

# Rob McKenna

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November 29, 2007

Carole J. Washburn, Secretary Washington Utilities and Transportation Commission 1300 S. Evergreen Park Dr. SW P. O. Box 47250 Olympia, Washington 98504-7250

Re:

In the Matter of Qwest's Petition for Approval of an Alternative Form of Regulation

in Accordance with RCW 80.36.135

Docket No. UT-061625

Dear Ms. Washburn:

Enclosed for filing in the above-referenced docket are the original and 15 copies of Commission Staff's Comments on Qwest's Compliance Filing, and Certificate of Service.

Sincerely,

GREGORY JAFRAUTMA: Assistant Attorney General

GJT:klg Enclosures

cc: Parties

### BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of

**QWEST CORPORATION** 

for an Alternative Form of Regulation Pursuant to RCW 80.36.135.

**DOCKET UT-061625** 

COMMISSION STAFF'S COMMENTS ON QWEST'S COMPLIANCE FILING OF NOVEMBER 26, 2007

On July 24, 2007, the Commission entered Order 06 in this proceeding allowing Qwest to provide telecommunications service under an alternative form of regulation. On October 25, 2007, Qwest filed a notice of tariff changes for services treated as competitively classified, rate increase for stand-alone residential exchange service, and elimination of the

# **Owest's Current (partial) Compliance Filing**

residential directory assistance call allowance.

On November 26, 2007, after discussions with staff, Qwest replaced its original compliance filing with a new submittal. Instead of canceling WN U-40 and replacing it entirely, in this filing Qwest moves a limited subset of services from the tariff to Catalog 2. The affected services include business services, package services, and custom calling features. These services will be treated as if they were competitively classified. In the Attachment, these services are highlighted in blue.

Staff observes that the current prices for Qwest package services are not in complete compliance with Commission Order 06 (paragraph 81, regarding pricing of packages).

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However, in its advice letter, Qwest has stated that it will ensure that customers purchasing its packages pay no more for services than if those services were purchased *a la carte*.

Qwest has also indicated that it will work cooperatively with Commission Staff and file a compliance plan for this provision of Order 06.

In addition, Qwest notified the Commission that it will increase the rate for standalone residential basic exchange service by \$1.00 and eliminate the residential services

Directory Call Allowance as permitted by Order 06. Qwest has also revised the tariff pages to reflect additional credit due to customer under the revised Customer Service Guarantee Program (CSGP). Qwest requested that both the tariff changes and rate increases become effective December 1, 2007.

Qwest's filing withdraws the WN U-39 Advanced Communications Service Tariff and moves those services to the catalog on Qwest's web site. Qwest's filing also withdraws the WN U-41, "Private Line Transport Services" tariff and moves those services to the catalog posted on Qwest's web site.

In its November 26, 2007 replacement advice letter, Qwest committed to filing updated copies of the revised Exchange and Network Services Catalog, Advanced Communications Service Catalog and Private Line Transport Services Catalog, at Commission Staff's request, for informational purposes only. In the accompanying November 26, 2007, replacement filing Transmittal 3636T, Qwest instead provided replacement pages for the catalogs.

# **Qwest's Original Compliance Filing**

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On October 25, 2007, Qwest filed its Transmittal 3635T to move services that will be treated as competitively classified services from its WN U-40 Exchange and Network

Services Tariff to the Exchange and Network Services Catalog 3 posted on Qwest's web site. The filing introduced WN U-45 Exchange and Network Services Tariff which was intended to replace WN U-40 Exchange and Network Services Tariff in its entirety. WN U-45 Exchange and Network Services Tariff contained very few services that would not be treated as competitively classified services under Qwest's Alternative Form of Regulation ("AFOR"). In Staff's view, in this October filing, Qwest has proposed to move certain services from its tariff to catalog 3 that are not explicitly permitted by the Commission in Order 06. These disputes remain unresolved.

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At the same time, Qwest filed to withdraw WN U-39 Advanced Communications

Service Tariff. All services in their entirety will move from that tariff to the Advanced

Communications Service Catalog posted on Qwest's web site. Qwest also filed to withdraw

WN U-41 Private Line Transport Services Tariff. All services in their entirety will move

from that tariff to the Private Line Transport Services Catalog posted on Qwest's web site.

The services contained in these respective tariffs will be treated as competitively classified services during the term of Qwest's AFOR.

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Also in its advice letter dated October 25, 2007, Qwest notified the commission that it would increase stand alone residential basic exchange service by \$1.00 and eliminate the residential Directory Assistance Call Allowance. Qwest requested that both the tariff and rate changes described above become effective on December 1, 2007, and committed to notifying all customers impacted by these changes by November 1, 2007.

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Qwest's accompanying Transmittal 3636T, filed October 25, 2007, related to Transmittal No. 3635T, provided, for informational purposes only, proposed copies of the three catalogs to which services are moving. These were the Exchange and Network

Services Catalog 3, the Private Line Transport Services Catalog 2, and the Advanced Communications Service Catalog 2.

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Qwest's third Transmittal on October 25, 2007, 3637T, was intended to correct statements in WN U-44, Qwest's Access Tariff, referencing other Qwest tariffs that are changing in conjunction with Qwest's implementation of its Alternative Form of Regulation ("AFOR"). This Transmittal was withdrawn by Qwest on November 27, 2007.

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On November 9, 2007, Qwest made a replacement filing under Transmittal 3635T concerning WN U-45, providing 20 pages that were inadvertently left out of the original filing; updating the tax rate for Lakewood, Washington, to reflect the tax rate that became effective November 1, 2007, in Docket UT-072093; correcting the monthly WTAP credits, the monthly Tribal Lifeline credits, and related footnotes; and correcting other small errors.

# Additional Filing(s)

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Qwest has informed Staff that it will make additional filing(s) in December, 2007 that, Qwest believes, is in compliance with the Commission Order 06. Staff understands that the purpose of the additional filing is to subject the entire Qwest Washington Exchange and Network Services Tariff in WN U-40 to revisions and changes. Many current services, sections for definitions of the services, term and conditions that are currently in the tariff will be potentially disputed as to whether the Commission order explicitly permits Qwest to move these services and sections from tariff to the catalog. These services and disputed issues are listed in red text in the Attachment. The Commission needs to know that Qwest will re-file what it filed on October 25, 2007 except the carve-out filing made on November 26, 2007. That is why Staff refers to the current filing (filed on November 26, 2007) as a partial compliance filing. In an e-mail to Staff, Qwest has committed to working

with Staff regarding disputed issues in the December filing. Qwest informed Staff that it will also make a filing of tariff revisions to its Access Tariff WN U-44 in December 2007.

# Staff Analysis and Recommendation for the Partial Filing

Qwest filed its replacement pages for the tariff revisions (in WN U- 40) and the catalog on November 29, 2007. Staff is currently reviewing this filing of more than 800

pages and has reached a preliminary conclusion.

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Staff's preliminary review indicates that the filing is substantially compliant with the Commission's orders. Accordingly, we recommend that the Commission approve the compliance filing with an effective date of December 1, 2007.

In view of the greatly abbreviated time available for review of the filing, however, Staff recommends that the Commission preserve to the extent possible an opportunity for corrections should discrepancies arise in the course of a limited but reasonable period.

For example, Staff's review indicates that textual changes the Company agreed to make to its catalog to fully inform customers of their options under the AFOR orders was in some cases not implemented in full. These discrepancies should and can be corrected without substantially harming customers.

DATED this 29<sup>th</sup> day of November, 2007.

Respectfully submitted,

ROBERT M. MCKENNA Attorney General

Assistant Attorney General

Counsel for Washington Utilities and

Transportation Commission

	ATTACHMENT TO STAFF COMMENT AND		
	RECOMMENDATION		
	Qwest Proposed Compliance Filing on October	er 25, 2007 - WN U	
	Red Text shows potential unresolved disputed	l issues.	
	Blue shading shows November 26 filing		
Section	Qwest's Proposed Tariff Contents	References to U7 061625 Order 6	
1	Application and Reference		
1.1	Application of Tariff		
1.2	Table of Contents		
1.3	Subject Index		
1.4	Tariff Format		
1.4.1	Location of Material		
1.4.2	Outline Structure		
1.4.3	Rate Tables		
1.4.4	USOC Column		
1.5	Explanation of Tariff Change Symbols		
1.6	Explanation of Abbreviations		
1.7	Trademarks, Service Marks and Trade		
	Names		
2	General Regulations - Conditions of Offering		
2.1	Definition of Terms		
2.2	Establishing and Furnishing Service		
2.2.1	Application for Service		
2.2.2	Obligation to Furnish Service	. Order 6, Pg 48	
2.2.3	60 Day Product Guarantee		
2.2.4	Consumer Bill of Rights		
2.2.7	Assigning and Changing of Telephone Numbers		
2.2.9	Termination of Service - Company Initiated		
2.2.10	Temporary Suspension of Service - Customer Initiated		
2.2.11	Special Services		
2.2.14	Termination of Service - Customer Initiated		
2.2.15	Complaints/Appeals		
2.3	Payment for Service		
2.3.2	Payment of Bills		
2.3.3	Advanced Payments and Deposits		
2.3.4	Adjustment of Charges		
2.3.6	Billing		
2.4	Liability of the Company		
2.4.1	Service Liabilities		
2.4.2	Maintenance and Repair		
2.4.4	Directory Errors or Omissions		
2.4.5	Hazardous or Inaccessible Locations		
2.5	Responsibilities of the Customer		
2.5.2	Service to and Within a Building, Building		
İ	Space and Electric Power Supply		

2.6	Special Taxes, Fees and Charges	
2.7	Emergency Measures In Case of Disaster	
2.8	Regulated Network Facility Terminations	
2.8.1	Intra-Premises Network Cable and Wire	
	Service Charges	
<b>3</b> 3.1	Miscellaneous Nonrecurring Charges	
3.1.7	Dual Service	
4	Construction Charges and Other Special	
A A	Charges	· · · · · · · · · · · · · · · · · · ·
4.1	Construction within the Base Rate Area (BRA)	
4.2	Construction Charges outside the Base Rate	
4.2	_	
404	Area General	
4.2.1 4.2.2		
	Line Extension Charges	
4.4	Provisioning Agreement for Housing	
4.6	Developments Other Construction or Conditions	
5	Exchange Services	Order 6, Pg 47
5.1	Exchange Areas	Order 6, Pg 47
5.1.1	List of Exchange Areas and Local Calling	Order 6, Pg 47
- 4 A	Areas	Ordon 6 Do 47
5.1.3	Classes of Service Offered In an Exchange	Order 6, Pg 47
- 4 4	Area	Ondon C. Dr. 47
5.1.4	Foreign Exchange Service	Order 6, Pg 47
5.1.7	Maps	Order 6, Pg 47
5.2	Local Exchange Service	Order 6, Pg 47
5.2.1	Measured Rate Service	Order 6, Pg 47
5.2.4	Flat Rate Service	Order 6, Pg 47
5.2.5	Local Service Options	Order 6, Pg 47
5.2.6	Telephone Assistance Programs	Order 6, Pg 48
5.2.10	Tenant Solutions	
5.2.11	Competitive Response	
5.2.14	Qwest Connections Guide Program	
5.3	Private Branch Exchange (PBX) Trunks	Order 6, Rage 49, Par
		2: Order 6, Par 126 &
		140
5.3.3	Flat Rate Trunks	
5:3.4	Direct-Inward-Dialing (DID) Service	
5.4	Premium Exchange Services	
5.4.3	Custom Calling Services	Order 6, Par 81 - a la
		carte; Par 121 - retain
		Call Trace
5.4.4	Market Expansion Line Service	
5.4.5	Improved Transmission Performance	
5.4.9	Caller Identification-Bulk	
5.4.10	U.S.West Custom Ringing Service	
5,4.19	Number forwarding	
5.5	Public Communications Service - Coin and	
	Coinless	
5.5.7	Public Access Line Service	Order 6, Pg 48
5.7	Directory Services	

5.7.1	Listing Services	Order 6, Pg 48
5.7.7	U S West Custom Number Service	Order 6, Pg 48
5.8	Operator Services	
5.8.2	Operator Services Surcharges	Order 6, Pg 48
5.8.4	Intercept Services	Order 6, Pg 48
5.9	Packaged Services	Order 6, Par 81 -
		package price less than
		sum of components
5.9.1	Packages Associated With Basic Exchange	
	Service 1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.	STREET, STREET
5.9.2	Packages Not Associated With Basic	
	Exchange Service	
6	Message Telecommunication Service	
6.1	General	
6.2	Standard Service Offerings	
6.2.4	Directory Assistance Service	Order 6, Pg 48
6.2.8	Operator Verification/Interrupt Service	Order 6, Pg 48
7	Reserved for Future Use	
8	Connections of Premises Equipment to	
<u> </u>	Telecommunications Systems	
8.1	Connections of Equipment, Communication	
	Systems and Premises Wire	
8.1.1	General Provisions	
8.1.2	Connections of Registered Equipment	
9	Central Office Services	Order 6, Page 49, Par
		2, Order 6, Par 126 &
		140
9.1	Dial Switching Systems	
9.1.7	Custom Call Management Systems	
9.1.9 9.1.17	Centraflex System Single Line Centrex 21 Service	
9.1.17	Centrex Prime Service	
9.1.10	Emergency Reporting Service	
9.2.1	Universal Emergency Number Service - 911	Order 6, Pg 48
9.4	Call Management Systems	01de; 0; 1 g -10
9.4.4	Uniform Call Distribution	
9.4.5	Central Office - Automatic Call Distribution	
	(CO-ACD) Service	
9.4.6	Nextconnects	
9.8	Central Office Alarm Services	
9.8.2	Scan-Alert Service	
10	Miscellaneous Service Offerings	
10.3	Miscellaneous Switching Arrangements	
10.3.1	Night Terminals	
10.4	Screening/Restriction Services	
10.4.1	Customnet Service	
10.4.3	Billed Number Screening (BNS)	
10.4.4	Toll Restriction Service	
10.4.5	· · · · · · · · · · · · · · · · · · ·	
	Pay Per Call Restriction	
10.4.7	· · · · · · · · · · · · · · · · · · ·	

10.5.2	Special Billing Number Service	
10.5.4	Reverse Billing Service	
10.5.5	Statement Billing Service	
10.5.7	Summary Billing Service	
10.5.8	Toll Message Detail Service	
10.5.9	Outward Wide Area Telecommunications	
	Service (OutWATS) Message Detail Service	·
10.5.10	Customer Data Enhanced Service '	
10.7	Caller Identification Blocking Options	Order 6, Par 121
10.8	Network Connecting Arrangements	
10.8.8	Selective Ringing Module	
10.10	Miscellaneous Central Office Services	
10.10.1	Message Delivery Service	
10.10.2	Message Waiting Indication	
10.10.4	Traffic Data Report Service	
10.10.8	Business Contingency Service	
10.10.11	Transfer Arrangement	
10.11	Miscellaneous Services	
10.11.3	N11 Service	
11	Reserved for Future Use	
12	Open Network Architecture Service	
12.1	General	
12.2	Basic Serving Arrangements	
12.3	Basic Service Elements	
12.4	Complementary Network Services	
13	Reserved for Future Use	
14	Integrated Services Digital Network	Order 6, Page 49, Par
		2; Order 6, Par 126 &
		140
14.1	General	
14.2	Basic Rate Service Offerings	
14.2.1	Single Line ISDN Service	
14.3	Primary Rate Service Offerings	
14.3.1	Primary Rate Service	
14.4	Individual Case ISDN	
15	Miscellaneous Switched Digital Service	Order 6, Page 49, Par
	Offerings	2; Order 6, Par 126 &
		140
15.1	Digital Switched Service	
15.3	Uniform Access Solution Service	
15.4	Integrated T-1 Service	
16	Promotions	
16.1	Special Promotions	

# Docket No. UT-061625 CERTIFICATE OF SERVICE

I hereby certify that I have this day served the attached document upon the persons and entities listed on the Service List below via e-mail on November 29, 2007, and by depositing a copy of said document in the United States mail, addressed as shown on said Service List, with first class postage prepaid on November 30, 2007.

DATED at Olympia, Washington this 29th day of November, 2007.

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