

PRESS RELEASE

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**Qwest needs to honor \$220 million obligation:  
Public service must trump corporate profits**

**David Bacon decries a proposed settlement between Governor Richardson, Attorney General Madrid and Qwest as inappropriate and insufficient.**

“Why give Qwest 3 ½ more years to fulfill a promise made 5 years ago?” asks David. “The state’s highest court has already affirmed the PRC’s regulatory authority and the decision to require Qwest to refund that money to ratepayers.”

David adds, “Qwest should be negotiating with the PRC, not the governor. If Qwest were sincere, they would drop their continuing court challenge and issue the refunds or sit down with the PRC to work out a reasonable solution that includes development of telecommunications infrastructure much more quickly than a 3 ½ year timeline.”

Qwest’s failure to fulfill its obligation has slowed economic development in New Mexico, particularly in rural and tribal areas. Many small and home based businesses rely on high speed internet to succeed. All New Mexicans, urban and rural, deserve access to quality phone and internet service.

Qwest President Loretta Armenta’s claim that she is “looking forward to working with the members of the PRC” rings false. If that were the case, why not drop the lawsuit and do so?

And her apparent attempt at extortion is truly frightening. In her opinion piece printed Aug 4 in the Albuquerque Journal, she decides “to make one thing perfectly clear: if Qwest is required to refund the \$220 million shortfall in AFOR investment, there will be few, if any, dollars left over to invest in New Mexico’s telecommunications infrastructure.”

Qwest has an annual income of over \$13 billion and reported profits of \$205 million dollars in the first six months of 2006. Shareholders will benefit from Qwest negligence, while ratepayers suffer.

“In the old days, corporations, especially those licensed as monopolies, were expected to be operating for the public good. I think its time to once again implement that standard”, says David Bacon. “Perhaps we should consider introducing more competition in the telecommunications field.”

“Let me make one thing perfectly clear,” concludes David Bacon, “as a PRC commissioner, I will put the public good before corporate greed.”

**\*\*Note: Loretta Armenta’s quotes appeared in an opinion piece published in the August 4 Albuquerque Journal\*\***