YEAR ENDING 2007

ANNUAL REPORT
OF
Qwest Corporation

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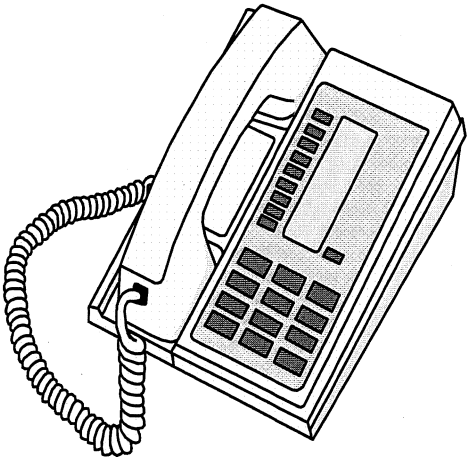
PUBLIC SERVICE
COMMISSION

TELEPHONE UTILITY



TO THE
PUBLIC SERVICE COMMISSION
STATE OF MONTANA
1701 PROSPECT AVENUE
P.O. BOX 202601
HELENA, MT 59620-2601

General Information

Year 2007

1. Legal Name of Respondent:
   Qwest Corporation
2. Name Under Which Respondent Does Business:
   Qwest Corporation
3. Date of Incorporation:
   The Colorado Telephone Company was organized January 10, 1881, consolidated with the Tri-State Telephone and Telegraph Company on July 17, 1911, forming the Mountain States Telephone and Telegraph Company which on July 20, 1911, purchased the Rocky Mountain Telephone Company. On January 1, 1991, the Mountain States Telephone and Telegraph Company was merged with Northwestern Bell and Pacific Northwest Bell to form U S WEST Communications, Inc. On July 1, 2000, U S WEST, Inc., together with all its subsidiaries, including U S WEST Communications, Inc., was merged into Qwest Communications International, Inc.
4. Address to send Correspondence Concerning Report:
   441 North Park Avenue, Room 007 - P. O. Box 1716
   Helena, Montana 59624
5. Person Responsible for This Report:
   Cheryl Gillespie

5a. Telephone Number:
   (406)441-7144

Control Over Respondent

1. If direct control over the respondent was held by another entity at the end of the year, provide the following:
   1a. Name and address of the controlling organization or person:
   Qwest Communications International, Inc.
   1801 California Street
   Denver, Colorado 80202
   1b. Means by which control was held:
   Through ownership of voting securities
   1c. Percent Ownership:
   100%

Board of Directors

Line No.	Name of Director and Address (City, State) (a)		Fees Paid During Year (b)
1	Edward A. Mueller	Denver, Colorado	None
2	John W. Richardson	Denver, Colorado	None
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13	Chairman of the Board: Edward A. Mueller		
14			
15			

Company Name: Qwest Corporation **SCHEDULE 2**

Officers

Year 2007

Line No.	Title of Officer (a)	Department Over Which Jurisdiction is Exercised (b)	Name and Address of Person Holding Office at Year End (c)
1	Chief Executive Officer & President		Edward A. Mueller, Denver, CO
2	Executive Vice President & Chief Financial Officer		John W. Richardson, Denver,CO
3	Executive Vice President	Network Operations	Robert D. Tregemba, Denver, CO
4	Executive Vice President	Consumer Markets	Paula Kruger, Denver, CO
5	Senior Vice President	Finance and Treasurer	Janet K. Cooper, Denver, CO
6	Vice President	Controller	R. William Johnston, Denver, CO
7	Senior Vice President	Public Policy	R. Steven Davis, Denver, CO
8	Vice President & Secretary		Stephen E. Brilz, Denver, CO
9	Vice President	Finance and Assistant Treasurer	Rahn K. Porter, Denver, CO
10	Vice President	Assistant Treasurer	Oscar A. Martinez Denver, CO
11	Vice President	Corporate Tax	Michael McElroy Denver, CO
12	Assistant Secretary		Julio C. Martin, Denver, CO
13	Assistant Secretary		Christain A. Pedersen Denver, CO

Company Name: Qwest Corporation

Total Company Balance Sheet

(Thousands of Dollars) **Year 2007**

Line No.		Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1			**CURRENT ASSETS:**		
2		1120	Cash and Equivalents	299,342	308,908
3		1180	Telecommunications Accounts Receivable - Net	899,028	999,219
4		1190	Other Accounts Receivable - Net	140,015	167,505
5		1200	Notes Receivable - Net	0	0
6		1210	Interest and Dividends Receivable	32,025	14,846
7		1220	Materials and Supplies	54,921	51,671
8	*	1280	Prepayments	23,208	23,372
9	^	1290	Prepaid Rents	4,326	4,200
10	^	1300	Prepaid Taxes	9,371	8,995
11	^	1310	Prepaid Insurance	0	0
12	^	1320	Prepaid Directory Expenses	0	0
13	^	1330	Other Prepayments	9,511	10,177
14		1350	Other Current Assets	9,795	6,078
15			**Total Current Assets**	1,458,333	1,571,599
16			**NONCURRENT ASSETS:**		
17		1401	Investments in Affiliated Companies	15,385	20,161
18		1402	Investments in Nonaffiliated Companies	32,180	137
19		1406	Nonregulated Investments	0	0
20		1407	Unamortized Debt Issuance Expense	137,950	143,309
21		1408	Sinking Funds	0	0
22		1410	Other Noncurrent Assets	1,024,854	983,913
23		1438	Deferred Maintenance and Retirements		
24		1439	Deferred Charges	902,362	620,709
25		1500	Other Jurisdictional Assets - Net	(255,278)	(276,541)
26			**Total Noncurrent Assets**	1,857,453	1,491,688
27			**PROPERTY, PLANT, & EQUIPMENT:**		
28		2001	Telecommunications Plant in Service	44,345,320	44,095,883
29		2002	Property Held for Future Telecommunications Use	0	0
30		2003	Plant Under Construction - Short Term	154,182	130,087
31		2004	Plant Under Construction - Long Term	0	0
32		2005	Telecommunications Plant Adjustment		
33		2006	Nonoperating Plant	8,674	6,090
34		2007	Goodwill	0	0
35		3100	Accumulated Depreciation	(31,193,827)	(30,018,197)
36		3200	Accumulated Depreciation - Held for Future Use	0	0
37		3300	Accumulated Depreciation - Nonoperating	(161)	(161)
38		3400	Accumulated Amortization (Includes 3500 and 3600)	(910,287)	(876,669)
39			**Net Property, Plant, & Equipment**	12,403,901	13,337,033
40			**TOTAL ASSETS**	15,719,687	16,400,320

^ Subaccount of account marked with a *.

Company Name: Qwest Corporation

Total Company Balance Sheet

(Thousands of Dollars) **Year 2007**

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
41		**CURRENT LIABILITIES:**		
42	4010	Accounts Payable	952,676	1,034,209
43	4020	Notes Payable	0	0
44	4030	Advance Billing and Payments	282,155	283,587
45	4040	Customer Deposits	12,941	12,226
46	4050	Current Maturities - Long Term Debt	320,009	70,209
47	4060	Current Maturities - Capital Leases	763	697
48	4070	Income Taxes - Accrued	71,748	105,875
49	4080	Other Taxes - Accrued	193,618	192,954
50	4100	Net Current Deferred Operating Income Taxes	0	0
51	4110	Net Current Deferred Nonoperating Income Taxes	0	0
52	4120	Other Accrued Liabilities	598,013	629,298
53	4130	Other Current Liabilities	3,635	25,701
54		**Total Current Liabilities**	2,435,559	2,354,755
55		**LONG-TERM DEBT:**		
56	4210	Funded Debt	7,657,177	7,727,186
57	4220	Premium on Long-Term Debt	0	0
58	4230	Discount on Long-Term Debt	(116,977)	(125,935)
59	4240	Reacquired Debt	0	0
60	4250	Obligations Under Capital Leases	6,562	7,325
61	4260	Advances From Affiliated Companies	0	0
62	4270	Other Long-Term Debt	0	0
63		**Total Long-Term Debt**	7,546,761	7,608,576
64		**OTHER LIABILITIES AND DEFERRED CREDITS:**		
65	4310	Other Long-Term Liabilities	2,593,756	2,342,818
66	4320	Unamort. Oper. Invest. Tax Credits - Net	73,646	87,045
67	4330	Unamort. Nonoper. Invest. Tax Credits - Net	0	0
68	4340	Net Noncurrent Deferred Oper. Income Taxes	1,376,848	1,608,462
69	4350	Net Noncurrent Deferred Nonoper. Income Taxes	13,475	13,304
70	4360	Other Deferred Credits	917,780	872,674
71	4370	Other Jurisdictional Liab. and Def. Credits	14,269	(110,471)
72		**Total Other Liabilities and Deferred Credits**	4,989,774	4,813,831
73		**STOCKHOLDERS' EQUITY:**		
74	4510	Capital Stock	10,761,204	10,585,333
75	4520	Additional Paid-In Capital	64,328	64,328
76	4530	Treasury Stock		
77	4540	Other Capital		
78	4550	Retained Earnings	(10,077,940)	(9,026,504)
79		**Total Stockholders' Equity**	747,592	1,623,157
80		**TOTAL LIAB. AND STOCKHOLDERS' EQUITY**	15,719,687	16,400,320

Company Name: Qwest Corporation **SCHEDULE 4**

Total Company Income Statement

(Thousands of Dollars) **Year 2007**

Line No.		Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1			**REVENUES:**		
2		5000	Basic Local Service Revenues	3,853,587	4,059,347
3		5080	Network Access Revenues	4,249,095	4,068,209
4	*	5100	Long Distance Message Revenue	30,639	40,238
5	^	5110	Unidirectional Long Distance Revenue (Note 1)	30,637	40,236
6	^	5120	Long Distance Private Network Revenue	2	2
7	^	5160	Other Long Distance Revenue	0	0
8	^	5169	Other Long Distance Revenue Settlements	0	0
9	*	5200	Miscellaneous Revenue	1,737,599	1,680,159
10	^	5230	Directory Revenue	58,448	64,897
11	^	5240	Rent Revenue	530,416	575,761
12	^	5250	Corporate Operations Revenue	51,721	37,092
13	^	5260	Miscellaneous Revenue	243,729	224,070
14	^	5270	Carrier Billing and Collection Revenue	200,720	194,086
15	^	5280	Nonregulated Revenue	652,564	584,252
16		5300	Uncollectible Revenue	82,418	65,190
17			**Total Revenues (L.2+L.3+L.4+L.9-L.16)**	9,788,501	9,782,764
18			**OPERATING EXPENSES:**		
19		6110	Network Support Expense	12,211	10,911
20		6120	General Support Expense	416,934	466,214
21		6210	Central Office Switching Expense	121,145	126,299
22		6220	Operator Systems Expense	273	94
23		6230	Central Office Transmission Expense	155,407	170,180
24		6310	Information Origination/Termination Expense	137,016	142,267
25		6410	Cable and Wire Facilities Expense	751,106	826,904
26		6431	Aerial Wire Expense	2,271	3,835
27		6441	Conduit Systems Expense	9,766	12,268
28		6510	Other Property, Plant & Equipment Expense	4,502	1,464
29		6530	Network Operations Expense	581,251	605,291
30		6540	Access Expense	186,396	235,678
31		6560	Depreciation and Amortization Expense	2,011,036	1,865,178
32		6610	Marketing	642,527	598,419
33		6620	Services	633,707	708,591
34		6710	Executive and Planning	23,272	44,804
35		6720	General and Administrative	814,578	882,577
36		6790	Provision for Uncollectible Notes Receivable	0	0
37			**Total Operating Expenses (Sum L.19 to L.36)**	6,491,361	6,684,871
38		7100	Other Operating Income and Expense	(6,463)	(36,178)
39		7200	Operating Taxes	1,169,304	821,474
40			**Net Operating Income (L.17-L.37-L.38-L.39)**	2,134,300	2,312,597
41		7300	Nonoperating Income and Expense	(37,954)	609
42		7400	Nonoperating Taxes	(17,854)	9,569
43		7500	Interest and Related Items	650,230	641,636
44		7600	Extraordinary Items	0	0
45		7910	Effects of Juris. Ratemaking Diff. - Net	(103,478)	(321,970)
46		7990	Nonregulated Net Income		
47			**NET INCOME (L.40-L.41-L.42-L.43-L.44-L.45-L.46)**	1,360,491	1,340,031

^ Subaccount of the account marked with a *.

Note 1: This includes accounts 5100, 5111, and 5112 to be consistent with prior years.

Company Name: Qwest Corporation **SCHEDULE 5**

Montana Total State Income Statement

(Thousands of Dollars) **Year 2007**

Line No.		Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1			**REVENUES:**		
2		5000	Basic Local Service Revenues	101,727	109,475
3		5080	Network Access Revenues	116,283	114,448
4	*	5100	Long Distance Message Revenue	644	889
5	^	5110	Unidirectional Long Distance Revenue (Note 1)	645	891
6	^	5120	Long Distance Private Network Revenue	(2)	(2)
7	^	5160	Other Long Distance Revenue	0	0
8	^	5169	Other Long Distance Revenue Settlements	0	0
9	*	5200	Miscellaneous Revenue	24,946	23,400
10	^	5230	Directory Revenue	1,519	1,709
11	^	5240	Rent Revenue	3,527	3,789
12	^	5250	Corporate Operations Revenue	490	444
13	^	5260	Miscellaneous Revenue	2,463	2,356
14	^	5270	Carrier Billing and Collection Revenue	4,556	4,316
15	^	5280	Nonregulated Revenue	12,391	10,786
16		5300	Uncollectible Revenue	1,096	1,177
17			**Total Revenues (L.2+L.3+L.4+L.9-L.16)**	242,505	247,035
18			**OPERATING EXPENSES:**		
19		6110	Network Support Expense	216	232
20		6120	General Support Expense	7,058	8,101
21		6210	Central Office Switching Expense	2,784	2,917
22		6220	Operator Systems Expense	0	0
23		6230	Central Office Transmission Expense	3,627	3,246
24		6310	Information Origination/Termination Expense	1,926	2,206
25		6410	Cable and Wire Facilities Expense	13,445	14,364
26		6431	Aerial Wire Expense	47	77
27		6441	Conduit Systems Expense	26	39
28		6510	Other Property, Plant & Equipment Expense	41	29
29		6530	Network Operations Expense	10,257	10,461
30		6540	Access Expense	2,642	3,915
31		6560	Depreciation and Amortization Expense	37,152	32,973
32		6610	Marketing	13,715	13,142
33		6620	Services	13,461	16,668
34		6710	Executive and Planning	483	980
35		6720	General and Administrative	17,038	17,346
36		6790	Provision for Uncollectible Notes Receivable		
37			**Total Operating Expenses (Sum L.19 to L.36-L.26-L.27)**	123,846	126,579
38		7100	Other Operating Income and Expense (Includes USF and Link Up America)	(1)	9
39		7200	Operating Taxes	47,083	50,528
40			**Net Operating Income (L.17-L.37-L.38-L.39)**	71,576	69,919

^ Subaccount of the account marked with a *.

Note 1: This includes accounts 5100, 5111, and 5112 to be consistent with prior years.

Company Name: Qwest Corporation **SCHEDULE 6**

Montana Intrastate Income Statement

(Thousands of Dollars) **Year 2007**

Line No.		Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1			**REVENUES:**		
2		5000	Basic Local Service Revenues	101,727	109,475
3		5080	Network Access Revenues	19,391	20,716
4	*	5100	Long Distance Message Revenue	645	888
5	^	5110	Unidirectional Long Distance Revenue (Note 1)	647	890
6	^	5120	Long Distance Private Network Revenue	(2)	(2)
7	^	5160	Other Long Distance Revenue	0	0
8	^	5169	Other Long Distance Revenue Settlements		
9	*	5200	Miscellaneous Revenue	7,799	7,823
10	^	5230	Directory Revenue	1,519	1,709
11	^	5240	Rent Revenue	2,507	2,660
12	^	5250	Corporate Operations Revenue	352	322
13	^	5260	Miscellaneous Revenue	1,953	1,868
14	^	5270	Carrier Billing and Collection Revenue	1,469	1,265
15	^	5280	Nonregulated Revenue	0	(0)
16		5300	Uncollectible Revenue	739	1,168
17			**Total Revenues (L.2+L.3+L.4+L.9-L.16)**	128,823	137,733
18			**OPERATING EXPENSES:**		
19		6110	Network Support Expense	144	156
20		6120	General Support Expense	4,474	5,212
21		6210	Central Office Switching Expense	1,754	1,840
22		6220	Operator Systems Expense	0	0
23		6230	Central Office Transmission Expense	2,300	2,062
24		6310	Information Origination/Termination Expense	210	229
25		6410	Cable and Wire Facilities Expense	9,253	9,886
26		6431	Aerial Wire Expense	33	53
27		6441	Conduit Systems Expense	18	27
28		6510	Other Property, Plant & Equipment Expense	27	19
29		6530	Network Operations Expense	6,248	6,321
30		6540	Access Expense	(452)	228
31		6560	Depreciation and Amortization Expense	24,996	22,154
32		6610	Marketing	7,722	6,876
33		6620	Services	9,252	11,640
34		6710	Executive and Planning	313	657
35		6720	General and Administrative	10,614	11,044
36		6790	Provision for Uncollectible Notes Receivable		
37			**Total Operating Expenses (Sum L.19 to L.36-L.26-L.27)**	76,856	78,324
38		7100	Other Operating Income and Expense (Includes USF and Link Up America)	(14,457)	(16,165)
39		7200	Operating Taxes	26,383	32,227
40			**Net Operating Income (L.17-L.37-L.38-L.39)**	40,041	43,347

^ Subaccount of the account marked with a *.

Note 1: This includes accounts 5100, 5111, and 5112 to be consistent with prior years.

Company Name: Qwest Corporation **SCHEDULE 7**

Montana Intrastate Regulated Income Statement

(Thousands of Dollars) **Year 2007**

Line No.		Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1			**REVENUES:**		
2		5000	Basic Local Service Revenues	100,751	108,065
3		5080	Network Access Revenues	14,834	16,052
4	*	5100	Long Distance Message Revenue	647	890
5	^	5110	Unidirectional Long Distance Revenue (Note 1)	647	890
6	^	5120	Long Distance Private Network Revenue	0	0
7	^	5160	Other Long Distance Revenue	0	0
8	^	5169	Other Long Distance Revenue Settlements	0	0
9	*	5200	Miscellaneous Revenue	6,327	6,556
10	^	5230	Directory Revenue	1,519	1,709
11	^	5240	Rent Revenue	2,584	2,732
12	^	5250	Corporate Operations Revenue	311	283
13	^	5260	Miscellaneous Revenue	1,931	1,832
14	^	5270	Carrier Billing and Collection Revenue	(17)	1
15	^	5280	Nonregulated Revenue	0	(0)
16		5300	Uncollectible Revenue	715	1,121
17			**Total Revenues (L.2+L.3+L.4+L.9-L.16)**	121,844	130,441
18			**OPERATING EXPENSES:**		
19		6110	Network Support Expense	138	150
20		6120	General Support Expense	4,170	4,802
21		6210	Central Office Switching Expense	1,689	1,800
22		6220	Operator Systems Expense	0	0
23		6230	Central Office Transmission Expense	2,068	1,789
24		6310	Information Origination/Termination Expense	202	222
25		6410	Cable and Wire Facilities Expense	8,985	9,607
26		6431	Aerial Wire Expense	33	53
27		6441	Conduit Systems Expense	18	27
28		6510	Other Property, Plant & Equipment Expense	26	18
29		6530	Network Operations Expense	5,963	6,044
30		6540	Access Expense	(452)	228
31		6560	Depreciation and Amortization Expense	33,862	40,182
32		6610	Marketing	7,584	6,778
33		6620	Services	8,599	10,528
34		6710	Executive and Planning	299	628
35		6720	General and Administrative	9,809	10,187
36		6790	Provision for Uncollectible Notes Receivable	0	0
37			**Total Operating Expenses (Sum L.19 to L.36-L.26-L.27)**	82,943	92,963
38		7100	Other Operating Income and Expense (Includes USF and Link Up America)	(14,457)	(16,165)
39		7200	Operating Taxes	20,326	32,124
40			**Net Operating Income (L.17-L.37-L.38-L.39)**	33,033	21,518

^ Subaccount of the account marked with a *.

Company Name: Qwest Corporation **SCHEDULE 8**

Average Rate Base - Total State

(Thousands of Dollars) **Year 2007**

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1	2001	Telecommunications Plant in Service	972,071	978,904
2	3100	Accumulated Depreciation (Note 1)	778,280	773,691
3	2002	Property Held for Future Telecommunications Use		
4	3200	Accumulated Depreciation - 2002		
5	1220	Materials and Supplies	413	779
6	4340	Noncurrent Deferred Operating Income Taxes	9,868	10,264
7		Pre-1971 Unamortized Investment Tax Credits		
8		Cash Working Capital (if allowed by Commission)		
9		Total Average Rate Base (L.1-L.2+L.3-L.4+L.5-L.6-L.7+L.8)	184,335	195,728

Average Rate Base - Intrastate

Line No.	Acct. No. (a)	Description (b)	This Year (c)	This Year (c)
1	2001	Telecommunications Plant in Service	644,848	650,226
2	3100	Accumulated Depreciation (Note 1)	514,226	510,537
3	2002	Property Held for Future Telecommunications Use		
4	3200	Accumulated Depreciation - 2002		
5	1220	Materials and Supplies	279	530
6	4340	Noncurrent Deferred Operating Income Taxes	6,642	6,910
7		Pre-1971 Unamortized Investment Tax Credits		
8		Cash Working Capital (if allowed by Commission)		
9		Total Average Rate Base (L.1-L.2+L.3-L.4+L.5-L.6-L.7+L.8)	124,260	133,309

Average Rate Base - Regulated Intrastate

Line No.	Acct. No. (a)	Description (b)	This Year (c)	This Year (c)
1	2001	Telecommunications Plant in Service	613,384	618,566
2	3100	Accumulated Depreciation (Note 1)	463,163	442,015
3	2002	Property Held for Future Telecommunications Use	0	0
4	3200	Accumulated Depreciation - 2002	0	0
5	1220	Materials and Supplies	270	513
6	4340	Noncurrent Deferred Operating Income Taxes	19,718	18,982
7		Pre-1971 Unamortized Investment Tax Credits		
8		Cash Working Capital (if allowed by Commission)		
9		Total Average Rate Base (L.1-L.2+L.3-L.4+L.5-L.6-L.7+L.8)	130,773	158,082

Note 1: This also includes Accumulated Amortizations, accounts 3410, 3420, 3500, 3600.

Company Name: Qwest Corporation **SCHEDULE 9**

Statement of Cash Flows

(Thousands of Dollars) **Year 2007**

Line No.	Item Description (a)	This Year (b)	Last Year (c)
1	**Increase/(decrease) in Cash & Cash Equivalents**		
2	**Cash Flows from Operating Activities:**		
3	Net Income	1,360,490	1,340,031
4	Reconciliation Adjustments:		
5	Depreciation & Amortization	2,011,036	1,865,178
6	Provision for Accounts Receivable Losses	82,418	65,190
7	Deferred Income Taxes - Net	(249,406)	(394,538)
8	Unamortized Investment Tax Credits (ITCs) - Net	(13,806)	(17,511)
9	Allowance for Funds Used During Construction (AFUDC)	(6,482)	(8,246)
10	Change in Operating Receivables - Net	34,841	(102,349)
11	Change in Materials, Supplies & Inventories - Net	(3,250)	8,494
12	Change in Operating Payables & Accrued Liabilities - Net	(171,063)	(127,390)
13	Change in Other Assets & Deferred Charges - Net	(30,855)	561,341
14	Change in Other Liabilities & Deferred Credits - Net	175,660	4,632
15	Other	31,490	(100,923)
16	Total Adjustments	1,860,583	1,753,878
17	**Net Cash Provided by/(Used in) Operating Activities**	3,221,073	3,093,909
18	**Cash Inflows/Outflows From Investing Activities:**		
19	Construction/Acquisition of Property, Plant & Equipment (net of		
20	AFUDC & Capital Lease Related Acquisitions)	(1,013,116)	(1,143,892)
21	Proceeds from Disposals of Property, Plant & Equipment	13,597	148,597
22	Investments In & Advances to Affiliates	0	0
23	Proceeds from Repayment of Advances	0	0
24	Other Investing Activities	0	0
25	**Net Cash Provided by/(Used in) Investing Activities**	(999,519)	(995,295)
26	**Cash Flows from Financing Activities:**		
27	Net Incr./(Decr.) in Short-Term Debt, Original maturity < = 3 mo.	0	0
28	Advances from Affiliates	0	0
29	Repayment of Advances from Affiliates	0	0
30	Proceeds from Issuances of Long-Term Debt	500,000	600,149
31	Repayment of Long-Term Debt	(320,209)	(589,700)
32	Payment of Capital Lease Obligations	(730)	(511)
33	Proceeds from Issuing Common Stock/Parent Co. Equity Investment	0	0
34	Repurchase of Treasury Shares	0	0
35	Dividends Paid	(2,400,209)	(1,926,000)
36	Other Financing Activities	(9,971)	(44,671)
37	Net Cash Provided by Financing Activities	(2,231,119)	(1,960,733)
38	Effect of Exchange Rate Changes on Cash	0	0
39	Net Increase/(Decrease) in Cash & Cash Equivalents	(9,565)	137,881
40	Cash & Cash Equivalents at Beginning of Period	308,907	171,026
41	Cash & Cash Equivalents at End of Period	299,343	308,907

Company Name: Qwest Corporation **SCHEDULE 10**

Receivables and Investments-Affiliated & Nonaffiliated Companies

(Thousands of Dollars) **Year 2007**

Line No.	Name of Affiliate or Company (a)	Account 1160 Temporary Investments (b)	Account 1180 Telecom. Accounts Receivable (c)	Account 1181 Accts. Rec. Telecom. Allowance (d)	Account 1190 Other Accounts Receivable (e)	Account 1191 Accounts Receivable Allow-Other (f)	Account 1200 Notes Receivable (g)	Account 1201 Notes Receivable Allowance (h)	Account 1210 Interest and Dividends Receivable (i)	Account 1401 Investments in Affil. Companies (j)	Account 1402 Investments in Nonaffil. Companies (k)
1	QWEST Wireless, LLC				3,750						
2	Malheur Home Telephone Company				1,135					7,375	
3	El Paso County Telephone				0					8,010	
4	QWEST Communications Corporation				57,807						
5	QWEST Communication Services, Inc				0						
6	QWEST DEX				0						
7	QWEST Advanced Technologies, Inc				0						
8	QWEST Business Resources, Inc				1,402						
9	QWEST Federal Services, Inc				0						
10	QWEST Interprise				0						
11	QWEST Broadband Services				6,070						
12	QWEST Long Distance				17,621						
13	QWEST Service Corporation				253						
14	QWEST Information Technologies, Inc.				9,026						
15	Western Reinsurance				72						
16	QCII				18,543						
17	CYBER				0						
18	QWEST Comm(Malheur & Wireless)				0						
19	QWEST Government Services				10						
20	QWEST Transoceanic				0						
21	QWEST N Partnership				0						
22											
23											
24											
25											
26	All other investments				5,525						
27	Non-affiliates	20,128	947,636	(48,608)	25,537	(6,736)	0	0	32,024		32,180
28											
29	Totals	20,128	947,636	(48,608)	146,751	(6,736)	0	0	32,024	15,385	32,180

Company Name: states Corporation - Montana **SCHEDULE 11**

Net Plant in Service - Detail

(Thousands of Dollars) **Year 2007**

Line No.		Account (a)	Description (b)	Beginning of Year Balance (c)	Additions (d)	Retirements (e)	Sales & Transfers (f)	End of Year Account 2001 Balance (g)	Year End Accumulated Depreciation (h)	End of Year Net Plant Balance (i)
1	*	2110	Land and Support Assets	71,601	1,320	844	0	72,076	39,122	32,955
2	^	2111	Land	1,880	0	0		1,880	0	1,880
3	^	2112	Motor Vehicles	8,068	38	342		7,764	6,462	1,302
4	^	2113	Aircraft	0	0	0		0	0	0
5	^	2114	Special Purpose Vehicles	122	0	0		122	137	(15)
6	^	2115	Garage Work Equipment	245	0	0		245	199	46
7	^	2116	Other Work Equipment	5,778	538	36		6,280	1,538	4,742
8	^	2121	Buildings	51,133	693	263		51,563	27,151	24,412
9	^	2122	Furniture	16	0	6		10	(54)	64
10	^	2123	Office Equipment	840	0	16		825	584	241
11	^	2124	General Purpose Computers	3,519	50	181		3,388	3,105	284
12		2211	Analog Electronic Switching	0	0	0		0		0
13		2212	Digital Electronic Switching	173,918	975	15,662		159,231	124,165	35,066
14		2215	Electro-Mechanical Switching	0	0	0		0		0
15		2220	Operator Systems	0	0	0		0		0
16		2231	Radio Systems	13,200	244	2,031		11,412	8,905	2,508
17		2232	Circuit Equipment	202,349	5,090	18,112		189,327	163,607	25,721
18	*	2310	Information Orig & Term Equip	6,210	(24)	(143)	0	6,328	3,941	2,387
19	^	2311	Station Apparatus	0	0	0		0		0
20	^	2321	Customer Premises Wiring	0	0	0		0		0
21	^	2341	Large Private Branch Exchanges	0	0	0		0		0
22	^	2351	Public Telephone Term. Equip.	0	0	0		0		0
23	^	2362	Other Terminal Equipment	6,210	(24)	(143)		6,328	3,941	2,387
24		2411	Poles	7,187	69	39		7,217	13,765	(6,547)
25	*	2420	Cable and Wire Facilities	452,376	8,914	563	0	460,727	387,143	73,584
26	^	2421	Aerial Cable	36,925	432	245		37,112	43,664	(6,552)
27	^	2422	Underground Cable	45,446	754	83		46,117	45,581	536
28	^	2423	Buried Cable	361,388	7,597	209		368,776	290,786	77,991
29	^	2424	Submarine Cable	32	0	0		32	30	2
30	^	2425	Deep Sea Cable	0	0	0		0		0
31	^	2426	Intrabuilding Network Cable	8,586	131	26		8,691	7,083	1,608
32		2431	Aerial Wire	1,231	8	2		1,237	1,274	(37)
33		2441	Conduit Systems	22,555	338	38		22,854	11,490	11,365
34			Totals	950,627	16,933	37,148	0	930,412	753,411	177,000

^ Subaccount of the account marked with a *.

Company Name: Qwest Corporation

SCHEDULE 12

Analysis of Plant Held for Future Use

(Thousands of Dollars)

Year 2007

Line No.	Location and Description of Property (a)	Date Included in Account 2002 (b)	Book Cost of Property at Beginning of Year (c)	Additions During the Year (d)	Retirements During the Year (e)	Transfers and Adjustments Charges and (Credits) (f)	Book Cost of Property at End of Year (g)
1	***Qwest Corporation - Montana had no***						
2	***Plant Held for Future Use in 2007.***						
3							
4							
5							
6							
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27							
28							
29							
30	Totals (Sum L.1 to L.29)		0	0	0	0	0

Cost of Long Term Debt

(Thousands of Dollars)

WRC

Year 2007

Line No.	Description (a)	Issue Date (b)	Maturity Date (c)	Principal Amount (d)	Gross Proceeds (e)	Net Proceeds (f)	Net Per $100 (g)	Outstanding Per Balance Sheet (h)	Yield to Maturity (i)	Annual Net Cost (j)	Amortization of Premium or Discount (k)	Total Cost (%) (l)
1	QWEST CORPORATION											
2												
3												
4	7.500% 30 Year Debenture	06/15/93	06/15/23	484,000	N/A	484,134	100.03	480,690	7.50%	36,300	113	7.58%
5	7.250% 30 Year Debenture	09/15/95	09/15/25	250,000	N/A	249,575	99.83	247,773	7.25%	18,125	61	7.34%
6	7.200% 31 Year Debenture	11/10/95	11/10/26	250,000	N/A	247,188	98.88	245,743	7.20%	18,000	104	7.37%
7	6.875% 40 Year Debenture	09/15/93	09/15/33	1,000,000	N/A	976,000	97.60	912,890	6.88%	68,750	1,085	7.65%
8	7.250% 40 Year Debenture	10/15/95	10/15/35	250,000	N/A	246,438	98.58	244,622	7.25%	18,125	58	7.43%
9	7.125% 50 Year Debenture	11/15/93	11/15/43	250,000	N/A	250,350	100.14	247,882	7.13%	17,813	13	7.19%
10	5.625% 10 Year Note	11/15/98	11/15/08	320,000	N/A	318,867	99.65	319,614	5.63%	18,000	429	5.77%
11	8.875% 10 Year Note	03/12/02	03/15/12	1,500,000	N/A	1,440,436	96.03	1,468,026	8.88%	133,125	6,153	9.49%
12	6.95% 7 Year Note	06/09/03	06/09/10	500,000	N/A	481,548	96.31	492,310	6.95%	34,750	2,835	7.63%
13	7.875% 7 Year Term Loan	08/19/04	09/01/11	575,000	N/A	558,756	97.17	564,988	7.88%	45,281	2,322	8.43%
14	7.875% 7 Year Term Loan	11/23/04	09/01/11	250,000	N/A	270,141	108.06	257,118	7.88%	19,688	(2,226)	6.79%
15	8 Year Floating Rate Note	06/17/05	06/15/13	750,000	N/A	738,750	98.50	742,322	8.24%	61,805	1,407	8.52%
16	7.625% 10 Year Note	06/17/05	06/15/15	400,000	N/A	394,000	98.50	395,111	7.63%	30,500	481	7.84%
17	7.50% 8 Year Note	08/08/06	10/01/14	600,000	N/A	592,500	98.75	593,245	7.50%	45,000	761	7.71%
18	6.50% 10 Year Note	05/16/17	06/01/17	500,000	N/A	496,750	99.35	493,795	6.50%	32,500	476	6.68%
19												
20												
21												
22	EASTERN REGION											
23												
24												
25	Refinanced Debenture	02/15/77	02/15/17		N/A			(4,542)			498	-10.96%
26	7.750% 40 Year Debenture	05/01/90	05/01/30	42,883	N/A	33,910	79.08	34,698	7.75%	3,323	100	9.87%
27												
28												
29	CENTRAL REGION											
30												
31												
32	Refinanced Debenture	11/01/76	11/01/16		N/A			(2,745)			311	-11.32%
33	Refinanced Debenture	09/15/77	09/15/17		N/A			(4,168)			429	-10.30%
34	Refinanced Debenture	06/01/83	06/01/23		N/A			(13,859)			899	-6.49%
35	Refinanced Debenture	02/01/85	02/01/25		N/A			(13,897)			813	-5.85%
36	Refinanced Debenture	02/01/77	02/01/17		N/A			(5,230)			575	-11.00%
37	Refinanced Debenture	02/01/77	02/01/17		N/A			(11,598)			1,276	-11.00%
38	7.375% 40 Year Debenture	05/01/90	05/01/30	55,150	N/A	41,535	75.31	42,762	7.38%	4,067	152	9.87%
39												
40												
41	Subtotal Page 1 of 2			7,977,033		7,820,878		7,727,549		605,151	19,124	

Company Name: Qwest Corporation

SCHEDULE 13

Cost of Long Term Debt

(Thousands of Dollars)

WRC

Year 2007

Line No.	Description (a)	Issue Date (b)	Maturity Date (c)	Principal Amount (d)	Gross Proceeds (e)	Net Proceeds (f)	Net Per $100 (g)	Outstanding Per Balance Sheet (h)	Yield to Maturity (i)	Annual Net Cost (j)	Amortization of Premium or Discount (k)	Total Cost (%) (l)
1	WESTERN REGION											
2												
3												
4	Refinanced Debenture	05/01/80	05/01/20		N/A			(5,443)			441	-8.11%
5												
6												
7												
8												
9												
10												
11												
12												
13												
14												
15												
16												
17												
18												
19												
20												
21												
22												
23												
24												
25												
26												
27												
28	Subtotal Page 2 of 2							(5,443)			441	
29												
30	Grand Total			7,977,033		7,820,878		7,722,106		605,151	19,565	

NOTES:

The amortization of debt issuance expenses are included in column K for the debt issue

The schedule includes funded debt and current maturities long term det

Company Name: Qwest Corporation

SCHEDULE 14

Cost of Preferred Stock

(Thousands of Dollars)

Year 2007

Line No.	Description (a)	Date of Issuance (b)	Method of Offering (c)	Call Redemption Price (d)	Par Value Of Issue (e)	Gross Proceeds Amounts (f)	Net Proceeds Amounts (g)	Net Proceeds Per $100 (h)	Cost of Money (i)	Principal Outstanding (j)	Annual Cost (k)	Embedded Cost (l)
1	*QWEST CORPORATION*											
2	*HAS NO PREFERRED STOCK*											
3												
4												
5												
6												
7												
8												
9												
10												
11												
12												
13												
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20												
21												
22												
23												
24												
25												
26												
27												
28												
29												
30	Totals (Sum L.1 to L.29)			0		0	0			0	0	0

Company Name: Qwest Corporation

SCHEDULE 15

Analysis of Common Stock

(Thousands of Dollars)

Year 2007

Line No.	(a)	Avg. Number of Shares Outstanding (b)	Book Value (per share) (c)	Earnings (per share) (d)	Dividends (per share) (e)	Retention Ratio (f)	Market Price High (g)	Market Price Low (h)	Price/ Earnings Ratio (i)
1	Year Ended December 31, 2006	1	747,592	1,360,489	2,400,000	N/M	N/A	N/A	N/A
2									
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14									
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22									
23									

Notes:

1. Qwest Corporation is 100% owned by Qwest Communications International, Inc., the parent company. Qwest Corporation has issued one share of stock to its parent company.
2. Because one share of stock is outstanding, all per share figures reflect gross dollar amounts of Book Value, Net Income, and Dividends.
3. Book Value (per share) in column C reflects Total Shareholders Equity and includes both capital stock and retained earnings.
4. Based on 2007 ARMIS data.

N/M=Not Meaningful

Capital Stock and Funded Debt Reacquired or Retired During the Year

(Thousands of Dollars) Year 2007

Line No.	Description of Security (a)	Call or Retirement Date (b)	Number of Shares (c)	Principal Amount (d)	Reacquisition or Retirement Cost (e)	Gain or (Loss) (f)	Retirement or Reacquisition (g)
1	FUNDED DEBT						
2							
3	Qwest Corporation						
4	40 YR 8.875% Debenture						
5	Due 06-01-31	6/4/2007		250,000			Reacquition
6							
7	Mountain Bell Telephone Company						
8	40 YR 6.00% Debenture						
9	Due 08-01-07	6/7/2007		70,200			Reacquition
10							
11							
12							
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24							
25							
26							
27							
28							
29							
30	Totals (Sum L.1 to L.29)		0	320,200	0	0	0

Company Name: Qwest Corporation

Total Company Expense Matrix

Year 2007

Line No.		Acct. No. (a)	Description (b)	Salaries and Wages (c)	Benefits (d)	Rents (e)	Other Expenses (f)	Clearances (g)	Total (h)
1	*	6110	Network Support Expense	**1,184,183**	**333,410**	**626,546**	**10,067,220**	**0**	**12,211,358**
2	^	6112	Motor Vehicle Expense	692,514	221,882	443,335	9,209,968	0	10,567,698
3	^	6113	Aircraft Expense	450,964	97,209	27,536	(639,004)	0	(63,294
4	^	6114	Special Purpose Vehicles Expense	14,893	5,299	4,837	67,123	0	92,153
5	^	6115	Garage Work Equipment Expense	2,359	912	91	479,589	0	482,951
6	^	6116	Other Work Equipment Expense	23,453	8,107	150.748	949,543	0	1,131,851
7	*	6120	General Support Expense	**25,717,460**	**8,118,276**	**95,011,859**	**288,086,345**	**0**	**416,933,940**
8	^	6121	Land and Building Expense	6,488,175	2,282,097	90,789.914	90,827,106	0	190,387,291
9	^	6122	Furniture and Artworks Expense	50,393	12,447	195,849	6,924,001	0	7,182,689
10	^	6123	Office Equipment Expense	2,847,573	1,003,503	1,892,548	8,784,357	0	14,527,981
11	^	6124	General Purpose Computers Expense	16,331,320	4,820,229	2,133,548	181,550,882	0	204,835,979
12	*	6210	Central Office Switching Expense	**72,991,337**	**25,741,106**	**208,172**	**22,204,596**	**0**	**121,145,210**
13	^	6211	Analog Electronic Expense	0	0	0	0	0	0
14	^	6212	Digital Electronic Expense	72,991,337	25,741,106	208,172	22,204,596	0	121,145,210
15	^	6215	Electro-Mechanical Expense	0	0	0	0	0	0
16		6220	Operator Systems Expense	908	344		272,353	0	273,605
17	*	6230	Central Office Transmission Expense	**94,768,566**	**33,367,747**	**368,485**	**26,901,945**	**0**	**155,406,742**
18	^	6231	Radio Systems Expense	1,428,209	502,670	6,954	1,364,247	0	3,302,081
19	^	6232	Circuit Equipment Expense	93,340,356	32,865,077	361,531	25,537,698	0	152,104,662
20	*	6310	Information Origination/Termination Expense	**85,846,066**	**30,198,853**	**375,284**	**20,596,184**	**0**	**137,016,386**
21	^	6311	Station Apparatus Expense	14,465,740	5,108,459	68,439	8,484,475	0	28,127,112
22	^	6341	Large Private Branch Exchange Expense	13,719,859	4,835,402	51,117	1,579,682	0	20,186,060
23	^	6351	Public Telephone Terminal Equipment Expense	979	381		4,545	0	5,906
24	^	6362	Other Terminal Equipment Expense	57,659,487	20,254,611	255,728	10,527,483	0	88,697,309
25	*	6410	Cable and Wire Facilities Expense	**423,849,490**	**123,853,787**	**24,902,905**	**178,499,749**	**0**	**751,105,930**
26	^	6411	Poles Expense	841,254	279,884	13,785.682	3,923,589	0	18,830,409
27	^	6421	Aerial Cable Expense	70,954,416	24,953,877	1,012,750	14,973,180	0	111,894,224
28	^	6422	Underground Cable Expense	27,951,248	9,645,972	1,138.051	4,914,959	0	43,650,230
29	^	6423	Buried Cable Expense	313,832,344	85,432,901	8,893,397	141,161,165	0	549,319,807
30	^	6424	Submarine Cable Expense	128	36	0	9	0	173
31	^	6425	Deep Sea Cable Expense	0	0	0	0	0	0
32	^	6426	Intrabuilding Network Cable Expense	9,725,373	3,382,584	47,027	2,219,754	0	15,374,738
33	^	6431	Aerial Wire Expense	86,782	30,362	280	2,153,288	0	2,270,711
34			**Subtotals**	703,900,065	221,485,349	121,467,534	537,474,587	0	1,584,327,534

^ Subaccount of the account marked with a *.

Total Company Expense Matrix

Year 2007

Line No.		Acct. No. (a)	Description (b)	Salaries and Wages (c)	Benefits (d)	Rents (e)	Other Expenses (f)	Clearances (g)	Total (h)
35	^	6441	Conduit Systems Expense	457,944	128,172	25,717	9,153,804	0	9,765,638
36		6510	Other Property Expenses	(1,577,267)	(285,626)	50	6,364,746	0	4,501,902
37	*	6530	Network Operations Expense	**278,672,675**	**129,592,418**	**35,863**	**172,950,513**	**0**	**581,251,468**
38	^	6531	Power Expense		0		74,971,444	0	74,971,444
39	^	6532	Network Administration Expense	6,057,552	1,362,177		(588,582)	0	6,831,147
40	^	6533	Testing Expense	94,695,039	33,357,470		1,869,192	0	129,921,701
41	^	6534	Plant Operations Expense	128,262,633	78,362,565	34,069	85,313,295	0	291,972,562
42	^	6535	Engineering Expense	49,657,451	16,510,206	1,794	11,385,163	0	77,554,614
43		6540	Access Expense				186,396,350	0	186,396,350
44		6561	Depreciation - Telecomm. Plant in Service				1,857,779,226	0	1,857,779,226
45		6562	Depreciation-Prop. for Future Telecom. Use					0	0
46		6563	Amortization Expense - Tangible				13,259,433	0	13,259,433
47		6564	Amortization Expense - Intangible				139,997,487	0	139,997,487
48		6565	Amortization - Other	0	0	0	0	0	0
49	*	6610	Marketing	**20,514,767**	**6,350,715**	**94**	**615,661,275**	**0**	**642,526,851**
50	^	6611	Product Management	1,495,446	391,463		81,796,409	0	83,683,319
51	^	6612	Sales	19,019,320	5,959,252	94	365,903,338	0	390,882,005
52	^	6613	Product Advertising				167,961,527	0	167,961,527
53		6621	Call Completion Services	6,333,587	3,562,210		13,282,621	0	23,178,418
54		6622	Number Services	23,825,203	14,487,296	141	2,024,348	0	40,336,987
55		6623	Customer Services	266,788,072	142,565,697	27,804	160,809,811	0	570,191,383
56		6711	Executive	97,813	312,422	3,060	17,519,999	0	17,933,294
57		6712	Planning				5,338,391	0	5,338,391
58		6721	Accounting and Finance	11,952,569	4,753,632	1,335	63,948,534	0	80,656,070
59		6722	External Relations	980,855	277,103		126,100,721	0	127,358,679
60		6723	Human Relations	458,231	164,804		50,814,491	0	51,437,526
61		6724	Information Management	4,100,666	1,177,064	573,416	289,111,658	0	294,962,804
62		6725	Legal				58,707,283	0	58,707,283
63		6726	Procurement				17,888,546	0	17,888,546
64		6727	Research and Development				100,956	0	100,956
65		6728	Other General and Administrative	(2,726,583)	96,981	2,552,475	183,543,154	0	183,466,026
66		6790	Provision for Uncollectible Notes Receivable	0	0	0	0	0	0
67		8747	Administrative Services Clearing	0	0	0	0	0	0
68			**Totals**	1,313,778,595	524,668,237	124,687,489	4,528,227,934	0	6,491,362,254

^ Subaccount of the account marked with a *.

Total State Expense Matrix

Year 2007

Line No.		Acct. No. (a)	Description (b)	Salaries and Wages (c)	Benefits (d)	Rents (e)	Other Expenses (f)	Clearances (g)	Total (h)
1	*	6110	Network Support Expense	**3,894**	**1,140**	**6,677**	**204,461**	**0**	**216,172**
2	^	6112	Motor Vehicle Expense	3,893	1,140		187,197	0	192,231
3	^	6113	Aircraft Expense			7,692	(7,692)	0	(0)
4	^	6114	Special Purpose Vehicles Expense			200	2,732	0	2,932
5	^	6115	Garage Work Equipment Expense				5,961	0	5,961
6	^	6116	Other Work Equipment Expense	0	0	(1,215)	16,262	0	15,047
7	*	6120	General Support Expense	**451,538**	**139,150**	**814,142**	**5,653,460**	**0**	**7,058,290**
8	^	6121	Land and Building Expense	187,826	65,743	722,538	1,851,314	0	2,827,422
9	^	6122	Furniture and Artworks Expense	2,575	716	104	54,233	0	57,628
10	^	6123	Office Equipment Expense	11,490	3,981	48,398	106,325	0	170,195
11	^	6124	General Purpose Computers Expense	249,646	68,710	43,100	3,641,588	0	4,003,044
12	*	6210	Central Office Switching Expense	**1,783,418**	**631,594**	**18,083**	**351,258**	**0**	**2,784,352**
13	^	6211	Analog Electronic Expense					0	0
14	^	6212	Digital Electronic Expense	1,783,418	631,594	18,083	351,258	0	2,784,352
15	^	6215	Electro-Mechanical Expense	0	0	0	0	0	0
16		6220	Operator Systems Expense				474	0	474
17	*	6230	Central Office Transmission Expense	**1,906,720**	**666,695**	**1,047**	**1,052,708**	**0**	**3,627,169**
18	^	6231	Radio Systems Expense	41,712	14,193	93	23,809	0	79,806
19	^	6232	Circuit Equipment Expense	1,865,008	652,502	954	1,028,899	0	3,547,363
20	*	6310	Information Origination/Termination Expense	**1,122,901**	**396,463**	**684**	**405,707**	**0**	**1,925,755**
21	^	6311	Station Apparatus Expense	58,774	21,173	42	186,616	0	266,605
22	^	6341	Large Private Branch Exchange Expense	202,270	71,301	130	34,840	0	308,541
23	^	6351	Public Telephone Terminal Equipment Expense	947	370		129	0	1,446
24	^	6362	Other Terminal Equipment Expense	860,910	303,619	512	184,121	0	1,349,162
25	*	6410	Cable and Wire Facilities Expense	**6,636,991**	**1,941,736**	**1,545,628**	**3,320,969**	**0**	**13,445,324**
26	^	6411	Poles Expense	5,986	2,138	282,663	66,296	0	357,082
27	^	6421	Aerial Cable Expense	1,224,096	426,767	254,964	351,229	0	2,257,056
28	^	6422	Underground Cable Expense	237,577	84,005	124,631	65,526	0	511,739
29	^	6423	Buried Cable Expense	5,006,897	1,371,971	883,283	2,730,307	0	9,992,460
30	^	6424	Submarine Cable Expense	0	0	0	0	0	0
31	^	6425	Deep Sea Cable Expense	0	0	0	0	0	0
32	^	6426	Intrabuilding Network Cable Expense	157,007	55,225	87	41,415	0	253,734
33	^	6431	Aerial Wire Expense	3,085	1,088	0	43,124	0	47,298
34			Subtotals	11,903,119	3,776,237	2,386,261	10,965,965	0	29,031,580

^ Subaccount of the account marked with a *.

Total State Expense Matrix

Year 2007

Line No.		Acct. No. (a)	Description (b)	Salaries and Wages (c)	Benefits (d)	Rents (e)	Other Expenses (f)	Clearances (g)	Total (h)
35	^	6441	Conduit Systems Expense	2,342	541		23,072	0	25,955
36		6510	Other Property Expenses	(12,743)	(5,184)	0	59,302	0	41,375
37	*	6530	Network Operations Expense	**4,063,978**	**1,746,269**	**70**	**4,446,642**	**0**	**10,256,959**
38	^	6531	Power Expense				1,730,959	0	1,730,959
39	^	6532	Network Administration Expense	80,462	12,552		6,296	0	99,309
40	^	6533	Testing Expense	1,599,917	563,186		31,566	0	2,194,668
41	^	6534	Plant Operations Expense	1,748,262	997,716	70	2,200,951	0	4,946,998
42	^	6535	Engineering Expense	635,337	172,816		476,871	0	1,285,024
43		6540	Access Expense				2,641,740	0	2,641,740
44		6561	Depreciation - Telecomm. Plant in Service				34,100,351	0	34,100,351
45		6562	Depreciation-Prop. for Future Telecom. Use	0	0	0	21,194	0	21,194
46		6563	Amortization Expense - Tangible				3,030,299	0	3,030,299
47		6564	Amortization Expense - Intangible					0	0
48		6565	Amortization - Other	0	0	0	0	0	0
49	*	6610	Marketing	**408,710**	**132,167**	**2**	**13,174,495**	**0**	**13,715,374**
50	^	6611	Product Management	32,098	8,405		1,797,842	0	1,838,345
51	^	6612	Sales	376,612	123,762	2	7,697,400	0	8,197,776
52	^	6613	Product Advertising				3,679,254	0	3,679,254
53		6621	Call Completion Services	170,600	102,272		153,781	0	426,652
54		6622	Number Services	450,834	278,418	23	34,660	0	763,935
55		6623	Customer Services	5,628,531	3,026,866	261	3,614,376	0	12,270,035
56		6711	Executive	1,327	6,492	64	364,066	0	371,948
57		6712	Planning				110,932	0	110,932
58		6721	Accounting and Finance	243,016	95,367	28	1,328,904	0	1,667,315
59		6722	External Relations	60,905	24,300		2,617,231	0	2,702,436
60		6723	Human Relations	9,522	3,425		1,055,839	0	1,068,785
61		6724	Information Management	85,684	24,585	2,776	5,828,637	0	5,941,682
62		6725	Legal				1,417,300	0	1,417,300
63		6726	Procurement				386,326	0	386,326
64		6727	Research and Development				2,098	0	2,098
65		6728	Other General and Administrative	(56,658)	2,015	(2,927)	3,910,062	0	3,852,492
66		6790	Provision for Uncollectible Notes Receivable	0	0	0	0	0	0
67		8747	Administrative Services Clearing	0	0	0	0	0	0
68			Totals	22,959,165	9,213,770	2,386,558	89,287,271	0	123,846,764

^ Subaccount of the account marked with a *.

Company Name: Qwest Corporation **Schedule 19**

($ in Thousands)

Pension Costs

Year: 2007

1	Plan Name Qwest Pension Plai			
2	Defined Benefit Plan? Yes	Defined Contribution Plan? No		
3	Actuarial Cost Method? Projected Unit Credit	IRS Code: 005		
4	Annual Contribution by Employer: 0	Is the Plan Over Funded? The Plan is fully funded.		
5				
	Item	Current Year	Last Year	% Change
6	**Change in Benefit Obligation**			
7	Benefit obligation at beginning of year	7,320,456	7,747,805	-5.52%
8	Service cost	85,886	98,693	-12.98%
9	Interest Cost	336,450	335,444	0.30%
10	Plan participants' contributions	-	-	
11	Amendments	-	-	
12	Actuarial Gain	(59,500)	(177,018)	66.39%
13	Acquisition	-	-	0.00%
14	Benefits paid	(717,008)	(684,487)	-4.75%
14a	Special termination benefits	2	19	-89.47%
15	Benefit obligation at end of year	6,966,286	7,320,456	-4.84%
16	**Change in Plan Assets**			
17	Fair value of plan assets at beginning of year	8,445,302	8,086,314	4.44%
18	Adjustment to match trust		-	
19	Actual return on plan assets	661,041	1,043,475	-36.65%
20	Acquisition		-	
21	Employer contribution		-	
22	Plan participants' contributions		-	100.00%
23	420 Transfer		-	
24	Benefits paid	(717,008)	(684,487)	-4.75%
25	Fair value of plan assets at end of year	8,389,335	8,445,302	-0.66%
26	**Funded Status**	1,423,049	1,124,846	26.51%
27	Unrecognized net actuarial loss	(477,787)	(138,132)	-245.89%
28	Unrecognized prior service cost	(33,706)	(37,147)	9.26%
29	Prepaid (accrued) benefit cost	911,556	949,567	-4.00%
30				
31	**Weighted-average Assumptions as of Year End**			
32	Discount rate	6.30%	6.00%	5.00%
33	Expected return on plan assets	8.00%	8.50%	-5.88%
34	Rate of compensation increase	3.50%	4.65%	-24.73%
35				
36	**Components of Net Periodic Benefit Costs**			
37	Service cost	85,886	98,693	-12.98%
38	Interest cost	336,450	335,444	0.30%
39	Expected return on plan assets	(449,614)	(457,718)	1.77%
40	Amortization of prior service cost & net transis	(3,441)	(3,501)	1.71%
41	Recognized net actuarial loss	48,770	77,374	-36.97%
42	Net periodic benefit cost	18,051	50,292	-64.11%
43	Adjustment for affilated transfer	(19,960)	(12,945)	100.00%
44	**Montana Intrastate Costs:**			
45	Pension Costs	182	532	-65.81%
46	Pension Costs Capitalized	19	58	-66.97%
47	Accumulated Pension Asset (Liability) at Y	14,048	14,529	-3.31%
48	**Number of Company Employees:**			
49	Covered by the Plan	78,210	80,243	-2.53%
50	Not Covered by the Plan		-	
51	Active	24,737	26,556	-6.85%
52	Retired	38,685	38,926	-0.62%
53	Deferred Vested Terminated	14,788	14,761	0.18%

($ in Thousands)

Other Post Employment Benefits (OPEBS)

Year 2007

	Item	Current Year	Last Year	% Change
1	**Regulatory Treatment:**			
2	Commission authorized - most recent			
3	Docket number: 90.12.86			
4	Order number: 5535g			
5	Amount recovered through rates	(673)	753	-189.38%
6	**Weighted-average Assumptions as of Year End**			
7	Discount rate	6.30%	6.00%	5.00%
8	Expected return on plan assets	8.50%	8.50%	0.00%
9	Medical Cost Inflation Rate	9% graded to 5%	10% graded to 5%	
10	Actuarial Cost Method	Projected Unit Cr	Projected Unit Cr	
11	Rate of compensation increase	N/A	N/A	
12	**List each method used to fund OPEBs (ie: VEBA, 401(h)) and if tax advantaged:**			
13	VEBA - Yes Transfer - No			
14	Cash - Yes			
15	**Describe any Changes to the Benefit Plan:**			
16				
17	**TOTAL COMPANY**			
18	**Change in Benefit Obligation**			0.00%
19	Benefit obligation at beginning of year	3,714,000	4,753,340	-21.87%
20	Service cost	9,742	12,539	-22.31%
21	Interest Cost	212,095	249,860	-15.11%
22	Plan participants' contributions	-	-	
23	Amendments	-	(664,500)	100.00%
24	Actuarial Gain	(91,557)	(264,784)	65.42%
25	Acquisition	-	-	
26	Benefits paid	(366,280)	(372,455)	1.66%
27	Benefit obligation at end of year	3,478,000	3,714,000	-6.35%
28	**Change in Plan Assets**			
29	Fair value of plan assets at beginning of year	1,676,777	1,644,504	1.96%
30	Actual return on plan assets	157,712	263,126	-40.06%
31	Acquisition	-	-	0.00%
32	Employer contribution	120,121	141,602	-15.17%
33	Plan participants' contributions	-	-	
34	Benefits paid	(366,280)	(372,455)	1.66%
35	Fair value of plan assets at end of year	1,588,330	1,676,777	-5.27%
36	**Funded Status**	(1,889,670)	(2,037,223)	7.24%
37	Unrecognized net actuarial loss	169,850	303,559	-44.05%
38	Unrecognized prior service cost	(757,397)	(847,353)	10.62%
39	Prepaid (accrued) benefit cost	(2,477,217)	(2,581,017)	4.02%
40	**Components of Net Periodic Benefit Costs**			
41	Service cost	9,742	12,539	-22.31%
42	Interest cost	212,095	249,860	-15.11%
43	Expected return on plan assets	(131,703)	(129,263)	-1.89%
44	Amortization of prior service cost	(89,956)	(61,771)	-45.63%
45	Recognized net actuarial loss	16,143	27,283	-40.83%
46	Net periodic benefit cost	16,321	98,648	-83.46%
46a	Adjustment for Accounting Changes	-	143,787	-100.00%
47	**Accumulated Post Retirement Benefit Obligation**			
48	Amount Funded through VEBA	-	-	
49	Amount Funded through 401(h)	-	-	
50	Amount Funded through Other - Cash	120,121	141,602	-15.17%
51	TOTAL	120,121	141,602	-15.17%
52	Amount that was tax deductible - VEBA	-	-	0.00%
53	Amount that was tax deductible - 401(h)	-	-	
54	Amount that was tax deductible - Cash	120,121	141,602	-15.17%
55	TOTAL	120,121	141,602	-15.17%

Other Post Employment Benefits (OPEBS) (Continued)

Year: 2007

	Item	Current Year	Last Year	% Change
1	**Number of Company Employees:**			
2	Covered by the Plan	67,735	70,409	-3.80%
3	Not Covered by the Plan	3,089	3,077	0.39%
4	Active	23,949	25,115	-4.64%
5	Retired	43,786	43,857	-0.16%
6	Spouses/Dependants covered by the Plan	24,310	24,340	-0.12%
7	**Montana**			
8	**Change in Benefit Obligation**			
9	Benefit obligation at beginning of year	47,439	59,274	-19.97%
10	Service cost	110	149	-26.17%
11	Interest Cost	2,399	2,932	-18.18%
12	Plan participants' contributions	-	-	
13	Amendments	-	(7,614)	100.00%
14	Actuarial Gain	(938)	(3,034)	69.08%
15	Acquisition	-	-	
16	Benefits paid	(3,753)	(4,268)	12.07%
17	Benefit obligation at end of year	45,257	47,439	-4.60%
18	**Change in Plan Assets**			
19	Fair value of plan assets at beginning of year	56,360	52,718	6.91%
20	Actual return on plan assets	8,701	6,497	33.92%
21	Acquisition	-	-	
22	Employer contribution	1,495	1,906	-21.56%
22a	Reduction in required funding	(1,366)	(493)	-177.08%
23	Plan participants' contributions	-	-	
24	Benefits paid	(3,753)	(4,268)	12.07%
25	Fair value of plan assets at end of year	61,437	56,360	9.01%
26	**Funded Status**	16,180	8,921	81.37%
27	Unrecognized net actuarial loss	NA	NA	
28	Unrecognized prior service cost	NA	NA	
29	Prepaid (accrued) benefit cost	NA	NA	
30	**Components of Net Periodic Benefit Costs**			
31	Service cost	110	149	-26.17%
32	Interest cost	2,399	2,932	-18.18%
33	Expected return on plan assets	(4,928)	(4,518)	-9.07%
34	Amortization of prior service cost	1,563	1,880	-16.86%
35	Recognized net actuarial loss	183	310	-40.97%
36	Net periodic benefit cost	(673)	753	100.00%
36a	**Adjustment for Accounting Changes**	-	1,648	100.00%
37	**Accumulated Post Retirement Benefit Obligation**			
38	Amount Funded through VEBA	(1,366)	(493)	-177.08%
39	Amount Funded through 401(h)	-	-	
40	Amount Funded through Other - Cash	1,495	1,906	-21.56%
41	TOTAL	129	1,906	-93.23%
42	Amount that was tax deductible - VEBA	(1,366)	(493)	-177.08%
43	Amount that was tax deductible - 401(h)	-	-	
44	Amount that was tax deductible - Cash	1,495	1,906	-21.56%
45	TOTAL	(1,366)	1,906	-171.67%
46	**Montana Intrastate Costs:**			
47	Benefit Cost Expensed	(651)	700	-193.00%
48	Benefit Cost Capitalized	(22)	53	-141.51%
49	Benefit Payments - Medical	3,634	4,006	-9.29%
50	**Number of Montana Employees:**			
51	Covered by the Plan	245	355	-30.99%
52	Not Covered by the Plan	N/A	N/A	
53	Active	245	355	-30.99%
54	Retired	N/A	N/A	
55	Spouses/Dependants covered by the Plan	N/A	N/A	

To the extent that the 2006 (last year) reporting on this schedule has been revised in the 2007 report, Qwest will be prepared to discuss the revisions at the technical conference to be scheduled in Docket D2008.2.17.

Payments for Services to Persons Other Than Employees

(Thousands of Dollars) Year 2007

Line No.	Name of Recipient (a)	Nature of Service (b)	Total Company Cost (c)	Total State Cost (d)	Intrastate Cost (e)
1	ALLANT GROUP	Advertising and Information Service	1,214		
2	ARVIZU ADVERTISING & PROMOTIONS INC	Advertising and Information Service	8,624		
3	ASPEN MARKETING SERVICES	Advertising and Information Service	26,459		
4	BEST BUY STORES LP	Advertising and Information Service	4,056		
5	FOOTE CONE & BELDING - NEW YORK	Advertising and Information Service	4,995		
6	GROUP O DIRECT INC	Advertising and Information Service	3,581		
7	INITIATIVE MEDIA WORLDWIDE	Advertising and Information Service	54,174		
8	LEGION ADVERTISING	Advertising and Information Service	1,013		
9	MARKETINGLAB INC	Advertising and Information Service	5,658		
10	MCCLAIN FINLON ADVERTISING INC	Advertising and Information Service	25,313		
11	MCKINNEY-SILVER	Advertising and Information Service	1,991		
12	MOORE WALLACE NORTH AMERICA INC	Advertising and Information Service	6,538		
12	NSA MEDIA	Advertising and Information Service	29,906		
13	RIVET MARKCOM INC	Advertising and Information Service	17,070		
14					
15					
16	TOTAL ADVERTISING AND INFORMATION SERVICES		190,592		
17					
18					
19					
20	KPMG	Audit and Accounting Service	3,001		
21					
22					
23	TOTAL AUDIT AND ACCOUNTING SERVICES		3,001		
24					
25					
26					
27	ACCENTURE LLP	Clerical and Office Service	48,685		
28	BROCKAMP & JAEGER INC	Clerical and Office Service	1,614		
29	CENTER PARTNERS INC	Clerical and Office Service	1,473		
30	FIRST SUPPORT SERVICES INC	Clerical and Office Service	1,663		
31	SOURCE ONE MANAGEMENT INC	Clerical and Office Service	3,430		
32	VK SYSTEMS FURNITURE INC	Clerical and Office Service	1,720		
33					
34	TOTAL CLERICAL AND OFFICE SERVICE		58,585		
35					
36					
37					
38	DST OUTPUT	Computer and Data Processing Service	4,926		
39	INTRADO INC	Computer and Data Processing Service	14,084		
40					
41	TOTAL COMPUTER AND DATA PROCESSING SERVICES		19,010		
42					
43					
44					
45					
46	CASS INFORMATION SYSTEMS INC	Consulting and Research Service	525		
47	HITACHI CONSULTING CORPORATION	Consulting and Research Service	847		
48	SODEXHO INC & AFFILIATES	Consulting and Research Service	644		
49	TELCORDIA TECHNOLOGIES	Consulting and Research Service	36,292		
50					
51					
52	TOTAL CONSULTING AND RESEARCH SERVICES		38,308		
53					
54					
55					

Payments for Services to Persons Other Than Employees

(Thousands of Dollars) Year 2007

Line No.	Name of Recipient (a)	Nature of Service (b)	Total Company Cost (c)	Total State Cost (d)	Intrastate Cost (e)
66					
67					
68					
69	COOLEY GODWARD KRONISH LLP	Legal Service	953		
70	DORSEY & WHITNEY LLP	Legal Service	648		
71	FENNEMORE CRAIG	Legal Service	533		
72	GARLIN DRISCOLL HOWARD LLC	Legal Service	555		
73	HOGAN AND HARTSON	Legal Service	835		
74	PERKINS COIE	Legal Service	2,999		
75	STEESE & EVANS PC	Legal Service	503		
76	STOEL RIVES LLP	Legal Service	1,298		
77					
78					
79	TOTAL LEGAL SERVICES		8,324		
80					
81					
82					
83	ALLIANCE FOR TELECOMMUNICATIONS	Name of Association	105		
84					
85	Total Membership Fees and Dues Exceeding $50,000		105		
86					
87	GENERAL PHYSICS-PW TUITION		6,782		
88					
89	Total Personnel Services		6,782		
90					
116	CONTRIBUTIONS	N/A	107		
117	DIRECTORY SERVICES	N/A	0		
118					
119					
120	GRAND TOTAL		348,182		

Company Name: Qwest Corporation - Montana **SCHEDULE 22**

Subscriber Line Usage Data

(Thousands of Minutes) Year 2007

Line No.	Description (a)	This Year (b)	% of Total (c)	Last Year (d)	% of Total (e)
1	Toll Usage:				
2	Interstate, InterLATA	1,777,823	15.82%	1,777,823	15.82%
3	Interstate, IntraLATA	376	0.00%	376	0.00%
4	**Total Interstate Usage**	1,778,199	15.83%	1,778,199	15.83%
5	Intrastate, InterLATA	514,430	4.58%	514,430	4.58%
6	Intrastate, IntraLATA	140,527	1.25%	140,527	1.25%
7	**Total Intrastate Usage**	654,957	5.83%	654,957	5.83%
8	**Total Toll Usage**	2,433,155	21.66%	2,433,155	21.66%
9	Centrex *				
10	Local	8,802,764	78.34%	8,802,764	78.34%
11	**Total Minutes**	11,235,919	100.00%	11,235,919	100.00%

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* Centrex minutes are no longer identified separately. They are now included in Local.

Pursuant to CC Docket 80-286 and in compliance with FCC decision 01-162, Qwest Corporation froze the data in this table at the 2000 annual levels.

Company Name: Qwest Corporation

SCHEDULE 23

Central Office and Access Line Statistics

Year 2007

Line No.	Wire Center (a)	Type of Office (b)	Resident 1-Party (c)	Resident 2-Party (d)	Resident >2-Party (e)	Lifeline Customers (f)	Resident LMS Customers (g)	Single Line Business (h)	Multi-Line Business (i)	Customer Owned Coin (j)	Company Owned Coin (k)	Other (l)	% of Lines w/ T. Tone (m)	Total Access Lines (n)
1	AMSTERDAM	ELECTRIC											100.0%	874
2	ANACONDA	ELECTRIC											100.0%	3,621
3	BELGRADE	ELECTRIC											100.0%	6,370
4	BILLINGS MAIN	ELECTRIC											100.0%	30,983
5	BILLINGS WEST	ELECTRIC											100.0%	16,755
6	BOULDER	ELECTRIC											100.0%	881
7	BOZEMAN	ELECTRIC											100.0%	24,617
8	BRIDGER	ELECTRIC											100.0%	680
9	BUTTE	ELECTRIC											100.0%	8,915
10	BUTTE SOUTH	ELECTRIC											100.0%	5,255
11	CANYON FERRY	ELECTRIC		WIRE CENTER DETAIL IS PROVIDED UNDER SEPARATE COVER AS PROPRIETARY									100.0%	868
12	CASCADE	ELECTRIC											100.0%	962
13	CLANCY	ELECTRIC											100.0%	823
14	CLYDE PARK	ELECTRIC											100.0%	587
15	COLSTRIP	ELECTRIC											100.0%	1,071
16	COLUMBUS	ELECTRIC											100.0%	1,872
17	CONRAD	ELECTRIC											100.0%	842
18	COOKE CITY	ELECTRIC											100.0%	312
19	CORVALLIS	ELECTRIC											100.0%	3,190
20	CUT BANK	ELECTRIC											100.0%	1,890
21	DARBY	ELECTRIC											100.0%	1,861
22	DEER LODGE	ELECTRIC											100.0%	2,171
23	DILLON	ELECTRIC											100.0%	3,536
24	DUTTON	ELECTRIC											100.0%	243
25	EAST GLACIER PARK	ELECTRIC											100.0%	388
26	EAST HELENA	ELECTRIC											100.0%	3,155
27	FAIRVIEW	ELECTRIC											100.0%	216
28	FORSYTH	ELECTRIC											100.0%	382
29	FRENCHTOWN	ELECTRIC											100.0%	1,859
30	FROMBERG	ELECTRIC											100.0%	375
31	Subtotal Page 1													125,554

Company Name: Qwest Corporation

SCHEDULE 23

Central Office and Access Line Statistics

Year 2007

Line No.	Wire Center (a)	Type of Office (b)	Resident 1-Party (c)	Resident 2-Party (d)	Resident >2-Party (e)	Lifeline Customers (f)	Resident LMS Customers (g)	Single Line Business (h)	Multi-Line Business (i)	Customer Owned Coin (j)	Company Owned Coin (k)	Other (l)	% of Lines w/ T. Tone (m)	Total Access Lines (n)
1	GALLATIN GATEWAY	ELECTRIC											100.0%	1,145
2	GARDINER	ELECTRIC											100.0%	916
3	GLENDIVE	ELECTRIC											100.0%	1,017
4	GREAT FALLS	ELECTRIC											100.0%	28,032
5	HAMILTON	ELECTRIC											100.0%	7,119
6	HARDIN	ELECTRIC											100.0%	2,072
7	HAVRE	ELECTRIC											100.0%	4,851
8	HELENA MAIN	ELECTRIC											100.0%	21,896
9	HELENA NORTH	ELECTRIC											100.0%	2,420
10	JOLIET	ELECTRIC											100.0%	1,027
11	LAUREL	ELECTRIC		WIRE CENTER DETAIL IS PROVIDED UNDER SEPARATE COVER AS PROPRIETARY									100.0%	4,154
12	LEWISTOWN	ELECTRIC											100.0%	2,759
13	LIVINGSTON	ELECTRIC											100.0%	5,939
14	LOLO	ELECTRIC											100.0%	3,388
15	MANHATTAN	ELECTRIC											100.0%	1,048
16	MILES CITY	ELECTRIC											100.0%	1,542
17	MILLTOWN	ELECTRIC											100.0%	876
18	MISSOULA MAIN	ELECTRIC											100.0%	30,535
19	MISSOULA SOUTH	ELECTRIC											100.0%	3,625
20	OPPORTUNITY	ELECTRIC											100.0%	398
21	PARK CITY	ELECTRIC											100.0%	745
22	POWELL	ELECTRIC											100.0%	1
23	PRAY	ELECTRIC											100.0%	941
24	RED LODGE	ELECTRIC											100.0%	2,808
25	ROBERTS	ELECTRIC											100.0%	359
26	SHELBY	ELECTRIC											100.0%	751
27	SHEPHERD	ELECTRIC											100.0%	1,384
28	SIDNEY	ELECTRIC											100.0%	702
29	ST MARY	ELECTRIC											100.0%	329
30	STEVENSVILLE	ELECTRIC											100.0%	4,325
31	Subtotal Page 2													137,104

Company Name: Qwest Corporation

SCHEDULE 23

Central Office and Access Line Statistics

Year 2007

Line No.	Wire Center (a)	Type of Office (b)	Resident 1-Party (c)	Resident 2-Party (d)	Resident >2-Party (e)	Lifeline Customers (f)	Resident LMS Customers (g)	Single Line Business (h)	Multi-Line Business (i)	Customer Owned Coin (j)	Company Owned Coin (k)	Other (l)	% of Lines w/ T. Tone (m)	Total Access Lines (n)
1	TERRY	ELECTRIC											100.0%	30
2	THREE FORKS	ELECTRIC											100.0%	1,729
3	TOWNSEND	ELECTRIC											100.0%	1,927
4	ULM	ELECTRIC											100.0%	375
5	VAUGHN	ELECTRIC											100.0%	1,014
6	VICTOR	ELECTRIC											100.0%	1,561
7	WARM SPRINGS	ELECTRIC											100.0%	231
8	WEST GLACIER	ELECTRIC		WIRE CENTER DETAIL IS PROVIDED UNDER SEPARATE COVER AS PROPRIETARY									100.0%	560
9	WEST YELLOWSTONE	ELECTRIC											100.0%	1,842
10	WHITEHALL	ELECTRIC											100.0%	1,744
11	WIBAUX	ELECTRIC											100.0%	140
12	WILSALL	ELECTRIC											100.0%	483
13	WOLF CREEK	ELECTRIC											100.0%	336
14														
15														
16														
17														
18														
19														
20	Subtotal Page 3													11,972
21														
22	MONTANA		154,839	3	0	6,641	4,521	10,892	56,076	1,158	45	40,455		274,630

Central Office and Switch Information

Year 2007

Line No.	Wire Center (a)	Office Configuration (Host, Remote, Stand alone) (b)	Type of Switch (c)	Switch Vendor/ Manufacturer (d)	Switch Model No. (e)	Switch Line Capacity (f)	Year Deployed (g)
1	AMSTERDAM	Remote/BOZEMAN	Digital	LUCENT	5ESS/RSM	1,824	1993
2	ANACONDA	Remote/HELENA HOST	Digital	ERSN	AXE/RSS	5,504	1992
3	BELGRADE	Stand Alone	Digital	LUCENT	5ESS	13,800	2001
4	BILLINGS MAIN	Host	Digital	ERSN	AXE		1991
5	BILLINGS MAIN	Packet (Unreg)	Packet	NTI	DPN100		1993
6	BILLINGS MAIN	Stand Alone	Digital	LUCENT	5ESS	62,757	1994
7	BILLINGS MAIN	STP	Digital	ERSN	AXE/STP		1992
8	BILLINGS WEST	Lines/Host	Digital	LUCENT	5ESS	28,952	1985
9	BILLINGS WEST	Packet (Unreg)	Packet	NTI	DPN100		1988
10	BOULDER	Remote/HELENA HOST	Digital	ERSN	AXE/RSS	1,280	1992
11	BOZEMAN	Stand Alone	Digital	LUCENT	5ESS	45,374	1984
12	BOZEMAN	STP	Digital	ERSN	AXE/STP		1992
13	BRIDGER	Remote/BILLINGS HOST	Digital	ERSN	AXE/RSS	1,024	1993
14	BUTTE MAIN	Stand Alone	Digital	LUCENT	5ESS	16,159	1990
15	BUTTE SOUTH	Remote/BUTTE HOST	Digital	LUCENT	5ESS/ORM	9,424	1995
16	CANYON FERRY	Remote/HELENA HOST	Digital	ERSN	AXE/RSS	1,278	1993
17	CASCADE	Remote/GREAT-FALLS	Digital	LUCENT	5ESS/RSM	1,632	1994
18	CLANCY	Remote/HELENA HOST	Digital	ERSN	AXE/RSS	1,536	1993
19	CLYDE PARK	Remote/LIVINGSTON	Digital	ERSN	AXE/RSS	896	1992
20	COLSTRIP	Remote/BILLINGS HOST	Digital	LUCENT	5ESS/RSM	2,144	1997
21	COLUMBUS	Remote/BILLINGS HOST	Digital	ERSN	AXE/RSS	2,302	1992
22	CONRAD	Remote/GREAT-FALLS	Digital	LUCENT	5ESS/RSM	2,560	1994
23	COOKE CITY	Remote/LIVINGSTON	Digital	ERSN	AXE/RSS	640	1992
24	CORVALLIS	Remote/HAMILTON	Digital	ERSN	AXE/RSS	3,712	1991
25	CUT BANK	Remote/SHELBY	Digital	ERSN	AXE/RSS	2,688	1994
26	DARBY	Remote/HAMILTON	Digital	ERSN	AXE/RSS	2,432	1991
27	DEER LODGE	Remote/HELENA HOST	Digital	ERSN	AXE/RSS	2,944	1990
28	DILLON	Remote/HELENA HOST	Digital	ERSN	AXE/RSS	4,735	1992
29	DUTTON	Remote/GREAT-FALLS	Digital	LUCENT	5ESS/RSM	512	1994
30	EAST GLACIER	Remote/SHELBY	Digital	ERSN	AXE/RSS	512	1993
31	EAST HELENA	Remote/HELENA HOST	Digital	LUCENT	5ESS/RSM	6,968	1988
32	FAIRVIEW	Remote/GLENDIVE	Digital	ERSN	AXE/RSS	1,024	1993
33	FORSYTH	Remote/MILES CITY	Digital	ERSN	AXE/RSS	2,048	1992
34	FRENCHTOWN	Remote/MISSOULA HOST	Digital	LUCENT	5ESS/RSM	3,264	1990
35	FROMBERG	Remote/BILLINGS HOST	Digital	ERSN	AXE/RSS	512	1993
36	GALLATIN GATEW	Remote/BOZEMAN	Digital	LUCENT	5ESS/RSM	1,888	1993
37	GARDINER	Remote/LIVINGSTON	Digital	ERSN	AXE/RSS	1,536	1991
38	GLENDIVE	Stand Alone	Digital	ERSN	AXE	4,992	1992
39	GREAT FALLS	Lines/Host	Digital	LUCENT	5ESS	55,176	1987
40	GREAT FALLS	Packet (Unreg)	Packet	NTI	DPN100		1993
41	HAMILTON	Stand Alone	Digital	ERSN	AXE	9,216	1991
42	HARDIN	Remote/BILLINGS HOST	Digital	ERSN	AXE/RSS	2,816	1992
43	HAVRE	Stand Alone	Digital	ERSN	AXE	8,448	1991
44	HELENA MAIN	Host	Digital	ERSN	AXE		1990
45	HELENA MAIN	Lines/Host	Digital	LUCENT	5ESS	35,032	1988
46	HELENA MAIN	STP	Digital	ERSN	AXE/STP		1992
47	HELENA NORTH	Remote/HELENA HOST	Digital	LUCENT	5ESS/RSM	5,376	1988
48	JOLIET	Remote/BILLINGS HOST	Digital	ERSN	AXE/RSS	1,408	1993
49	LAUREL	Remote/BILLINGS HOST	Digital	ERSN	AXE/RSS	5,504	1992
50	LEWISTOWN	Stand Alone	Digital	ERSN	AXE	7,040	1993

Central Office and Switch Information

Year 2007

Line No.	Wire Center (a)	Office Configuration (Host, Remote, Stand alone) (b)	Type of Switch (c)	Switch Vendor/ Manufacturer (d)	Switch Model No. (e)	Switch Line Capacity (f)	Year Deployed (g)
51	LIVINGSTON	Stand Alone	Digital	ERSN	AXE	8,320	1992
52	LOLO	Remote/MISSOULA HOST	Digital	LUCENT	5ESS/RSM	7,247	1993
53	MANHATTAN	Remote/BOZEMAN	Digital	LUCENT	5ESS/RSM	2,141	1993
54	MILES CITY	Stand Alone	Digital	ERSN	AXE	7,168	1992
55	MILLTOWN	Remote/MISSOULA HOST	Digital	LUCENT	5ESS/RSM	2,112	1993
56	MISSOULA MAIN	Lines/Host	Digital	LUCENT	5ESS	60,408	1986
57	MISSOULA MAIN	STP	Digital	ERSN	AXE/STP		1992
58	MISSOULA SOUTH	Remote/MISSOULA HOST	Digital	LUCENT	5ESS/ORM	8,704	1993
59	OPPORTUNITY	Remote/HELENA HOST	Digital	ERSN	AXE/RSS	766	1992
60	PARK CITY	Remote/BILLINGS HOST	Digital	ERSN	AXE/RSS	1,408	1992
61	PRAY	Remote/LIVINGSTON	Digital	ERSN	AXE/RSS	1,280	1990
62	RED LODGE	Remote/BILLINGS HOST	Digital	ERSN	AXE/RSS	3,712	1992
63	ROBERTS	Remote/BILLINGS HOST	Digital	ERSN	AXE/RSS	640	1993
64	SAINT MARY	Remote/SHELBY	Digital	ERSN	AXE/RSS	512	1993
65	SHELBY	Stand Alone	Digital	ERSN	AXE	2,432	1993
66	SHEPHERD	Remote/BILLINGS WEST	Digital	LUCENT	5ESS/RSM	2,936	1985
67	SIDNEY	Remote/GLENDIVE	Digital	ERSN	AXE/RSS	4,608	1993
68	STEVENSVILLE	Remote/HAMILTON	Digital	ERSN	AXE/RSS	6,143	1991
69	TERRY	Remote/MILES CITY	Digital	ERSN	AXE/RSS	512	1994
70	THREE FORKS	Remote/BOZEMAN	Digital	LUCENT	5ESS/RSM	3,013	1993
71	TOWNSEND	Remote/HELENA HOST	Digital	ERSN	AXE/RSS	2,560	1992
72	ULM	Remote/GREAT-FALLS	Digital	LUCENT	5ESS/RSM	1,024	1993
73	VAUGHN	Remote/GREAT-FALLS	Digital	LUCENT	5ESS/RSM	2,048	1993
74	VICTOR	Remote/HAMILTON	Digital	ERSN	AXE/RSS	2,048	1991
75	WARM SPRINGS	Remote/HELENA HOST	Digital	ERSN	AXE/RSS	383	1992
76	WEST GLACIER	Remote/SHELBY	Digital	ERSN	AXE/RSS	768	1993
77	WEST YELLOWST	Remote/LIVINGSTON	Digital	ERSN	AXE/RSS	2,816	1991
78	WHITEHALL	Remote/HELENA HOST	Digital	ERSN	AXE/RSS	2,432	1992
79	WIBAUX	Remote/GLENDIVE	Digital	ERSN	AXE/RSS	639	1994
80	WILSALL	Remote/LIVINGSTON	Digital	ERSN	AXE/RSS	512	1992
81	WOLF CREEK	Remote/HELENA HOST	Digital	ERSN	AXE/RSS	512	1992

Company Name: Qwest Corporation

SCHEDULE 25

Construction Budget-Montana

(Thousands of Dollars)

Year 2007

Line No.	Description (a)	Year 2008 Frcst (b)
1	**Central Office Assets:**	
2		
3		
4		
5		
6		
7		
8	COE projects over $500,000	0
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27	Total Switching and Central Office Projects over $500,000	
28	Miscellaneous Central Office Projects not over $500,000	9,000
29	**Total Central Office Budget (L.24+L.25)**	9,000
30	Other Projects over $500,000:	0
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		
41	Total Other Projects over $500,000	
42	Miscellaneous Projects not over $500,000	14,729
43	**Total Construction Budget (L.26+L.38+L.39)***	23,729

Company Name: Qwest Corporation SCHEDULE 25a

Montana Total State Construction Expenditures Year 2007

Line No.	FCC Part 32 Account No (a)	Description (b)	($ 000) This Year (c)	($ 000) Last Year (d)	Percent Change (e)
1	2110	General Support Assets	1,294	1,296	-0.17%
2	2210	Central Office Assets	1,009	975	3.49%
3	2220	Operator Systems	0	0	0.00%
4	2230	Central Office Transmission	6,723	8,805	-23.65%
5	2310	Information/Termination Assets	197	222	-11.32%
6	2410	Cable and Wire Facilities Assets	9,644	12,482	-22.74%
7	2680	Amortizable Tangible Assets	43	1	3101.04%
8	2690	Intangibles	562	552	1.74%
9		Total Construction Expenditures	19,472	24,335	-19.98%

Company Name: Qwest Corporation

SCHEDULE 26

Montana Employee Counts

Year 2007

Line No.	Category (a)	Beginning of Year (b)	End of Year (c)
1	Mass Markets-Consumer	1	3
2	Business Markets Group	1	9
3	Network Services	210	189
4	Finance		
5	Real Estate/Procurement/Fleet	9	8
6	Public Policy	1	3
7	Other Affiliates	29	15
8	Legal		1
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31	**Totals (Sum of Lines 1 through 42)**	251	228

Company Name: Qwest Corporation

SCHEDULE 27

Compensation of Top 10 Montana Based Employees

Year 2007

Line	Name/Title	Base Salary	Bonuses	Other Compensation	Total Compensation	Total Compensation Last Year	% Increase Total Compensation
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	*THIS INFORMATION IS PROPRIETARY AND PROVIDED UNDER SEPARATE COVER*						
2							
3							
4							
5							
6							
7							
8							
9							
10							
11	Totals (Sum L.1 to L.10)	0	0	0	0	0	N/A

Company Name: Qwest Corporation **SCHEDULE 28**

Compensation of Top 5 Corporate Employees - SEC Information

Year 2007

Line No.	Name/Title (a)	Base Salary (b)	Bonuses (c)	Other (1) Compensation (d)	Total Compensation (e)	Total Compensation Last Year (f)	% Increase Total Compensation (g)
	Current Executives						
1	Edward A. Mueller Chairman and Chief Executive Officer(2)	$ 470,769	$ 946,849	$ 4,209,749	$ 5,627,367	$ -	
2	John W. Richardson Executive Vice President and Chief Financial Officer(3)	$ 477,789	$ 670,145	$ 1,081,102	$ 2,229,036	$ -	
3	Richard N. Baer Executive Vice President, General Counsel and Corporate Secretary	$ 633,981	$ 1,429,695	$ 1,523,357	$ 3,587,033	$ 2,779,375	29.1%
4	Paula Kruger Executive Vice President, Mass Markets Group	$ 495,196	$ 491,880	$ 1,337,008	$ 2,324,084	$ 1,808,439	28.5%
5	Thomas E. Richards Executive Vice President, Business Markets Group	$ 475,846	$ 386,487	$ 1,062,341	$ 1,924,674	$ -	
	Former Executives						
	Richard C. Notebaert Former Chairman and Chief Executive Officer(4)	689,616	0	$ 6,775,437	$ 7,465,053	16,490,487	-54.7%
	Oren G. Shaffer Former Vice Chairman and Chief Financial Officer(5)	210,442	0	$ 2,760,124	$ 2,970,566	9,193,744	-67.7%
6	Totals (Sum L.1 to L.5)	$ 3,453,639	$ 3,925,056	$ 18,749,118	$ 26,127,813	$ 30,272,045	

(#) Details of "other compensation" and footnote references associated with each officer are publicly available in the Qwest Communications International, Inc. Definitive Proxy Statement, dated April 04, 2008, beginning on page 36, filed with the SEC and available from www.sec.gov

Company Name: Qwest Corporation **SCHEDULE 29**

Montana Composite Statistics

Year 2007

Line No.	Account No.	Description (a)	Amount (b)
1		**Plant (Intrastate Only) ($ 000)**	
2	2001	Plant in Service	644,848
3	2003-2004	Construction Work in Progress	1,239
4	2005	Plant Acquisition Adjustments	0
5	2002	Plant Held for Future Use	0
6	1220	Materials & Supplies	279
7		(Less):	
8	3100-3400	Depreciation & Amortization Reserves	514,226
9	4360.2	Contributions in Aid of Construction	0
10		NET BOOK COSTS	132,141
11		**Revenues & Expenses (Intrastate Only) ($ 000)**	
12	5000-5300	Operating Revenues	129,562
13	6560	Depreciation & Amortization Expenses	24,996
14		Federal & State Income Taxes	17,892
15		Other Taxes	8,491
16		Other Operating Expenses	38,141
17		TOTAL Operating Expenses	89,520
18		Net Operating Income	40,041
19		Other Income	(594)
20		Other Deductions	13,522
21		NET INCOME	25,926
22		**Access Lines in Service (Intrastate Only)**	
23		Residential Access Lines	166,004
24		Business Access Lines	99,182
25		PBX Access Lines	8,241
26		Other Access Lines (Public)	1,203
27		Total Number of Access Lines	274,630
28		**Average Number of Calls Per Access Line**	
29		Local Calls	1,323
30		Toll Calls (Intra- or Interstate)	421
31		Total Number of Calls Per Access Line (L.29 + L.30)	1,745
32		**Other Statistics (Intrastate Only)**	
33		Average Residential Monthly Bill	17.04
34		Gross Plant Investment per Access Line	2,354

Company Name: Qwest Corporation **SCHEDULE 30**

Depreciation-Montana Intrastate Regulated

(Thousands of Dollars) Year 2007

Line No.	Acct No. (a)	Description (b)	Composite Rate % (c)	Total Expense $000 (d)
1		2112 MOTOR VEHICLES	4.9%	279
2		2114 SPEC PURPOSE VEHICLES	5.8%	4
3		2115 GARAGE WORK EQUIPMENT	10.5%	19
4		2116 OTHER WORK EQUIP	5.3%	281
5		2121 BUILDINGS	3.4%	1,231
6		2122 FURNITURE	20.8%	3
7		2123.1 OFFICE EQUIPMENT	10.6%	35
8		2123.2 COMPANY COMM EQUIP	8.3%	16
9		2124 GEN PURPOSE CMPTR	0.2%	66
10		2212 DIGITAL SW EQUIP	7.1%	7,979
11		2220 OPERATOR SYSTEMS	0.0%	0
12		2231 RADIO SYSTEMS	11.2%	793
13		2232 CIRCUIT DDS	11.7%	0
14		2232 CIRCUIT DIGITAL	11.2%	5,656
15		2232 CIRCUIT ANALOG	24.0%	0
16		2362 OTHER TERM EQUIP	13.1%	48
17		2411 POLE LINES	10.1%	519
18		2421 AERIAL CABLE MET	6.8%	1,154
19		2421 AERIAL CABLE NON MET	11.6%	20
20		2422 UNDGRD CABLE MET	6.3%	1,283
21		2422 UNDGRD CABLE NON MET	6.6%	423
22		2423 BURIED CABLE MET	4.6%	9,707
23		2423 BURIED CABLE NON MET	6.2%	1,528
24		2424 SUB CABLE MET	2.4%	0
25		2424 SUB CABLE NON MET	0.0%	0
26		2426 INTRA BLDG CA MET	4.1%	236
27		2426 INTRA BLDG CABLE NON MET	7.8%	19
28		2431 AERIAL WIRE	0.0%	25
29		2441 CONDUIT SYSTEMS	2.1%	370
30				
31		COMPOSITE TOTAL		31,694
32				
33				
34				

35 Have these rates been approved by the Commission? x Yes No

36

37

38 If yes: Docket Number Order Number

39 96.8.131 5937c

Company Name: Qwest Corporation

SCHEDULE 30a

Amortization - Montana Intrastate Regulated

Year 2007

(Thousands of Dollars)

Line No.	Acct No. (a)	Description (b)	Composite Rate % (c)	Total Expense $000 (d)
1	2681	Capital Leases	varies	14
2	2682	Leasehold Improvements	varies	2
3	2690	Intangibles	20.0%	2,154
4				
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9		Capital Leases and LHI's do not have a composite rate - the amortization		
10		varies by the terms of the Leases.		
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35		**COMPOSITE TOTAL**		2,169

36
37 se list the Montana Public Service Commission Docket Order No. approving these amortization
38
39 Docket Number _____ Order Number _____
40

Company Name: Qwest Corporation **SCHEDULE 31**

Montana Regulatory Capital Structure & Costs

Year 2007

Line No.	Description (a)		% Cap. Str. (b)	% Cost Rate (c)	Weighted Cost (d)
	Commission Accepted - Most Recent				
1	Docket Number	88.12.55			
2	Order Number	5398a			
3					
4	Common Equity		50.00%	12.00%	6.000%
5	Preferred Stock		0.00%	0.00%	0.000%
6	Long Term Debt		50.00%	8.88%	4.440%
7	Other			0.00%	0.000%
8	**Total**		100.00%		10.440%
9					
10	**Actual at Year End**				
11					
12	Common Equity		8.82%	12.00%	1.058%
13	Preferred Stock		0.00%	0.00%	0.000%
14	Long Term Debt		87.40%	8.190%	7.158%
15	Other		3.78%	5.77%	0.218%
16	**Total**		100.00%		8.435%

Note 1: The authorized level is 12.00%, per revised 1993 Annual Report.

SCHEDULE 32

Network Access - Charges and Revenues

(Thousands of Dollars) **Year 2007**

Line No.	Description (a)	Access Charges Paid (b)	Access Revenues Received (c)
1	Montana - Total State	2,642	116,283
2			
3	Montana - Intrastate	(452)	19,391
4			
5	Montana - Intrastate Regulated	(452)	14,834
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12			
13			

Company Name: Qwest Corporation **Schedule 33**

Affiliate Transactions - Products & Services Provided to Utility

Year: 2007

Line No.	Affiliate Name (a)	Products & Services (b)	Method to Determine Price (c)	Charges to Utility (d)	% Total Affil. Revenues (e)	Charges to MT Utility (f)
1	Qwest BroadBand Services, Inc.	CABLE SERVICES	PCP	57,501		
2		**PCP**		**57,501**		**-**
3		**TOTAL**		**57,501**		**-**
4	Qwest Business Resources, Inc.	NETWORK SERVICES	FDC	1,914,597		
5		POST EMPLOYMENT BENEFITS	FDC	1,250,891		26,592
6		PROCUREMENT	FDC	34,673,001		759,360
7		SPACE & FURNITURE RENTAL	FDC	603,975		
8		**FDC**		**38,442,464**		**785,953**
9		SPACE & FURNITURE RENTAL	FMV	644,116		
10		**FMV**		**644,116**		**-**
11		**TOTAL**		**39,086,580**		**785,953**
12	Qwest Government Services, Inc.	CORP & SHARED SERVICES	FDC	6,107,612		133,235
13		**FDC**		**6,107,612**		**133,235**
14		**TOTAL**		**6,107,612**		**133,235**
15	Qwest Interprise America, Inc.	POST EMPLOYMENT BENEFITS	FDC	182,162		4,313
16		**FDC**		**182,162**		**4,313**
17		CORP & SHARED SERVICES	PCP	(70,767)		(2,038)
18		CPE EQUIPMENT	PCP	243,305		4,973
19		NETWORK SERVICES	PCP	4,041		(1,864)
20		**PCP**		**176,578**		**1,070**
21		**TOTAL**		**358,740**		**5,383**
22	Qwest Information Tech nologies, Inc	INFORMATION TECH SERVICES	FDC	347,485,385		5,109,523
23		**FDC**		**347,485,385**		**5,109,523**
24		**TOTAL**		**347,485,385**		**5,109,523**
25	Qwest Communications Corporation	NETWORK SERVICES	FDC	14,159		
26		SPACE & FURNITURE RENTAL		652,525		
27		**FDC**		**666,684**		**-**
28		SPACE & FURNITURE RENTAL	FMV	859,653		
29		**FMV**		**859,653**		**-**
30						

Part 32 requires that affiliates bill QC at the lower of FDC or FMV. Therefore, Column C, Methods To Determine Price, can change depending upon the outcome of the pricing audit.

Company Name: Qwest Corporation **Schedule 33**

Affiliate Transactions - Products & Services Provided to Utility

Year: 2007

Line No.	Affiliate Name (a)	Products & Services (b)	Method to Determine Price (c)	Charges to Utility (d)	% Total Affil. Revenues (e)	Charges to MT Utility (f)
1	Qwest Communications Corporation	INTERNAL COMMUNICATIONS	PCP	40,441,260		840,731
2		**PCP**		**40,441,260**		**840,731**
3		**TOTAL**		**41,967,596**		**840,731**
4	Qwest Services Corporation	CORP & SHARED SERVICES	FDC	32,672,259		694,270
5		CORP COMMUNICATIONS		10,551,574		224,616
6		FINANCE		48,499,507		1,033,379
7		HUMAN RESOURCES		29,146,596		621,143
8		LEGAL SERVICES		28,799,060		613,546
9		MANAGEMENT SERVICES		23,656,548		505,413
10		MARKETING AND SALES		268,809,129		6,181,718
11		POST EMPLOYMENT BENEFITS		612,768		13,272
12		PRODUCT PLANNING		22,053,604		496,323
13		REGULATORY AND PUB POLICY		30,972,525		915,057
14		TECHNICAL SUPPORT		62,396,557		1,442,702
15		TREASURY		6,797,735		145,156
16		TRUST		(172,113)		(3,647)
17		**FDC**		**564,795,749**		**12,882,946**
18		**TOTAL**		**564,795,749**		**12,882,946**
19	Qwest Wireless, LLC	MARKETING AND SALES	FMV	2,059,736		56,520
20		**FMV**		**2,059,736**		**56,520**
21		EQUIPMENT/MATERIEL	PCP	2,410,137		1,084
22		INTERNAL COMMUNICATIONS		5,282,784		66,643
23		**PCP**		**7,692,921**		**67,728**
24		**TOTAL**		**9,752,657**		**124,248**
25						
26						
27						
28		**GRAND TOTAL**		**1,009,611,820**		**19,882,019**
29						
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31						

Part 32 requires that affiliates bill QC at the lower of FDC or FMV. Therefore, Column C, Methods To Determine Price, can change depending upon the outcome of the pricing audit.

Company Name: Qwest Corporation **Schedule 34**

Affiliate Transactions - Products & Services Provided by Utility

Year: 2007

Line No.	Affiliate Name (a)	Products & Services (b)	Method to Determine Price (c)	Charges by Utility (d)	% Total Affil. Expense (e)	Payments by MT Utility (f)
1	Qwest BroadBand Services, Inc.	FINANCE	FDC	147,179		3,113
2		HUMAN RESOURCES		24		1
3		INFORMATION TECH SERVICES		270		6
4		INTERNAL COMMUNICATIONS		151,474		52
5		NETWORK SERVICES		14,479,154		89,456
6		SPACE & FURNITURE RENTAL		142,013		
7		**FDC**		**14,920,114**		**92,627**
8		BILLING & COLLECTION	FMV	791,204		
9		LEASES ASSETS		48,887		
10		SPACE & FURNITURE RENTAL		355,439		
11		**FMV**		**1,195,530**		**-**
12		BILLING & COLLECTIONS	PCP	1,962,980		
13		FINANCE		732,305		15,488
14		HUMAN RESOURCES		270		6
15		INFORMATION TECH SERVICES		1,885		40
16		INTERNAL COMMUNICATIONS		953,501		314
17		NETWORK SERVICES		6,423,689		140,454
18		SPACE & FURNITURE RENTAL		63,662		
19		**PCP**		**10,138,291**		**156,302**
20		LEASED NETWORK FACILITIES	PUB	33,585,285		
21		NETWORK SERVICES		17,907		
22		**PUB**		**33,603,192**		**-**
23		**TOTAL**		**59,857,126**		**248,929**
24	Qwest Business Resources, Inc.	FINANCE	FDC	36,130		764
25		HUMAN RESOURCES		834		18
26		INFORMATION TECH SERVICES		23,939		506
27		INTERNAL COMMUNICATIONS		84,925		1,736
28		NETWORK SERVICES		1,126		0
29		SPACE & FURNITURE RENTAL		935,104		
30		**FDC**		**1,082,057**		**3,024**
31		SPACE & FURNITURE RENTAL	FMV	657,586		
32		**FMV**		**657,586**		**-**
33		FINANCE	PCP	108,903		2,303
34		HUMAN RESOURCES		6,343		134
35		INFORMATION TECH SERVICES		45,878		970
36		INTERNAL COMMUNICATIONS		347,505		6,864
37		SPACE & FURNITURE RENTAL		1,181,119		
38		**PCP**		**1,689,748**		**10,272**

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Company Name: Qwest Corporation **Schedule 34**

Affiliate Transactions - Products & Services Provided by Utility

Year: 2007

Line No.	Affiliate Name (a)	Products & Services (b)	Method to Determine Price (c)	Charges by Utility (d)	% Total Affil. Expense (e)	Payments by MT Utility (f)
1		**TOTAL**		**3,429,391**		**13,296**
2	Qwest Communications International Limited	FINANCE	PCP	30,581		647
3		**PCP**		**30,581**		**647**
4		**TOTAL**		**30,581**		**647**
5	Qwest Government Services, Inc.	FINANCE	FDC	32,319		684
6		HUMAN RESOURCES		667		14
7		INFORMATION TECH SERVICES		12,960		274
8		INTERNAL COMMUNICATIONS		72,689		1,510
9		NETWORK SERVICES		2,518		56
10		SPACE & FURNITURE RENTAL		195,788		
11		**FDC**		**316,942**		**2,538**
12		LEASED ASSETS	FMV	4,567		
13		SPACE & FURNITURE RENTAL		116,762		
14		**FMV**		**121,329**		**0**
15		FINANCE	PCP	128,530		2,718
16		HUMAN RESOURCES		7,519		159
17		INFORMATION TECH SERVICES		92,852		1,964
18		INTERNAL COMMUNICATIONS		404,212		8,066
19		NETWORK SERVICES		20,880		243
20		SPACE & FURNITURE RENTAL		248,947		
21		**PCP**		**902,941**		**13,150**
22		**TOTAL**		**1,341,212**		**15,689**
23	Qwest Interprise America, Inc.	ACCRUAL	FDC	(60,645)		(1,329)
24		NETWORK SERVICES		5,422,956		15,892
25		SPACE & FURNITURE RENTAL		334,296		2,148
26		**FDC**		**5,696,607**		**16,711**
27		LEASED ASSETS	FMV	24,796		
28		SPACE & FURNITURE RENTAL		163,291		
29		**FMV**		**188,087**		**0**
30		BILLING & COLLECTIONS	PCP	6,994,347		143,535
31		FINANCE		313,960		6,640
32		HUMAN RESOURCES		2,641		56
33		INFORMATION TECH SERVICES		16,240		343

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Company Name: Qwest Corporation **Schedule 34**

Affiliate Transactions - Products & Services Provided by Utility

Year: 2007

Line No.	Affiliate Name (a)	Products & Services (b)	Method to Determine Price (c)	Charges by Utility (d)	% Total Affil. Expense (e)	Payments by MT Utility (f)
1	Qwest Interprise America, Inc.	INTERNAL COMMUNICATIONS		160,532		3,059
2		NETWORK SERVICE		15,523		40
3		SPACE & FURNITURE RENTAL		973,512		15,992
4		**PCP**		**8,476,755**		**169,665**
5		**TOTAL**		**14,361,449**		**186,376**
6	Qwest Information Technologies, Inc.	FINANCE	FDC	160,469		3,394
7		HUMAN RESOURCES		5,069		107
8		INFORMATION TECH SERVICE		909,435		19,235
9		INTERNAL COMMUNICATIONS		605,100		9,324
10		SPACE & FURNITURE RENTAL		4,544,413		
11		**FDC**		**6,224,486**		**32,059**
12		SPACE & FURNITURE RENTAL		4,199,907		
13		**FMV**		**4,199,907**		**0**
14		FINANCE	PCP	474,131		10,028
15		HUMAN RESOURCES		39,058		826
16		INFORMATION TECH SERVICES		170,299		3,602
17		INTERNAL COMMUNICATIONS		2,273,571		35,697
18		SPACE & FURNITURE RENTAL		11,258,168		
19		**PCP**		**14,215,227**		**50,152**
20		**TOTAL**		**24,639,621**		**82,212**
21	Malheur Home Telephone Company	MANAGEMENT SERVICES	MAL	1,335,627		28,277
22		NETWORK SERVICE		66,196		
23		**MAL**		**1,401,822**		**28,277**
24		**TOTAL**		**1,401,822**		**28,277**
25	Qwest N. Limited Partnership	FINANCE	PCP	74,782		1,582
26		**PCP**		**74,782**		**1,582**
27		**TOTAL**		**74,782**		**1,582**
28	OnFiber	FINANCE	FDC	9,991		211
29		**FDC**		**9,991**		**211**
30		FINANCE	PCP	162,269		3,432
31		LEASED NETWORK FACILITIES		3,131		
32		NETWORK SERVICE		30,914		494
33		**PCP**		**196,314**		**3,926**

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Company Name: Qwest Corporation **Schedule 34**

Affiliate Transactions - Products & Services Provided by Utility

Year: 2007

Line No.	Affiliate Name (a)	Products & Services (b)	Method to Determine Price (c)	Charges by Utility (d)	% Total Affil. Expense (e)	Payments by MT Utility (f)
1	OnFiber	NETWORK SERVICES	PUB	133,506		
2		**PUB**		**133,506**		**0**
3		**TOTAL**		**339,811**		**4,138**
4	Qwest Communications Corporation	FINANCE	FDC	873,542		18,475
5		HUMAN RESOURCES		2,536		54
6		INFORMATION TECH SERVICES		47,651		1,008
7		INTERNAL COMMUNICATIONS		260,070		5,293
8		LEASED ASSETS		2,153		
9		MARKETING AND SALES		357,867		8,045
10		NETWORK SERVICES		3,102,706		36,845
11		SPACE & FURNITURE RENTAL		1,131,921		
12		**FDC**		**5,778,446**		**69,719**
13		ADMINISTRATIVE	FMV	946,273		21,272
14		BILLING & COLLECTION		116,909		2,980
15		LEASED ASSETS		146		
16		SPACE & FURNITURE RENTAL		233,303		6,445
17		**FMV**		**1,296,631**		**30,697**
18		ADCRUAL		30,524		678
19		ADMINISTRATIVE		3,502,752		78,742
20		BILLING & COLLECTIONS		6,497,353		128,652
21		FINANCE		2,253,827		47,668
22		HUMAN RESOURCES		26,183		554
23		INFORMATION TECH SERVICES		302,220		6,392
24		INTERNAL COMMUNICATIONS		1,461,546		28,882
25		LEASED ASSETS		1,796,533		1,667,422
26		MARKETING AND SALES		4,224,723		94,972
27		NETWORK SERVICES		40,841,547		238,026
28		SPACE & FURNITURE RENTAL		1,359,634		2,519
29		WHOLESALE OPERATOR SERV		2,476,015		55,661
30		WHOLESALE SERVICES		123,636		1,835
31		**PCP**		**64,896,493**		**2,352,002**
32		NETWORK SERVICES	PUB	832,375		398,625
33		**PUB**		**832,375**		**398,625**
34		**TOTAL**		**72,803,947**		**2,851,043**
35	Qwest Investment Company	FINANCE	FDC	16		0
36		**FDC**		**16**		**0**

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Company Name: Qwest Corporation **Schedule 34**

Affiliate Transactions - Products & Services Provided by Utility

Year: 2007

Line No.	Affiliate Name (a)	Products & Services (b)	Method to Determine Price (c)	Charges by Utility (d)	% Total Affil. Expense (e)	Payments by MT Utility (f)
1		FINANCE	PCP	70		1
2		**PCP**		**70**		**1**
3		**TOTAL**		**86**		**2**
4	Qwest Internet Solutions, Inc.	FINANCE	FDC	4,963		105
5		**FDC**		**4,963**		**105**
6		FINANCE	PCP	27,826		589
7		**PCP**		**27,826**		**589**
8		**TOTAL**		**32,789**		**693**
9	Qwest International Services Corp.	FINANCE	FDC	54		1
10		**FDC**		**54**		**1**
11		FINANCE	PCP	256		5
12		HUMAN RESOURCES		22		0
13		**PCP**		**278**		**6**
14		**TOTAL**		**332**		**7**
15	Qwest LD Corp	FINANCE	FDC	28,106		594
16		NETWORK SERVICES		9,085		191
17		**FDC**		**37,191**		**786**
18		BILLING & COLLECTION	FMV	27,957,801		679,037
19		**FMV**		**27,957,801**		**679,037**
20		BILLING & COLLECTION	PCP	94,110,633		2,217,200
21		FINANCE		142,742		3,019
22		NETWORK SERVICES		45,393		1,079
23		WHOLESALE SERVICES		17,458		400
24		**PCP**		**94,316,227**		**2,221,697**
25		**TOTAL**		**122,311,218**		**2,901,520**
26	Qwest Services Corporation	FINANCE	FDC	438,140		9,267
27		HUMAN RESOURCES		15,698		332
28		INFORMATION TECH SERVICES		159,989		3,384
29		INTERNAL COMMUNICATIONS		1,747,809		31,829
30		LEASED ASSETS		14,866		
31		NETWORK SERVICES		76,597		263
32		SPACE & FURNITURE RENTAL		17,993,438		47,475
33		**FDC**		**20,446,537**		**92,550**
34		LEASED ASSETS		43,137		
35		SPACE & FURNITURE RENTAL		8,549,398		44,642
36		**FMV**		**8,592,534**		**44,642**
37		FINANCE	PCP	945,710		20,002
38		HUMAN RESOURCES		116,185		2,457

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Company Name: Qwest Corporation **Schedule 34**

Affiliate Transactions - Products & Services Provided by Utility

Year: 2007

Line No.	Affiliate Name (a)	Products & Services (b)	Method to Determine Price (c)	Charges by Utility (d)	% Total Affil. Expense (e)	Payments by MT Utility (f)
1		INFORMATION TECH SERVICES		593,163		12,545
2		INTERNAL COMMUNICATIONS		6,423,242		117,308
3		NETWORK SERVICES		194,163		829
4		SPACE & FURNITURE RENTAL		16,468,003		
5		**PCP**		**24,740,466**		**153,142**
6		NETWORK SERVICES	PUB	10,884		
7		**PUB**		**10,884**		**-**
8		**TOTAL**		**53,790,422**		**290,334**
9	Qwest Transoceanic, Inc.	FINANCE	FDC	39,780		841
10		**FDC**		**39,780**		**841**
11		FINANCE	PCP	215,400		4,556
12		NETWORK SERVICES		137,197		
13		**PCP**		**352,597**		**4,556**
14		**TOTAL**		**392,376**		**5,397**
15	Qwest Wireless, LLC	FINANCE	FDC	156,355		3,307
16		HUMAN RESOURCES		861		18
17		INFORMATION TECH SERVICES		10,813		229
18		INTERNAL COMMUNICATIONS		73,491		1,554
19		NETWORK SERVICES		270,617		5,724
20		SPACE & FURNITURE RENTAL		58,631		
21		**FDC**		**570,768**		**10,832**
22		BILLING & COLLECTION	FMV	5,415,241		68,458
23		LEASED ASSETS		13,628		
24		SPACE & FURNITURE RENTAL		1,320,924		9,300
25		**FMV**		**6,749,792**		**77,758**
26		BILLING & COLLECTION	PCP	17,194,655		209,474
27		FINANCE		664,142		14,047
28		HUMAN RESOURCES		9,169		194
29		INFORMATION TECH SERVICES		65,716		1,390
30		INTERNAL COMMUNICATIONS		420,989		8,531
31		NETWORK SERVICES		1,665,670		35,205
32		SPACE & FURNITURE RENTAL		390,628		
33		**PCP**		**20,410,970**		**268,841**

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Company Name: Qwest Corporation **Schedule 34**

Affiliate Transactions - Products & Services Provided by Utility

Year: 2007

Line No.	Affiliate Name (a)	Products & Services (b)	Method to Determine Price (c)	Charges by Utility (d)	% Total Affil. Expense (e)	Payments by MT Utility (f)
1		SPACE & FURNITURE RENTAL	PUB	152,929		
2		**PUB**		**152,929**		**-**
3		**TOTAL**		**27,884,460**		**357,430**
4	Western RE	FINANCE	FDC	16		0
5		**FDC**		**16**		**0**
6		FINANCE	PCP	100		2
7		**PCP**		**100**		**2**
8		**TOTAL**		**116**		**2**
9						
10		**GRAND TOTAL**		**382,691,542**		**6,987,573**
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Part 32 requires that Qwest bill affiliates at the higher of FDC or FMV. Therefore, Column C, Methods To Determine Price, can change depending on the outcome of the pricing audit.

Company Name: Qwest Corporation

SCHEDULE 35

Montana Intrastate Regulated Earned Rate of Return

(Thousands of Dollars)

Year 2007

Line No.		Description Rate Base (a)	This Year (b)	Last Year (c)	Percent Change (d)
1					
2	2001	Plant in Service	613,384	618,566	-0.84%
3	2002	Prop. Held for Future Telecommunications Use	0	0	
4	3100-3200	(Less) Accumulated Depreciation	463,163	442,015	4.78%
5		**NET Plant in Service**	150,221	176,551	-14.91%
6					
7		Additions			
8	1220	Materials & Supplies	270	513	-47.27%
9	1280	Prepayments	0	0	0
10		Other Additions	0	0	
11		**TOTAL Additions**	270	513	-47.27%
12					
13		Deductions			
14	4100	Current Deferred Operating Income Taxes	(2,299)	(574)	-300.76%
15	4320	Unamortized Operating Investment Tax Credits	506	817	-38.07%
16	4340	Noncurrent Deferred Operating Income Taxes	19,718	18,982	3.88%
17		Customer Advances for Construction			
18		Other Deductions	0	0	
19		**TOTAL Deductions**	17,924	19,225	-6.77%
20		**TOTAL Rate Base**	132,567	157,839	-16.01%
21					
22		**Net Earnings**	33,033	21,518	53.51%
23					
24		**Rate of Return on Average Rate Base**	24.92%	13.63%	82.77%
25					
26		**Rate of Return on Average Equity**	198.88%	39.56%	402.69%
27					
28		Major Normalizing Adjustments & Commission			
29		Ratemaking adjustments to Utility Operations			
30		Earnings from Docket 93.7.25 - () reduces earnings			
31					
32		Advertising	95	95	0.00%
33		Contributions/Legal Advocacy	8	8	0.00%
34		Miscellaneous Dues	18	18	0.00%
35		Uncollectibles Accrual To Write Off	(131)	(131)	0.00%
36		Interest on Customer Deposits	(37)	(37)	0.00%
37		Total Net Income Adjustments	(47)	(47)	0.00%
38		Rate Base Adjustments			
39		Customer Deposits	453	453	0.00%
40		Land Development Agreements	283	283	0.00%
41		Total Rate Base Adjustments	736	736	0.00%
42					
43		Adjusted Rate of Return on Average Rate Base	25.02%	13.67%	83.08%
44					
45		Adjusted Rate of Return on Average Equity	200.06%	36.09%	454.37%

Company Name: Qwest Corporation

SCHEDULE 36

Other Taxes Paid

Year 2007

Line No.	Description (a)	Last Year (b)	This Year (c)
1	Montana Telephone Company License Tax **	0	0
2	Montana Public Service Commission Tax	283,491	233,287
3	Montana Consumer Counsel Tax	95,372	76,550
4	911 Emergency Telephone Fee	1,685,039	2,280,415
5	Montana Telecommunications Access Service (TDD)	336,556	308,993
6	Montana Corporate License Tax	3,254,401	3,733,691
7	Personal Property Tax	11,384,254	11,924,505
8	Real Property Tax	649,841	680,680
9	Montana Excise Tax **	4,853,802	3,735,842
10			
11			
12	Total	22,542,756	22,973,963

** Effective 1/1/00 the telephone license was replaced by excise tax on telephone service.

Company Name: Qwest Corporation

SCHEDULE 37

Universal Service Funds Received

Year 2007

Line No.	Description (a)	Last Year (b)	This Year (c)
13	Funds received from Montana Sources	0	0
14	Funds received from Federal Sources	16,171,163	14,456,194
15			
16			
17			
18			
19			
20			
21			
22			
23			
24	Total	16,171,163	14,456,194