Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of	)	
	)	WC Docket No. 10-90
Connect America Fund	)	

DECLARATION OF PETER COPELAND

I, Peter Copeland, hereby declare the following:

1. I am Director – Economic Cost for CenturyLink. In this position, I am responsible for developing economic cost models for use in universal service cost proceedings, cost support for all regulated products, and economic analyses of regulatory issues. I have been employed by CenturyLink and its predecessor and affiliated companies (Mountain Bell, Bellcore, US WEST, Qwest) for 31 years and have worked on universal service models since 1992. I have a Bachelor of Arts in Urban Studies from Brown University and a Masters in Public Administration from the University of Colorado. I am submitting this Declaration in support of comments filed in this proceeding by the Price Cap Carrier Coalition.

2. I worked on a team with other representatives of members of the United States Telecom Association ("USTelecom") to analyze alternatives for the use of incremental support under Phase I of the Connect America Fund ("CAF"). This team's efforts included the development of a workable framework for the Commission's consideration by which remaining CAF Phase I incremental support could be distributed to price cap carriers for the buildout of second-mile fiber deployments.

3. In developing this framework, the team decided it was appropriate to identify support amounts separately for fiber feeder and associated electronics, given the significant

differences in the costs associated with these network components. The team also sought to utilize data from the CostQuest Broadband Analytical Tool ("CQBAT") model. Because the point of this exercise was to develop forward-looking costs associated with second-mile fiber deployments in unserved areas, the CQBAT model allows costs to be estimated only in the areas not served by an unsubsidized competitor or telecommunications carrier at 4/1 speeds. Attempting to gather similar information from actual construction records would have been considerably more difficult and, in any event, would have reflected historical costs.

4. An estimate of the CQBAT fiber feeder investment per mile is not directly available from the investment output reports of the CQBAT model. However, in 2012, USTelecom asked CostQuest to build a Feeder Cost Estimation tool based on the data in the CQBAT model.

5. Although I was not involved in the development of the Feeder Cost Estimation tool that was built by CostQuest, it is my understanding that this tool utilizes the material, structure, engineering, and labor inputs from the CQBAT model. The tool has adjustable inputs for the various components, including: (i) percent mix of rural/suburban/urban; (ii) percent structure ownership for aerial/buried/underground; and (iii) percent normal terrain/medium terrain/hard terrain. In developing the proposal submitted by the Price Cap Carrier Coalition in this proceeding, the rural/suburban/urban mixture and the terrain mixtures were based on the CQBAT data for areas without an unsubsidized competitor providing 4/1 service. This data was extracted from the CQBAT FTTd run by CostQuest and used as an input in the tool. The structure ownership was based on the weighted ownership between the rural, suburban, and urban areas. The plant mix was based on the national average data weighted for the rural, suburban, urban mix in the targeted areas. These inputs drive the estimation of the investment

for a 48 strand fiber cable using the material and structure inputs from the CQBAT model, which the tool calculated as $38,910 per fiber mile. Attached to my declaration as Appendix 1 is a summary sheet of the user-adjustable inputs used in this calculation.

6. An estimate of total electronic investment is directly available from the investment output of the CQBAT FTTd run. The components of electronics investment include the router, regeneration, feeder-distribution interface, DSLAM, fiber cable splitters, and splitter cards. The sum of these investments is divided by working customers, which was calculated as $318 per enabled location basis. Attached to my declaration as Appendix 2 is a screen shot from the CQBAT FTTd run reflecting this calculation.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information and belief.

Peter Copeland

Peter Copeland

Dated: January 28, 2013

APPENDIX 1

Adjustable Inputs

Toggle	User Adjustable Value	UOM		Notes	
AssumedTypicalBuildDistance	20,000	Feet		*For build, what is the assume build distance*	Neligible influence
TypicalDistanceBetweenSplices	2,500	Feet		*For build, what is the typical distance between splices*	CQBAT Input (TypicalCableSegmentLength)
FiberSize	48	Strands		*For build, what is the fiber sheath size*	
State	@	StateCode		*use @ for average, for user supplied, please enter values under State = ZUA in the plant mix table and state sales tax table*	
PctRural	85%	percent		*For build, what % of route is in rural densities*	PublicFTTd CQBAT dataset, Cable Unserved
PctSuburban	14%	percent		*For build, what % of route is in suburban densities*	PublicFTTd CQBAT dataset, Cable Unserved
PctUrban	1%	percent		*For build, what % of route is in urban densities*	PublicFTTd CQBAT dataset, Cable Unserved
AerialStructureOwnership	48%	percent		*For build, what % of structure is new and owned*	CQBAT Input
BuriedStructureOwnership	93%	percent		*For build, what % of structure is new and owned*	CQBAT Input
UgdStructureOwnership	93%	percent		*For build, what % of structure is new and owned*	CQBAT Input
PctNormalTerrain	26%	percent		*For build, what % of route is in normal terrain*	PublicFTTd CQBAT dataset, Cable Unserved
PctMediumTerrain	46%	percent		*For build, what % of route is in medium difficulty terrain*	PublicFTTd CQBAT dataset, Cable Unserved
PctHardTerrain	28%	percent		*For build, what % of route is in hard difficulty terrain*	PublicFTTd CQBAT dataset, Cable Unserved

Build Assumptions (Autofilled)

	Aerial	Buried	Underground	
Rural	34.10%	55.49%	10.41%	***This table is automatically filled in. To adjust, select the appropriate State value above.***
Suburban	23.04%	44.93%	32.02%	
Urban	15.42%	33.51%	51.08%	

Build Summary

Splice Setups	8	
Splices	384	
Total Cost for Fiber	$ 24,917.55	
Total Cost for Aerial Structure	$ 14,398.52	
Total Cost for Buried Structure	$ 50,136.03	
Total Cost for Ugd Structure	$ 57,933.53	
Total Cost per Mile	**$ 38,909.81**	***This is the cost for a dedicated fiber build.***

APPENDIX 2

ServiceArea	WorkingCust	DataTake	Node0ElectronicsInv2	Node0ElectronicsInvC	Node2CCableInv2	Node2ElectronicsInv2	Node2ElectronicsInvS	Wtd Avg DSLAM Per DataTake	Wtd Avg FDI Per DataTake	Wtd Avg RouterRegen Per DataTake	Total Per DataTake
	31,431,887	28,128,498	$ 848,924,479	$ 156,230,776	$ 358,136,899	$ 4,057,633,509	$ 3,515,906,826	$ 269.24	$ 12.73	$ 35.73	$ 317.71