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Mark S. Reynolds Northwest Region Vice President Public Policy

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Via web portal

Mr. Steve V. King
Acting Secretary and Executive Director
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Dr. S.W.
P.O. Box 47250
Olympia, Washington 98504-7250

> Re: 2013 ETC Certification: CenturyLink's 2013 ETC Certification Report and Plan for Universal Service Support Expenditures in Accordance with WAC 480-123-070 and WAC 480-123-080

Dear Mr. King,

In response to the requirements of WAC 480-123-070 <u>Annual Certifications and Reports</u> and WAC 480-123-080 <u>Annual Plan for Universal Service Support Expenditures</u>, CenturyLink QC ("CenturyLink") provides the following information. For ease of reading, CenturyLink will list each of the requirements under the rules followed by its response.

**WAC 480-123-070 Annual Certifications and Reports** Not later than July 31 of each year, every ETC that receives federal support from any category in the federal high-cost fund must certify or report as described in this section. The certifications and reports are for activity related to Washington State in the period January 1 through December 31 of the previous year. A company officer must submit the certifications in the manner required by RCW 9A.72.085.

**Response:** The declarations of a CenturyLink officer certifying to the data contained in this filing are in Attachment A.

### (1) Report on use of federal funds and benefits to customers.

(a) For an ETC that receives support based only on factors other than the ETC's investment and expenses, the report must provide a substantive description of investments made and expenses paid with support from the federal high-cost fund.

For ETCs that receive any support based on the ETC's investment and expenses, the report must provide a substantive description of investment and expenses, such as the NECA-1 report, the ETC will report as the basis for support from the federal high-cost fund.

**Response:** CenturyLink QC certifies that high-cost support funds received by CenturyLink QC during the 2012 calendar year were used only for the provision, maintenance and upgrading of facilities and services for which the support was intended (See Attachment A).

During the calendar year 2012, CenturyLink QC accepted a total of \$6,502,464 of high-cost support for the state of Washington. Attachment B is a copy of the NECA disbursement report detailing the amount, category and timeframe of the high-cost support received by CenturyLink QC.

CenturyLink QC's 2012 statewide network capital investments totaled BEGIN CONFIDENTIAL\*\* XXXXXXXXXXXXX\*\*END CONFIDENTIAL. Total network maintenance expenses (total cost of service excluding access expense) in Washington for 2012 totaled BEGIN CONFIDENTIAL\*\*XXXXXXXXXXXX END CONFIDENTIAL. As such, CenturyLink QC's actual capital expenditures and maintenance expenses totaled BEGIN CONFIDENTIAL\*\*XXXXXXXX END CONFIDENTIAL during the certification period for the provision maintenance and upgrading of facilities and services significantly exceeding the \$6,502,464 in high-cost support received.

(b) Every ETC must provide a substantive description of the benefits to consumers that resulted from the investments and expenses reported pursuant to (a) of this subsection.

**Response:** CenturyLink QC made substantial investments during the calendar year 2012 as well as over the previous several years that allow it to provide reliable and robust telecommunication services to its customers. Through the expenditure of Federal HighCost Support funds, CenturyLink QC was able to continue to provide services at a level that meets the requirements of 47 U.S.C. §254 with the intent of providing high quality telecommunication services to customers in the service areas for which it receives high-cost support.

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Additionally, in accordance with FCC 11-161, the USF Transformation Order, CenturyLink QC is expanding its data network, enabling more customers access to quality high speed data services.

(2) **Local service outage report.** ETCs not subject to WAC 480-120-412 and 480-120-439(5) are required to report local service outages pursuant to this subsection. The report must include detailed information on every local service outage thirty minutes or longer in duration experienced by the ETC. The report must include:

- (a) The date and time of onset and duration of the outage;
- (b) A brief description of the outage and its resolution;

(c) The particular services affected, including whether a public safety answering point (PSAP) was affected;

- (d) The geographic areas affected by the outage;
- (e) Steps taken to prevent a similar situation in the future; and
- (f) The estimated number of customers affected.

**Response:** CenturyLink QC is exempt from this requirements as it is subject to WACs 480-120-412 and 480-120-439(5).

(3) **Report on failure to provide service.** ETCs not subject to WAC 480-120-439 are required to report failures to provide service pursuant to this subsection. The report must include detailed information on the number of requests for service from applicants within its designated service areas that were unfulfilled for the reporting period. The ETC must also describe in detail how it attempted to provide service to those applicants.

**Response:** CenturyLink QC is exempt from this requirements as it is subject to WAC 480-120-439(5).

(4) **Report on complaints per one thousand handsets or lines.** The report must provide separate totals for the number of complaints that the ETC's customers made to the Federal Communications Commission, or the consumer protection division of the office of the attorney general of Washington. The report must also generally describe the nature of the complaints and outcome of the carrier's efforts to resolve the complaints.

**Response:** Attachment C provides information on customer complaints to the FCC and to the Consumer protection division of the attorney general of Washington lines for the 2012. The complaint categories include billing, call handling, commitment/interval, held order, installation, repair, treatment, and other. Furthermore, Attachment C provides a breakdown of all its 2012 complaints regardless of whether they were complaints was for a supported service or for other services not supported by high cost funding.

CenturyLink QC's efforts to resolve complaints for all complaint categories are based on the following process:

- Review the complaint to determine the nature of the problem

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Confidential per WAC 480-07-160

- Review CenturyLink QC's records/data to substantiate the claim
- Determine if CenturyLink QC's practices, which may have led to the complaint, are in accord with applicable statutes and rules
- If CenturyLink QC determines that its actions/practices that led to the complaint are in accord with applicable statutes and rules, it will provide substantiation for its claim to the investigating agency
- If CenturyLink QC determines that its actions/practices that led to the complaint are not in accord with applicable statutes and practices, it will attempt to resolve the problem (i.e., service credits, service repair, etc.)
- If CenturyLink QC determines that its actions/practices that led to the complaint are not in accord with applicable statutes and practices, and it is a systemic problem, it will notify the appropriate CenturyLink QC business/operation unit to take corrective action to fix the deficient or defective systems or processes.
- In any event, CenturyLink QC always works closely with the regulating agencies to quickly resolve customer's service-affecting issues.

(5) **Certification of compliance with applicable service quality standards.** Certify that it met substantially the applicable service quality standard found in WAC 480-123-030 (1)(h).

**Response:** For the calendar year 2012, CenturyLink QC certifies that it substantially met the applicable service quality standards found in WAC 480-123-030 (1)(h). CenturyLink QC's officer certification for this section is in Attachment A.

(6) **Certification of ability to function in emergency situations.** Certify that it had the ability to function in emergency situations based on continued adherence to the standards found in WAC 480-123-030 (1)(g).

**Response:** CenturyLink QC certifies that in 2012 it had the ability to function in emergency situations based on continued adherence to the standards found in WAC 480-123-030 (1)(g). CenturyLink QC's officer certification for this section is in Attachment A.

(7) Advertising certification, including advertisement on Indian reservations. Certify it has publicized the availability of its applicable telephone assistance programs, such as Lifeline, in a manner reasonably designed to reach those likely to qualify for service, including residents of federally recognized Indian reservations within the ETC's designated service area. Such publicity should include advertisements likely to reach those who are not current customers of the ETC within its designated service area.

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**Response:** CenturyLink QC certifies that it has publicized the availability of its applicable telephone assistance programs, CenturyLink QC's officer certification for this section is in Attachment A.

### (8) WAC 480-123-080 Annual plan for universal service support expenditures.

(1) Not later than July 31 of each year, every ETC that receives federal support from any category in the federal high-cost fund must report on:

(a) The planned use of federal support related to Washington state that will be received during the period October 1 of the current year through the following September; or

(b) The planned investment and expenses related to Washington State which the ETC expects to use as the basis to request federal support from any category in the federal high-cost fund.

(2) The report must include a substantive plan of the investments and expenditures to be made with federal support and a substantive description of how those investments and expenditures will benefit customers.

**Response:** FCC Order 11-161, The ICC/USF Transformation Order comprehensively reformed the universal service and inter-carrier compensation systems to ensure that robust, affordable voice and broadband service, both fixed and mobile, are available to Americans throughout the nation. Since its release in the fall of 2011, it has been repeatedly amended, and the types of high-cost support, methodologies for requesting and accepting support and the models for defining future support have not been completely defined. As such, projections on how future high-cost support will be used would be simply speculation.

To the extent that CenturyLink does receive high-cost support for the period in question, it will be used to provide services at a level that meets the requirements of 47 U.S.C. §254 addressing the delivery of high quality telecommunication services to customers in the service areas for which it receives said high-cost support. Additionally, and in keeping with the intent of FCC 11-161, high-cost support will be used to expand access to high-speed internet services throughout the state.

Sincerely,

Mark S. Reynolds

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