATION RATES
($000)

Account Number	Category	Investment 1/1/04	Rates Effective 12/31/03 Rate Amount	Amortization Amount	Total	Update Reserve to 12/31/03 Rate Amount	Amortization Amount	Total	Change in Accruals	Adjust Lives and Salvage Parameters Rate Amount	Amortization Amount	Total	Change in Accruals
		M	N=D*M	O	P=N+O	Q=H*M	R	S=Q+R	T=S-P	U=L*M	V	W=U+V	X=W-P
2112	Motor Vehicles	50,002	2,450	0	2,450	3,450	0	3,450	1,000	3,450	0	3,450	1,000
2114	Special Pupose Vehicles	18	2	0	2	2	0	2	0	2	0	2	0
2115	Garage Work Equipment	1,075	168	0	168	143	0	143	-25	143	0	143	-25
2116	Other Work Equipment	27,124	4,313	0	4,313	1,953	0	1,953	-2,360	1,953	0	1,953	-2,360
2121	Buildings	168,555	5,057	0	5,057	5,562	0	5,562	506	5,562	0	5,562	506
2122	Furniture	1,253	252	0	252	50	0	50	-202	50	0	50	-202
2123.1	Office Equipment	4,186	933	0	933	0	0	0	-933	0	0	0	-933
2123.2	Company Communications Equipment	1,719	105	0	105	29	0	29	-76	29	0	29	-76
2124	General Purpose Computer	68,171	6,408	0	6,408	0	0	0	-6,408	0	0	0	-6,408
2212	Digital Switching Equipment	899,493	98,944	0	98,944	72,859	0	72,859	-26,085	48,573	0	48,573	-50,372
2220	Operator Systems	1,962	31	0	31	506	0	506	475	506	0	506	475
2231	Radio Systems	20,998	1,218	0	1,218	147	0	147	-1,071	147	0	147	-1,071
2232	Circuit DDS	3,517	190	0	190	70	0	70	-120	88	0	88	-102
2232	Circuit Digital	1,084,182	106,250	0	106,250	76,977	0	76,977	-29,273	68,303	0	68,303	-37,946
2232	Circuit Analog	25,342	811	0	811	0	0	0	-811	0	0	0	-811
2362	Other Terminal Equipment	51,022	3,827	0	3,827	3,265	0	3,265	-561	3,265	0	3,265	-561
2411	Pole Lines	38,664	2,475	0	2,475	2,281	0	2,281	-193	1,315	0	1,315	-1,160
2421	Aerial Cable - Metallic	145,482	18,331	0	18,331	6,401	0	6,401	-11,929	3,783	0	3,783	-14,548
2421	Aerial Cable - Non Metallic	6,840	595	0	595	650	0	650	55	233	0	233	-363
2422	Underground Cable - Metallic	284,540	27,031	0	27,031	11,951	0	11,951	-15,081	9,959	0	9,959	-17,072
2422	Underground Cable - Non Metallic	133,505	13,751	0	13,751	11,081	0	11,081	-2,670	3,605	0	3,605	-10,146
2423	Buried Cable - Metallic	1,194,457	143,335	0	143,335	77,640	0	77,640	-65,695	38,223	0	38,223	-105,112
2423	Buried Cable - Non Metallic	17,322	1,109	0	1,109	1,143	0	1,143	35	520	0	520	-589
2424	Submarine Cable - Metallic	2	2	0	2	0	0	0	-2	0	0	0	-2
2424	Submarine Cable - Non Metallic	0	0	0	0	0	0	0	0	0	0	0	0
2426	Intrabuilding Cable - Metallic	31,784	1,112	0	1,112	954	0	954	-159	763	0	763	-350
2426	Intrabuilding Cable - Non Metallic	773	101	0	101	49	0	49	-53	21	0	21	-80
2431	Aerial Wire	8,069	1,662	0	1,662	605	0	605	-1,057	395	0	395	-1,267
2441	Conduit Systems	330,286	7,266	0	7,266	7,266	0	7,266	0	7,266	0	7,266	0
	TOTAL	4,600,342	447,728	0	447,728	285,035	0	285,035	-162,693	198,154	0	198,154	-249,574
					9.7%			6.2%				4.3%	

STATEMENT C
INTRASTATE BASIS
SUMMARY OF RESERVES 1-1-2004

Account Number	Category	Investment 1/1/04	Book Reserve Amount	Book Reserve Percent	Update Reserve to 12/31/03: Average Service Life	Average Remaining Life	Average Net Salvage	Future Net Salvage	Theoretical Reserve Amount	Theoretical Reserve Percent	Adjust Lives and Salvage Parameters: Average Service Life	Average Remaining Life	Average Net Salvage	Future Net Salvage	Theoretical Reserve Amount	Theoretical Reserve Percent
		A	B	C=B/A	D	E	F	G	H	I	J	K	L	M	N	O
2112	Motor Vehicles	50,002,464	28,870,369	57.7%	9.2	3.8	15.4%	16.0%	24,529,470	49.1%	9.2	3.8	15.4%	16.0%	24,529,470	49.1%
2114	Special Pupose Vehicles	18,258	8,024	43.9%	14.9	4.4	0.0%	0.0%	12,866	70.5%	14.9	4.4	0.0%	0.0%	12,866	70.5%
2115	Garage Work Equipment	1,074,994	-184,705	-17.2%	13.6	9.1	-24.0%	-4.0%	226,065	21.0%	13.6	9.1	-24.0%	-4.0%	226,065	21.0%
2116	Other Work Equipment	27,123,901	12,101,709	44.6%	10.8	6.7	9.0%	7.0%	9,912,781	36.5%	10.8	6.7	9.0%	7.0%	9,912,781	36.5%
2121	Buildings	168,555,110	46,482,803	27.6%	34.0	24.0	2.0%	-6.0%	62,067,941	36.8%	34.0	24.0	2.0%	-6.0%	62,067,941	36.8%
2122	Furniture	1,253,232	910,003	72.6%	13.4	6.8	3.0%	0.0%	636,343	50.8%	13.4	6.8	3.0%	0.0%	636,343	50.8%
2123.1	Office Equipment	4,185,608	4,287,951	102.4%	12.5	2.5	0.0%	0.0%	3,348,486	80.0%	12.5	2.5	0.0%	0.0%	3,348,486	80.0%
2123.2	Company Communications Equipment	1,719,023	1,586,731	92.3%	10.2	4.6	-0.1%	0.0%	943,002	54.9%	10.2	4.6	-0.1%	0.0%	943,002	54.9%
2124	General Purpose Computer	68,171,220	65,345,000	95.9%	8.7	1.7	6.0%	5.0%	52,241,095	76.6%	8.7	1.7	6.0%	5.0%	52,241,095	76.6%
2212	Digital Switching Equipment	899,492,511	493,905,660	54.9%	11.0	5.2	3.0%	3.0%	460,049,533	51.1%	14.2	8.3	-2.1%	0.0%	362,691,850	40.3%
2220	Operator Systems	1,962,173	100,607	5.1%	12.0	3.8	-3.0%	-3.0%	1,381,043	70.4%	12.0	3.8	-1.3%	-3.0%	1,391,606	70.9%
2231	Radio Systems	20,997,530	20,642,508	98.3%	17.6	5.0	-1.0%	-2.0%	15,392,621	73.3%	17.6	5.0	-2.1%	-2.0%	15,327,004	73.0%
2232	Circuit DDS	3,516,888	3,171,205	90.2%	10.4	3.4	8.0%	3.0%	2,353,610	66.9%	11.0	3.9	0.8%	0.0%	2,279,967	64.8%
2232	Circuit Digital	1,084,181,775	657,468,596	60.6%	10.7	5.3	2.0%	2.0%	536,214,014	49.5%	11.8	6.3	-2.1%	0.0%	493,183,264	45.5%
2232	Circuit Analog	25,342,409	25,674,921	101.3%	14.7	2.8	-1.0%	0.0%	20,467,012	80.8%	15.5	3.6	1.2%	0.0%	19,527,062	77.1%
2362	Other Terminal Equipment	51,022,353	28,796,299	56.4%	11.1	6.5	8.0%	2.0%	22,514,188	44.1%	11.1	6.5	8.0%	2.0%	22,514,188	44.1%
2411	Pole Lines	38,664,356	34,911,771	90.3%	35.0	25.0	-86.0%	-138.0%	40,652,809	105.1%	35.3	24.7	-72.4%	-75.0%	21,021,361	54.4%
2421	Aerial Cable - Metallic	145,481,570	152,605,742	104.9%	14.5	5.0	-21.0%	-27.0%	124,060,663	85.3%	21.9	11.4	-35.7%	-35.0%	93,634,330	64.4%
2421	Aerial Cable - Non Metallic	6,839,635	3,012,601	44.0%	15.0	8.7	-27.0%	-27.0%	3,648,261	53.3%	28.0	21.7	-6.8%	-17.5%	2,375,405	34.7%
2422	Underground Cable - Metallic	284,539,853	236,393,171	83.1%	19.4	5.5	-6.0%	-6.0%	216,103,618	75.9%	28.4	13.3	-41.4%	-30.0%	181,482,324	63.8%
2422	Underground Cable - Non Metallic	133,504,518	66,293,221	49.7%	13.4	6.8	-6.0%	-6.0%	69,701,314	52.2%	28.0	21.1	4.2%	-6.0%	45,135,017	33.8%
2423	Buried Cable - Metallic	1,194,457,308	855,895,237	71.7%	14.0	5.4	-7.0%	-7.0%	785,099,725	65.7%	21.6	12.0	-22.2%	-10.0%	502,999,244	42.1%
2423	Buried Cable - Non Metallic	17,321,629	8,542,486	49.3%	18.0	8.7	-7.0%	-7.0%	9,575,974	55.3%	28.0	18.6	10.9%	-5.0%	7,935,409	45.8%
2424	Submarine Cable - Metallic	1,887	2,294	121.6%	22.0	0.5	0.0%	0.0%	1,844	97.7%	22.0	0.5	-1.2%	-1.0%	1,862	98.7%
2424	Submarine Cable - Non Metallic	0	0	0.0%	0.0	0.0	0.0%	0.0%	0	0.0%	0.0	0.0	0.0%	0.0%	0	0.0%
2426	Intrabuilding Cable - Metallic	31,784,356	24,404,951	76.8%	22.0	7.7	2.0%	0.0%	20,882,322	65.7%	23.7	9.5	6.8%	0.0%	19,910,150	62.6%
2426	Intrabuilding Cable - Non Metallic	773,315	473,231	61.2%	10.5	6.2	0.0%	0.0%	316,691	41.0%	19.1	14.6	7.1%	0.0%	224,164	29.0%
2431	Aerial Wire	8,068,659	7,303,094	90.5%	11.2	5.3	-25.0%	-30.0%	5,716,501	70.8%	15.2	10.2	-38.0%	-40.0%	3,824,120	47.4%
2441	Conduit Systems	330,285,891	78,455,729	23.8%	57.0	43.0	-20.0%	-20.0%	97,347,421	29.5%	57.0	42.9	-23.8%	-20.0%	88,596,583	26.8%
	Total	4,600,342,426	2,857,461,209	62.1%					2,585,397,212	56.2%					2,037,972,957	44.3%

PARAMETER REPORT

Account Number	Category	First ELG Year	Current Prescribed P.L. or AYFR	Current Prescribed Average Net Salvage	Current Prescribed Future Net Salvage	Current Prescribed Iowa Curve Shape	Staff Recommendation P.L. or AYFR	Staff Recommendation Average Net Salvage	Staff Recommendation Future Net Salvage	Staff Recommendation Iowa Curve Shape
		A	B	C	D	E	F	G	H	I
2112	Motor Vehicles	1983	8.6	15.4%	16.0%	L3.0	8.6	15.4%	16.0%	L3.0
2114	Special Pupose Vehicles		16.1	0.0%	0.0%	S6.0	16.1	0.0%	0.0%	S6.0
2115	Garage Work Equipment		13.7	-24.0%	-4.0%	L0.0	13.7	-24.0%	-4.0%	L0.0
2116	Other Work Equipment		11.5	9.0%	7.0%	L4.0	11.5	9.0%	7.0%	L4.0
2121	Buildings	1983	43.0	2.0%	-6.0%	R1.0	43.0	2.0%	-6.0%	R1.0
2122	Furniture	1983	9.5	3.0%	0.0%	O4.0	9.5	3.0%	0.0%	O4.0
2123.1	Office Equipment	1983	7.0	0.0%	0.0%	L0.5	7.0	0.0%	0.0%	L0.5
2123.2	Company Communications Equipment		8.3	-0.1%	0.0%	L0.5	8.3	-0.1%	0.0%	L0.5
2124	General Purpose Computer	1983	5.0	6.0%	5.0%	O1.0	5.0	6.0%	5.0%	O1.0
2212	Digital Switching Equipment	1983	10.0	3.0%	3.0%	O1.0	15.0	-2.1%	0.0%	O1.0
2220	Operator Systems	1983	10.7	-3.0%	-3.0%	S2.0	8.0	-1.3%	-3.0%	S2.0
2231	Radio Systems	1983	15.1	-1.0%	-2.0%	S1.5	15.1	-2.1%	-2.0%	S1.5
2232	Circuit DDS	1983	8.1	8.0%	3.0%	L1.0	9.0	0.8%	0.0%	L1.0
2232	Circuit Digital	1983	10.0	2.0%	2.0%	O2.0	12.0	-2.1%	0.0%	O2.0
2232	Circuit Analog	1983	8.0	-1.0%	0.0%	L0.0	9.5	1.2%	0.0%	L0.0
2362	Other Terminal Equipment		6.8	8.0%	2.0%	O3.0	6.8	8.0%	2.0%	O3.0
2411	Pole Lines	1982	46.4	-86.0%	-138.0%	O1.0	46.4	-72.4%	-75.0%	O1.0
2421	Aerial Cable - Metallic	1982	12.0	-21.0%	-27.0%	R1.0	23.0	-35.7%	-35.0%	R1.0
2421	Aerial Cable - Non Metallic	1982	14.5	-27.0%	-27.0%	SQ	27.5	-6.8%	-17.5%	SQ
2422	Underground Cable - Metallic	1982	15.0	-6.0%	-6.0%	R1.5	27.5	-41.4%	-30.0%	R1.5
2422	Underground Cable - Non Metallic	1982	13.1	-6.0%	-6.0%	SQ	27.5	4.2%	-6.0%	SQ
2423	Buried Cable - Metallic	1982	12.0	-7.0%	-7.0%	L1.5	23.0	-22.2%	-10.0%	L1.5
2423	Buried Cable - Non Metallic	1982	17.6	-7.0%	-7.0%	SQ	27.5	10.9%	-5.0%	SQ
2424	Submarine Cable - Metallic	1982	15.0	0.0%	0.0%	SQ	23.0	-1.2%	-1.0%	SQ
2424	Submarine Cable - Non Metallic	1982	9.0	0.0%	0.0%	SQ	27.5	0.0%	0.0%	SQ
2426	Intrabuilding Cable - Metallic	1982	19.0	2.0%	0.0%	L2.0	22.5	6.8%	0.0%	L2.0
2426	Intrabuilding Cable - Non Metallic	1982	11.5	0.0%	0.0%	O1.0	27.5	7.1%	0.0%	O1.0
2431	Aerial Wire		8.9	-25.0%	-30.0%	L0.0	15.0	-38.0%	-40.0%	L0.0
2441	Conduit Systems	1982	56.6	-20.0%	-20.0%	SQ	56.6	-23.8%	-20.0%	SQ

SUMMARY OF STAFF'S RECOMMENDED LIVES

Account Number	Category	FCC Projection Life Range (Years) Low	FCC Projection Life Range (Years) High	Recent Observed Lives	Current Prescribed Lives	Staff Recommended Lives	FCC Future Net Salvage Range (Percent) Low	FCC Future Net Salvage Range (Percent) High	Surviving Vintage Average Net Salvage	Recent Observed Average Net Salvage	Current Prescribed Future Net Salvage	Staff Recommended Future Net Salvage
		A	B	C	D	E	F	G	H	I	J	K
2112	Motor Vehicles	7.5	9.5		8.6	8.6	10%	20%			16.0%	16.0%
2114	Special Pupose Vehicles	12.0	18.0		16.1	16.1	0%	10%			0.0%	0.0%
2115	Garage Work Equipment	12.0	18.0		13.7	13.7	0%	10%			-4.0%	-4.0%
2116	Other Work Equipment	12.0	18.0		11.5	11.5	0%	10%			7.0%	7.0%
2121	Buildings				43.0	43.0					-6.0%	-6.0%
2122	Furniture	15.0	20.0		9.5	9.5	0%	10%			0.0%	0.0%
2123.1	Office Equipment	10.0	15.0		7.0	7.0	0%	10%			0.0%	0.0%
2123.2	Company Communications Equipment	7.0	10.0		8.3	8.3	-5%	10%			0.0%	0.0%
2124	General Purpose Computer	6.0	8.0		5.0	5.0	0%	5%			5.0%	5.0%
2212	Digital Switching Equipment	12.0	18.0	29.0	10.0	15.0	0%	5%	-2.1%	-3.9%	3.0%	0.0%
2220	Operator Systems	8.0	12.0	7.6	10.7	8.0	0%	5%	-1.3%	-2.0%	-3.0%	-3.0%
2231	Radio Systems	9.0	15.0	17.0	15.1	15.1	-5%	5%	-2.1%	-2.7%	-2.0%	-2.0%
2232	Circuit DDS	7.0	11.0	16.6	8.1	9.0	-5%	10%	0.8%	-1.6%	3.0%	0.0%
2232	Circuit Digital	11.0	13.0	28.2	10.0	12.0	0%	5%	-2.1%	-6.6%	2.0%	0.0%
2232	Circuit Analog	8.0	11.0	20.6	8.0	9.5	-5%	0%	1.2%	2.5%	0.0%	0.0%
2362	Other Terminal Equipment	5.0	8.0		6.8	6.8	-5%	5%			2.0%	2.0%
2411	Pole Lines	25.0	35.0	63.1	46.4	46.4	-75%	-50%	-72.4%	-87.2%	-138.0%	-75.0%
2421	Aerial Cable - Metallic	20.0	26.0	41.1	12.0	23.0	-35%	-10%	-35.7%	-67.2%	-27.0%	-35.0%
2421	Aerial Cable - Non Metallic	25.0	30.0	41.1	14.5	27.5	-25%	-10%	-6.8%	-9.3%	-27.0%	-17.5%
2422	Underground Cable - Metallic	25.0	30.0	64.0	15.0	27.5	-30%	-5%	-41.4%	-74.5%	-6.0%	-30.0%
2422	Underground Cable - Non Metallic	25.0	30.0	64.0	13.1	27.5	-20%	-5%	4.2%	4.6%	-6.0%	-6.0%
2423	Buried Cable - Metallic	20.0	26.0	58.8	12.0	23.0	-10%	0%	-22.2%	-34.7%	-7.0%	-10.0%
2423	Buried Cable - Non Metallic	25.0	30.0	58.8	17.6	27.5	-10%	0%	10.9%	20.1%	-7.0%	-5.0%
2424	Submarine Cable - Metallic	25.0	30.0	23.0	15.0	23.0	-5%	0%	-1.2%	0.0%	0.0%	-1.0%
2424	Submarine Cable - Non Metallic	25.0	30.0	23.0	9.0	27.5	-5%	0%	0.0%	0.0%	0.0%	0.0%
2426	Intrabuilding Cable - Metallic	20.0	25.0	67.0	19.0	22.5	-30%	-5%	6.8%	8.1%	0.0%	0.0%
2426	Intrabuilding Cable - Non Metallic	25.0	30.0	67.0	11.5	27.5	-15%	0%	7.1%	20.5%	0.0%	0.0%
2431	Aerial Wire				8.9	15.0			-38.0%	-56.9%	-30.0%	-40.0%
2441	Conduit Systems	50.0	60.0	77.2	56.6	56.6	-10%	0%	-23.8%	-20.1%	-20.0%	-20.0%

Sources:
FCC Ranges from FCC 94-174, Released June 28, 1994, Appendix B, FCC 95-181, Released May 4, 1995, Appendix B, and FCC 99-397, Released December 30, 1999, Appendix B.
Recent Observed Lives from Attachment A of Qwest's response to WDA 02-06
Recent Observed Net Salvages from Attachment A of Qwest's response to WDA 01-05

Arizona
T-01051B-03-0454
Dunkel 01-005

INTERVENOR: Dunkel and Associates

REQUEST NO: 005

For each depreciable account, provide the Gross Salvage and Cost of Removal data for the years 1983 through 2003. This should be information similar to that provided on "Table A, Annual Retirements, Gross Salvage and Cost of Removal" included in the Qwest Supplement to Application filed November 12, 1997 in the prior Depreciation Case (Docket No T-1051B-97-0689), excepted using the more current data (20 years through 2003). For each year the information should at include, but not necessarily limited to, the plant in service, the plant retired, the gross salvage, and the cost of removal. Provide in electronic format (in the same electronic format as this information is provided to the FCC) on an IBM compatible 3.5" disk or CD and in paper format.

RESPONSE:

See Non-confidential Attachments "A" and "B" for the requested information.

Respondent: Jim Jones, Qwest Manager

06/04/04
09:41 AM
XREF: 09
PRES: 1997,SF,02
PROP: 2004,SA,02

COMPANY: QWEST CORPORATION
STATE: ARIZONA
ACCOUNT: 2411 POLE LINES
CATEGORY: 2411 POLE LINES
PAGE 1 OF 1

TABLE A
ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

TOTAL RETIREMENTS

YEAR	PLANT IN SERVICE DEC. 31	PLANT RETIRED*	GROSS SALVAGE* AMOUNT	GROSS SALVAGE* PERCENT	COST OF REMOVAL* AMOUNT	COST OF REMOVAL* PERCENT	NET SALVAGE PERCENT
	A	B	C	D=(C/B) *100	E	F=(E/B) *100	G=(D-F)
1983	27,890,000	890,152	28,032	3.1	383,664	43.1	-40.0
1984	28,599,000	428,132	93,532	21.8	449,039	104.9	-83.1
1985	29,518,000	312,530	31,420	10.1	256,335	82.0	-71.9
1986	30,486,000	565,825	25,165	4.4	266,672	47.1	-42.7
1987	30,737,923	871,433	7,151	0.8	255,243	29.3	-28.5
1988	32,498,505	362,720	4,452	1.2	213,297	58.8	-57.6
1989	33,668,265	595,511	27,578	4.6	291,369	48.9	-44.3
1990	34,825,124	709,526	4,083	0.6	350,674	49.4	-48.8
1991	36,463,035	106,275	-263	-0.2	354,151	333.2	-333.4
1992	38,334,023	82,018	0	0.0	317,435	387.0	-387.0
1993	40,374,609	247,168	0	0.0	440,542	178.2	-178.2
1994	41,751,738	230,013	0	0.0	251,018	109.1	-109.1
1995	41,938,944	182,121	1,932	1.1	285,681	156.9	-155.8
1996	42,410,540	329,930	6,776	2.1	196,170	59.5	-57.4
1997	43,818,511	499,151	5,006	1.0	203,868	40.8	-39.8
1998	45,034,213	354,440	5,096	1.4	150,162	42.4	-41.0
1999	46,616,809	149,852	1,340	0.9	116,947	78.0	-77.1
2000	48,178,092	104,870	2,422	2.3	167,057	159.3	-157.0
2001	49,844,594	116,994	1,201	1.0	174,026	148.7	-147.7
2002	51,293,484	310,853	649	0.2	1,256,896	404.3	-404.1
2003	52,703,590	308,799	3,733	1.2	-517,860	-167.7	168.9
GRAND TOTAL		7,758,313	249,305	3.2	5,862,386	75.6	-72.4
1983-2003#		7,758,313	249,305	3.2	5,862,386	75.6	-72.4
1994-2003##		2,587,023	28,155	1.1	2,283,965	88.3	-87.2

\# REPRESENTS RETIREMENTS FROM SURVIVING VINTAGES.
\## BAND OF LAST 10 ACTIVITY YEARS.
* EXCLUDING SALES & TRANSACTIONS THAT WERE EXCLUDED FROM LIFE DETERMINATION.

Arizona
T-01051B-03-0454 and T-00000D-00-0672
WDA 04-032

INTERVENOR: William W. Dunkel and Associates

REQUEST NO: 032

RE: DSL

Please provide the following:

a. A complete description of the Company's DSL service, including the type of DSL service, the tariff under which the service is offered, and a diagram of the network configuration of the Company's DSL offering.

b. The amount of DSL investment by account/subaccount(s) where such investment is recorded.

c. Description of the equipment contained in the investment included in response to part (b).

d. The amount of DSL related reserves and expenses by account/subaccount(s) where such expenses and reserves are recorded.

e. Separately show the amounts of DSL costs provided in response to parts (b) and (d) above which are included in the Company's test year regulated operations.

f. The separations category in which the DSL investment is included in the Company's Part 36 Cost Study, and the percentage of this DSL investment which is allocated to the intrastate jurisdiction in the Company's Part 36 Cost Study.

g. Is it the Company's understanding the DSL service is used primarily for Internet access? If not, please explain.

h. As of 12-31-03 please provide the number of lines in which the Company provided DSL service over the same loop that local service is provided, that is the number of loops in which DSL shares the line with local service.

i. As of 12-31-03 please provide the number of lines in which the Company provided DSL service over a separate loop, which is the number of lines in which DSL does not share the loop with any other service.

RESPONSE:

a. See Non-Confidential Attachment A for a complete technical description, including diagrams, of Qwest's DSL service. Qwest offers its DSL service under its FCC Tariff # 1, Section 8.4.

b. Direct incremental DSL investment by Field Reporting Code (FRC) is identified in Confidential Attachment B to this response

c. Please see the Company's response to UTI Set 2, Request 001 for a description of equipment included within each FRC.

d. Please see the response to part (b) above for the related depreciation reserves associated with the investment. The Company does not separately track and is unable to identify separate expenses associated with this or any other product. The Company's expenses are identified as required by Part 32 of the FCC's rules and regulations.

e. The Company's costs are separated between the interstate and intrastate jurisdictions as required by Part 36 of the FCC's rules and regulations. No special separations studies have been created for DSL services or any other regulated products.

f. The separations categories for each Part 32 account identified in Parts b and d of this response are determined based on Part 36 rules and regulations. Please see the Company's response to WDA, Set 02, Request 020 in this docket.

g. Yes.

h. Please see the response provided to RUCO, Set 02, Request 046 in this docket.

i. Zero

Respondents: Parts a, g, h and i: Maryann Klasinski, Michael Wolz, Reed Peterson
Respondents: Parts b, c, d, e and f: Mike Hudson, Don Hunsaker and Deb Hayek

THIS SCHEDULE CONTAINS INFORMATION DESIGNATED
AS CONFIDENTIAL BY QWEST
AND HAS BEEN REDACTED FROM THIS
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