

REDACTED – FOR PUBLIC INSPECTION

CONFIDENTIAL] and an expected term of **[BEGIN HIGHLY CONFIDENTIAL]**
■ [END HIGHLY CONFIDENTIAL] months, lost revenues from that RFP would
equal approximately **[BEGIN HIGHLY CONFIDENTIAL]** **■ [END**
HIGHLY CONFIDENTIAL]

/s/ Julie Brown
Julie Brown

February 27, 2013

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Attachment C

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DECLARATION OF MARK GAST

1. My name is Mark A. Gast. My business address is 5454 West 110th Street, Overland Park, KS 66211. I am employed as Director of Regulatory Operations at CenturyLink. In that capacity, I act as a financial witness and manage and oversee regulatory financial analyses in support of federal and state regulatory proceedings for CenturyLink's Public Policy organization. I have been employed by CenturyLink and its predecessor companies for 26 years, holding positions in Tax, Budgeting, Accounting, Regulatory Finance, and Regulatory Affairs. I have earned a Master's in Business Administration, a Master's of Science in Accounting, and have been a Certified Public Accountant since 1977 and a Certified Management Accountant since 1991.
2. The purpose of my declaration is to address Joint CLECs' claim that reductions in regulation, such as the forbearance granted in the *Enterprise Broadband Forbearance Orders*, have resulted in less investment by ILECs.¹
3. Given ILECs' declining numbers of access lines in service, the Joint CLECs' simple comparisons of total capital investment from year-to-year present a flawed and misleading picture. This is illustrated by a comparison of Qwest Corporation's ("QC's") capital investment between 2007, the year before its enterprise broadband services were detariffed, and 2013. Although QC's annual capital expenditures were relatively flat

¹ See Opposition of tw telecom, *et al.*, to CenturyLink's Forbearance Petition at 27, WC Dkt. No. 14-9 (Feb. 14, 2014) ("Joint CLEC Opp.").

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during this period – ranging from [BEGIN CONFIDENTIAL] [REDACTED] [REDACTED] [END CONFIDENTIAL]² – its access lines declined by [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL].³ As a result, its investment per access line actually increased by more than [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] during this period, from [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] per line.

4. The joint CLECs' claim that "no empirical evidence [exists] to support the theory that deregulation by the FCC yields increased investment by incumbent LECs or competitive LECs"⁴ is wrong as demonstrated by a review of QC's investment per access line. Although its absolute total capital expenditures may be flat or declining, a more accurate picture of QC's true economics demonstrates that its actual spending per access line has increased significantly since forbearance relief was granted in 2008.

/s/ Mark A. Gast
Mark A. Gast

February 27, 2013

² QC's capital investment was [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] in 2007; [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] in 2008; [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] in 2009; [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] in 2010; [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] in 2011; [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] in 2012; and [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] in 2013.

³ QC's access lines were [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] in 2007; [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] in 2008; [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] in 2009; 9.2 million in 2010; 8.5 million in 2011; 8.1 million in 2012; and [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] in 2013.

⁴ Joint CLEC Opp. at 28.

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CERTIFICATE OF SERVICE

I, Marc D. Knox, hereby certify that on February 28, 2014, a copy of the attached redacted version of CENTURYLINK'S REPLY COMMENTS IN SUPPORT OF ITS PETITION FOR FORBEARANCE was served via U.S. mail, first class, postage prepaid on:

Karen Reidy
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1200 G Street, NW
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and

Charles W. McKee
Vice President, Government Affairs
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Norina T. Moy
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/s/ Marc D. Knox
Marc D. Knox