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IDAHO PUBLIC UTILITIES COMMISSION



December 18, 2019

Jean D. Jewell
Commission Secretary
Idaho Public Utilities Commission
P.O. Box 83720
Boise, Idaho 83720-0074

QWE-T-20-01

Dear Ms. Jewell,

Pursuant to Commission Order No. 28784, GNR-T-01-10 please find enclosed Qwest Corporation's application for the Idaho Broadband Tax Credit for the year 2018. This application is being submitted for Commission determination that the broadband equipment installed for 2018 meets the definition of qualified broadband equipment as found in Idaho code 63-3029I.

1. Name address of the applicant:

Qwest Corporation
PO Box 9070
Monroe, LA 71211

Contact Person:

Amanda Brown, Director – Tax Accounting
Phone: 318-330-6327

Qwest Corporation is a Telecommunications Carrier

2. Identify the area or location where the equipment is installed in Idaho.

Please refer to Exhibit 1 for equipment installed in the year 2018. See Exhibit 2 for retirements.

Broadband investment and retirements for 2018 are as follows:

| YEAR | INVESTMENT | RETIREMENTS | NET INVESTMENT |
|------|--------------|---------------|----------------|
| 2018 | \$42,308,222 | (\$2,694,065) | \$39,614,157 |

3. Type of Broadband service offered to the public in Idaho.

Qwest Corporation uses terrestrial wireline technology. Various forms of DSL-based equipment are used (ADSL & VDSL in various vintages). Transport is a mix of fiber optic and metallic cable, which typically is also supporting traditional telephony services. Equipment terminals are located in Central Office buildings, remote buildings and in cabinets on concrete pads each serving a neighborhood.

4. Network Transmission rate:

The transmission rate of DSL- based broadband services ranges from 256kbs to 40 mbps, to and from a subscriber. Please refer to Exhibit 3.

5. Provide a specific list of equipment types that the application is requesting the Commission to determine is "qualified broadband equipment" as defined in Idaho Code Section 63-3029I. Please refer to Exhibit 1 for the year 2018.

6. Installation dates:

Please refer to Exhibit 1 for the year 2018.

7. Written description of our Broadband Network including a description of how the installed equipment is an "integral part" of the broadband network:

Services are supported by our telecommunications network which consists of voice and data switches (circuit and packet), copper and fiber optic cables and transmission equipment. At central office building and at remote sites, multiplexers and advanced digital switches are controlled by licensed software. Fiber-optic cable is the primary transport media between nodes including interconnection points with other carriers. We continue to enhance and expand our network as broadband enabled technology improves and as customers, new and existing, demand significant additional capacity.

8. Percentage and number of potential subscribers:

Total customers with the potential to be high-speed internet subscribers in Idaho is 225,562 of 233,838 potential subscribers, or 96%. Please refer to Exhibit 4.

9. Certified statement from applicant:

Please See Exhibit 5.

If you have any questions concerning this filing, please contact me at (318) 330-6327.

Sincerely,



Amanda Brown
Director – Tax Accounting

Encl

EXHIBIT 1

Equipment Installed In Idaho

2018

EXHIBIT 1

Equipment Installed In Idaho

2018

Year 2018
 COMP_ID T083

| Sum of SumOfYTD_TOT_ACT | INITIATIVE_DESCRIPTION | EXCHANGE_DESCRIPTION | LEADORE | NORTH FORK | SALMON | Grand Total |
|---------------------------------------|------------------------|----------------------|---------|------------|--------|-------------|
| ACCESS - CAPACITY | CONSTANTS | | | 11,161 | | 11,161 |
| ACCESS - MAINTAIN | COPPER | | | | | 17,326 |
| | ENGINEERING | | | | | 17,326 |
| | FIBER OPTIC | | | | | 5,741 |
| | POLE REMEDIATION | | | | | 5,741 |
| DSL EXISTING MKT EXPANSION | COPPER | | | | | 8,979 |
| | ENGINEERING | | | | | 222 |
| | FIBER OPTIC | | 2,611 | | | 18,330 |
| | NEW FEATURES | | | | | 51,812 |
| | TRANSMISSION/DLC | | | | | 59,208 |
| DSL GROWTH | CONSTANTS | | | | | 477,298 |
| HSI BANDWIDTH AUGMENTATION | ENGINEERING | | | | | 5,619 |
| | TRANSMISSION/DLC | | | | | 65,703 |
| IP-ETHERNET CORE | ENGINEERING | | | | | 1,896 |
| NATIONAL MARKETABLE REVENUE - FEDERAL | TRANSMISSION/DLC | | | | | 1,896 |
| NETWORK PLAN - SWITCHING | ENGINEERING | | | | | 10,250 |
| NETWORK RELIABILITY | ENGINEERING | | | | | 8,276 |
| | ENGINEERING | | | | | 2,508 |
| | ENGINEERING | | | | | 25 |
| ROADMOVES(CABLE AND DLC'S) | SWITCHING | | | | | 487 |
| | ENGINEERING | | | | | 487 |
| Grand Total | | | | | | 3,780 |
| | | | | | | 48,620 |
| | | | | | | 6,713 |
| | | | | | | 726,070 |
| | | | | | | 7,313 |
| | | | | | | 758,229 |

EXHIBIT 2

Equipment Retirements

2018

Sum of BOOK_FINAL_TOTAL_RETURNS_AMT

| Include | 2014 | 2015 | 2016 | 2017 | 2018 | 2018 Total | TAX_COMPANY_DESX T600 IDAHO CENTRAL | T600 IDAHO WESTERN | Grand Total | filter out zero's |
|--------------------|------------|------|------|------|------|------------|--|--------------------|---------------|-------------------|
| LKU Idaho Ret Incl | | | | | | | | | | |
| Include | 2014 | | | | | | 5,877,114.08 | - | 5,877,114.08 | 5,877,114.08 |
| Include | 2014 | | | | | | 1,102.01 | - | 1,102.01 | 1,102.01 |
| Include | 2014 | | | | | | 19,159.62 | - | 19,159.62 | 19,159.62 |
| Include | 2014 | | | | | | 132.85 | - | 132.85 | 132.85 |
| Include | 2014 Total | | | | | | 5,897,508.56 | - | 5,897,508.56 | 5,897,508.56 |
| Include | 2015 | | | | | | 55,112.04 | - | 55,112.04 | 55,112.04 |
| Include | 2015 | | | | | | 5,019,769.33 | - | 5,019,769.33 | 5,019,769.33 |
| Include | 2015 | | | | | | 1,313.55 | - | 1,313.55 | 1,313.55 |
| Include | 2015 | | | | | | 68,946.80 | - | 68,946.80 | 68,946.80 |
| Include | 2015 Total | | | | | | 1,294.56 | - | 1,294.56 | 1,294.56 |
| Include | 2016 | | | | | | 5,146,436.28 | - | 5,146,436.28 | 5,146,436.28 |
| Include | 2016 | | | | | | 212,098.00 | - | 212,098.00 | 212,098.00 |
| Include | 2016 | | | | | | 7,568,254.92 | - | 7,568,254.92 | 7,568,254.92 |
| Include | 2016 | | | | | | 161,787.21 | - | 161,787.21 | 161,787.21 |
| Include | 2016 Total | | | | | | 633.78 | - | 633.78 | 633.78 |
| Include | 2017 | | | | | | 853.65 | - | 853.65 | 853.65 |
| Include | 2017 | | | | | | 7,943,627.56 | - | 7,943,627.56 | 7,943,627.56 |
| Include | 2017 | | | | | | 66,628.88 | - | 66,628.88 | 66,628.88 |
| Include | 2017 | | | | | | 19.59 | - | 19.59 | 19.59 |
| Include | 2017 | | | | | | 10,704,836.54 | - | 10,704,836.54 | 10,704,836.54 |
| Include | 2017 | | | | | | 54.80 | - | 54.80 | 54.80 |
| Include | 2017 Total | | | | | | 36,841.41 | - | 36,841.41 | 36,841.41 |
| Include | 2018 | | | | | | 1,327.07 | - | 1,327.07 | 1,327.07 |
| Include | 2018 | | | | | | 10,809,708.29 | - | 10,809,708.29 | 10,809,708.29 |
| Include | 2018 | | | | | | 4,446.07 | - | 4,446.07 | 4,446.07 |
| Include | 2018 | | | | | | 149,247.15 | - | 149,247.15 | 149,247.15 |
| Include | 2018 | | | | | | 2,095.21 | - | 2,095.21 | 2,095.21 |
| Include | 2018 | | | | | | 3,957.91 | - | 3,957.91 | 3,957.91 |
| Include | 2018 | | | | | | 5,492.57 | - | 5,492.57 | 5,492.57 |
| Include | 2018 Total | | | | | | 165,238.91 | - | 165,238.91 | 165,238.91 |
| Include Total | | | | | | | 29,962,519.60 | - | 29,962,519.60 | 29,962,519.60 |

EXHIBIT 3

Network Transmission Rates

2018

QWEST CORPORATION
 IDAHO BROADBAND CREDIT
 NETWORK TRANSMISSION RATES
 QUESTION # 4

T600

| ID LUs | 1000 mbps | 140 mbps | 120 mbps | 100 mbps | 80 mbps | 60 mbps | 40 mbps | 20mbps | 12mbps | 7mbps | 5mbps | 3mbps | 1.5mbps | 256kbps | Total ID |
|----------|-----------|----------|----------|----------|---------|---------|---------|---------|---------|--------|--------|--------|---------|---------|----------|
| EOY 2013 | | | | | | | 146,819 | 96,678 | 113,591 | 79,072 | 28,647 | 37,452 | 64,205 | 1,980 | 621,638 |
| EOY 2014 | | | | | | | 239,089 | 138,588 | 27,631 | 44,533 | 29,902 | 38,542 | 62,084 | 1,969 | 637,696 |
| EOY 2015 | | | | | | | 249,652 | 141,960 | 29,652 | 42,066 | 29,983 | 38,306 | 58,098 | 1,793 | 645,237 |
| EOY 2016 | | | | | | | 261,627 | 145,278 | 29,644 | 42,377 | 26,154 | 37,732 | 55,231 | 1,715 | 653,163 |
| EOY 2017 | | | | | | | 297,897 | 141,044 | 26,970 | 53,319 | 10,386 | 33,912 | 45,412 | 1,154 | 610,094 |
| EOY 2018 | 38510 | 26305 | 22562 | 44295 | 71204 | 34566 | 84314 | 31016 | 112015 | 74229 | 11497 | 35235 | 42952 | 1088 | 629788 |

NOTE: Where LU means Living Unit. A Living Unit is a street address where Qwest Corporation might send a bill and where wireline plant is not far away. Where mbps means megabits per second. These are download speeds. Upload speeds vary. These are availability counts, not subscribership counts.

EXHIBIT 4

**Idaho
Broadband
Subscribers**

2018

QWEST CORPORATION
 IDAHO BROADBAND CREDIT
 PERCENTAGE AND NUMBER OF POTENTIAL SUBSCRIBERS
 QUESTION #8

T600

| ID LUs | TOTAL LU'S | TOTAL WKG LU'S | WKG QUALIFIED LU'S | TOTAL QUALIFIED LU'S | % WKG QUALIFIED LU'S |
|----------|------------|----------------|--------------------|----------------------|----------------------|
| EOY 2013 | 621,638 | 240,797 | 224,842 | 568,444 | 93% |
| EOY 2014 | 637,696 | 238,228 | 224,238 | 583,905 | 94% |
| EOY 2015 | 645,237 | 238,867 | 226,513 | 591,510 | 95% |
| EOY 2016 | 653,163 | 240,247 | 229,186 | 599,758 | 95% |
| EOY 2017 | 661,135 | 237,093 | 227,317 | 610,094 | 96% |
| EOY 2018 | 679,754 | 233,838 | 225,562 | 629,788 | 96% |

0.958767
 0.964608

NOTE: Where LU means Living Unit. A Living Unit is a street address where Qwest Corporation might send a bill and where wireline plant is not far away. A working Living Unit is an address where Qwest now sends a bill for some type of service, not necessarily internet access service and not necessarily telephony service. A qualified LU is an address where DSL-based service could be provisioned in a short interval of time.

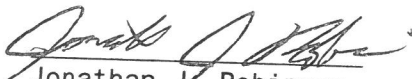
EXHIBIT 5

**Idaho
Broadband
Certification**

2018

**IDAHO BROADBAND CERTIFICATION
EXHIBIT 5
2018**

I hereby, certify that Representatives of Qwest Corporation (the applicant) have read the application statutes for the broadband investment income tax credit and the applicant believes that the subject broadband equipment qualifies for the tax credit under Idaho Code Section 63-3029I .


Jonathan J. Robinson
VP North American Tax