General Information

Year: 2002

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 101 - 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	Richard C. Notebaert	Denver, Colorado	None
2	Oren G. Shaffer	Denver, Colorado	None
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13	Chairman of the Board: Richard C. Notebaert		
14			
15			

Company Name: Qwest Corporation **SCHEDULE 2**

Officers

Year: 2002

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	Chairman, Chief Executive Officer & President		Richard C. Notebaert, Denver, CO
2	Vice Chairman & Chief Financial Officer		Oren G. Shaffer, Denver, CO
3	Executive Vice President	Consumer Markets	Annette Jacobs, Denver, CO
4	Senior Vice President	Network Operations	Carol Kline, Littleton, CO
5	Senior Vice President	Finance	Charles Josenhans, Denver, CO
6	Vice President-Finance & Assistant Treasurer		James E. Shields, Denver, CO
7	Senior Associate General Counsel, Vice President and Secretary		Yash A. Rana, Denver, CO
8	Vice President & Assistant Treasurer		Kevin Welch, Denver, CO

Qwest Corporation
Notes to Montana Annual Report
Calendar Year 2002

1 The company filed its ARMIS Annual Reports with the Federal Communications Commission on December 12, 2003 to reflect the restated results for the calendar year 2002. The footnotes therein are incorporated herein by reference.

2 Subsequent to the ARMIS filing, it was determined that the company had not recorded certain transactions. The accompanying report includes the impact of these transactions as they relate to calendar year 2002.

3 Qwest Communications International Incorporated filed its Form 10K with the Securities and Exchange Commission on October 16, 2003 and Qwest Corporation filed its Form 10K on January 13, 2004. These reports, covering calendar years 2000, 2001 and 2002 are incorporated herein by reference.

4 The regulated intrastate depreciation expense shown on schedules 7, 8, 30 and 35 reflect costs that are based upon forward-looking asset lives consistent with asset lives of other telecommunications carriers.

Company Name: Qwest Corporation

Total Company Balance Sheet

(Thousands of Dollars) **Year: 2002**

Line No.		Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1			**CURRENT ASSETS:**		
2		1120	Cash and Equivalents	253,683	154,215
3		1180	Telecommunications Accounts Receivable - Net	1,251,877	1,518,742
4		1190	Other Accounts Receivable - Net	411,643	305,786
5		1200	Notes Receivable - Net	1,262	85,533
6		1210	Interest and Dividends Receivable	169	1,077
7		1220	Materials and Supplies	152,055	181,391
8	*	1280	Prepayments	178,428	162,094
9	^	1290	Prepaid Rents	24	0
10	^	1300	Prepaid Taxes	174,497	155,680
11	^	1310	Prepaid Insurance	135	96
12	^	1320	Prepaid Directory Expenses	0	0
13	^	1330	Other Prepayments	3,772	6,318
14		1350	Other Current Assets	45,063	54,844
15			**Total Current Assets**	2,294,180	2,463,682
16			**NONCURRENT ASSETS:**		
17		1401	Investments in Affiliated Companies	(1,481,846)	(533,035)
18		1402	Investments in Nonaffiliated Companies	25,349	28,028
19		1406	Nonregulated Investments	0	0
20		1407	Unamortized Debt Issuance Expense	145,833	121,383
21		1408	Sinking Funds	0	0
22		1410	Other Noncurrent Assets	78,242	121,599
23		1438	Deferred Maintenance and Retirements	0	0
24		1439	Deferred Charges	862,919	912,478
25		1500	Other Jurisdictional Assets - Net	(71,589)	(35,344)
26			**Total Noncurrent Assets**	(441,092)	615,109
27			**PROPERTY, PLANT, & EQUIPMENT:**		
28		2001	Telecommunications Plant in Service	43,130,775	41,703,640
29		2002	Property Held for Future Telecommunications Use	0	0
30		2003	Plant Under Construction - Short Term	198,146	559,800
31		2004	Plant Under Construction - Long Term	60,187	128,071
32		2005	Telecommunications Plant Adjustment	0	2,746
33		2006	Nonoperating Plant	24,055	46,888
34		2007	Goodwill	0	0
35		3100	Accumulated Depreciation	(23,174,118)	(20,961,172)
36		3200	Accumulated Depreciation - Held for Future Use	(1,343)	0
37		3300	Accumulated Depreciation - Nonoperating	0	0
38		3400	Accumulated Amortization (Includes 3500 and 3600)	(806,725)	(569,419)
39			**Net Property, Plant, & Equipment**	19,430,977	20,910,554
40			**TOTAL ASSETS**	21,284,066	23,989,345

^ Subaccount of account marked with a *.

Company Name: Qwest Corporation

Total Company Balance Sheet

(Thousands of Dollars) **Year: 2002**

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
41		**CURRENT LIABILITIES:**		
42	4010	Accounts Payable	970,549	1,180,967
43	4020	Notes Payable	0	1,011,704
44	4030	Advance Billing and Payments	326,010	342,010
45	4040	Customer Deposits	30,371	40,417
46	4050	Current Maturities - Long Term Debt	1,182,909	360,500
47	4060	Current Maturities - Capital Leases	(20,480)	119,847
48	4070	Income Taxes - Accrued	(60,726)	(8,537)
49	4080	Other Taxes - Accrued	290,854	275,775
50	4100	Net Current Deferred Operating Income Taxes	(64,422)	(58,036)
51	4110	Net Current Deferred Nonoperating Income Taxes	3,175	318
52	4120	Other Accrued Liabilities	1,228,556	2,360,873
53	4130	Other Current Liabilities	44,532	83,743
54		**Total Current Liabilities**	3,931,328	5,631,750
55		**LONG-TERM DEBT:**		
56	4210	Funded Debt	6,105,636	5,757,693
57	4220	Premium on Long-Term Debt	1	65
58	4230	Discount on Long-Term Debt	(141,563)	(122,186)
59	4240	Reacquired Debt	0	0
60	4250	Obligations Under Capital Leases	99,201	75,819
61	4260	Advances From Affiliated Companies	0	0
62	4270	Other Long-Term Debt	33,212	57,311
63		**Total Long-Term Debt**	6,096,487	5,768,702
64		**OTHER LIABILITIES AND DEFERRED CREDITS:**		
65	4310	Other Long-Term Liabilities	2,031,607	1,785,735
66	4320	Unamort. Oper. Invest. Tax Credits - Net	190,642	209,255
67	4330	Unamort. Nonoper. Invest. Tax Credits - Net	0	0
68	4340	Net Noncurrent Deferred Oper. Income Taxes	2,982,986	2,967,669
69	4350	Net Noncurrent Deferred Nonoper. Income Taxes	13,811	13,394
70	4360	Other Deferred Credits	1,354,572	1,359,048
71	4370	Other Jurisdictional Liab. and Def. Credits	(73,855)	(71,146)
72		**Total Other Liabilities and Deferred Credits**	6,499,763	6,263,955
73		**STOCKHOLDERS' EQUITY:**		
74	4510	Capital Stock	8,074,805	8,051,888
75	4520	Additional Paid-In Capital	65,261	51,764
76	4530	Treasury Stock	0	0
77	4540	Other Capital	0	0
78	4550	Retained Earnings	(3,383,576)	(1,856,544)
79		**Total Stockholders' Equity**	4,756,490	6,247,108
80		**TOTAL LIAB. AND STOCKHOLDERS' EQUITY**	21,284,068	23,989,346

Company Name: Qwest Corporation **SCHEDULE 4**

Total Company Income Statement

(Thousands of Dollars) **Year: 2002**

Line No.		Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1			**REVENUES:**		
2		5000	Basic Local Service Revenues	5,540,711	5,832,813
3		5080	Network Access Revenues	4,191,224	4,192,760
4	*	5100	Long Distance Message Revenue	174,586	263,820
5	^	5110	Unidirectional Long Distance Revenue (Note 1)	174,127	263,280
6	^	5120	Long Distance Private Network Revenue	459	540
7	^	5160	Other Long Distance Revenue	0	0
8	^	5169	Other Long Distance Revenue Settlements	0	0
9	*	5200	Miscellaneous Revenue	1,504,633	1,643,866
10	^	5230	Directory Revenue	80,687	83,016
11	^	5240	Rent Revenue	444,969	453,878
12	^	5250	Corporate Operations Revenue	78,507	37,802
13	^	5260	Miscellaneous Revenue	249,493	317,260
14	^	5270	Carrier Billing and Collection Revenue	99,230	115,692
15	^	5280	Nonregulated Revenue	551,747	636,218
16		5300	Uncollectible Revenue	259,188	198,362
17			**Total Revenues (L.2+L.3+L.4+L.9-L.16)**	11,151,966	11,734,897
18			**OPERATING EXPENSES:**		
19		6110	Network Support Expense	16,832	13,959
20		6120	General Support Expense	487,326	539,389
21		6210	Central Office Switching Expense	167,418	167,470
22		6220	Operator Systems Expense	27	725
23		6230	Central Office Transmission Expense	113,247	161,269
24		6310	Information Origination/Termination Expense	148,250	173,981
25		6410	Cable and Wire Facilities Expense	666,522	803,242
26		6431	Aerial Wire Expense	3,211	1,591
27		6441	Conduit Systems Expense	11,098	13,479
28		6510	Other Property, Plant & Equipment Expense	(801)	6,836
29		6530	Network Operations Expense	764,108	605,816
30		6540	Access Expense	230,400	319,303
31		6560	Depreciation and Amortization Expense	3,367,539	3,151,907
32		6610	Marketing	609,159	460,918
33		6620	Services	901,196	915,256
34		6710	Executive and Planning	20,106	19,145
35		6720	General and Administrative	947,443	1,144,870
36		6790	Provision for Uncollectible Notes Receivable	0	0
37			**Total Operating Expenses (Sum L.19 to L.36-L.26-L.27)**	8,438,772	8,484,086
38		7100	Other Operating Income and Expense	(233)	(142)
39		7200	Operating Taxes	1,135,001	1,207,908
40			**Net Operating Income (L.17-L.37+L.38-L.39)**	1,577,959	2,042,761
41		7300	Nonoperating Income and Expense	(1,124,762)	(286,846)
42		7400	Nonoperating Taxes	(34,660)	27,199
43		7500	Interest and Related Items	568,002	519,342
44		7600	Extraordinary Items	0	0
45		7910	Effects of Juris. Ratemaking Diff. - Net	(35,472)	(121,710)
46		7990	Nonregulated Net Income	0	0
47			**NET INCOME (L.40+L.41-L.42-L.43-L.44+L.45-L.46)**	(115,617)	1,087,665

^ 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: 2002**

Line No.		Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1			**REVENUES:**		
2		5000	Basic Local Service Revenues	137,931	142,028
3		5080	Network Access Revenues	116,438	106,919
4	*	5100	Long Distance Message Revenue	4,988	6,825
5	^	5110	Unidirectional Long Distance Revenue (Note 1)	4,989	6,826
6	^	5120	Long Distance Private Network Revenue	(1)	(1)
7	^	5160	Other Long Distance Revenue	0	0
8	^	5169	Other Long Distance Revenue Settlements	0	0
9	*	5200	Miscellaneous Revenue	15,209	14,511
10	^	5230	Directory Revenue	2,088	2,017
11	^	5240	Rent Revenue	(3,077)	(5,230)
12	^	5250	Corporate Operations Revenue	1,407	423
13	^	5260	Miscellaneous Revenue	2,383	3,522
14	^	5270	Carrier Billing and Collection Revenue	2,387	2,620
15	^	5280	Nonregulated Revenue	10,020	11,160
16		5300	Uncollectible Revenue	5,446	4,679
17			**Total Revenues (L.2+L.3+L.4+L.9-L.16)**	269,121	265,605
18			**OPERATING EXPENSES:**		
19		6110	Network Support Expense	315	214
20		6120	General Support Expense	7,758	7,998
21		6210	Central Office Switching Expense	3,000	3,213
22		6220	Operator Systems Expense	0	0
23		6230	Central Office Transmission Expense	2,368	2,852
24		6310	Information Origination/Termination Expense	2,326	2,421
25		6410	Cable and Wire Facilities Expense	10,544	13,351
26		6431	Aerial Wire Expense	80	46
27		6441	Conduit Systems Expense	39	76
28		6510	Other Property, Plant & Equipment Expense	(16)	(15)
29		6530	Network Operations Expense	12,409	10,147
30		6540	Access Expense	4,385	6,256
31		6560	Depreciation and Amortization Expense	71,660	67,634
32		6610	Marketing	11,810	8,482
33		6620	Services	17,960	17,860
34		6710	Executive and Planning	325	360
35		6720	General and Administrative	17,236	20,769
36		6790	Provision for Uncollectible Notes Receivable	0	0
37			**Total Operating Expenses (Sum L.19 to L.36-L.26-L.27)**	162,081	161,543
38		7100	Other Operating Income and Expense (Includes USF and Link Up America)	0	3
39		7200	Operating Taxes	46,583	41,650
40			**Net Operating Income (L.17-L.37-L.38-L.39)**	60,457	62,408

^ 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: 2002**

Line No.		Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1			**REVENUES:**		
2		5000	Basic Local Service Revenues	137,931	142,028
3		5080	Network Access Revenues	26,883	26,481
4	*	5100	Long Distance Message Revenue	4,974	6,837
5	^	5110	Unidirectional Long Distance Revenue (Note 1)	4,975	6,838
6	^	5120	Long Distance Private Network Revenue	(1)	(1)
7	^	5160	Other Long Distance Revenue	0	0
8	^	5169	Other Long Distance Revenue Settlements	0	0
9	*	5200	Miscellaneous Revenue	3,107	1,942
10	^	5230	Directory Revenue	2,088	2,017
11	^	5240	Rent Revenue	(2,365)	(3,919)
12	^	5250	Corporate Operations Revenue	1,037	286
13	^	5260	Miscellaneous Revenue	2,000	2,812
14	^	5270	Carrier Billing and Collection Revenue	346	746
15	^	5280	Nonregulated Revenue	(0)	(0)
16		5300	Uncollectible Revenue	2,173	2,925
17			**Total Revenues (L.2+L.3+L.4+L.9-L.16)**	170,722	174,364
18			**OPERATING EXPENSES:**		
19		6110	Network Support Expense	215	156
20		6120	General Support Expense	4,958	5,339
21		6210	Central Office Switching Expense	1,722	1,871
22		6220	Operator Systems Expense	0	0
23		6230	Central Office Transmission Expense	1,522	1,851
24		6310	Information Origination/Termination Expense	400	322
25		6410	Cable and Wire Facilities Expense	7,301	9,245
26		6431	Aerial Wire Expense	55	32
27		6441	Conduit Systems Expense	27	52
28		6510	Other Property, Plant & Equipment Expense	(10)	(12)
29		6530	Network Operations Expense	7,680	6,250
30		6540	Access Expense	1,388	3,143
31		6560	Depreciation and Amortization Expense	46,662	44,091
32		6610	Marketing	7,553	5,241
33		6620	Services	13,274	13,265
34		6710	Executive and Planning	227	247
35		6720	General and Administrative	11,795	14,233
36		6790	Provision for Uncollectible Notes Receivable	0	0
37			Total Operating Expenses (Sum L.19 to L.36-L.26-L.27)	104,686	105,244
38		7100	Other Operating Income and Expense (Includes USF and Link Up America)	(9,901)	(4,088)
39		7200	Operating Taxes	34,300	29,104
40			**Net Operating Income (L.17-L.37-L.38-L.39)**	41,638	44,104

^ 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: 2002**

Line No.		Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1			**REVENUES:**		
2		5000	Basic Local Service Revenues	137,210	141,417
3		5080	Network Access Revenues	21,803	21,106
4	*	5100	Long Distance Message Revenue	4,973	6,836
5	^	5110	Unidirectional Long Distance Revenue (Note 1)	4,974	6,837
6	^	5120	Long Distance Private Network Revenue	(1)	(1)
7	^	5160	Other Long Distance Revenue	0	0
8	^	5169	Other Long Distance Revenue Settlements	0	0
9	*	5200	Miscellaneous Revenue	2,854	1,307
10	^	5230	Directory Revenue	2,088	2,017
11	^	5240	Rent Revenue	(2,195)	(3,715)
12	^	5250	Corporate Operations Revenue	1,003	239
13	^	5260	Miscellaneous Revenue	1,957	2,766
14	^	5270	Carrier Billing and Collection Revenue	0	0
15	^	5280	Nonregulated Revenue	(0)	0
16		5300	Uncollectible Revenue	2,083	2,763
17			**Total Revenues (L.2+L.3+L.4+L.9-L.16)**	164,757	167,903
18			**OPERATING EXPENSES:**		
19		6110	Network Support Expense	207	150
20		6120	General Support Expense	4,787	5,089
21		6210	Central Office Switching Expense	1,706	1,853
22		6220	Operator Systems Expense	0	0
23		6230	Central Office Transmission Expense	1,350	1,619
24		6310	Information Origination/Termination Expense	392	311
25		6410	Cable and Wire Facilities Expense	7,112	8,935
26		6431	Aerial Wire Expense	55	32
27		6441	Conduit Systems Expense	27	52
28		6510	Other Property, Plant & Equipment Expense	(10)	(12)
29		6530	Network Operations Expense	7,405	5,998
30		6540	Access Expense	1,388	3,143
31		6560	Depreciation and Amortization Expense	54,243	52,405
32		6610	Marketing	7,398	4,811
33		6620	Services	13,199	13,063
34		6710	Executive and Planning	219	236
35		6720	General and Administrative	14,520	20,093
36		6790	Provision for Uncollectible Notes Receivable	0	0
37			**Total Operating Expenses (Sum L.19 to L.36-L.26-L.27)**	113,914	117,695
38		7100	Other Operating Income and Expense (Includes USF and Link Up America)	(9,901)	(4,088)
39		7200	Operating Taxes	27,385	15,901
40			**Net Operating Income (L.17-L.37-L.38-L.39)**	33,360	38,396

^ 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 8**

Average Rate Base - Total State

(Thousands of Dollars) **Year: 2002**

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1	2001	Telecommunications Plant in Service	920,453	889,828
2	3100	Accumulated Depreciation (Note 1)	567,844	518,755
3	2002	Property Held for Future Telecommunications Use	0	0
4	3200	Accumulated Depreciation - 2002	0	0
5	1220	Materials and Supplies	596	771
6	4340	Noncurrent Deferred Operating Income Taxes	62,009	59,564
7		Pre-1971 Unamortized Investment Tax Credits	0	0
8		Cash Working Capital (if allowed by Commission)	0	0
9		Total Average Rate Base (L.1-L.2+L.3-L.4+L.5-L.6-L.7+L.8)	291,197	312,280

Average Rate Base - Intrastate

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1	2001	Telecommunications Plant in Service	613,554	595,382
2	3100	Accumulated Depreciation (Note 1)	375,928	345,176
3	2002	Property Held for Future Telecommunications Use	0	0
4	3200	Accumulated Depreciation - 2002	0	0
5	1220	Materials and Supplies	401	519
6	4340	Noncurrent Deferred Operating Income Taxes	41,859	40,218
7		Pre-1971 Unamortized Investment Tax Credits	0	0
8		Cash Working Capital (if allowed by Commission)	0	0
9		Total Average Rate Base (L.1-L.2+L.3-L.4+L.5-L.6-L.7+L.8)	196,168	210,507

Average Rate Base - Regulated Intrastate

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1	2001	Telecommunications Plant in Service	583,301	563,189
2	3100	Accumulated Depreciation (Note 1)	398,428	353,222
3	2002	Property Held for Future Telecommunications Use	0	0
4	3200	Accumulated Depreciation - 2002	0	0
5	1220	Materials and Supplies	387	497
6	4340	Noncurrent Deferred Operating Income Taxes	15,609	22,046
7		Pre-1971 Unamortized Investment Tax Credits	0	0
8		Cash Working Capital (if allowed by Commission)	0	0
9		Total Average Rate Base (L.1-L.2+L.3-L.4+L.5-L.6-L.7+L.8)	169,651	188,418

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: 2002**

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	(115,617)	1,087,665
4	Reconciliation Adjustments:		
5	Depreciation & Amortization	3,367,539	3,151,908
6	Provision for Accounts Receivable Losses	259,188	198,362
7	Deferred Income Taxes - Net	16,488	438,021
8	Unamortized Investment Tax Credits (ITCs) - Net	(18,613)	(25,364)
9	Allowance for Funds Used During Construction (AFUDC)	(23,358)	(44,030)
10	Change in Operating Receivables - Net	377,494	66,089
11	Change in Materials, Supplies & Inventories - Net	29,337	(49,976)
12	Change in Operating Payables & Accrued Liabilities - Net	(395,884)	(608,155)
13	Change in Other Assets & Deferred Charges - Net	1,050,412	732,779
14	Change in Other Liabilities & Deferred Credits - Net	240,812	(590,356)
15	Other	48,161	72,104
16	Total Adjustments	4,951,575	3,341,382
17	**Net Cash Provided by/(Used in) Operating Activities**	4,835,958	4,429,047
18	**Cash Inflows/Outflows From Investing Activities:**		
19	Construction/Acquisition of Property, Plant & Equipment (net of		
20	AFUDC & Capital Lease Related Acquisitions)	(1,819,361)	(4,223,331)
21	Proceeds from Disposals of Property, Plant & Equipment	(120,981)	(38,184)
22	Investments In & Advances to Affiliates	(803,741)	(3,979)
23	Proceeds from Repayment of Advances	0	0
24	Other Investing Activities	0	0
25	**Net Cash Provided by/(Used in) Investing Activities**	(2,744,083)	(4,265,494)
26	**Cash Flows from Financing Activities:**		
27	Net Incr./(Decr.) in Short-Term Debt, Original maturity < = 3 mo.	(869,839)	425,206
28	Advances from Affiliates	0	0
29	Repayment of Advances from Affiliates	0	0
30	Proceeds from Issuances of Long-Term Debt	1,476,000	0
31	Repayment of Long-Term Debt	(361,640)	(238,574)
32	Payment of Capital Lease Obligations	(106,195)	(129,039)
33	Proceeds from Issuing Common Stock/Parent Co. Equity Investment	(215,547)	(217,506)
34	Repurchase of Treasury Shares	0	0
35	Dividends Paid	(1,915,184)	0
36	Other Financing Activities	0	0
37	Net Cash Provided by Financing Activities	(1,992,405)	(159,913)
38	Effect of Exchange Rate Changes on Cash	0	0
39	Net Increase/(Decrease) in Cash & Cash Equivalents	99,470	3,640
40	Cash & Cash Equivalents at Beginning of Period	154,214	150,574
41	Cash & Cash Equivalents at End of Period	253,683	154,214

Company Name: Qwest Corporation

SCHEDULE 10

Receivables and Investments-Affiliated & Nonaffiliated Companies

(Thousands of Dollars)

Year: 2002

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		1,598		29,239					(1,503,699)	
2	Malheur Home Telephone Company				305				169	12,304	
3	El Paso County Telephone									5,808	
4	QWEST Communications Corporation		104		11,570		286,166				
5	QWEST Communication Services, Inc				3,424						
6	QWEST DEX		84		1,143						
7	QWEST Advanced Technologies, Inc		1								
8	QWEST Business Resources, Inc		7		886						
9	QWEST Federal Services, Inc		3		114						
10	QWEST Interprise America		12,817		41,553						
11	QWEST Broadband Services		45		3,643						
12	QWEST Long Distance		1		302						
13	QWEST Service Corporation		33		88,319						
14	QWEST Information Technologies, Inc.				21,369						
15	TW Wireless, LLC				994						
16	Western Reinsurance										
17	QCII		3								
18	CYBER		12								
19											
20											
21											
22											
23											
24											
25											
26	All other investments				31,264				43,461		
27	Non-affiliates	165,248	1,333,286	96,117	268,271	8,438	1,263	0			25,349
28											
29	Totals	165,248	1,347,994	96,117	502,396	8,438	287,429	0	43,630	(1,485,587)	25,349

Company Name: Qwest Corporation - Montana

SCHEDULE 11

Net Plant in Service - Detail

(Thousands of Dollars)

Year: 2002

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	69,252	2,651	2,651	0	69,252	32,961	36,291
2	^	2111	Land	1,736	0	0		1,736	0	1,736
3	^	2112	Motor Vehicles	10,593	(46)	1,479		9,068	7,386	1,682
4	^	2113	Aircraft	0	0	0		0	0	0
5	^	2114	Special Purpose Vehicles	128	0	0		128	113	15
6	^	2115	Garage Work Equipment	298	0	35		263	69	194
7	^	2116	Other Work Equipment	4,495	388	378		4,505	(268)	4,773
8	^	2121	Buildings	43,374	2,291	19		45,646	20,474	25,172
9	^	2122	Furniture	16	0	0		16	(71)	87
10	^	2123	Office Equipment	1,123	0	494		629	399	230
11	^	2124	General Purpose Computers	7,489	18	246		7,261	4,859	2,402
12		2211	Analog Electronic Switching	0	0	0		0	0	0
13		2212	Digital Electronic Switching	168,839	10,099	4,697		174,241	98,951	75,290
14		2215	Electro-Mechanical Switching	0	0	0		0	0	0
15		2220	Operator Systems	0	0	0		0	0	0
16		2231	Radio Systems	13,498	201	1,334		12,365	8,299	4,066
17		2232	Circuit Equipment	174,169	9,010	2,754		180,425	131,123	49,302
18	*	2310	Information Orig & Term Equip	9,298	409	1,188	0	8,519	5,085	3,434
19	^	2311	Station Apparatus	0	0	0		0	0	0
20	^	2321	Customer Premises Wiring	0	0	0		0	0	0
21	^	2341	Large Private Branch Exchanges	0	0	0		0	0	0
22	^	2351	Public Telephone Term. Equip.	3,260	90	13		3,337	2,831	506
23	^	2362	Other Terminal Equipment	6,038	319	1,175		5,182	2,254	2,928
24		2411	Poles	6,756	153	36		6,873	10,331	(3,458)
25	*	2420	Cable and Wire Facilities	411,028	8,373	616	0	418,785	282,956	135,829
26	^	2421	Aerial Cable	34,808	927	147		35,588	33,856	1,732
27	^	2422	Underground Cable	43,161	458	5		43,614	34,809	8,805
28	^	2423	Buried Cable	325,320	6,752	448		331,624	208,658	122,966
29	^	2424	Submarine Cable	32	0	0		32	27	5
30	^	2425	Deep Sea Cable	0	0	0		0	0	0
31	^	2426	Intrabuilding Network Cable	7,707	236	16		7,927	5,606	2,321
32		2431	Aerial Wire	1,106	27	6		1,127	1,060	67
33		2441	Conduit Systems	21,294	303	0		21,597	9,090	12,507
34			Totals	875,240	31,226	13,282	0	893,184	579,856	313,328

^ Subaccount of the account marked with a *.

Company Name: Qwest Corporation

SCHEDULE 12

Analysis of Plant Held for Future Use

(Thousands of Dollars)

Year: 2002

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 2002.***						
3							
4							
5							
6							
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29							
30	Totals (Sum L.1 to L.29)		0	0	0	0	0

Company Name: Qwest Corporation

SCHEDULE 13

Cost of Long Term Debt

(Thousands of Dollars)

Year: 2002

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	5.650% 11 Year Note	10/28/93	11/01/04	100,000	N/A	96,979	96.98	99,385	5.65%	5,650	313	6.00%
4	6.625% 10 Year Note	09/15/95	09/15/05	250,000	N/A	247,661	99.06	249,328	6.63%	16,563	240	6.74%
5	6.125% 12 Year Note	11/15/93	11/15/05	150,000	N/A	149,319	99.55	149,863	6.13%	9,188	52	6.17%
6	7.500% 30 Year Debenture	06/15/93	06/15/23	484,000	N/A	479,693	99.11	481,076	7.50%	36,300	146	7.58%
7	7.250% 30 Year Debenture	09/15/95	09/15/25	250,000	N/A	247,276	98.91	247,874	7.25%	18,125	83	7.35%
8	7.200% 31 Year Debenture	11/10/95	11/10/26	250,000	N/A	245,018	98.01	245,664	7.20%	18,000	114	7.37%
9	8.875% 40 Year Debenture	06/01/91	06/01/31	250,000	N/A	240,477	96.19	241,546	8.88%	22,188	110	9.23%
10	6.875% 40 Year Debenture	09/15/93	09/15/33	1,000,000	N/A	903,417	90.34	910,328	6.88%	68,750	916	7.65%
11	7.250% 40 Year Debenture	10/15/95	10/15/35	250,000	N/A	244,154	97.66	244,714	7.25%	18,125	82	7.44%
12	7.125% 50 Year Debenture	11/15/93	11/15/43	250,000	N/A	247,770	99.11	248,231	7.13%	17,813	50	7.20%
13	5.625% 10 Year Note	11/15/98	11/15/08	320,000	N/A	316,787	99.00	317,906	5.63%	18,000	334	5.77%
14	7.200% 05 Year Note	11/01/99	11/01/04	750,000	N/A	743,935	99.19	747,490	7.20%	54,000	1,172	7.38%
15	7.625% 03 Year Note	06/09/00	06/09/03	1,000,000	N/A	991,896	99.19	998,617	7.63%	76,250	2,914	7.93%
16	8.875% 10 Year Note	03/12/02	03/15/12	1,500,000	N/A	1,441,581	96.11	1,443,297	8.88%	136,875	2,193	9.64%
17												
18												
19	EASTERN REGION											
20												
21	6.250% 39 Year Debenture	01/01/68	01/01/07	89,700	N/A	89,045	99.27	89,633	6.25%	5,606	17	6.27%
22	Refinanced Debenture	02/15/77	02/15/17		N/A			(7,031)			498	-7.08%
23	7.750% 40 Year Debenture	05/01/90	05/01/30	42,883	N/A	33,853	78.94	34,360	7.75%	3,323	64	9.86%
24												
25												
26												
27	CENTRAL REGION											
28												
29												
30	5.500% 39 Year Debenture	06/01/66	06/01/05	40,760	N/A	40,738	99.95	40,759	5.50%	2,242	1	5.50%
31	6.000% 40 Year Debenture	08/01/67	08/01/07	70,200	N/A	69,768	99.38	70,151	6.00%	4,212	11	6.02%
32	Refinanced Debenture	11/01/76	11/01/16		N/A			(4,299)			311	-7.23%
33	Refinanced Debenture	09/15/77	09/15/17		N/A			(6,314)			429	-6.80%
34	Refinanced Debenture	06/01/83	06/01/23		N/A			(18,354)			899	-4.90%
35	Refinanced Debenture	02/01/85	02/01/25		N/A			(17,965)			813	-4.53%
36	Refinanced Debenture	02/01/77	02/01/17		N/A			(8,107)			575	-7.10%
37	Refinanced Debenture	02/01/77	02/01/17		N/A			(17,978)			1,276	-7.10%
38	7.375% 40 Year Debenture	05/01/90	05/01/30	55,150	N/A	41,484	75.22	42,241	7.38%	4,067	97	9.86%
39												
40												
41	Subtotal Page 1 of 2			7,102,693		6,870,851		6,822,415		535,276	13,711	

Company Name: Qwest Corporation

SCHEDULE 13

Cost of Long Term Debt

(Thousands of Dollars)

Year: 2002

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	4.500% 40 Year Debenture	04/01/63	04/01/03	50,000	N/A	50,779	101.56	50,005	4.50%	2,250	(19)	4.46%
4	Refinanced Debenture	05/01/80	05/01/20		N/A			(7,650)			441	-5.77%
5												
6												
7	MEDIUM TERM NOTE PROGRAM											
8												
9	7.100% 10 Year Note	01/19/93	01/20/03	35,000	N/A	34,768	99.34	34,999	7.10%	2,485	23	7.17%
10	7.100% 10 Year Note	01/21/93	01/21/03	12,000	N/A	11,921	99.34	12,000	7.10%	852	8	7.17%
11	7.050% 10 Year Note	01/27/93	01/27/03	15,000	N/A	14,901	99.34	14,999	7.05%	1,058	10	7.12%
12	6.960% 10 Year Note	02/03/93	02/03/03	18,000	N/A	17,881	99.34	17,999	6.96%	1,253	12	7.03%
13	6.970% 10 Year Note	02/03/93	02/03/03	15,000	N/A	14,901	99.34	14,999	6.97%	1,046	10	7.04%
14	6.900% 10 Year Note	02/04/93	02/04/03	10,000	N/A	9,934	99.34	9,999	6.90%	690	7	6.97%
15												
16	PROMISSORY NOTES											
17												
18	3280 28th St, Boulder CO	08/01/02	12/01/05	759	N/A	N/A	N/A	670	N/A	104	0	15.52%
19	1515 Arapahoe, Denver CO	09/01/02	04/01/04	1,713	N/A	N/A	N/A	1,894	N/A	235	0	12.41%
20	6251 Greenwood, Englewood CO	12/31/02	02/01/04	2,404	N/A	N/A	N/A	2,393	N/A	270	0	11.28%
21	201 3rd St, Albuquerque, NM	12/31/02	04/01/05	1,337	N/A	N/A	N/A	1,272	N/A	150	0	11.79%
22	701 Xenia, Golden Valley MN	12/31/02	05/01/04	1,069	N/A	N/A	N/A	1,059	N/A	120	0	11.33%
23												
24	OTHER LONG TERM DEBT											
25	IBM Note	12/01/97	01/01/03	24,099	N/A	N/A	N/A	24,099	5.69%	1,371	0	5.69%
26	IBM Note	06/25/99	07/01/04	17,285	N/A	N/A	N/A	17,285	5.95%	1,028	0	5.95%
27	IBM Note	12/31/99	01/01/05	15,927	N/A	N/A	N/A	15,927	6.52%	1,038	0	6.52%
28	Subtotal Page 2 of 2			219,593		155,085		211,949		13,949	492	
29												
30	Grand Total			7,322,286		7,025,936		7,034,364		549,224	14,203	

NOTES:

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

The schedule includes funded debt, current maturities long term debt, and other long term debt.

Company Name: Qwest Corporation

SCHEDULE 14

Cost of Preferred Stock

(Thousands of Dollars)

Year: 2002

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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18												
19												
20												
21												
22												
23												
24												
25												
26												
27												
28												
29												
30	Totals (Sum L.1 to L.29)					0	0			0	0	0

Company Name: Qwest Corporation

SCHEDULE 15

Analysis of Common Stock

(Thousands of Dollars)

Year: 2002

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, 2002:	1	4,756,490	(115,617)	805,031	N/M	N/A	N/A	N/A
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
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19									
20									
21									
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 2002 ARMIS data filed December 12, 2003

N/M=Not Meaningful

Company Name: Qwest Corporation

SCHEDULE 16

Capital Stock and Funded Debt Reacquired or Retired During the Year

(Thousands of Dollars)

Year: 2002

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	40 YR 4.50% Due 06-01-02	6/1/02		50,000			Retirement
3	(Central)						
4	40 YR 4.375% Due 09-01-02	9/1/02		50,000			Retirement
5	(Western)						
6	7 YR 6.375% Due 10-15-02	10/15/02		250,000			Retirement
7	(USWC)						
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25	Totals (Sum L.1 to L.24)		0	350,000	0	0	0

Company Name: Qwest Corporation

Total Company Expense Matrix

Year: 2002

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	930,870	265,162	2,068,621	13,566,872	0	16,831,525
2	^	6112	Motor Vehicle Expense	812,172	228,267	2,045,105	12,139,650	0	15,225,194
3	^	6113	Aircraft Expense	0	0	9,020	(9,020)	0	0
4	^	6114	Special Purpose Vehicles Expense	4,089	998	0	63,667	0	68,753
5	^	6115	Garage Work Equipment Expense	2,822	677	5,385	395,933	0	404,817
6	^	6116	Other Work Equipment Expense	111,788	35,220	9,112	976,642	0	1,132,761
7	*	6120	General Support Expense	26,602,767	2,155,700	160,731,165	297,836,241	0	487,325,874
8	^	6121	Land and Building Expense	8,934,613	2,184,325	139,019,325	81,902,731	0	232,040,994
9	^	6122	Furniture and Artworks Expense	80,267	13,033	(654,796)	2,755,337	0	2,193,841
10	^	6123	Office Equipment Expense	4,323,757	1,060,440	9,315,494	6,831,882	0	21,531,573
11	^	6124	General Purpose Computers Expense	13,264,131	(1,102,098)	13,051,142	206,346,291	0	231,559,466
12	*	6210	Central Office Switching Expense	103,955,948	25,476,848	25,294,810	12,690,237	0	167,417,844
13	^	6211	Analog Electronic Expense					0	0
14	^	6212	Digital Electronic Expense	103,955,948	25,476,848	25,294,810	12,690,237	0	167,417,844
15	^	6215	Electro-Mechanical Expense					0	0
16		6220	Operator Systems Expense	6,695	1,677	(16,968)	35,290	0	26,694
17	*	6230	Central Office Transmission Expense	107,734,136	26,265,461	651,020	(21,403,471)	0	113,247,145
18	^	6231	Radio Systems Expense	1,522,934	373,987	10,549	1,036,394	0	2,943,864
19	^	6232	Circuit Equipment Expense	106,211,202	25,891,474	640,471	(22,439,866)	0	110,303,281
20	*	6310	Information Origination/Termination Expense	106,560,800	26,209,117	517,225	14,962,929	0	148,250,071
21	^	6311	Station Apparatus Expense	4,900,373	1,205,622	22,546	191,371	0	6,319,912
22	^	6341	Large Private Branch Exchange Expense	14,121,752	3,481,912	80,122	1,040,604	0	18,724,390
23	^	6351	Public Telephone Terminal Equipment Expense	6,159,928	1,504,230	473	5,189,085	0	12,853,717
24	^	6362	Other Terminal Equipment Expense	81,378,748	20,017,352	414,084	8,541,869	0	110,352,053
25	*	6410	Cable and Wire Facilities Expense	386,932,638	97,862,158	23,628,448	158,099,507	0	666,522,752
26	^	6411	Poles Expense	341,692	80,646	14,598,891	346,615	0	15,367,844
27	^	6421	Aerial Cable Expense	83,436,441	20,563,180	636,770	6,764,335	0	111,400,727
28	^	6422	Underground Cable Expense	27,319,131	6,572,297	(1,097,973)	13,002,987	0	45,796,442
29	^	6423	Buried Cable Expense	262,254,870	67,322,576	9,275,597	121,967,531	0	460,820,574
30	^	6424	Submarine Cable Expense	627	160	4	72	0	862
31	^	6425	Deep Sea Cable Expense	0	0	0	0	0	0
32	^	6426	Intrabuilding Network Cable Expense	13,294,990	3,265,788	92,096	2,173,434	0	18,826,308
33	^	6431	Aerial Wire Expense	40,704	10,299	302	3,160,192	0	3,211,498
34			**Subtotals**	732,479,672	178,188,911	212,751,561	465,103,265	0	1,588,523,409

^ Subaccount of the account marked with a *.

Company Name: Qwest Corporation

Total Company Expense Matrix

Year: 2002

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	244,183	47,212	122,761	10,684,341	0	11,098,497
36		6510	Other Property Expenses	(1,507,021)	(183,159)	0	889,326	0	(800,854)
37	*	6530	Network Operations Expense	451,040,045	155,918,335	53,190	157,096,186	0	764,107,756
38	^	6531	Power Expense	0	0	0	61,351,727	0	61,351,727
39	^	6532	Network Administration Expense	18,805,246	2,240,660	0	753,087	0	21,798,993
40	^	6533	Testing Expense	107,215,028	26,396,180	0	2,312,878	0	135,924,087
41	^	6534	Plant Operations Expense	268,610,299	124,980,137	51,392	57,367,343	0	451,009,171
42	^	6535	Engineering Expense	56,409,472	2,301,358	1,798	35,311,151	0	94,023,778
43		6540	Access Expense	0	0	0	230,400,488	0	230,400,488
44		6561	Depreciation - Telecomm. Plant in Service	0	0	0	2,930,021,005	0	2,930,021,005
45		6562	Depreciation-Prop. for Future Telecom. Use	0	0	0	0	0	0
46		6563	Amortization Expense - Tangible	0	0	0	124,721,818	0	124,721,818
47		6564	Amortization Expense - Intangible	0	0	0	292,194,219	0	292,194,219
48		6565	Amortization - Other	0	0	0	20,602,146	0	20,602,146
49	*	6610	Marketing	44,153,279	(3,667,613)	16	568,673,267	0	609,158,950
50	^	6611	Product Management	16,227,783	(2,996,092)	16	227,843,903	0	241,075,610
51	^	6612	Sales	27,925,496	(671,520)	0	276,678,388	0	303,932,364
52	^	6613	Product Advertising	0	0	0	64,150,976	0	64,150,976
53		6621	Call Completion Services	15,216,362	6,516,610	0	440,271	0	22,173,242
54		6622	Number Services	40,239,809	18,505,813	167	1,195,536	0	59,941,324
55		6623	Customer Services	380,634,064	141,633,237	14,469	296,799,917	0	819,081,688
56		6711	Executive	490,160	526,652	787	17,130,022	0	18,147,621
57		6712	Planning	0	850	0	1,957,572	0	1,958,422
58		6721	Accounting and Finance	22,461,455	3,367,363	20,000	65,434,668	0	91,283,486
59		6722	External Relations	4,722,307	955,519	4,093,977	45,802,352	0	55,574,154
60		6723	Human Relations	6,366,489	(480,917)	107	34,973,778	0	40,859,458
61		6724	Information Management	(66,934,012)	(26,486,409)	4,108,468	646,231,902	0	556,919,949
62		6725	Legal	0	0	0	93,690,424	0	93,690,424
63		6726	Procurement	0	267	0	14,606,140	0	14,606,407
64		6727	Research and Development	0	0	0	100,988	0	100,988
65		6728	Other General and Administrative	(30,730,079)	38,601	6,180,820	119,018,578	0	94,507,920
66		6790	Provision for Uncollectible Notes Receivable	0	0	0	0	0	0
67		8747	Administrative Services Clearing	0	0	0	(97,905)	0	(97,905)
68			**Totals**	1,598,876,712	474,881,273	227,346,323	6,137,670,303	0	8,438,774,611

^ Subaccount of the account marked with a *.

Company Name: Qwest Corporation - Montana

Total State Expense Matrix

Year: 2002

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	202,463	50,190	(8,028)	70,868	0	315,493
2	^	6112	Motor Vehicle Expense	193,753	47,848	(16,612)	47,032	0	272,022
3	^	6113	Aircraft Expense	0	0	0	832	0	832
4	^	6114	Special Purpose Vehicles Expense	337	75	0	6,940	0	7,352
5	^	6115	Garage Work Equipment Expense	974	208	0	19,871	0	21,053
6	^	6116	Other Work Equipment Expense	7,399	2,059	8,584	(3,807)	0	14,234
7	*	6120	General Support Expense	605,700	63,468	1,650,718	5,438,493	0	7,758,378
8	^	6121	Land and Building Expense	337,816	83,155	1,065,032	1,360,980	0	2,846,983
9	^	6122	Furniture and Artworks Expense	0	0	(13,148)	10,377	0	(2,772)
10	^	6123	Office Equipment Expense	19,414	5,043	25,114	98,686	0	148,257
11	^	6124	General Purpose Computers Expense	248,470	(24,730)	573,720	3,968,450	0	4,765,910
12	*	6210	Central Office Switching Expense	2,207,634	543,635	152,734	96,061	0	3,000,064
13	^	6211	Analog Electronic Expense					0	0
14	^	6212	Digital Electronic Expense	2,207,634	543,635	152,734	96,061	0	3,000,064
15	^	6215	Electro-Mechanical Expense					0	0
16		6220	Operator Systems Expense	0	0	0	1	0	1
17	*	6230	Central Office Transmission Expense	1,878,594	451,700	12,455	24,882	0	2,367,630
18	^	6231	Radio Systems Expense	42,858	10,145	313	3,943	0	57,258
19	^	6232	Circuit Equipment Expense	1,835,736	441,555	12,142	20,939	0	2,310,372
20	*	6310	Information Origination/Termination Expense	1,537,353	383,906	7,634	396,728	0	2,325,620
21	^	6311	Station Apparatus Expense	6,719	1,671	45	19,303	0	27,738
22	^	6341	Large Private Branch Exchange Expense	156,752	38,694	1,145	13,933	0	210,525
23	^	6351	Public Telephone Terminal Equipment Expense	170,401	42,449	0	193,200	0	406,051
24	^	6362	Other Terminal Equipment Expense	1,203,481	301,091	6,444	170,292	0	1,681,307
25	*	6410	Cable and Wire Facilities Expense	5,524,439	1,348,056	1,027,253	2,644,597	0	10,544,345
26	^	6411	Poles Expense	3,685	949	381,421	(5,851)	0	380,205
27	^	6421	Aerial Cable Expense	1,353,580	337,910	3,890	255,812	0	1,951,192
28	^	6422	Underground Cable Expense	221,604	54,244	1,605	62,773	0	340,227
29	^	6423	Buried Cable Expense	3,780,619	914,086	639,163	2,185,542	0	7,519,411
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	162,428	40,395	1,160	30,635	0	234,619
33	^	6431	Aerial Wire Expense	0	0	0	79,959	0	79,959
34			Subtotals	11,953,660	2,840,482	2,842,754	8,635,904	0	26,272,799

^ Subaccount of the account marked with a *.

Company Name: Qwest Corporation - Montana

Total State Expense Matrix

Year: 2002

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	2,523	472	13	35,725	0	38,733
36		6510	Other Property Expenses	(48,225)	(7,086)	0	39,021	0	(16,290)
37	*	6530	Network Operations Expense	7,121,203	1,983,981	212	3,304,017	0	12,409,414
38	^	6531	Power Expense	0	0	0	1,150,548	0	1,150,548
39	^	6532	Network Administration Expense	262,824	16,171	0	14,040	0	293,035
40	^	6533	Testing Expense	1,988,272	488,070	0	43,004	0	2,519,346
41	^	6534	Plant Operations Expense	3,909,398	1,427,246	116	1,347,611	0	6,684,372
42	^	6535	Engineering Expense	960,708	52,494	96	748,814	0	1,762,112
43		6540	Access Expense	0	0	0	4,385,227	0	4,385,227
44		6561	Depreciation - Telecomm. Plant in Service	0	0	0	63,041,204	0	63,041,204
45		6562	Depreciation-Prop. for Future Telecom. Use	0	0	0	0	0	0
46		6563	Amortization Expense - Tangible	0	0	0	1,673,800	0	1,673,800
47		6564	Amortization Expense - Intangible	0	0	0	6,951,004	0	6,951,004
48		6565	Amortization - Other	0	0	0	(6,036)	0	(6,036)
49	*	6610	Marketing	900,988	(94,725)	0	11,003,435	0	11,809,698
50	^	6611	Product Management	326,453	(71,374)	0	3,858,293	0	4,113,372
51	^	6612	Sales	574,535	(23,351)	0	6,077,759	0	6,628,943
52	^	6613	Product Advertising	0	0	0	1,067,383	0	1,067,383
53		6621	Call Completion Services	459,088	182,108	0	10,760	0	651,955
54		6622	Number Services	447,426	233,214	82	8,327	0	689,049
55		6623	Customer Services	7,479,999	2,681,517	200	6,457,521	0	16,619,236
56		6711	Executive	(59,186)	9,254	15	336,696	0	286,779
57		6712	Planning	0	17	0	38,525	0	38,542
58		6721	Accounting and Finance	434,623	62,993	0	1,298,757	0	1,796,373
59		6722	External Relations	125,976	34,495	0	707,907	0	868,378
60		6723	Human Relations	121,146	(10,418)	2	687,133	0	797,863
61		6724	Information Management	(1,561,793)	(586,403)	80,085	12,084,318	0	10,016,206
62		6725	Legal	0	0	0	2,239,087	0	2,239,087
63		6726	Procurement	0	5	0	287,449	0	287,454
64		6727	Research and Development	0	0	0	1,987	0	1,987
65		6728	Other General and Administrative	(607,818)	6,276	11,746	1,820,456	0	1,230,660
66		6790	Provision for Uncollectible Notes Receivable	0	0	0	0	0	0
67		8747	Administrative Services Clearing	0	0	0	(1,927)	0	(1,927)
68			Totals	26,769,607	7,336,182	2,935,110	125,040,297	0	162,081,195

^ Subaccount of the account marked with a *.

Pension Costs

(Thousands of Dollars) **Year: 2002**

1	Plan Name Qwest Pension Plan			
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? Yes		
5				
	Item	Current Year	Last Year	% Change
6	**Change in Benefit Obligation**			
7	Benefit obligation at beginning of year	7,892,500	7,765,400	1.64%
8	Service cost	104,347	144,938	-28.01%
9	Interest Cost	408,305	530,099	-22.98%
10	Plan participants' contributions	0	0	
11	Amendments	0	0	
12	Actuarial Gain	487,191	827,865	-41.15%
13	Acquisition	0	0	
14	Benefits paid	(1,355,759)	(1,249,737)	-8.48%
14a	Special termination benefits	(189,784)	(126,065)	-50.54%
15	Benefit obligation at end of year	7,346,800	7,892,500	-6.91%
16	**Change in Plan Assets**			
17	Fair value of plan assets at beginning of year	9,118,985	11,146,669	-18.19%
18	Adjustment to match trust	0	0	
19	Actual return on plan assets	(852,979)	(684,687)	-24.58%
20	Acquisition	0	0	
21	Employer contribution	0	0	
22	Plan participants' contributions	0	0	
23	420 Transfer	0	(93,260)	100.00%
24	Benefits paid	(1,355,759)	(1,249,737)	-8.48%
25	Fair value of plan assets at end of year	6,910,247	9,118,985	-24.22%
26	**Funded Status**	(436,553)	1,226,485	-135.59%
27	Unrecognized net actuarial loss	1,363,908	(217,721)	726.45%
28	Unrecognized prior service cost	(135,740)	(187,456)	27.59%
29	Prepaid (accrued) benefit cost	791,615	821,308	-3.62%
30				
31	**Weighted-average Assumptions as of Year End**			
32	Discount rate	6.75%	7.25%	-6.90%
33	Expected return on plan assets	9.40%	9.40%	0.00%
34	Rate of compensation increase	4.65%	4.65%	0.00%
35				
36	**Components of Net Periodic Benefit Costs**			
37	Service cost	104,347	144,938	-28.01%
38	Interest cost	408,305	530,099	-22.98%
39	Expected return on plan assets	(628,437)	(850,506)	26.11%
40	Amortization of prior service cost	(51,716)	(61,196)	15.49%
41	Recognized net actuarial loss	7,410	(41,145)	118.01%
42	Net periodic benefit cost	(160,091)	(277,810)	42.37%
43				
44	**Montana Intrastate Costs:**			
45	Pension Costs	(2,054)	(3,169)	35.18%
46	Pension Costs Capitalized	(417)	(1,434)	70.92%
47	Accumulated Pension Asset (Liability) at Year End	13,612	13,082	4.05%
48	**Number of Company Employees:**			
49	Covered by the Plan	75,714	78,331	-3.34%
50	Not Covered by the Plan	0	0	
51	Active	37,197	38,816	-4.17%
52	Retired	38,517	39,515	-2.53%
53	Deferred Vested Terminated	13,596	16,670	-18.44%

Other Post Employment Benefits (OPEBS)

(Thousands of Dollars)

Year: 2002

	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	1,539	646	138.24%
6	**Weighted-average Assumptions as of Year End**			
7	Discount rate	6.75%	7.25%	-6.90%
8	Expected return on plan assets	9.40%	9.40%	
9	Medical Cost Inflation Rate	10% graded to 5%	8% graded to 5%	
10	Actuarial Cost Method	Projected Unit Credit	Projected Unit Credit	
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 420 Transfer - No			
14	Cash - Yes			
15	**Describe any Changes to the Benefit Plan:**			
16				
16a				
17	**TOTAL COMPANY**			
18	**Change in Benefit Obligation**			
19	Benefit obligation at beginning of year	4,230,000	4,050,000	4.44%
20	Service cost	21,434	23,773	-9.84%
21	Interest Cost	291,013	277,517	4.86%
22	Plan participants' contributions	0	0	
23	Amendments	0	0	
24	Actuarial Gain	842,587	127,406	561.34%
25	Acquisition	0		
26	Benefits paid	(306,886)	(248,696)	-23.40%
27	Benefit obligation at end of year	5,078,148	4,230,000	20.05%
28	**Change in Plan Assets**			
29	Fair value of plan assets at beginning of year	1,886,888	2,222,047	-15.08%
30	Actual return on plan assets	(103,635)	(138,286)	25.06%
31	Acquisition	0	0	
32	Employer contribution	33,039	78,968	-58.16%
32a	Life Trust Reimbursement	0	(27,145)	100.00%
33	Plan participants' contributions	0	0	
34	Benefits paid	(306,886)	(248,696)	-23.40%
35	Fair value of plan assets at end of year	1,509,406	1,886,888	-20.01%
36	**Funded Status**	(3,568,742)	(2,343,112)	-52.31%
37	Unrecognized net actuarial loss	1,073,750	(68,212)	1674.14%
38	Unrecognized prior service cost	(36,450)	(45,650)	20.15%
39	Prepaid (accrued) benefit cost	(2,531,442)	(2,456,974)	-3.03%
40	**Components of Net Periodic Benefit Costs**			
41	Service cost	21,434	23,773	-9.84%
42	Interest cost	291,013	277,517	4.86%
43	Expected return on plan assets	(176,082)	(206,226)	14.62%
44	Amortization of prior service cost	(9,199)	(9,199)	
45	Recognized net actuarial loss	(19,660)	(64,918)	69.72%
46	Net periodic benefit cost	107,506	20,947	413.23%
47	**Accumulated Post Retirement Benefit Obligation**			
48	Amount Funded through VEBA	0	0	
49	Amount Funded through 401(h)	0	0	
50	Amount Funded through Other - Cash	33,039	0	100.00%
51	TOTAL	33,039	0	100.00%
52	Amount that was tax deductible - VEBA	0	0	
53	Amount that was tax deductible - 401(h)	0	0	
54	Amount that was tax deductible - Cash	33,039	0	100.00%
55	TOTAL	33,039	0	100.00%

Other Post Employment Benefits (OPEBS) Continued

(Thousands of Dollars)

Year: 2002

	Item	Current Year	Last Year	% Change
1	**Number of Company Employees:**			
2	Covered by the Plan	80,214	81,925	-2.09%
3	Not Covered by the Plan	6,083	7,423	-18.05%
4	Active	33,286	36,519	-8.85%
5	Retired	40,845	37,983	7.53%
6	Spouses/Dependants covered by the Plan	26,719	23,297	14.69%
7	**Montana**			
8	**Change in Benefit Obligation**			
9	Benefit obligation at beginning of year	49,213	46,195	6.53%
10	Service cost	265	329	-19.45%
11	Interest Cost	3,599	3,904	-7.81%
12	Plan participants' contributions	0	0	
13	Amendments	0	0	
14	Actuarial Gain	10,818	1,735	523.52%
15	Acquisition	0	0	
16	Benefits paid	(3,940)	(2,950)	-33.56%
17	Benefit obligation at end of year	59,955	49,213	21.83%
18	**Change in Plan Assets**			
19	Fair value of plan assets at beginning of year	41,824	47,489	-11.93%
20	Actual return on plan assets	(1,331)	(1,883)	29.31%
21	Acquisition	0	0	
22	Employer contribution	0	0	
22a	Life Trust Reimbursement	0	(395)	100.00%
23	Plan participants' contributions	0	0	
24	Benefits paid	(3,940)	(3,387)	-16.33%
25	Fair value of plan assets at end of year	36,553	41,824	-12.60%
26	**Funded Status**	(23,402)	(7,389)	-216.71%
27	Unrecognized net actuarial loss	13,786	(929)	1583.96%
28	Unrecognized prior service cost	(468)	(622)	24.76%
29	Prepaid (accrued) benefit cost	(10,084)	(8,940)	-12.80%
30	**Components of Net Periodic Benefit Costs**			
31	Service cost	265	329	-19.45%
32	Interest cost	3,599	3,904	-7.81%
33	Expected return on plan assets	(4,319)	(4,881)	11.51%
34	Amortization of prior service cost	2,253	2,249	0.18%
35	Recognized net actuarial loss	(259)	(955)	72.88%
36	Net periodic benefit cost	1,539	646	138.24%
37	**Accumulated Post Retirement Benefit Obligation**			
38	Amount Funded through VEBA	0	0	
39	Amount Funded through 401(h)	0	0	
40	Amount Funded through other - Cash	424	0	100.00%
41	TOTAL	424	0	100.00%
42	Amount that was tax deductible - VEBA	0	0	
43	Amount that was tax deductible - 401(h)	0	0	
44	Amount Funded through other - Cash	424	0	100.00%
45	TOTAL	424	0	100.00%
46	**Montana Intrastate Costs:**			
47	Benefit Cost Expensed	1,378	561	145.63%
48	Benefit Cost Capitalized	161	85	89.41%
49	Benefit Payments - Medical	3,540	2,950	20.00%
50	**Number of Montana Employees:**			
51	Covered by the Plan	448	458	-2.18%
52	Not Covered by the Plan	N/A	N/A	
53	Active	448	458	-2.18%
54	Retired	N/A	N/A	
55	Spouses/Dependants covered by the Plan	N/A	N/A	

Company Name: Qwest Corporation **SCHEDULE 21**

Payments for Services to Persons Other Than Employees

(Thousands of Dollars) **Year: 2002**

Line No.	Name of Recipient (a)	Nature of Service (b)	Total Company Cost (c)	Total State Cost (d)	Intrastate Cost (e)
1	CRAMER-KRASSELT COMPANY	Advertising and Information Service	3,062		
2	DDB NEEDHAM WORLDWIDE	Advertising and Information Service	4,267		
3	DDB CHICAGO, INC	Advertising and Information Service	2,304		
4	ECOUNT	Advertising and Information Service	1,105		
5	HUNT.DDBDIRECT	Advertising and Information Service	2,540		
6	ICON INTERNATIONAL INC	Advertising and Information Service	1,160		
7	LTD DIRECT MARKETING INC	Advertising and Information Service	6,990		
8	MEREDITH CORPORATION	Advertising and Information Service	1,080		
9	NEWSPAPER SERVICES OF AMERICA	Advertising and Information Service	11,035		
10	OMD USA INC	Advertising and Information Service	6,372		
11	PREVISION MARKETING INC	Advertising and Information Service	1,466		
12	THE INTEGER GROUP	Advertising and Information Service	1,348		
13	TRAVERSE COMMUNICATIONS, INC	Advertising and Information Service	1,032		
14					
15	TOTAL ADVERTISING AND INFORMATION SERVICES		43,761		
16					
17					
18					
19	NONE TO REPORT	Audit and Accounting Service	0		
20					
21	TOTAL AUDIT AND ACCOUNTING SERVICES		0		
22					
23					
24					
25	AIMS LOGISTIC	Clerical and Office Service	41,126		
26	PITNEY BOWES INC	Clerical and Office Service	1,903		
27	STEELCASE	Clerical and Office Service	3,130		
28					
29	TOTAL CLERICAL AND OFFICE SERVICES		46,159		
30					
31					
32					
33	AIC/TECHWEST ANALYST INTERNATIONAL	Computer and Data Processing Service	5,095		
34	AMERICAN MGMT SYSTEMS INC	Computer and Data Processing Service	1,646		
35	INTRADO INC	Computer and Data Processing Service	7,514		
36	WALLACE CORPORATE HEADQUARTERS	Computer and Data Processing Service	3,616		
37					
38	TOTAL COMPUTER AND DATA PROCESSING SERVICES		17,871		
39					
40					
41					
42	ARCH COMMUNICATIONS	Consulting and Research Service	1,000		
43	ANALYSTS INTERNATIONAL	Consulting and Research Service	1,781		
44	BEAR CREEK TECHNOLOGIES	Consulting and Research Service	1,100		
45	CADENCE NETWORK INC	Consulting and Research Service	736		
46	COMMUNICATIONS TEST DESIGN INC	Consulting and Research Service	6,698		
47	LUCENT TECHNOLOGIES	Consulting and Research Service	58,168		
48	RNL DESIGN	Consulting and Research Service	2,076		
49	SHG/SW INCORPORATED	Consulting and Research Service	1,771		
50	TELCORDIA TECHNOLOGIES	Consulting and Research Service	85,989		
51	TELLABS OPERATIONS INC	Consulting and Research Service	2,288		
52					
53	TOTAL CONSULTING AND RESEARCH SERVICES		161,607		
54					
55					
56					
57	ACCENT SERVICE COMPANY INC	Financial Service	9,847		
58	COLLECTION SERVICE BUREAU	Financial Service	615		

Payments for Services to Persons Other Than Employees

(Thousands of Dollars) Year: 2002

Line No.	Name of Recipient (a)	Nature of Service (b)	Total Company Cost (c)	Total State Cost (d)	Intrastate Cost (e)
59	CONTINENTAL ALLIANCE INC	Financial Service	795		
60	CREDIT BUREAU OF MISSOULA	Financial Service	561		
61	ER SOLUTIONS, INC	Financial Service	1,956		
62	FIRST DATA CORP	Financial Service	2,261		
63	MARICOPA COUNTY SHERIFF'S OFFICE	Financial Service	529		
64	NATIONWIDE CREDIT INC	Financial Service	1,102		
65	OREGON STATE DEPT OF CORRECTIONS	Financial Service	2,863		
66	OSI COLLECTION SERVICES INC	Financial Service	928		
67	PORT OF SEATTLE	Financial Service	1,881		
68	RISK MANAGEMENT ALTERNATIVES INC	Financial Service	12,475		
69					
70	TOTAL FINANCIAL SERVICES		35,813		
71					
72					
73					
74	ACCENTURE LLP	Legal Service	5,430		
75	APPLIED DISCOVERY INC	Legal Service	693		
76	BROWNSTEIN HYATT & FARBER PC	Legal Service	612		
77	DORSEY & WHITNEY LLP	Legal Service	4,094		
78	FENNEMORE CRAIG	Legal Service	1,778		
79	G C SERVICES LP	Legal Service	3,623		
80	GREENE ESPEL	Legal Service	627		
81	HOGAN AND HARTSON	Legal Service	9,351		
82	KUTAK ROCK LLP	Legal Service	1,030		
83	LOCKLINE LLC	Legal Service	6,873		
84	MONTGOMERY & ANDREWS	Legal Service	681		
85	O'MELVENY & MYERS	Legal Service	894		
86	PERKINS COIE	Legal Service	9,114		
87	SHERMAN & HOWARD LLC	Legal Service	674		
88	STEESE AND ASSOCIATES PC	Legal Service	572		
89	STERLING ASSOCIATES LLC	Legal Service	2,825		
90	STOEL RIVES LLP	Legal Service	1,976		
91	WILMER CUTLER & PICKERING	Legal Service	7,079		
92					
93	TOTAL LEGAL SERVICES		57,926		
94					
95					
96					
97	ALLIANCE FOR TELECOMMUNICATIONS	Membership Fees and Dues	95		
98	CAPITAL SOFTWARE	Membership Fees and Dues	60		
99					
100	TOTAL MEMBERSHIP FEES AND DUES		155		
101					
102					
103	ALDEN SYSTEMS INC	Personnel Service	4,212		
104	AOI CORPORATION	Personnel Service	1,252		
105	ATA SERVICES INC	Personnel Service	1,498		
106	CYDCOR LIMITED	Personnel Service	1,986		
107	EXPERIAN	Personnel Service	1,013		
108	MOHAWK LTD	Personnel Service	1,541		
109	NEUSTAR	Personnel Service	3,068		
110	OTIS ELEVATOR COMPANY	Personnel Service	2,407		
111	SKE SUPPORT SERVICES	Personnel Service	2,770		
112	SNELLING PERSONNEL SERVICES	Personnel Service	1,295		
113	SOURCE ONE MANAGEMENT	Personnel Service	9,819		
114	SPRINT UNITED MANAGEMENT CO	Personnel Service	5,263		
115	STREAM INTERNATIONAL SERVICES CORP	Personnel Service	2,171		
116	SYKES ENTERPRISES INC	Personnel Service	2,041		

Payments for Services to Persons Other Than Employees

(Thousands of Dollars) Year: 2002

Line No.	Name of Recipient (a)	Nature of Service (b)	Total Company Cost (c)	Total State Cost (d)	Intrastate Cost (e)
117	TELETECH CUSTOMER CARE MANAGEMENT	Personnel Service	1,316		
118	UNIVERSAL SOLUTIONS INC	Personnel Service	4,216		
119					
120	TOTAL PERSONNEL SERVICES		45,868		
121	XEROX CORPORATION	Printing and Design Service	1,090		
122					
123	TOTAL PRINTING AND DESIGN SERVICES		1,090		
124					
125					
126					
127	NOTHING TO REPORT	Security Service	0		
128					
129	TOTAL SECURITY SERVICES		0		
130					
131					
132	CONTRIBUTIONS		0		
133					
134					
135	GRAND TOTAL		410,250		

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

Subscriber Line Usage Data

(Thousands of Minutes) **Year: 2002**

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%

* 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: 2002

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%	#REF!
2	ANACONDA	ELECTRIC											100.0%	#REF!
3	BELGRADE	ELECTRIC											100.0%	#REF!
4	BILLINGS MAIN	ELECTRIC											100.0%	#REF!
5	BILLINGS WEST	ELECTRIC											100.0%	#REF!
6	BOULDER	ELECTRIC											100.0%	#REF!
7	BOZEMAN	ELECTRIC											100.0%	#REF!
8	BRIDGER	ELECTRIC											100.0%	#REF!
9	BUTTE	ELECTRIC											100.0%	#REF!
10	BUTTE SOUTH	ELECTRIC											100.0%	#REF!
11	CANYON FERRY	ELECTRIC		WIRE CENTER DETAIL IS PROVIDED UNDER SEPARATE COVER AS PROPRIETARY									100.0%	#REF!
12	CASCADE	ELECTRIC											100.0%	#REF!
13	CLANCY	ELECTRIC											100.0%	#REF!
14	CLYDE PARK	ELECTRIC											100.0%	#REF!
15	COLSTRIP	ELECTRIC											100.0%	#REF!
16	COLUMBUS	ELECTRIC											100.0%	#REF!
17	CONRAD	ELECTRIC											100.0%	#REF!
18	COOKE CITY	ELECTRIC											100.0%	#REF!
19	CORVALLIS	ELECTRIC											100.0%	#REF!
20	CUT BANK	ELECTRIC											100.0%	#REF!
21	DARBY	ELECTRIC											100.0%	#REF!
22	DEER LODGE	ELECTRIC											100.0%	#REF!
23	DILLON	ELECTRIC											100.0%	#REF!
24	DUTTON	ELECTRIC											100.0%	#REF!
25	EAST GLACIER PARK	ELECTRIC											100.0%	#REF!
26	EAST HELENA	ELECTRIC											100.0%	#REF!
27	FAIRVIEW	ELECTRIC											100.0%	#REF!
28	FORSYTH	ELECTRIC											100.0%	#REF!
29	FRENCHTOWN	ELECTRIC											100.0%	#REF!
30	FROMBERG	ELECTRIC											100.0%	#REF!
31	Subtotal Page 1													#REF!

Company Name: Qwest Corporation

SCHEDULE 23

Central Office and Access Line Statistics

Year: 2002

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%	#REF!
2	GARDINER	ELECTRIC											100.0%	#REF!
3	GLENDIVE	ELECTRIC											100.0%	#REF!
4	GREAT FALLS	ELECTRIC											100.0%	#REF!
5	HAMILTON	ELECTRIC											100.0%	#REF!
6	HARDIN	ELECTRIC											100.0%	#REF!
7	HAVRE	ELECTRIC											100.0%	#REF!
8	HELENA MAIN	ELECTRIC											100.0%	#REF!
9	HELENA NORTH	ELECTRIC											100.0%	#REF!
10	JOLIET	ELECTRIC											100.0%	#REF!
11	LAUREL	ELECTRIC		WIRE CENTER DETAIL IS PROVIDED UNDER SEPARATE COVER AS PROPRIETARY									100.0%	#REF!
12	LEWISTOWN	ELECTRIC											100.0%	#REF!
13	LIVINGSTON	ELECTRIC											100.0%	#REF!
14	LOLO	ELECTRIC											100.0%	#REF!
15	MANHATTAN	ELECTRIC											100.0%	#REF!
16	MILES CITY	ELECTRIC											100.0%	#REF!
17	MILLTOWN	ELECTRIC											100.0%	#REF!
18	MISSOULA MAIN	ELECTRIC											100.0%	#REF!
19	MISSOULA SOUTH	ELECTRIC											100.0%	#REF!
20	OPPORTUNITY	ELECTRIC											100.0%	#REF!
21	PARK CITY	ELECTRIC											100.0%	#REF!
22	POWELL	ELECTRIC											100.0%	#REF!
23	PRAY	ELECTRIC											100.0%	#REF!
24	RED LODGE	ELECTRIC											100.0%	#REF!
25	ROBERTS	ELECTRIC											100.0%	#REF!
26	SHELBY	ELECTRIC											100.0%	#REF!
27	SHEPHERD	ELECTRIC											100.0%	#REF!
28	SIDNEY	ELECTRIC											100.0%	#REF!
29	ST MARY	ELECTRIC											100.0%	#REF!
30	STEVENSVILLE	ELECTRIC											100.0%	#REF!
31	Subtotal Page 2													#REF!

Company Name: Qwest Corporation

SCHEDULE 23

Central Office and Access Line Statistics

Year: 2002

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%	#REF!
2	THREE FORKS	ELECTRIC											100.0%	#REF!
3	TOWNSEND	ELECTRIC											100.0%	#REF!
4	ULM	ELECTRIC											100.0%	#REF!
5	VAUGHN	ELECTRIC											100.0%	#REF!
6	VICTOR	ELECTRIC											100.0%	#REF!
7	WARM SPRINGS	ELECTRIC											100.0%	#REF!
8	WEST GLACIER	ELECTRIC		WIRE CENTER DETAIL IS PROVIDED UNDER SEPARATE COVER AS PROPRIETARY									100.0%	#REF!
9	WEST YELLOWSTONE	ELECTRIC											100.0%	#REF!
10	WHITEHALL	ELECTRIC											100.0%	#REF!
11	WIBAUX	ELECTRIC											100.0%	#REF!
12	WILSALL	ELECTRIC											100.0%	#REF!
13	WOLF CREEK	ELECTRIC											100.0%	#REF!
14														
15														
16														
17														
18														
19														
20	Subtotal Page 3													#REF!
21														
22	MONTANA		#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!		#REF!

Central Office and Switch Information

Year: 2002

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	13,296	2001
4	Billings Main	Stand Alone	Digital	LUCENT	5ESS	64,774	1994
5	Billings Main	Host	Digital	ERSN	AXE	0	1991
6	Billings Main	STP	Digital	ERSN	AXE/STP	0	1992
7	Billings Main	Packet (Unreg)	Packet	NTI	DPN100	0	1993
8	Billings West	Lines/Host	Digital	LUCENT	5ESS	28,136	1985
9	Boulder	Remote/Helena Host	Digital	ERSN	AXE/RSS	1,280	1992
10	Bozeman	Stand Alone	Digital	LUCENT	5ESS	44,414	1984
11	Bozeman	STP	Digital	ERSN	AXE/STP	0	1992
12	Bridger	Remote/Billings Host	Digital	ERSN	AXE/RSS	768	1993
13	Butte Main	Stand Alone	Digital	LUCENT	5ESS	16,639	1990
14	Butte South	Remote/Butte Host	Digital	LUCENT	5ESS/ORM	9,375	1995
15	Canyon Ferry	Remote/Helena Host	Digital	ERSN	AXE/RSS	1,024	1993
16	Cascade	Remote/Great Falls	Digital	LUCENT	5ESS/RSM	1,632	1994
17	Clancy	Remote/Helena Host	Digital	ERSN	AXE/RSS	1,280	1993
18	Clyde Park	Remote/Livingston	Digital	ERSN	AXE/RSS	640	1992
19	Colstrip	Remote/Billings Host	Digital	LUCENT	5ESS/RSM	2,144	1997
20	Columbus	Remote/Billings Host	Digital	ERSN	AXE/RSS	2,302	1992
21	Conrad	Remote/Great Falls	Digital	LUCENT	5ESS/RSM	2,560	1994
22	Cooke City	Remote/Livingston	Digital	ERSN	AXE/RSS	384	1992
23	Corvallis	Remote/Hamilton	Digital	ERSN	AXE/RSS	3,712	1991
24	Cut Bank	Remote/Shelby	Digital	ERSN	AXE/RSS	2,688	1994
25	Darby	Remote/Hamilton	Digital	ERSN	AXE/RSS	2,528	1991
26	Deer Lodge	Remote/Helena Host	Digital	ERSN	AXE/RSS	2,944	1990
27	Dillon	Remote/Helena Host	Digital	ERSN	AXE/RSS	4,735	1992
28	Dutton	Remote/Great Falls	Digital	LUCENT	5ESS/RSM	512	1994
29	East Glacier	Remote/Shelby	Digital	ERSN	AXE/RSS	512	1993
30	East Helena	Remote/Helena Host	Digital	LUCENT	5ESS/RSM	6,872	1988
31	Fairview	Remote/Glendive	Digital	ERSN	AXE/RSS	1,024	1993
32	Forsyth	Remote/Miles City	Digital	ERSN	AXE/RSS	2,048	1992
33	Frenchtown	Remote/Missoula Host	Digital	LUCENT	5ESS/RSM	2,881	1990
34	Fromberg	Remote/Billings Host	Digital	ERSN	AXE/RSS	512	1993
35	Gallatin Gateway	Remote/Bozeman	Digital	LUCENT	5ESS/RSM	1,888	1993
36	Gardiner	Remote/Livingston	Digital	ERSN	AXE/RSS	1,280	1991
37	Glendive	Stand Alone	Digital	ERSN	AXE	4,992	1992
38	Great Falls	Lines/Host	Digital	LUCENT	5ESS	53,232	1987
39	Great Falls	Packet (Unreg)	Packet	NTI	DPN100	0	1993
40	Hamilton	Stand Alone	Digital	ERSN	AXE	9,312	1991
41	Hardin	Remote/Billings Host	Digital	ERSN	AXE/RSS	2,816	1992
42	Havre	Stand Alone	Digital	ERSN	AXE	8,448	1991
43	Helena Main	Lines/Host	Digital	LUCENT	5ESS	34,456	1988
44	Helena Main	Host	Digital	ERSN	AXE	0	1990
45	Helena Main	STP	Digital	ERSN	AXE/STP	0	1992
46	Helena North	Remote/Helena Host	Digital	LUCENT	5ESS/RSM	5,376	1988

Central Office and Switch Information

Year: 2002

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)
47	Joliet	Remote/Billings Host	Digital	ERSN	AXE/RSS	1,408	1993
48	Laurel	Remote/Billings Host	Digital	ERSN	AXE/RSS	5,504	1992
49	Lewistown	Stand Alone	Digital	ERSN	AXE	7,040	1993
50	Livingston	Stand Alone	Digital	ERSN	AXE	8,320	1992
51	Lolo	Remote/Missoula Host	Digital	LUCENT	5ESS/RSM	7,103	1993
52	Manhattan	Remote/Bozeman	Digital	LUCENT	5ESS/RSM	2,629	1993
53	Miles City	Stand Alone	Digital	ERSN	AXE	7,168	1992
54	Milltown	Remote/Missoula Host	Digital	LUCENT	5ESS/RSM	2,112	1993
55	Missoula Main	Lines/Host	Digital	LUCENT	5ESS	58,944	1986
56	Missoula Main	STP	Digital	ERSN	AXE/STP	0	1992
57	Missoula South	Remote/Missoula Host	Digital	LUCENT	5ESS/ORM	8,608	1993
58	Opportunity	Remote/Helena Host	Digital	ERSN	AXE/RSS	766	1992
59	Park City	Remote/Billings Host	Digital	ERSN	AXE/RSS	2,048	1992
60	Pray	Remote/Livingston	Digital	ERSN	AXE/RSS	1,280	1990
61	Red Lodge	Remote/Billings Host	Digital	ERSN	AXE/RSS	3,456	1992
62	Roberts	Remote/Billings Host	Digital	ERSN	AXE/RSS	640	1993
63	Saint Mary	Remote/Shelby	Digital	ERSN	AXE/RSS	512	1993
64	Shelby	Stand Alone	Digital	ERSN	AXE	2,432	1993
65	Shepherd	Remote/Billings West	Digital	LUCENT	5ESS/RSM	3,392	1985
66	Sidney	Remote/Glendive	Digital	ERSN	AXE/RSS	4,608	1993
67	Stevensville	Remote/Hamilton	Digital	ERSN	AXE/RSS	6,752	1991
68	Terry	Remote/Miles City	Digital	ERSN	AXE/RSS	512	1994
69	Three Forks	Remote/Bozeman	Digital	LUCENT	5ESS/RSM	2,941	1993
70	Townsend	Remote/Helena Host	Digital	ERSN	AXE/RSS	2,304	1992
71	Ulm	Remote/Great Falls	Digital	LUCENT	5ESS/RSM	1,600	1993
72	Vaughn	Remote/Great Falls	Digital	LUCENT	5ESS/RSM	2,624	1993
73	Victor	Remote/Hamilton	Digital	ERSN	AXE/RSS	2,048	1991
74	Warm Springs	Remote/Helena Host	Digital	ERSN	AXE/RSS	383	1992
75	West Glacier	Remote/Shelby	Digital	ERSN	AXE/RSS	640	1993
76	W. Yellowstone	Remote/Livingston	Digital	ERSN	AXE/RSS	2,816	1991
77	Whitehall	Remote/Helena Host	Digital	ERSN	AXE/RSS	2,048	1992
78	Wibaux	Remote/Glendive	Digital	ERSN	AXE/RSS	639	1994
79	Wilsall	Remote/Livingston	Digital	ERSN	AXE/RSS	512	1992
80	Wolf Creek	Remote/Helena Host	Digital	ERSN	AXE/RSS	512	1992

Company Name: Qwest Corporation **SCHEDULE 25**

Construction Budget-Montana

(Thousands of Dollars) **Year: 2002**

Line No.	Description (a)	Year 2003 (b)
1	**Central Office Assets:**	
2	Switching	
3	2003 MT - Capitalization of Plug-In Equipment	585
4	Great Falls R2 - Engine	736
5	2003 MT Right-To-Use Software State Estimate	1,357
6	Livingston AXE Replacement w Remotes	1,886
7	Total Switching	4,564
8		
9		
10		
11	Circuit Equipment	
12	2003 - OC48 Cisco - Billings to Bozeman	563
13	2003 - OC48 DWDM-Cisco @ Bozeman	987
14	2003 MT - Capitalization of Plug-In Equipment	1,113
15	Total Circuit Equipment	2,663
16		
17		
18		
19		
20		
21		
22		
23		
24	Total Switching and Central Office Projects over $500,000	7,227
25	Miscellaneous Central Office Projects not over $500,000	3,020
26	**Total Central Office Budget (L.24+L.25)**	10,247
27	Other Projects over $500,000:	
28		
29	Outside Plant	
30	2003 Capitalization of Plug-In Equipment	1,617
31		
32		
33		
34		
35		
36		
37		
38	Total Other Projects over $500,000	1,617
39	Miscellaneous Projects not over $500,000	16,860
40	**Total Construction Budget (L.26+L.38+L.39)***	28,724

*The Construction Budget Plant Additions include amounts specifically identified to Montana plus a portion of approximately $900 Million of capital expenditures that Qwest Corporation projects for 2003 but has not specifically identified to a particular state.

Company Name: Qwest Corporation **SCHEDULE 26**

Montana Employee Counts

Year: 2002

Line No.	Category (a)	Beginning of Year (b)	End of Year (c)
1	BGS-CCS/Centers for Customer Service		1
2	BGS-CPE Operations	6	5
3	Consumer Marketing Operations	2	10
4	Consumer Mountain Customer Care	12	
5	Communications-Merger Related	1	1
6	Executive		
7	Finance	3	3
8	Fleet Services	6	6
9	GB Alternative Chnl & Gov Mk	3	3
10	Network Complex Services	34	
11	Network Operations		
12	Network Services ID, MT, IA, ND	220	237
13	Network Services AZ, CO, NM, WY, UT	6	
14	Local Network	35	36
15	Public Policy	1	1
16	Real Estate	9	8
17	Real Estate Asset Management	2	1
18	Risk Management		
19	Small Business Service Delivery	117	115
20	Other Affiliates	53	49
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39	Note: At the end of the year, there were 44 construction technicians included		
40	in the Network totals. There is not a job category for splicer.		
41	Totals (Sum L.1 to L.40)	510	476

Company Name: Qwest Corporation **SCHEDULE 27**

Compensation of Top 10 Montana Based Employees

Year: 2002

Line No.	Name/Title (a)	Base Salary (b)	Bonuses (c)	Other Compensation (d)	Total Compensation (e)	Total Compensation Last Year (f)	% Increase Total Compensation (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: 2002

Line No.	Name/Title (a)	Base Salary (b)	Bonuses (c)	Other Compensation (d)	Total Compensation (e)	Total Compensation Last Year (f)	% Increase Total Compensation (g)
1	Richard C. Notebaert Chairman and Chief Executive Officer	$613,462	$825,000	$1,255,936	$2,694,398	N/A	
2	Oren G. Shaffer Vice Chairman and Chief Financial Officer	$369,231	$600,000	$58,603	$1,027,834	N/A	
3	Clifford S. Holtz Executive Vice President, Business Markets Group	$427,885	$0	$1,149,272	$1,577,157	$661,847	138.3%
4	Richard N. Baer Executive Vice President, General Counsel and Corporate Secretary	$353,654	$617,500	$31,368	$1,002,522	N/A	
5	Annette M. Jacobs Former Executive Vice President, Consumer Markets Group	$364,423	$0	$53,569	$417,992	N/A	
6	Totals (Sum L.1 to L.5)	$2,128,655	$2,042,500	$2,548,748	$6,719,903	$661,847	

Company Name: Qwest Corporation **SCHEDULE 29**

Montana Composite Statistics

Year: 2002

Line No.	Account No.	Description (a)	Amount (b)
1		**Plant (Intrastate Only) (000 Omitted)**	
2	2001	Plant in Service	613,554
3	2003-2004	Construction Work in Progress	3,936
4	2005	Plant Acquisition Adjustments	0
5	2002	Plant Held for Future Use	0
6	1220	Materials & Supplies	401
7		(Less):	
8	3100-3400	Depreciation & Amortization Reserves	375,928
9	4360.2	Contributions in Aid of Construction	(192)
10		NET BOOK COSTS	242,155
11		**Revenues & Expenses (Intrastate Only) (000 Omitted)**	
12	5000-5300	Operating Revenues	172,895
13	6560	Depreciation & Amortization Expenses	46,662
14		Federal & State Income Taxes	24,209
15		Other Taxes	10,091
16		Other Operating Expenses	50,295
17		TOTAL Operating Expenses	131,257
18		Net Operating Income	41,638
19		Other Income	(13,039)
20		Other Deductions	4,754
21		NET INCOME	23,845
22		**Access Lines in Service (Intrastate Only)**	
23		Residential Access Lines	254,049
24		Business Access Lines	109,563
25		PBX Access Lines	15,995
26		Other Access Lines (Public)	3,679
27		Total Number of Access Lines	383,286
28		**Average Number of Calls Per Access Line**	
29		Local Calls	2,165
30		Toll Calls (Intra- or Interstate)	447
31		Total Number of Calls Per Access Line (L.29 + L.30)	2,613
32		**Other Statistics (Intrastate Only)**	
33		Average Residential Monthly Bill	16.11
34		Gross Plant Investment per Access Line	1,612

Company Name: Qwest Corporation **SCHEDULE 30**

Depreciation-Montana Intrastate Regulated

(Thousands of Dollars) **Year: 2002**

Line No.	Acct No. (a)	Description (b)	Composite Rate % (c)	Total Expense $ (d)
1	2112	Motor Vehicles	0.0%	0
2	2114	Special Purpose Vehicles	4.2%	4
3	2115	Garage Work Equipment	9.8%	20
4	2116	Other Work Equipment	9.4%	285
5	2121	Buildings	3.7%	1,172
6	2122	Furniture	170.4%	20
7	2123.1	Office Equipment	18.0%	30
8	2123.2	Company Communications Equipment	121.0%	338
9	2124	General Purpose Computers	19.3%	992
10	2212	Digital Switching Equipment	13.1%	18,402
11	2220	Operator Systems	0.0%	0
12	2231	Radio Systems	10.9%	728
13	2232	Circuit DDS	8.5%	62
14	2232	Circuit Digital	10.9%	9,043
15	2232	Circuit Analog	17.0%	1,514
16	2362	Other Terminal Equipment	10.7%	436
17	2411	Pole Lines	11.0%	519
18	2421	Aerial Cable Metallic	11.5%	2,792
19	2421	Aerial Cable Nonmetallic	9.9%	8
20	2422	Underground Cable Metallic	7.3%	1,711
21	2422	Underground Cable Nonmetallic	6.4%	424
22	2423	Buried Cable Metallic	6.3%	12,720
23	2423	Buried Cable Nonmetallic	6.2%	1,716
24	2424	Submarine Cable Metallic	2.2%	0
25	2424	Submarine Cable Nonmetallic	0.0%	0
26	2426	Intrabuilding Cable Metallic	3.5%	183
27	2426	Intrabuilding Cable Nonmetallic	3.6%	6
28	2431	Aerial Wire	0.0%	0
29	2441	Conduit Systems	2.3%	341
30				
31				
32				
33				
34				
35		**COMPOSITE TOTAL**		53,466
36				
37	Have these rates been approved by the Commission? __Yes _x_No			
38				
39	If yes: Docket Number Order Number			
40				

Montana depreciation expense reflects costs that are based upon forward-looking asset lives consistent with asset lives of other telecommunications carriers. See the following sheet for depreciation data following depreciation rates last approved by the Commission.

Company Name: Qwest Corporation **SCHEDULE 30A**

Depreciation-Montana Intrastate Regulated

(Thousands of Dollars) **Year: 2002**

Line No.	Acct No. (a)	Description (b)	Composite Rate % (c)	Total Expense $ (d)
1	2112	Motor Vehicles	0.9%	344
2	2114	Special Purpose Vehicles	0.9%	5
3	2115	Garage Work Equipment	8.2%	22
4	2116	Other Work Equipment	8.3%	158
5	2121	Buildings	3.6%	1,066
6	2122	Furniture	68.8%	2
7	2123.1	Office Equipment	13.3%	18
8	2123.2	Company Communications Equipment	0.0%	23
9	2124	General Purpose Computers	11.8%	11
10	2212	Digital Switching Equipment	5.4%	9,329
11	2220	Operator Systems	0.0%	0
12	2231	Radio Systems	5.2%	743
13	2232	Circuit DDS	0.0%	84
14	2232	Circuit Digital	5.1%	9,094
15	2232	Circuit Analog	0.7%	0
16	2362	Other Terminal Equipment	5.5%	541
17	2411	Pole Lines	3.9%	474
18	2421	Aerial Cable Metallic	5.9%	1,641
19	2421	Aerial Cable Nonmetallic	9.5%	10
20	2422	Underground Cable Metallic	4.3%	1,470
21	2422	Underground Cable Nonmetallic	5.5%	434
22	2423	Buried Cable Metallic	4.1%	9,126
23	2423	Buried Cable Nonmetallic	4.2%	1,707
24	2424	Submarine Cable Metallic	1.2%	1
25	2424	Submarine Cable Nonmetallic	0.0%	0
26	2426	Intrabuilding Cable Metallic	2.9%	213
27	2426	Intrabuilding Cable Nonmetallic	6.5%	14
28	2431	Aerial Wire	8.6%	0
29	2441	Conduit Systems	2.1%	310
30				
31				
32				
33				
34				
35		**COMPOSITE TOTAL**		36,840

36

37 Have these rates been approved by the Commission? __x__Yes __No

38

39 If yes: Docket Number Order Number

40 96.8.131 5937c

The above table represents depreciation data based upon the last approved rates which was in Docket No. D96.8.131, Order No 5937c. The total expense in column (d) was not used in any of the financial statements in this annual report.

Company Name: Qwest Corporation **SCHEDULE 31**

Montana Regulatory Capital Structure & Costs

Year: 2002

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%	6.00%
5	Preferred Stock	0.00%	0.00%	0.00%
6	Long Term Debt	50.00%	8.88%	4.44%
7	Other	0.00%	0.00%	0.00%
8	Total	100.00%		10.44%
9				
10	Actual at Year End			
11				
12	Common Equity (Note 1)	39.71%	12.00%	4.77%
13	Preferred Stock	0.00%	0.00%	0.00%
14	Long Term Debt	50.14%	8.30%	4.16%
15	Other	10.15%	7.68%	0.78%
16	Total	100.00%		9.71%

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

SCHEDULE 32

Network Access - Charges and Revenues

(Thousands of Dollars) **Year: 2002**

Line No.	Description (a)	Access Charges Paid (b)	Access Revenues Received (c)
1	Montana - Total State	4,385	116,438
2			
3	Montana - Intrastate	1,388	26,883
4			
5	Montana - Intrastate Regulated	1,388	21,803
6			
7			
8			
9			
10			
11			
12			
13			

Company Name: Qwest Corporation **Schedule 33**

Affiliate Transactions - Products & Services Provided to Utility

Year: 2002

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 !nterprise America, Inc.	EQUIPMENT/MATERIEL	PCP	(450,538)		(21,085)
2	Qwest !nterprise America, Inc.	INTERNAL COMMUNICATIONS	PCP	60,932		1,134
3	Qwest !nterprise America, Inc.	TECHNICAL SUPPORT	PCP	264,750		-
4		**PCP**		**(124,856)**		**(19,951)**
5		**TOTAL**		**(124,856)**		**(19,951)**
6						
7	Qwest Business Resources, Inc.	POST EMPLOYMENT BENEFITS	FDC	1,243,791		24,457
8	Qwest Business Resources, Inc.	PROCUREMENT	FDC	32,754,069		660,652
9	Qwest Business Resources, Inc.	SPACE & FURNITURE RENTAL	FDC	326,509		-
10		**FDC**		**34,324,369**		**685,109**
11	Qwest Business Resources, Inc.	SPACE & FURNITURE RENTAL	FMV	565		-
12		**FMV**		**565**		**-**
13	Qwest Business Resources, Inc.	LEASED SPACE	PCP	4,448,892		31,847
14	Qwest Business Resources, Inc.	SHARED SPACE	PCP	2,343		1
15	Qwest Business Resources, Inc.	SPACE & FURNITURE RENTAL	PCP	33,247		-
16		**PCP**		**4,484,482**		**31,848**
17		**TOTAL**		**38,809,416**		**716,957**
18						
19	Qwest Government Services, Inc.	CORP & SHARED SERVICES	FDC	4,373,013		85,959
20	Qwest Government Services, Inc.	POST EMPLOYMENT BENEFITS	FDC	297,379		6,603
21		**FDC**		**4,670,392**		**92,562**
22	Qwest Government Services, Inc.	EQUIPMENT/MATERIEL	PCP	(385,863)		(9,817)
23	Qwest Government Services, Inc.	SPACE & FURNITURE RENTAL	PCP	1,584		-
24	Qwest Government Services, Inc.	TECHNICAL SUPPORT	PCP	529		11
25		**PCP**		**(383,750)**		**(9,806)**
26		**TOTAL**		**4,286,642**		**82,756**
27						
28	Qwest DEX, Inc.	MARKETING & SALES	PCP	9,610,816		193,393
29	Qwest DEX, Inc.	POST EMPLOYMENT BENEFITS	PCP	27,327		607
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: 2002

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						
2		PCP		9,638,143		194,000
3		TOTAL		9,638,143		194,000
4						
5	Qwest Information Technologies, Inc.	INFORMATION TECH SERVICES	FDC	425,617,475		8,453,444
6		FDC		425,617,475		8,453,444
7		TOTAL		425,617,475		8,453,444
8						
9	Qwest Communications Corporation	INFORMATION TECH SERVICES	FDC	63,847		1,257
10	Qwest Communications Corporation	INTERNAL COMMUNICATIONS	FDC	26,490,732		525,276
11	Qwest Communications Corporation	LEASED ASSETS	FDC	61,436		1,448
12	Qwest Communications Corporation	MANAGEMENT SERVICES	FDC	7,237		170
13	Qwest Communications Corporation	SPACE & FURNITURE RENTAL	FDC	374,120		-
14		FDC		26,997,372		528,151
15	Qwest Communications Corporation	EQUIPMENT/MATERIEL	FMV	282,066		-
16		FMV		282,066		-
17	Qwest Communications Corporation	INTERNAL COMMUNICATIONS	PCP	(2,008,480)		(39,726)
18	Qwest Communications Corporation	LEASED ASSETS	PCP	44,637		-
19	Qwest Communications Corporation	LEASED NETWORK FACILITIES	PCP	669,165		-
20		PCP		(1,294,678)		(39,726)
21		TOTAL		25,984,760		488,425
22						
23	Qwest Services Corporation	CORP & SHARED SERVICES	FDC	14,725,241		295,417
24	Qwest Services Corporation	CORP COMMUNICATIONS	FDC	3,258,263		65,190
25	Qwest Services Corporation	CORPORATE FINANCE	FDC	46,025,662		915,825
26	Qwest Services Corporation	EXECUTIVE MANAGEMENT	FDC	40,416,585		803,305
27	Qwest Services Corporation	FED REG & POLICY & LAW	FDC	45,840,891		1,265,066
28	Qwest Services Corporation	HUMAN RESOURCES	FDC	11,041,442		218,363
29	Qwest Services Corporation	LEGAL	FDC	19,236,120		381,516
30						

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Company Name: Qwest Corporation

Schedule 33

Affiliate Transactions - Products & Services Provided to Utility

Year: 2002

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						
2	Qwest Services Corporation	MANAGEMENT SERVICES	FDC	(3,907,614)		(77,644)
3	Qwest Services Corporation	MARKETING AND SALES	FDC	338,218,987		7,441,119
4	Qwest Services Corporation	POST EMPLOYMENT BENEFITS	FDC	534,821		10,717
5	Qwest Services Corporation	PRODUCT PLANNING	FDC	24,307,197		532,297
6	Qwest Services Corporation	TECHNICAL SUPPORT	FDC	65,093,023		1,488,378
7	Qwest Services Corporation	TREASURY	FDC	1,471,321		29,317
8	Qwest Services Corporation	TRUST	FDC	(104,362)		(2,060)
9		**FDC**		**606,157,577**		**13,366,806**
10		**TOTAL**		**606,157,577**		**13,366,806**
11						
12	Qwest Wireless, LLC	MARKETING AND SALES	FDC	120,672		2,640
13		**FDC**		**120,672**		**2,640**
14	Qwest Wireless, LLC	EQUIPMENT/MATERIEL	PCP	194,263		-
15	Qwest Wireless, LLC	INTERNAL COMMUNICATIONS	PCP	4,802,114		16
16		**PCP**		**4,996,377**		**16**
17		**TOTAL**		**5,117,049**		**2,656**
18						
19						
20		**TOTAL**		**1,115,486,206**		**23,285,093**
21						
22						
23						
24						
25						
26						
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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 34

Affiliate Transactions - Products & Services Provided by Utility

Year: 2002

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						
2	Qwest !nterprise America, Inc.	ADMINISTRATIVE	FDC	5,797		114
3	Qwest !nterprise America, Inc.	CORP & SHARED SERVICES	FDC	52		-
4	Qwest !nterprise America, Inc.	FINANCE	FDC	61,077		1,202
5	Qwest !nterprise America, Inc.	HUMAN RESOURCES	FDC	2,826		56
6	Qwest !nterprise America, Inc.	INFORMATION TECH SERVICES	FDC	1,041		20
7	Qwest !nterprise America, Inc.	INTERNAL COMMUNICATIONS	FDC	99,242		1,784
8	Qwest !nterprise America, Inc.	MANAGEMENT SERVICES	FDC	49,811		1,093
9	Qwest !nterprise America, Inc.	MARKETING AND SALES	FDC	158,202		3,261
10	Qwest !nterprise America, Inc.	NETWORK SERVICES	FDC	1,108,335		22,983
11	Qwest !nterprise America, Inc.	SPACE & FURNITURE RENTAL	FDC	497,846		-
12		**FDC**		**1,984,229**		**30,513**
13	Qwest !nterprise America, Inc.	SPACE & FURNITURE RENTAL	FMV	406,449		-
14		**FMV**		**406,449**		**-**
15	Qwest !nterprise America, Inc.	BILLING & COLLECTION	PCP	6,017,531		72,239
16	Qwest !nterprise America, Inc.	FINANCE	PCP	26,405		520
17	Qwest !nterprise America, Inc.	HUMAN RESOURCES	PCP	182		4
18	Qwest !nterprise America, Inc.	INTERNAL COMMUNICATIONS	PCP	10,270		202
19	Qwest !nterprise America, Inc.	SPACE & FURNITURE RENTAL	PCP	226,529		-
20		**PCP**		**6,280,917**		**72,965**
21		**TOTAL**		**8,671,595**		**103,478**
22						
23	Qwest Broadband Services, Inc.	ADMINISTRATIVE	FDC	1,455		29
24	Qwest Broadband Services, Inc.	CORP & SHARED SERVICES	FDC	104		2
25	Qwest Broadband Services, Inc.	FINANCE	FDC	194,078		3,819
26	Qwest Broadband Services, Inc.	HUMAN RESOURCES	FDC	810		16
27	Qwest Broadband Services, Inc.	INFORMATION TECH SERVICES	FDC	15,274		301
28	Qwest Broadband Services, Inc.	INTERNAL COMMUNICATIONS	FDC	34,165		588
29	Qwest Broadband Services, Inc.	LEASED ASSETS	FDC	9,647,277		-

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 34

Affiliate Transactions - Products & Services Provided by Utility

Year: 2002

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						
2	Qwest Broadband Services, Inc.	NETWORK SERVICES	FDC	8,045,731		11,137
3	Qwest Broadband Services, Inc.	SPACE & FURNITURE RENTAL	FDC	400,573		-
4		**FDC**		**18,339,467**		**15,892**
5	Qwest Broadband Services, Inc.	SPACE & FURNITURE RENTAL	FMV	59,334		-
6		**FMV**		**59,334**		**-**
7	Qwest Broadband Services, Inc.	BILLING & COLLECTIONS	PCP	506,015		-
8	Qwest Broadband Services, Inc.	FINANCE	PCP	42,724		841
9	Qwest Broadband Services, Inc.	HUMAN RESOURCES	PCP	202		4
10	Qwest Broadband Services, Inc.	INTERNAL COMMUNICATIONS	PCP	13,600		268
11	Qwest Broadband Services, Inc.	LEASED ASSETS	PCP	47,463		-
12	Qwest Broadband Services, Inc.	SPACE & FURNITURE RENTAL	PCP	74,964		-
13		**PCP**		**684,968**		**1,113**
14	Qwest Broadband Services, Inc.	LEASED NETWORK FACILITIES	PUB	3,492,517		12,387
15	Qwest Broadband Services, Inc.	NETWORK SERVICES	PUB	676,848		-
16		**PUB**		**4,169,365**		**12,387**
17		**TOTAL**		**23,253,134**		**29,392**
18						
19	Qwest Business Resources, Inc.	ADMINISTRATIVE	FDC	8,192		161
20	Qwest Business Resources, Inc.	CORP & SHARED SERVICES	FDC	1,118		-
21	Qwest Business Resources, Inc.	FINANCE	FDC	87,878		1,729
22	Qwest Business Resources, Inc.	HUMAN RESOURCES	FDC	5,485		108
23	Qwest Business Resources, Inc.	INFORMATION TECH SERVICES	FDC	1,196,813		23,553
24	Qwest Business Resources, Inc.	INTERNAL COMMUNICATIONS	FDC	164,552		2,656
25	Qwest Business Resources, Inc.	SPACE & FURNITURE RENTAL	FDC	1,170,198		-
26		**FDC**		**2,634,236**		**28,207**
27	Qwest Business Resources, Inc.	SPACE & FURNITURE RENTAL	FMV	879,099		-
28		**FMV**		**879,099**		**0**
29	Qwest Business Resources, Inc.	FINANCE	PCP	88,348		1,739

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 34

Affiliate Transactions - Products & Services Provided by Utility

Year: 2002

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						
2	Qwest Business Resources, Inc.	HUMAN RESOURCES	PCP	1,751		34
3	Qwest Business Resources, Inc.	INTERNAL COMMUNICATIONS	PCP	114,702		2,257
4	Qwest Business Resources, Inc.	SPACE & FURNITURE RENTAL	PCP	288,504		-
5		**PCP**		**493,305**		**4,030**
6		**TOTAL**		**4,006,640**		**32,237**
7	Qwest Government Services, Inc.	ADMINISTRATIVE	FDC	9,968		196
8	Qwest Government Services, Inc.	CORP & SHARED SERVICES	FDC	104		-
9	Qwest Government Services, Inc.	FINANCE	FDC	86,727		1,707
10	Qwest Government Services, Inc.	HUMAN RESOURCES	FDC	8,029		158
11	Qwest Government Services, Inc.	INFORMATION TECH SERVICES	FDC	16,887		332
12	Qwest Government Services, Inc.	INTERNAL COMMUNICATIONS	FDC	216,202		4,223
13	Qwest Government Services, Inc.	LEASED ASSETS	FDC	9		-
14	Qwest Government Services, Inc.	MANAGEMENT SERVICES	FDC	54,451		1,195
15	Qwest Government Services, Inc.	NETWORK SERVICES	FDC	225		-
16	Qwest Government Services, Inc.	SPACE & FURNITURE RENTAL	FDC	336,715		-
17		**FDC**		**729,317**		**7,811**
18	Qwest Government Services, Inc.	NETWORK SERVICES	FMV	9,125,783		32,681
19	Qwest Government Services, Inc.	SPACE & FURNITURE RENTAL	FMV	210,130		-
20		**FMV**		**9,335,913**		**32,681**
21	Qwest Government Services, Inc.	BILLING & COLLECTIONS	PCP	2,227,397		41,665
22	Qwest Government Services, Inc.	FINANCE	PCP	46,978		925
23	Qwest Government Services, Inc.	HUMAN RESOURCES	PCP	1,846		36
24	Qwest Government Services, Inc.	INTERNAL COMMUNICATIONS	PCP	107,971		2,125
25	Qwest Government Services, Inc.	SPACE & FURNITURE RENTAL	PCP	45,684		-
26		**PCP**		**2,429,876**		**44,751**
27		**TOTAL**		**12,495,106**		**85,243**
28	Qwest DEX, Inc.	ADMINISTRATIVE	FDC	54,309		1,069
29	Qwest DEX, Inc.	BILLING & COLLECTIONS	FDC	201,265		3,478

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 34

Affiliate Transactions - Products & Services Provided by Utility

Year: 2002

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						
2	Qwest DEX, Inc.	CORP & SHARED SERVICES	FDC	286		-
3	Qwest DEX, Inc.	FINANCE	FDC	204,410		4,023
4	Qwest DEX, Inc.	HUMAN RESOURCES	FDC	326,831		6,432
5	Qwest DEX, Inc.	INFORMATION TECH SERVICES	FDC	(99,583)		(1,960)
6	Qwest DEX, Inc.	INTERNAL COMMUNICATIONS	FDC	21,286		152
7	Qwest DEX, Inc.	SPACE & FURNITURE RENTAL	FDC	(121,653)		634
8		**FDC**		**587,151**		**13,828**
9	Qwest DEX, Inc.	PUBLISHER LISTS	FMV	573,326		16,709
10	Qwest DEX, Inc.	SPACE & FURNITURE RENTAL	FMV	336,695		12,123
11		**FMV**		**910,021**		**28,832**
12	Qwest DEX, Inc.	BILLING & COLLECTIONS	PCP	3,146,273		106,166
13	Qwest DEX, Inc.	FINANCE	PCP	116,125		2,285
14	Qwest DEX, Inc.	HUMAN RESOURCES	PCP	11,324		223
15	Qwest DEX, Inc.	INFORMATION TECH SERVICES	PCP	16,692		329
16	Qwest DEX, Inc.	MANAGEMENT SERVICES	PCP	120		-
17	Qwest DEX, Inc.	PUBLISHER LISTS	PCP	3,338,701		63,656
18	Qwest DEX, Inc.	SPACE & FURNITURE RENTAL	PCP	148,536		2,066
19		**PCP**		**6,777,771**		**174,725**
20		**TOTAL**		**8,274,943**		**217,385**
21	Qwest Information Technologies, Inc.	INFORMATION TECH SERVICES	FCP	5,625,167		110,703
22		**FCP**		**5,625,167**		**110,703**
23	Qwest Information Technologies, Inc.	ADMINISTRATIVE	FDC	105,474		2,076
24	Qwest Information Technologies, Inc.	CORP & SHARED SERVICES	FDC	3,511		-
25	Qwest Information Technologies, Inc.	FINANCE	FDC	766,698		15,089
26	Qwest Information Technologies, Inc.	HUMAN RESOURCES	FDC	70,622		1,390
27	Qwest Information Technologies, Inc.	INFORMATION TECH SERVICES	FDC	27,319,191		519,901
28	Qwest Information Technologies, Inc.	INTERNAL COMMUNICATIONS	FDC	1,150,990		5,155
29	Qwest Information Technologies, Inc.	NETWORK SERVICES	FDC	2,327		1,376

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 34

Affiliate Transactions - Products & Services Provided by Utility

Year: 2002

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						
2	Qwest Information Technologies, Inc.	SPACE & FURNITURE RENTAL	FDC	14,641,772		4,464
3		**FDC**		**44,060,585**		**549,451**
4	Qwest Information Technologies, Inc.	LEASED ASSETS	FMV	241		-
5	Qwest Information Technologies, Inc.	SPACE & FURNITURE RENTAL	FMV	7,426,605		2,506
6		**FMV**		**7,426,846**		**2,506**
7	Qwest Information Technologies, Inc.	FINANCE	PCP	189,398		3,727
8	Qwest Information Technologies, Inc.	HUMAN RESOURCES	PCP	22,476		442
9	Qwest Information Technologies, Inc.	INFORMATION TECH SERVICES	PCP	(40,164)		185
10	Qwest Information Technologies, Inc.	INTERNAL COMMUNICATIONS	PCP	792,311		15,593
11	Qwest Information Technologies, Inc.	SPACE & FURNITURE RENTAL	PCP	5,354,274		2,485
12		**PCP**		**6,318,295**		**22,432**
13		**TOTAL**		**63,430,893**		**685,092**
14						
15	LCI	HUMAN RESOURCES	FDC	239		5
16	LCI	INTERNAL COMMUNICATIONS	FDC	998,495		19,662
17	LCI	SPACE & FURNITURE RENTAL	FDC	(139,415)		-
18		**FDC**		**859,319**		**19,667**
19		**TOTAL**		**859,319**		**19,667**
20						
21	Qwest Long Distance, Inc.	FINANCE	FDC	527		10
22		**FDC**		**527**		**10**
23		**TOTAL**		**527**		**10**
24						
25	Malheur Home Telephone Company	MANAGEMENT SERVICES	MAL	1,453,814		28,904
26	Malheur Home Telephone Company	NETWORK SERVICES	MAL	51,024		-
27	Malheur Home Telephone Company	TELECOMMUNICATIONS	MAL	669		-
28		**MAL**		**1,505,507**		**28,904**
29		**TOTAL**		**1,505,507**		**28,904**

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 34**

Affiliate Transactions - Products & Services Provided by Utility

Year: 2002

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						
2	Qwest Communications Corporation	ADMINISTRATIVE	FDC	3,552,943		69,922
3	Qwest Communications Corporation	FINANCE	FDC	2,776,477		54,641
4	Qwest Communications Corporation	HUMAN RESOURCES	FDC	44,252		871
5	Qwest Communications Corporation	INFORMATION TECH SERVICES	FDC	17,517		345
6	Qwest Communications Corporation	INTERNAL COMMUNICATIONS	FDC	2,148,548		40,622
7	Qwest Communications Corporation	LEASED ASSETS	FDC	426,486		8,393
8	Qwest Communications Corporation	MARKETING AND SALES	FDC	5,489,516		120,575
9	Qwest Communications Corporation	SPACE & FURNITURE RENTAL	FDC	764,396		(139)
10	Qwest Communications Corporation	WHOLESALE OPERATOR SERV	FDC	2,528,025		55,490
11		**FDC**		**17,748,160**		**350,720**
12	Qwest Communications Corporation	FINANCE	FMV	194,065		3,819
13	Qwest Communications Corporation	LEASED ASSETS	FMV	66,150		1,302
14	Qwest Communications Corporation	SPACE & FURNITURE RENTAL	FMV	54,958		(9)
15		**FMV**		**315,173**		**5,112**
16	Qwest Communications Corporation	ADMINISTRATIVE	PCP	4,691,262		92,324
17	Qwest Communications Corporation	BILLING & COLLECTION	PCP	422,300		7,180
18	Qwest Communications Corporation	FINANCE	PCP	975,180		19,192
19	Qwest Communications Corporation	HUMAN RESOURCES	PCP	11,928		235
20	Qwest Communications Corporation	INFORMATION TECH SERVICES	PCP	6,043		119
21	Qwest Communications Corporation	INTERNAL COMMUNICATIONS	PCP	696,445		13,706
22	Qwest Communications Corporation	LEASED ASSETS	PCP	133,121		2,244
23	Qwest Communications Corporation	MARKETING AND SALES	PCP	665,120		14,599
24	Qwest Communications Corporation	NETWORK SERVICES	PCP	4,880		96
25	Qwest Communications Corporation	SPACE & FURNITURE RENTAL	PCP	591,132		(14)
26	Qwest Communications Corporation	WHOLESALE OPERATOR SERV	PCP	1,041,970		22,871
27		**PCP**		**9,239,381**		**172,552**
28		**TOTAL**		**27,302,714**		**528,384**
29	Qwest Internet Solution, Inc.	FINANCE	FDC	11,402		224

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 34**

Affiliate Transactions - Products & Services Provided by Utility

Year: 2002

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						
2	Qwest Internet Solutions, Inc.	HUMAN RESOURCES	FDC	5,337		105
3	Qwest Internet Solutions, Inc.	INTERNAL COMMUNICATIONS	FDC	311,071		6,122
4	Qwest Internet Solutions, Inc.	MANAGEMENT SERVICES	FDC	2,956		65
5	Qwest Internet Solutions, Inc.	SPACE & FURNITURE RENTAL	FDC	812,014		-
6		**FDC**		**1,142,780**		**6,516**
7	Qwest Internet Solutions, Inc.	SPACE & FURNITURE RENTAL	FMV	53,461		-
8		**FMV**		**53,461**		**-**
9	Qwest Internet Solutions, Inc.	FINANCE	PCP	2,997		59
10	Qwest Internet Solutions, Inc.	HUMAN RESOURCES	PCP	768		15
11	Qwest Internet Solutions, Inc.	INTERNAL COMMUNICATIONS	PCP	45,381		893
12	Qwest Internet Solutions, Inc.	SPACE & FURNITURE RENTAL	PCP	154,884		-
13		**PCP**		**204,030**		**967**
14		**TOTAL**		**1,400,271**		**7,483**
15	Qwest LD Corp.	ADMINISTRATIVE	PCP	444		9
16	Qwest LD Corp.	BILLING & COLLECTION	PCP	806,428		17,420
17	Qwest LD Corp.	FINANCE	PCP	57,960		1,141
18	Qwest LD Corp.	HUMAN RESOURCES	PCP	54		1
19	Qwest LD Corp.	INTERNAL COMMUNICATIONS	PCP	3,216		48
20	Qwest LD Corp.	MARKETING AND SALES	PCP	308,179		6,764
21	Qwest LD Corp.	SPACE & FURNITURE RENTAL	PCP	18,515		1
22		**PCP**		**1,194,796**		**25,384**
23		**TOTAL**		**1,194,796**		**25,384**
24	Qwest Services Corporation	ADMINISTRATIVE	FDC	569,899		3,805
25	Qwest Services Corporation	CORP & SHARED SERVICES	FDC	3,225		26
26	Qwest Services Corporation	FINANCE	FDC	1,676,885		33,001
27	Qwest Services Corporation	HUMAN RESOURCES	FDC	120,063		2,363
28	Qwest Services Corporation	INFORMATION TECH SERVICES	FDC	593,960		11,689
29	Qwest Services Corporation	INTERNAL COMMUNICATIONS	FDC	4,424,449		74,059

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Company Name: Qwest Corporation **Schedule 34**

Affiliate Transactions - Products & Services Provided by Utility

Year: 2002

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						
2	Qwest Services Corporation	LEASED ASSETS	FDC	48,510		-
3	Qwest Services Corporation	MANAGEMENT SERVICES	FDC	52,949		1,162
4	Qwest Services Corporation	NETWORK SERVICES	FDC	45,307		295
5	Qwest Services Corporation	SPACE & FURNITURE RENTAL	FDC	21,871,980		6,652
6		**FDC**		**29,407,227**		**133,052**
7	Qwest Services Corporation	LEASED ASSETS	FMV	4,581		-
8	Qwest Services Corporation	SPACE & FURNITURE RENTAL	FMV	7,746,817		47,136
9		**FMV**		**7,751,398**		**47,136**
10	Qwest Services Corporation	FINANCE	PCP	692,026		13,619
11	Qwest Services Corporation	HUMAN RESOURCES	PCP	36,278		714
12	Qwest Services Corporation	INFORMATION TECH SERVICES	PCP	2,458		48
13	Qwest Services Corporation	INTERNAL COMMUNICATIONS	PCP	2,185,299		43,007
14	Qwest Services Corporation	SPACE & FURNITURE RENTAL	PCP	8,228,763		5,048
15		**PCP**		**11,144,824**		**62,436**
16		**TOTAL**		**48,303,449**		**242,624**
17	USLD	FINANCE	FDC	31,970		629
18	USLD	HUMAN RESOURCES	FDC	161		3
19	USLD	INTERNAL COMMUNICATIONS	FDC	5,341		105
20	USLD	MANAGEMENT SERVICES	FDC	7,487		164
21	USLD	WHOLESALE OPERATOR SRVS	FDC	16,281,133		330,067
22		**FDC**		**16,326,092**		**330,968**
23	USLD	FINANCE	PCP	45,421		894
24	USLD	WHOLESALE OPERATOR SRVS	PCP	5,634,244		123,672
25		**PCP**		**5,679,665**		**124,566**
26		**TOTAL**		**22,005,757**		**455,534**
27	Qwest Wireless, LLC	ADMINISTRATIVE	FDC	19,208		378
28	Qwest Wireless, LLC	BILLING & COLLECTIONS	FDC	282		-
29	Qwest Wireless, LLC	CORP & SHARED SERVICES	FDC	1,301		-

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.

Affiliate Transactions - Products & Services Provided by Utility

Year: 2002

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						
2	Qwest Wireless, LLC	FINANCE	FDC	797,482		15,694
3	Qwest Wireless, LLC	HUMAN RESOURCES	FDC	10,777		212
4	Qwest Wireless, LLC	INFORMATION TECH SERVICES	FDC	63,389		1,247
5	Qwest Wireless, LLC	INTERNAL COMMUNICATIONS	FDC	394,819		6,704
6	Qwest Wireless, LLC	LEASED ASSETS	FDC	227		-
7	Qwest Wireless, LLC	MARKETING AND SALES	FDC	388,557		1,196
8	Qwest Wireless, LLC	NETWORK SERVICES	FDC	6,570,295		21,216
9	Qwest Wireless, LLC	SPACE & FURNITURE RENTAL	FDC	4,161,390		3,376
10		**FDC**		**12,407,727**		**50,023**
11	Qwest Wireless, LLC	LEASED ASSETS	FMV	71,380		-
12	Qwest Wireless, LLC	SPACE & FURNITURE RENTAL	FMV	2,231,174		27,456
13		**FMV**		**2,302,554**		**27,456**
14	Qwest Wireless, LLC	BILLING & COLLECTIONS	PCP	13,585,658		186,056
15	Qwest Wireless, LLC	FINANCE	PCP	115,609		2,275
16	Qwest Wireless, LLC	HUMAN RESOURCES	PCP	2,456		48
17	Qwest Wireless, LLC	INFORMATION TECH SERVICES	PCP	24,025		473
18	Qwest Wireless, LLC	INTERNAL COMMUNICATIONS	PCP	148,286		2,918
19	Qwest Wireless, LLC	NETWORK SERVICES	PCP	129,800		-
20	Qwest Wireless, LLC	SPACE & FURNITURE RENTAL	PCP	852,169		-
21		**PCP**		**14,858,003**		**191,770**
22	Qwest Wireless, LLC	NETWORK SERVICES	PUB	3,687,690		-
23		**PUB**		**3,687,690**		**-**
24		**TOTAL**		**33,255,974**		**269,249**
25						
26						
27		**TOTAL**		**255,960,625**		**2,730,066**
28						
29						

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: 2002**

Line No.		Description Rate Base (a)	This Year (b)	Last Year (c)	Percent Change (d)
1					
2	2001	Plant in Service	583,301	563,189	3.57%
3	2002	Prop. Held for Future Telecommunications Use	0	0	
4	3100-3200	(Less) Accumulated Depreciation	398,428	353,222	12.80%
5		**NET Plant in Service**	184,874	209,967	-11.95%
6					
7		Additions			
8	1220	Materials & Supplies	387	497	-22.22%
9	1280	Prepayments	0	0	
10		Other Additions	0	0	
11		**TOTAL Additions**	387	497	-22.22%
12					
13		Deductions			
14	4100	Current Deferred Operating Income Taxes	(705)	(3,478)	79.72%
15	4320	Unamortized Operating Investment Tax Credits	2,380	2,798	-14.94%
16	4340	Noncurrent Deferred Operating Income Taxes	15,609	22,046	-29.20%
17		Customer Advances for Construction			
18		Other Deductions	0	0	
19		**TOTAL Deductions**	17,284	21,366	-19.11%
20		**TOTAL Rate Base**	167,976	189,098	-11.17%
21					
22		**Net Earnings**	**33,360**	**38,396**	-13.12%
23					
24		**Rate of Return on Average Rate Base**	**19.860%**	**20.305%**	-2.19%
25					
26		**Rate of Return on Average Equity**	**37.569%**	**35.543%**	5.70%
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	19.919%	20.359%	-2.16%
44					
45		Adjusted Rate of Return on Average Equity	37.718%	35.660%	5.77%

Company Name: Qwest Corporation **SCHEDULE 36**

Other Taxes Paid

Year: 2002

Line No.	Description (a)	Last Year (b)	This Year (c)
1	Montana Telephone Company License Tax **	0	0
2	Montana Public Service Commission Tax	490,619	377,738
3	Montana Consumer Counsel Tax	140,194	137,300
4	911 Emergency Telephone Fee	2,086,309	1,978,512
5	Montana Telecommunications Access Service (TDD)	416,722	395,614
6	Montana Corporate License Tax	1,807,443	3,215,189
7	Personal Property Tax	11,502,816	11,823,059
8	Real Property Tax	614,450	629,483
9	Montana Excise Tax **	6,177,198	6,001,001
10			
11			
12	Total	23,235,751	24,557,896

** 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: 2002

Line No.	Description (a)	Last Year (b)	This Year (c)
13	Funds received from Montana Sources	0	0
14	Funds received from Federal Sources	4,221,772	10,159,713
15			
16			
17			
18			
19			
20			
21			
22			
23			
24	Total	4,221,772	10,159,713