

**Teresa Taylor**  
Executive Vice President  
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January 26, 2007

Ms. Mimi Hull, President  
Association of U S WEST Retirees  
678 Clarkson Street  
Denver, CO 80218

**Re: Quarterly Update to the Minnesota Public Utilities Commission**

Dear Ms. Hull:

This letter addresses the Minnesota Public Utilities Commission's order requiring Qwest to update retirees about certain pension benefit matters. During the fourth quarter of 2006 the following changes affecting retirees were made to the Qwest Pension Plan and were generally effective January 1, 2007 unless otherwise noted below:

**Notice and Consent to Begin Pension Distributions.** The Pension Plan was amended to provide participants and beneficiaries with a 180-day notice and election period, an increase by 90 days over prior plan provisions. This change was made to comply with the Pension Protection Act of 2006 ("PPA").

**Required Distributions.** Prior to January 1, 2007, employees who worked beyond age 70 ½ were required to begin receiving minimum pension distributions by April 1<sup>st</sup> of the year following the year in which they become age 70 1/2. The Pension Plan was amended to delay mandatory minimum distributions for this group of employees until actual termination of employment and then begin distribution as soon as administratively feasible, but in no event later than April 1<sup>st</sup> of the year following the year in which their employment ends. Active employees over age 70 and ½ who are currently receiving such required distributions are not affected by the change.

**Non-Spousal Beneficiaries/Rollovers.** Under the PPA, non-spouse beneficiaries, such as children, domestic partners, parents and siblings may be permitted to elect direct rollovers to IRAs. The Pension Plan was amended to allow such non-spousal beneficiary rollovers beginning with distributions made due to deaths occurring on and after April 1, 2007. The delayed effective date is to enable the Pension Plan's vendors to program the change and to communicate the new feature to participants during Q1 2007.

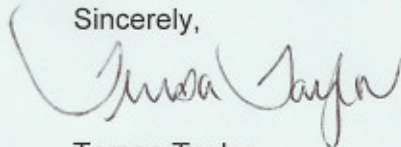
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**Recovery of Overpayments.** The Pension Plan was amended to clarify the authority of the Qwest Employee Benefits Committee or its delegates to recover overpayments from participants and beneficiaries through all lawful process, including litigation.

**Delayed Payments or Underpayments.** The Pension Plan was amended to clarify the circumstances in which interest is added to delayed or underpaid benefits and the rate at which such interest is calculated.

We will continue to provide retirees with an update regarding changes as required by the Minnesota Public Utilities Commission.

Sincerely,

A handwritten signature in cursive script, appearing to read "Teresa Taylor".

Teresa Taylor  
Executive Vice President and Chief Human Resources Officer  
Qwest Communications International Inc.

cc: Minnesota Public Utilities Commission