BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF QWEST CORPORATION'S FILING AMENDED RENEWED PRICE REGULATION PLAN

DOCKET NO. T-01051B-03-0454

IN THE MATTER OF THE INVESTIGATION OF THE COST OF TELECOMMUNICATIONS ACCESS

DOCKET NO. T-00000D-00-0672

NOTICE OF ERRATA

Qwest Corporation ("Qwest") hereby files this Notice of Errata in the above-referenced dockets. On May 20, 2004, Qwest filed its Direct Testimony for Modification of Price Cap Plan, Request for Deregulation of Services and Request for Arizona Universal Service Funding. As Attachment 1, Qwest hereby files revised pages 7 and 8 to the Direct Testimony of David L. Teitzel. A copy of this attachment is enclosed and will be mailed to each person identified on the service list in these dockets.

Arizona Corporation Commission

DOCKETED

JUL 27 2004
RESPECTFULLY SUBMITTED this 27th day of July, 2004.

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COPY of the foregoing delivered this 27th day of July, 2004 to:

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   Phoenix, AZ 85022

4. Accipiter Communications, Inc.
   2238 W. Lone Cactus Dr., Ste. 100
   Phoenix, AZ 85027

5. Alliance Group Services, Inc.
   1221 Post Road East
   Westport, CT 06880

6. Archtel, Inc.
   1800 West Park Drive, Ste. 250
   Westborough, MA 01581

7. Brooks Fiber Communications of Tucson, Inc.
   201 Spear Street, 9th Floor
   San Francisco, CA 94105

8. Centruytel
   PO Box 4065
   Monroe, LA 71211-4065

   Citizens Communications Co. of Arizona
   4 Triad Center, Suite 200
   Salt Lake City, UT 84180

    of the White Mountains, Inc.
    4 Triad Center, Ste. 200
    Salt Lake City, UT 84180

11. Comm South Companies, Inc.
    2909 N. Buckner Blvd., Ste. 200
    Dallas, TX 75228
1 Copper Valley Telephone, Inc.
   PO Box 970
   Willcox, AZ 85644

2 Electric Lightwave, Inc.
   4 Triad Center, Ste. 200
   Salt Lake City, UT 84180

3 Eschelon Telecom of Arizona, Inc.
   730 Second Avenue South, Ste. 1200
   Minneapolis, MN 55402

4 Ernest Communications, Inc.
   5275 Triangle Pkwy, Ste. 150
   Norcross, GA 30092-6511

5 Intermedia Communications, Inc.
   3608 Queen Palm Drive
   Tampa, FL 33619-1311

6 Level 3 Communications, LLC
   1025 Eldorado Blvd.
   Broomfield, CO 80021

7 Max-Tel Communications, Inc.
   105 N. Wickham
   PO Box 280
   Alvord, TX 76225

8 MCI WorldCom Communications
   201 Spear Street, 9th Floor
   San Francisco, CA 94105

9 MCI Metro
   201 Spear Street, 9th Floor
   San Francisco, CA 94105

10 Metropolitan Fiber Systems of Arizona, Inc.
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   San Francisco, CA 94105

11 Midvale Telephone Exchange
   PO Box 7
   Midvale, ID 83645

12 Navajo Communications Co., Inc.
   4 Triad Center, Suite 200
   Salt Lake City, UT 84180
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<td>Nextlink Long Distance Svcs.</td>
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</tbody>
</table>
Table Top Telephone Co, Inc.
600 N. Second Avenue
Ajo, AZ  85321-0000

TCG Phoenix
1875 Lawrence Street, Room 1575
Denver, CO 80202

Valley Telephone Cooperative, Inc.
752 E. Malley Street
PO Box 970
Willcox, AZ  85644

Verizon Select Services Inc.
6665 MacArthur Blvd, HQK02D84
Irving, TX  75039

VYVX, LLC
One Williams Center, MD 29-1
Tulsa, OK  74172

Western CLEC Corporation
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Bellevue, WA  98006

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Tulsa, OK  74172

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ATTACHMENT 1
Competitors such as Cox, AT&T, and MCI are now providing service to both residential and business customers in Phoenix and Tucson over their own facilities or through the purchase of unbundled network elements from Qwest. Competitors are bundling local and long distance services into single packaged offerings. A count of white pages listings associated with Cox customers in Arizona shows that, as of April 27, 2004, Cox customers had XX residential and XX business directory listings (see Confidential Exhibit DLT-1 for figures) in the Qwest white pages listings database, primarily in the greater Phoenix and Tucson areas. Since many lines, particularly business lines associated with multi-line business customers, are not listed, these directory listings counts likely understate the actual number of Cox retail lines currently in service and white pages listings counts are a conservative measure of the actual volume of Cox access lines. Cox is clearly one of Qwest's most significant competitors in the Arizona local exchange market. According to Cox, 200,000 Tucson and Green Valley households will be able to obtain Cable, Internet, Local Phone Service and Long Distance Service combined on one bill. Initially, AT&T and MCI were only serving business customers, and now both of these companies are courting residential customers with local, calling features, long distance, and Internet service bundles. Clearly, Qwest's competitors are enjoying
dramatic success in the Arizona market. Competition has advanced significantly in the past three years.

Q. WHICH OF QWEST'S MARKETS ARE MOST VULNERABLE?

A. Qwest is experiencing the most robust competition in the Phoenix and Tucson MSAs. It is not surprising that competitors have focused on the Phoenix market, as over half of the state's population resides in the Phoenix MSA. The number of retail lines Qwest has tracked as being disconnected for competitive reasons provides one indicator of the impact competition is having in the Phoenix and Tucson metropolitan areas. Since August 2002, Qwest has lost over XX residential lines in Phoenix and almost XX residential lines in Tucson because the customer is shifting service to a competitive alternative. (See Confidential Exhibit DLT-1 for figures.)

Q. ARE THE LOSSES QWEST IS EXPERIENCING LIMITED TO RESIDENCE CUSTOMERS?

A. No. Qwest is also experiencing losses of business customers. In fact, CLECs generally first targeted the business market and have now expanded to the residential market. Qwest's business customer base is a prime competitive target, as prices for these customers continue to carry relatively high levels of contribution.