Qwest

Year	2003	2002	2001	2000
Construction Budget Schedule 25, Ln 40	$ 23,824,000	$ 28,724,000	$ 50,000,000	$ 64,252,000
Montana Composite Statistics Schedule 29				
Residential Access Lines Ln 23	242,615	254,049	261,664	267,231
Business Access Lines Ln 24	107,934	109,563	108,259	104,639
PBX Access Lines Ln 25	13,120	15,995	17,111	17,759
Other Access Lines (Public) Ln 26	3,369	3,679	4,043	4,275
Total	367,038	383,286	391,077	393,904
Montana Intrastate Regulated Earned Rate Of Return Schedule 35				
Total Rate Base Ln 20	$142,616,000	$167,976,000	$189,098,000	$185,803,000
Net Earnings Ln 22	$ 28,087,000	$ 33,360,000	$ 38,396,000	$ 24,854,000
Rate Of Return On Average Rate Base Ln 24	19.694%	19.860%	20.305%	13.38%
Rate Of Return On Average Equity Ln 26	46.109%	37.569%	35.543%	19.55%
Adjusted Rate Of Return On Average Rate Base Ln 43	19.763%	19.190%	20.359%	13.404%
Adjusted Rate Of Return On Average Equity Ln 45	46.334%	37.718%	35.660%	19.607%
Analysis				
Actual Net Earnings	$ 28,087,000	$ 33,360,000	$ 38,396,000	$ 24,854,000
Earnings Based On The Approved ROR Of 10.44%	$ 14,889,110	$ 17,536,694	$ 19,741,831	$ 19,397,833
Over Earnings	$ 13,197,890	$ 15,823,306	$ 18,654,169	$ 5,456,167
Assuming A 40% Federal Tax Rate	$ 8,798,593	$ 10,548,870	$ 12,436,113	$ 3,637,445
Total Revenue Over Collected	$ 21,996,483	$ 26,372,176	$ 31,090,281	$ 9,093,611
Amount Over Collected Per Month Per Access Line	$ 4.99	$ 5.73	$ 6.62	$ 1.92
Over Collection Of Revenue 2003-2000	$ 88,552,551			
Authorize Rate Of Return Docket No. 88.12.55 Order No. 5398a	10.44%			

Senate Energy & Telecomm.Comm.
Exhibit No. 3
Date 2.10.05
Bill No. SB321