

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,) Docket No. UT-132234)
Complainant,) Pages 11 - 66)
vs.)
CENTURYTEL OF INTER ISLAND,))
INC. D/B/A CENTURYLINK,))
Respondent.)

HEARING ON SETTLEMENT PROPOSAL, VOLUME II
Pages 11 - 66
ADMINISTRATIVE LAW JUDGE MARGUERITE E. FRIEDLANDER

3:08 P.M.
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Washington Utilities and Transportation Commission
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HEARING ON SETTLEMENT PROPOSAL

OLYMPIA, WASHINGTON, AUGUST 27, 2015
3:08 P.M.

JUDGE FRIEDLANDER: Hello. Good afternoon, everybody. My name is Marguerite Friedlander. I'm the Administrative Law Judge who has been assigned to this proceeding.

We are here on August 27th, 2015, for a settlement hearing in Docket UT-132234, a complaint against CenturyTel of Inter Island, Inc. doing business as CenturyLink related to a major service outage.

We've already taken extended appearances at the pre-hearing conference, so let's just go around the room and give who you are and who you represent, starting with Jennifer.

MS. CAMERON-RULKOWSKI: Jennifer Cameron-Rulkowski, Assistant Attorney General representing Staff.

JUDGE FRIEDLANDER: Thank you.

MS. GAFKEN: Good afternoon. I am Lisa Gafken, Assistant Attorney General, appearing on behalf of Public Counsel.

JUDGE FRIEDLANDER: Thank you.

MS. ANDERL: Good afternoon. I'm Lisa

Page 15

HEARING ON SETTLEMENT PROPOSAL

1 Anderl, in-house attorney with CenturyLink.
 2 JUDGE FRIEDLANDER: Thank you. Is there
 3 anyone else that would like to put in an appearance
 4 today?
 5 Okay. We have a settlement panel that is
 6 already seated with Rayne Pearson and Bill Williamson --
 7 Bob Williamson. You've only worked here how long? Bob
 8 Williamson appearing on behalf of Staff. We have
 9 Stefanie Johnson, who's appearing on behalf of Public
 10 Counsel, and we have Mark Reynolds appearing today on
 11 behalf of the company.
 12 So if you all would stand and raise your
 13 right hand.
 14 (Swearing in of panel.)
 15 JUDGE FRIEDLANDER: So we will commence with
 16 questions regarding the settlement agreement.
 17 There was a revision that was filed I
 18 believe in June, and that's the settlement that we'll be
 19 working off of.
 20 Do the commissioners wish to begin?
 21 COMMISSIONER RENDAHL: Okay. They are
 22 pointing to me, so I will start.
 23 So on the penalty amount in the settlement
 24 agreement versus the penalty amount that was initially
 25 recommended in the investigation report, obviously

Page 16

HEARING ON SETTLEMENT PROPOSAL

1 there's been a significant reduction in that penalty in
 2 this settlement, in an event that created -- arising
 3 from an event that created significant attention from
 4 the public and media and public officials.
 5 So was the reduction in the penalty in the
 6 settlement the result of mitigation from the expenses
 7 the company has incurred due to the microwave
 8 investments or the cost the company's planning to incur
 9 for the service quality issues or the amount incurred
 10 for providing the individual customer credits or all of
 11 the above? Any elucidation on that topic?
 12 MS. PEARSON: I can field that question. It
 13 is actually a combination of all of the above factors,
 14 as well as the admissions that the company made to the
 15 violations that were alleged in the investigation
 16 report.
 17 COMMISSIONER RENDAHL: So the feeling is
 18 that this company has invested enough in other ways to
 19 mitigate the significant penalty that was initially
 20 recommended.
 21 MS. PEARSON: Correct. And not just with
 22 the redundancies in the San Juan Islands, but also with
 23 the hundred thousand dollars in improvements that they
 24 will be making to areas that otherwise would not have
 25 been improved that came to our attention through

Page 17

HEARING ON SETTLEMENT PROPOSAL

1 consumer complaints.
 2 COMMISSIONER RENDAHL: So with those other
 3 service quality problems, without this settlement,
 4 wouldn't it still be the company's obligation -- the
 5 obligation of the company to make those improvements
 6 even without the settlement?
 7 MR. REYNOLDS: To the extent that we
 8 repair -- excuse me, to the extent that we provide the
 9 repairs to the existing equipment for the customers
 10 within the service quality metric that we operate under,
 11 that's really what we're held responsible for. We have
 12 issues in various parts of the state.
 13 These were chronic issues that were brought
 14 to our attention by the consumer group. We were able to
 15 sit down with our engineers, find out what it would take
 16 to rehab that plan to take care of some of the chronic
 17 problems, and we're willing to do that. But I don't
 18 believe, technically, that we would be under requirement
 19 to repair those because we address those issues through
 20 our technicians repairing the individual complaints.
 21 COMMISSIONER RENDAHL: So even with the
 22 repairs, the individual complaints, there were still
 23 chronic issues that weren't addressed by any other
 24 service quality rules?
 25 MR. REYNOLDS: They were definitely

Page 18

HEARING ON SETTLEMENT PROPOSAL

1 addressed by service quality rules because they became
 2 complaints. I don't think that they -- they were
 3 somewhat chronic, but they were not widespread to the
 4 point where the company believed that it needed to rehab
 5 that plan. We have a lot of needs for our capital
 6 throughout this state, and those were not on the list
 7 for rehab in the near future.
 8 COMMISSIONER RENDAHL: So they weren't the
 9 priority issues?
 10 MR. REYNOLDS: That's correct.
 11 COMMISSIONER RENDAHL: Thank you.
 12 Okay. Any questions from my colleagues? I
 13 have others, but I don't want to monopolize here.
 14 COMMISSIONER JONES: I'll start with
 15 Stefanie Johnson for Public Counsel. Why do you think
 16 this is -- you represent consumers in small businesses,
 17 right? So have you had a chance -- you attended the
 18 public comment hearing, I think, that we had in Friday
 19 Harbor, did you not?
 20 MS. JOHNSON: I did not attend, but I am
 21 trying to remember, looking at my attorney to see if it
 22 appears -- but no.
 23 COMMISSIONER JONES: Did -- we had quite a
 24 few small businesses come and testify.
 25 MS. JOHNSON: And I read the transcript.

Page 19

HEARING ON SETTLEMENT PROPOSAL

1 COMMISSIONER JONES: Good. And it seems
2 like there is a relatively high proportion of small
3 business owners and operators in the San Juan Islands,
4 too. So my question is, are you satisfied with the
5 redundant microwave communications from just a voice
6 communications perspective? Because they are not
7 capable of broadband. So talk a little bit about why
8 you think it's in the public interest from the voice and
9 broadband perspective.

10 MS. JOHNSON: Sure. I think that it's in
11 the public interest. First, I think we were -- you
12 know, I heard some of the complaints from those
13 customers saying things like we run a pharmacy and
14 people weren't able to get through and that we are out
15 of business type of thing.

16 So I think that the new redundancy system
17 that's going to allow for voice is -- I think it's a
18 significant help for the region. I understand that it's
19 not going to be capable of carrying all data traffic and
20 Internet traffic.

21 However, I think that for purposes of
22 settlement, in terms of what we are able to do under
23 these rules and what we look at and associated with
24 broadband, I am happy that it's going to be -- to be
25 able to do that and even still be able to provide some

Page 20

HEARING ON SETTLEMENT PROPOSAL

1 daily traffic along the way.

2 COMMISSIONER JONES: And then in your joint
3 testimony, you expressed some satisfaction in the sub --
4 in F, the Technical Agreement section sub 4, the
5 agreement where there's a petitioning process. So
6 CenturyLink has to petition the Commission for approval
7 of any company plans to reduce or eliminate redundant
8 service. So -- between the islands and from the islands
9 to Bellingham. So could you give me a little context as
10 to why you're satisfied with that? As I read that, that
11 will just apply to the microwave shot, not necessarily
12 to all voice and broadband services, but it's a petition
13 of process of CenturyLink would have to come to us in
14 providing a petition to eliminate those services, right?

15 MS. JOHNSON: Right. I think on the
16 discussions that we had in the process, one of the
17 questions we had was, well, could this just go away.
18 Because essential for -- from my understanding, it's not
19 something that CenturyLink is required to operate or to
20 offer as a part of the services. And so I wanted to be
21 sure that if we were heralding this as a success as one
22 of the benefits of this, and a reason why the penalty
23 should be reduced, then we had some sort of assurance
24 that it was going to be -- it was going to remain
25 operational and it wouldn't be reduced.

Page 21

HEARING ON SETTLEMENT PROPOSAL

1 And so -- or, you know, I think not reduced
2 below whatever the necessary call capacity is for the
3 island, so it was important to us that that element was
4 included.

5 COMMISSIONER JONES: Okay.

6 Now, Mr. Williamson, while we still don't
7 know exactly what the cause of this accident was based
8 on Mr. Munoz's report, I am looking at page 36 to his
9 report. It appears to be -- he says it's due to a
10 tension break, as opposed to a localized failure due to
11 abrasion. You know, kind of at a high level, we still
12 don't know exactly other than tension break what was the
13 cause of this?

14 MR. WILLIAMSON: That's correct.

15 COMMISSIONER JONES: And are you satisfied
16 with the new corridor segment based on the DNR corridor,
17 I guess, the way it works as DNR specifies?

18 MR. WILLIAMSON: There's another route that
19 DNR gives us permission to use. And they basically laid
20 the cable in the same place, although, moving it
21 somewhat farther from the rock formation that Mr. Munoz
22 talks to. It's also the same place where anybody else
23 that wants to lay cable to the same island will lay
24 their cable, as OPALCO will.

25 COMMISSIONER JONES: So OPALCO would lay a

Page 22

HEARING ON SETTLEMENT PROPOSAL

1 cable in a similar corridor?

2 MR. WILLIAMSON: Yes, and they have one
3 there now.

4 COMMISSIONER JONES: And then generally, are
5 you satisfied with the annual inspection plan process
6 that is set forth in the settlement agreement and how do
7 you see Commission Staff, not just necessarily yourself
8 but others, kind of overseeing that annual inspection
9 process of the submarine cables?

10 MR. WILLIAMSON: I am comfortable with it.
11 It's difficult to see much with a submarine cable unless
12 you actually have something dive on it. You can check
13 it where it comes to the surface. You can check the
14 signals is meeting requirements. But what they've said
15 they are going to do, I think, is about what you can do
16 if you don't dive it continually.

17 COMMISSIONER JONES: So if you don't dive it
18 continually, you check decibel strength that you set and
19 so forth.

20 MR. WILLIAMSON: Mr. Munoz stated even if
21 you dive it today and it looks good, it could go bad
22 tomorrow on somebody. It's just the nature of submarine
23 cable.

24 The microwave, similarly, it's more of a
25 facilities physical check that the towers are standing

Page 23

HEARING ON SETTLEMENT PROPOSAL

1 correctly, that there's no rust or damage to the
 2 antennas. So I believe the same with the microwave.
 3 It's about what you can do. They are set to alarm if
 4 signals degrade, the same as the underwater cable.
 5 COMMISSIONER JONES: Okay. Back to you.
 6 CHAIRMAN DANNER: Thank you. Okay. Just a
 7 few questions here. First, I want to ask about the
 8 communications plans that are part of the settlement
 9 here. First of all, what -- what has been done with
 10 regard to communications plans so far, two years after
 11 the event here? Has work commenced on those plans? Are
 12 we -- are we knee deep into them or are we going to be
 13 starting fresh when the 2010 settlement is approved?
 14 MR. REYNOLDS: I will respond for
 15 CenturyLink. Unfortunately, we've had a lot of
 16 opportunities to continue to communicate with emergency
 17 management people in other outages that we have faced
 18 since in the San Juan Islands. And I've seen some real
 19 headway being made between communications, between the
 20 company, our vendor, Intrado, and the Washington
 21 Military Department on -- and really, other PSAPs, King
 22 County, in discussions about planned maintenance for our
 23 plant that could potentially impact the 911 system. And
 24 even though it's not related to an outage like the San
 25 Juan outage, it has open lines of communications to the

Page 24

HEARING ON SETTLEMENT PROPOSAL

1 point where we had a conference call about a month ago
 2 with regard to -- that was actually further back than
 3 that. It was over the 4th of July holiday. And King
 4 County was very interested in a plan in the event -- the
 5 Intrado plan, the companies had provided the military
 6 department and the PSAPs with information about when
 7 maintenance would take place. And there was a back and
 8 forth healthy discussion. And King County requested
 9 that we try to not do maintenance they were going to do
 10 prior to the holiday, that they scheduled it with the
 11 PSAPs.
 12 And so those lines of communication have
 13 opened. And I don't want to say that any strict
 14 policies have been established, but there's an
 15 understanding of the sensitivity of, you know, what the
 16 vendor does and what CenturyLink does and how that could
 17 impact the 911 system in this state, and that they need
 18 to know when those events are going to take place. So
 19 that's a positive development.
 20 As far as actual San Juan Island, we just
 21 sort of had a dry run. More than a dry run, we had an
 22 outage up there in the past week or two. Luckily, it
 23 was not a submarine cable. We learned from this event
 24 and reached out to all of the affected PSAPs, the
 25 emergency management people, the San Juan County

Page 25

HEARING ON SETTLEMENT PROPOSAL

1 Council. We immediately started trying to inform the
 2 public of what was going on.
 3 And so by our own practices, I would say
 4 that we've learned and we've improved. We don't have
 5 anything codified or written down, per se.
 6 CHAIRMAN DANNER: So there's no draft yet,
 7 but there is a lot of thinking about what's the
 8 philosophy --
 9 MR. REYNOLDS: Yeah, I would say so. And I
 10 think that will open the dialog that we have when Staff
 11 sets the formal meetings up and probably sit down and
 12 draft a communications plan for outages in the San Juan
 13 Island.
 14 CHAIRMAN DANNER: Thank you. One of the
 15 things that's unclear to me is when we have a
 16 requirement that there be a plan prepared and we really
 17 don't have anything that speaks to what happens after
 18 the plan is filed, I mean, we're not in a position of
 19 reviewing or approving the plan. And I'm not suggesting
 20 that you would do this, but according to the terms of
 21 this, we can get something from you that says this is a
 22 plan and we think it's good, and there might not be much
 23 else there. And I am just trying to figure out if
 24 there's any kind of review or acknowledgment or approval
 25 that needs to be done by us to make sure that what's in

Page 26

HEARING ON SETTLEMENT PROPOSAL

1 the plan is robust. I just was curious what your
 2 thoughts are on that.
 3 MR. REYNOLDS: To the extent that the
 4 Commission felt like it wanted to approve it or review
 5 it -- I don't -- as a party, I don't have a problem with
 6 that. I mean, we are going to submit the plan for your
 7 review. And to the extent you have comments on it, that
 8 would be helpful.
 9 But I strongly believe that the intention to
 10 keep our feet to the fire to enforce the plan, the
 11 Commission's not going to have to worry about that. We
 12 have very active emergency management people, I believe,
 13 that will hold us to our word.
 14 CHAIRMAN DANNER: Okay. So let's see. I
 15 wanted to talk a little bit about the redundancy.
 16 You've got a microwave system that is basically going to
 17 ensure that 911, if there's a submarine cable outage,
 18 that microwave can take care of providing redundancy on
 19 those voice services, and that includes 911. But we
 20 don't have -- it doesn't seem to me that it's
 21 necessarily going to provide redundancy on all the data
 22 services that are provided. And I know that that's not
 23 inter-jurisdictional to us. Nonetheless, I think that
 24 there's -- the public doesn't always know what's
 25 jurisdictional to us and what's not. And I am just

Page 27

HEARING ON SETTLEMENT PROPOSAL

1 trying to figure out a way to communicate to those
 2 members of the public who are not direct customers of
 3 CenturyLink but are customers of your wholesale,
 4 customers who may be getting data services and the
 5 companies that you serve, you know, they are going to
 6 point the finger at you and not take any responsibility
 7 for the fact that they don't have anything in place
 8 either, and I am trying to figure out a way to
 9 communicate that to people. Do you have ISP customers
 10 who -- on San Juan who use CenturyLink data services,
 11 right?

12 MR. REYNOLDS: That's correct.

13 CHAIRMAN DANNER: And if a submarine cable
 14 goes down, they may be out for several days until
 15 something is replaced. And then you've got wholesale
 16 customers' ISPs that are not that good. That -- again,
 17 I mean, there has to be some way that the customer knows
 18 that their own ISPs haven't done anything to ensure
 19 redundancy as well, and I am trying to figure out what
 20 that would be, just your thoughts.

21 MR. REYNOLDS: I have a couple of thoughts
 22 on this. After the last outage, as you know, not only
 23 did the landline voice traffic go down, but it also
 24 affected cell traffic because cell traffic traveled over
 25 our network as well. I can tell you that at least one

Page 28

HEARING ON SETTLEMENT PROPOSAL

1 of the vendors put in their own microwave system. And
 2 they are a very large cell phone company that are
 3 well-heelled and they are fully capable of putting in
 4 their own redundancy. This one did.

5 And I think to have a discussion with the
 6 people about what the alternatives are, you know, it
 7 should not fall all on CenturyLink. I mean, we are the
 8 provider, they are our customers, and we will provide
 9 the best service we can with the facilities we have in
 10 place. But there's also an obligation of the other
 11 providers to step up.

12 CHAIRMAN DANNER: And quite frankly, that's
 13 what I am getting at. Trying to figure out how to get
 14 the communication going.

15 MR. REYNOLDS: Well, I think there's -- to a
 16 certain degree, it's starting to happen. There's been
 17 fits and starts for OPALCO. OPALCO has talked about
 18 building broadband out to its cooperative customers.
 19 And if that gains traction -- I honestly don't know
 20 exactly where that is, but my understanding was they
 21 took a vote and the people are kind of fighting back and
 22 forth as to whether they should do it.

23 But there is a means to deploy broadband by
 24 other providers on the island. OPALCO has in fact
 25 helped us recover from the San Juan Island outage. So

Page 29

HEARING ON SETTLEMENT PROPOSAL

1 that's one means. And those are redundant fibers that
 2 exit the island as well. And so there are alternatives
 3 to that.

4 The other thing, and I can't -- I can't say
 5 with any certainty. I do know that the San Juan Islands
 6 are part of the CAF census blocks for the Connect
 7 America Fund, and potentially that could be some
 8 additional source of revenues and funding for facilities
 9 on the island. That's not a commitment, but I do know
 10 that they've been identified.

11 And I think those are probably the things
 12 that you could communicate, that there are things in the
 13 works on the island. And I think Commissioner Jones was
 14 saying there are a lot of businesses up there, and a lot
 15 of those businesses do rely on the Internet.

16 The people that are up there, I think a lot
 17 of them have second careers, and they set it up and
 18 being in a remote area like that, the Internet becomes
 19 very important.

20 But if our voice traffic had worked for
 21 those nine days, things would have been so much better
 22 for those customers. I mean, we used to get by without
 23 an Internet. We used to pick up the phone and we used
 24 to be able to call somebody. And to the extent that
 25 those businesses still had a voice line out to the

Page 30

HEARING ON SETTLEMENT PROPOSAL

1 world, I think that they would have survived that
 2 nine-day period much better than they did losing both
 3 the Internet and the voice.

4 COMMISSIONER RENDAHL: I have a little bit
 5 of follow-up from that. So -- and this is for anybody
 6 on the panel. So the settlement, revised settlement,
 7 has the two different paragraphs, 13 and 14, that talk
 8 about the plans for San Juan County and then for the
 9 state.

10 Paragraph 13 for San Juan County specifies
 11 that it's just for emergency management center's
 12 communications plan for the county. And 14 says it's
 13 for use during major outages for the state. I'm not
 14 sure the intent was to have a different type of
 15 emergency communications plan. But if that was the
 16 case, I'd be interested to understand the difference
 17 between those two provisions. It may have been
 18 inadvertent; it may not have been. Just checking.

19 MS. PEARSON: So we made the decision to
 20 address these separately. Based on the response that we
 21 got to the data request when we initiated the
 22 investigation, we were looking at the major outages rule
 23 and the requirements to have the communications in place
 24 that is specific for the given outage.

25 And what CenturyLink gave back to us was

Page 31

HEARING ON SETTLEMENT PROPOSAL

1 very general, it wasn't -- not only to mixed outage but
 2 not specific to Washington State. And so what we wanted
 3 to see was because of the -- because of the way that San
 4 Juan County is isolated from the network, we wanted a
 5 specific plan and specifically to address the
 6 communication failures that happened with the 911
 7 coordinator in San Juan County in the event that that
 8 happens again. And then we also wanted to see a larger
 9 Washington State-specific major outages plan because
 10 that was lacking.

11 COMMISSIONER RENDAHL: So for San Juan
 12 County, it's for all outages communications' plan, not
 13 just major outages but, like, that's --

14 MS. PEARSON: Just an emergency
 15 communications plan, generally.

16 COMMISSIONER RENDAHL: Okay. So there was a
 17 difference there.

18 MS. PEARSON: Yes.

19 COMMISSIONER RENDAHL: Okay, thanks. And
 20 then for Mr. Reynolds on this issue of broadband.

21 So do you have your own retail data
 22 customers or broadband customers in San Juan County?

23 MR. REYNOLDS: Yes.

24 COMMISSIONER RENDAHL: So do you have any --
 25 are there any other facilities, any other redundant

Page 32

HEARING ON SETTLEMENT PROPOSAL

1 facilities, for your own data customers should the --
 2 other than the microwave facilities? How do you plan on
 3 serving those folks?

4 MR. REYNOLDS: No, we would be in the same
 5 situation as our customers -- or our wholesale
 6 customers. We've prioritized the voice traffic to get
 7 the critical services on the microwave and also to keep
 8 intrastate voice traffic up during an outage. In fact,
 9 let me digress a little.

10 We did have the outage during the past week.
 11 It was a car that struck a pole in Anacortes, and it
 12 knocked out pretty much exactly the same route that was
 13 knocked out by the submarine cable. And it kicked the
 14 microwave into high gear, so to speak, but everything
 15 performed really quite well.

16 The day of the outage, the traffic roughly
 17 doubled, and we incurred on one trunk about ten percent
 18 blockage and another one about three percent blockage
 19 during that period of time. All the 911 circuits stayed
 20 up. As far as I know, all the 911 calls went through.
 21 They were prioritized at the highest level, and so the
 22 system -- the system worked. It gave us an opportunity
 23 to see what would happen in an outage situation.

24 And quite frankly, the traffic roughly
 25 doubled. It doubled. We looked at it a day before the

Page 33

HEARING ON SETTLEMENT PROPOSAL

1 outage, we looked at it the day of the outage, and the
 2 day after. The day of the outage, it was double the
 3 amounts as on the day before and day after. And so it
 4 was a good stress test.

5 There are some things that we can still do
 6 to the microwave to tune it a little better. We are
 7 looking at that, and we are hopeful that we can even
 8 improve on that in the future.

9 COMMISSIONER RENDAHL: So when you said the
 10 traffic doubled, was that 911 voice and broadband, all
 11 traffic doubled? Or are you just referring to the
 12 voice?

13 MR. REYNOLDS: I am just referring to the
 14 voice. Because the data traffic is channeled via the
 15 submarine cable to the Anacortes and then onto La Conner
 16 and that -- so that traffic did fail for a period of
 17 time until we were able to get the facility back in
 18 service.

19 COMMISSIONER RENDAHL: Okay. Thank you.

20 COMMISSIONER JONES: This is for
 21 Ms. Pearson. We have a lot of 911 issues going on now
 22 and a lot of activities are going on. So a little
 23 concerned or what is the basis for the eight months?
 24 Eight months to me seems like a long time to reach an
 25 agreement. This accident happened close to two years

Page 34

HEARING ON SETTLEMENT PROPOSAL

1 ago, and we don't have any plan in place. So how did
 2 you come up with eight months instead of two, three,
 3 four months?

4 MS. PEARSON: Actually, I am going to defer
 5 to Mr. Reynolds on this one.

6 COMMISSIONER JONES: Mr. Reynolds?

7 MR. REYNOLDS: Stretching my memory here. I
 8 think it was a negotiated time frame. To the extent
 9 that, you know, we want to work with Staff on a sooner
 10 meeting, I don't think we are opposed to that. It's the
 11 numbers that came out in the settlement negotiations, so
 12 I don't think there is anything magical about it.

13 COMMISSIONER JONES: As you probably know, I
 14 am involved in a lot of 911 enforcement actions, both
 15 against you and other carriers. But the FCC -- the FCC
 16 seems to be moving at a pretty rapid pace both in
 17 planning and enforcing. So that gives me slight cause
 18 for concern.

19 This accident happened two years ago. We
 20 went up and had a public meeting in San Juan County DEM.
 21 Seems to me like a lot of the pieces are in place. The
 22 Munoz report was done to come up with some sort of a
 23 plan earlier rather than later, but that's more of a
 24 comment. You've answered my question the best you can,
 25 I guess.

Page 35

HEARING ON SETTLEMENT PROPOSAL

1 MR. REYNOLDS: Well, and as I responded to
 2 Chairman Danner a few minutes ago, the discussions are
 3 in place. We do communicate. We've learned where some
 4 of the gaps were from this outage. And I would like to
 5 think that the most recent outage, we solved many of the
 6 problems, the communication problems, that exists here.
 7 We've also instituted a whole new outage reporting
 8 regime where we notify the Commission every four hours.
 9 I am sure that those people that have to receive those
 10 reports want to say, enough, enough. But we try to
 11 overreport, so...

12 COMMISSIONER JONES: My next question could
 13 be more a legal question. In Section E of the report,
 14 all of these communication plans and everything is
 15 directed for what is called a major outage. Okay, major
 16 outage. That is not a defined term in the settlement
 17 agreement.

18 And I went back to both the FCC definition
 19 of network -- what is called NORS, N-O-R-S, Network
 20 Outage Reporting System, and our WAC, and I don't
 21 actually see a defined term of a major outage in our WAC
 22 either.

23 So the FCC major outage definition for
 24 things like special facilities with more than 30
 25 minutes. There's a 900,000 user minute threshold. So

Page 36

HEARING ON SETTLEMENT PROPOSAL

1 can anybody help me on this?
 2 And, Ms. Pearson, too, from a Staff
 3 perspective, what are we -- what's -- how are we
 4 defining major outage for all these purposes?
 5 MS. ANDERL: Your Honor, I think there is a
 6 lot of activity over there on the witness stand. So
 7 unless somebody called on me to help, I have an answer
 8 to your question, as well. But I will let the witnesses
 9 address it first.

10 MR. REYNOLDS: I will give Rayne a minute to
 11 find it, but there actually is a definition for major
 12 outages. It's not found in the major outage section.
 13 It's actually found in the definition section.

14 MS. PEARSON: I don't have a copy of the WAC
 15 in front of me.

16 MS. ANDERL: It's in 480-120-021, I believe.

17 COMMISSIONER JONES: Oh, it's 021? So it's
 18 not in 412? Can anybody help me with that? Is it 30
 19 minutes? Does anybody know?

20 MS. PEARSON: I believe it's based on the
 21 number of access lines.

22 MS. ANDERL: I can look it up, Your Honor.
 23 I don't have a copy of the rule.

24 MR. REYNOLDS: I don't have access to the
 25 Internet, Commissioner.

Page 37

HEARING ON SETTLEMENT PROPOSAL

1 COMMISSIONER JONES: But you know what the
 2 chairman was talking about. We don't have jurisdiction
 3 over daily services and broadband. But I beg to differ
 4 on that because a lot of your systems are bundled and
 5 there are also some hybrid systems. So the point is
 6 that we have converged communication networks that can
 7 carry all sorts of different traffic these days.

8 JUDGE FRIEDLANDER: I have it. Either one.
 9 So "Major Outages means a service failure lasting for 30
 10 or more minutes that causes the disruption of local
 11 exchange or toll services to more than 1,000
 12 customers..."

13 COMMISSIONER JONES: It's 1,000 customers,
 14 30 minutes or more.

15 JUDGE FRIEDLANDER: And that's the
 16 480-020-021.

17 MS. ANDERL: There are additional provisions
 18 so they're also saying that it also includes an event
 19 that causes a "...total loss of service to the public
 20 safety answering point or emergency response agency;
 21 intercompany trunks or toll trunks not meeting service
 22 requirements for four hours or more and affecting
 23 service; or an intermodal link (no dial tone) in excess
 24 of five percent for more than one hour in any switch or
 25 remote switch."

Page 38

HEARING ON SETTLEMENT PROPOSAL

1 So that's the full definition.
 2 There are a couple of different touch points
 3 that can trigger that to apply. If there was a total
 4 loss of service, it could be a major outage regardless
 5 of how long it lasted or how many are affected.

6 COMMISSIONER JONES: So are all the parties
 7 comfortable with that definition and not using the FCC
 8 definition but we should keep the settlement agreement,
 9 right, to our own definitions?

10 MS. PEARSON: Yes.

11 COMMISSIONER JONES: Ms. Pearson, on page
 12 13, I am going to just ask you a clarifying question. I
 13 am not sure what it means. If you could have that in
 14 front of you.

15 MS. PEARSON: This one or the settlement
 16 agreement?

17 COMMISSIONER JONES: In the joint testimony.

18 MS. PEARSON: Okay.

19 COMMISSIONER JONES: It's your part of the
 20 joint testimony.

21 MS. PEARSON: Okay.

22 COMMISSIONER JONES: And you say that --
 23 this relates to -- Commissioner Rendahl asked a question
 24 about why the \$50,000 fine is appropriate. You go on to
 25 say that CenturyLink did admit it violated Commission

Page 39

HEARING ON SETTLEMENT PROPOSAL

1 rules for making improvements to its infrastructure, and
 2 we've talked about that today already. But also to its,
 3 "internal processes and procedures."
 4 What do you mean by that?
 5 MS. PEARSON: That relates to the
 6 communications plans.
 7 And if I could clarify something that we
 8 were talking about earlier. Commission Staff will be
 9 taking a lead on the communication planning. And the
 10 parties will work with the company to develop the
 11 communications plans so -- Mr. Reynolds was talking
 12 about that with approval, that they will be working hand
 13 in hand with Staff on those communications plans, and
 14 Staff will be approving them as they're developed.
 15 COMMISSIONER JONES: So when the settlement
 16 agreement refers to Staff, that means UTC, that means
 17 Commission Staff?
 18 MS. PEARSON: Right.
 19 COMMISSIONER JONES: It doesn't necessarily
 20 mean EMD staff or 911 staff from San Juan County. Our
 21 Staff is going to be the --
 22 MS. PEARSON: Correct, our Communications
 23 Staff.
 24 COMMISSIONER JONES: Mr. Reynolds, do you
 25 have any comments on these internal processes or

Page 40

HEARING ON SETTLEMENT PROPOSAL

1 procedures? Is there anything new and improved with
 2 what you are doing? It seems like there is, according
 3 to your testimony. But all of the big failures in our
 4 Staff report is that you did not timely notify.
 5 MR. REYNOLDS: Yes, as I mentioned a few
 6 minutes ago, we have revamped our outage reporting,
 7 especially during major outages, to ensure that the
 8 Commission gets notified every four hours. I have also
 9 worked back internally with the people that structure
 10 what's in those reports.
 11 If you recall, the initial report in this
 12 outage was somewhat inaccurate, but we actually didn't
 13 know what was happening at the time. It takes a while,
 14 even with this recent outage, to find out where the cut
 15 is and what's causing it.
 16 We got simultaneous information during this
 17 outage that a car had hit a pole on Fidalgo Island, and
 18 we sent our techs there because we were almost certain
 19 that that's where our problem was, but it wasn't.
 20 We later learned that -- later that day,
 21 that it was a submarine cable cut. It takes -- it takes
 22 quite a procedure to get out and shoot light down the
 23 fiber to identify where that cable cut is. So there was
 24 a gap in the amount of time.
 25 In today's world, you would have received an

Page 41

HEARING ON SETTLEMENT PROPOSAL

1 update. So if the first one came out at three, you
 2 would have received an update at seven, you would have
 3 received an update at eleven and on through the entire
 4 outage.
 5 And I've also worked with our outage
 6 reporting people on being more accurate and being more
 7 timely. You know, accuracy communicating with the field
 8 team so that they get good information.
 9 And obviously -- and the communications
 10 between myself and staff and back into the company
 11 during one of these outages, is really open. I pick up
 12 the phone, I call Rebecca or I call somebody else on
 13 staff, let them know what I know, when I know it, and
 14 there's -- you know, questions can come back in. I send
 15 those up -- up the ladder to the outage reporting
 16 people, and they're as responsive as they can be during
 17 the time of an outage.
 18 So those are some internal procedures that
 19 we've worked on since then. But as I suggested to
 20 Chairman Danner, we're also opening dialogs with the
 21 emergency management people. And as part of the FCC
 22 enforcement action, you know, Intrado, so our vendors,
 23 CenturyLink, are developing a set of procedures to
 24 address in -- in this case 911.
 25 But those same procedures can impact really

Page 42

HEARING ON SETTLEMENT PROPOSAL

1 any major outage. Because typically, a major outage
 2 almost always affects 911. So they are sort of one and
 3 the same. And so the procedures for the 911 will also
 4 provide a basis for the discussions.
 5 I'm sure when we sit down with both the San
 6 Juan EMD people and also the State, we will bring to the
 7 table a number of procedures that have already been
 8 developed through the whole 911 process.
 9 COMMISSIONER JONES: So those are already in
 10 place?
 11 MR. REYNOLDS: Yes.
 12 COMMISSIONER JONES: So that gets back to my
 13 earlier point. We can probably accelerate, do it
 14 earlier, hopefully, than eight months.
 15 This is both for Mr. Reynolds and
 16 Mr. Williamson. According to the report, we got kind of
 17 lucky in certain respects. We had a supply of cable,
 18 submarine cable, at a facility I think in Federal Way or
 19 Renton and the ROV -- or it got there quickly. Are
 20 those the kinds of things that are going to be in the
 21 emergency communication plan? I kind of would hope, you
 22 know, forward the fiber and things like that. Why don't
 23 we start with you, Mr. Williamson.
 24 MR. WILLIAMSON: I think lucky is not strong
 25 enough. The stars aligned perfectly, from talking to

Page 43

HEARING ON SETTLEMENT PROPOSAL

1 Mr. Munoz and to the company that actually fixed it.
 2 The fact that there were two barges available that were
 3 equipped correctly, that the cable was available, that
 4 there were people around. Usually they have been sent
 5 off to other parts of the world. So everything aligned
 6 perfectly.
 7 It could have taken much longer to fix. Ten
 8 days, as long as it was in San Juan Islands, was a
 9 shorter period for this kind of a failure. That's why
 10 the redundant microwaves are so important and that they
 11 actually work correctly. We did verify with the company
 12 that they have spare cable available.
 13 I'm not sure, and I guess I will leave that
 14 to Mr. Reynolds, on what they can do to try to
 15 coordinate with Harbor Offshore or someone. Or maybe --
 16 there was a suggestion at one time to partner with
 17 OPALCO because they also have the underwater fiber.
 18 Between the two of them, there's a little more power. I
 19 don't know if they've done that.
 20 CHAIRMAN DANNER: So, I mean, just following
 21 up on that. It think it's important -- the redundancy
 22 that the microwave provides is great for the city for
 23 short-term. It doesn't take care of getting back to the
 24 full power, full service. And so, I mean, I would be
 25 interested to make sure that, you know, that we are

Page 44

HEARING ON SETTLEMENT PROPOSAL

1 going to have a plan for getting any undersea cuts
 2 repaired as soon as possible too, knowing that we have
 3 supplies and people and whatever is necessary to make
 4 that happen. That would be --
 5 MR. WILLIAMSON: I agree.
 6 COMMISSIONER JONES: Mr. Reynolds, do you
 7 have anything to add to that?
 8 MR. REYNOLDS: As Mr. Williamson suggested,
 9 we did replace the cable, the submarine cable, that we
 10 use to splice during this outage, and we do have that,
 11 you know, in the inventory.
 12 As far as -- as far as retaining a Harbor
 13 Offshore, it's very difficult to do. I mean, if we
 14 could put them on retainer, that would be great, but as
 15 Mr. Williamson suggested, they are off to the next cut
 16 wherever it's at. And those types of facilities, you
 17 just can't put on reserve indefinitely. They have to be
 18 used. And obviously we will do the best we can.
 19 We established a really good relationship
 20 with Harbor Offshore. During this outage, they were
 21 very responsive, and I -- you know, to the extent that
 22 they are available, I can't believe that they wouldn't
 23 jump at the opportunity to help in another outage. So I
 24 don't know that we can do much more than that.
 25 COMMISSIONER JONES: And just to clarify,

Page 45

HEARING ON SETTLEMENT PROPOSAL

1 Mr. Reynolds, I think Harbor Offshore is a company that
 2 operates globally, right?
 3 MR. REYNOLDS: Yes, they do.
 4 COMMISSIONER JONES: I think Mr. Williams
 5 and you and I had this conversation and we were trying
 6 to reach Mr. Munoz, and he was off in Malta or Greece or
 7 he was in Africa or somewhere. So it's important to
 8 note these island communities are in the San Juans.
 9 There are other island communities around the world, and
 10 so competing for these services to restore broadband and
 11 voice and communication links it's -- it's important.
 12 I realize how challenging this is, and I am
 13 glad you developed a positive relationship, but I don't
 14 know how you could forward the quality or have an
 15 agreement but maybe a little creative thinking on that
 16 would be good.
 17 CHAIRMAN DANNER: If there's an outage, we
 18 don't want it to take four months or six months before
 19 it gets repaired. Even if we had redundancy in place,
 20 it's -- redundancy is not really a solution. It's more
 21 a stopgap. And so I would be interested to know, you
 22 know, what is the worst case scenario if Harbor Offshore
 23 has got, you know, appointments already set in Malta,
 24 Greece, and the southern Indian Ocean before they can
 25 get to us, what's it going to take. And, you know, what

Page 46

HEARING ON SETTLEMENT PROPOSAL

1 sort of contingency planning needs to be done.
 2 MR. REYNOLDS: I don't think -- number one,
 3 I don't think Harbor Offshore is the only alternative.
 4 There are other alternatives, and we certainly have
 5 those, I don't want to say on speed dial, but we have a
 6 whole list that we can call in a situation like that, so
 7 there are alternatives.
 8 And the other thing we discussed a little
 9 bit earlier, the whole infrastructure in the San Juan
 10 Islands are changing, and I think that there is going to
 11 be more redundancy in the future.
 12 My understanding is OPALCO is laying new
 13 cables probably in advance of the deployment of
 14 broadband services up there. I suggested that Verizon
 15 bring in a cell tower or a microwave tower to get the
 16 air traffic off in the event.
 17 So it has not only just moved us, it's moved
 18 the other vendors on the island. And quite frankly,
 19 they need some skin in the game as well. It's a
 20 difficult place to serve, very costly to serve, and we
 21 spent the money we did to get it repaired, and then on
 22 our own dime, not necessarily the Commission ordering
 23 us, we put in the microwave.
 24 One of our frustrations is, we have a great
 25 deal of capacity up to the top of Mount Constitution

Page 47

HEARING ON SETTLEMENT PROPOSAL

1 from Friday Harbor. We have a more limited capacity
 2 from Mount Constitution to Bellingham. That was because
 3 we could only get so much spectrum. You can continue to
 4 put in radio systems for as much spectrum as you can
 5 get.

6 And so to the extent that other companies
 7 also, you know, apply for spectrum, both in the U.S. and
 8 in Canada, that would be helpful. I mean, I think they
 9 need to understand that that's critical for the safety
 10 of that island, and I can see possibly things like that
 11 happening in the future.

12 COMMISSIONER JONES: Will that be a part of
 13 the emergency communications plan to -- and we offer at
 14 least, you know, if we need help with the Canadians on
 15 spectrum or with the FCC, I think that's something you
 16 should probably raise to our attention because we do
 17 have contacts there.

18 But, yeah, that's going to be a problem if
 19 you shot from Mount Constitution into Bellingham because
 20 of spectrum constraints.

21 MR. REYNOLDS: I'm just suggesting that
 22 is -- and there are several alternatives here, and you
 23 know, I hear it loud and clear, the data piece of it
 24 and -- but I think there are things in the works, and
 25 there are certainly alternatives to CenturyLink that

Page 48

HEARING ON SETTLEMENT PROPOSAL

1 could provide relief in these situations. And quite
 2 possibly, CenturyLink may be involved, depending on
 3 whether it decides to deploy CAF dollars in the San Juan
 4 Islands.

5 I mean, there are things on the horizon that
 6 are percolating right now that I think will alleviate
 7 the backup plan, so to speak, in the San Juan Islands.

8 COMMISSIONER JONES: Mr. Reynolds, that was
 9 music to my ears when you started talking about that.

10 So when are we going to hear the final
 11 details on your decision on that?

12 MR. REYNOLDS: I have a letter for each of
 13 the Commissioners that I will share after the hearing of
 14 our notification for the State of Washington.

15 COMMISSIONER JONES: Okay. Thank you.
 16 That's all you need to say.

17 MR. REYNOLDS: We are accepting it, I will
 18 tell you that.

19 COMMISSIONER JONES: My next question, and
 20 this is more for Staff, Section G of the report, of the
 21 settlement agreement just kind of sets out and is alined
 22 very well to the island community, the service quality
 23 repairs in these one, two, three, four, five, six COs.

24 Can you tell me, A, how this came? Was this
 25 a staff -- was this more coming from Staff based on

Page 49

HEARING ON SETTLEMENT PROPOSAL

1 service quality complaints around the state, and does
 2 this apply -- as I read this, this applies to 911 in
 3 general voice quality, right?

4 So maybe, Ms. Pearson, you could give me a
 5 sense of how this came about and why Stevens County,
 6 Walla Walla and Ferry County and these others fit in.

7 MS. PEARSON: This is coming from Staff, and
 8 these specifically arose out of consumer complaints
 9 where there were certain causal issues and where the
 10 problems couldn't be resolved for the consumers who
 11 called in with their complaints.

12 Our Staff worked with the company and
 13 basically to enter into (inaudible) fine. Like
 14 Mr. Reynolds said, this isn't high on the priority list,
 15 the repairs, and we have no enforcement ability to do
 16 anything about it.

17 So in, I think creative settlement
 18 negotiations, this came up as an opportunity to ensure
 19 that these service quality issues were addressed for
 20 these particular consumers in this area. So we decided
 21 to include it as part of the settlement.

22 COMMISSIONER JONES: Okay. Thank you.

23 CHAIRMAN DANNER: My own comment on that is
 24 I think that it's great to have those investments
 25 especially that they're -- it sounds like they are

Page 50

HEARING ON SETTLEMENT PROPOSAL

1 needed investments. I am a little concerned because
 2 they don't really involve San Juan County. I don't want
 3 to have them appear to be made in lieu of investments
 4 that need to be made on San Juan County, and I think we
 5 need to be clear about that.

6 I am -- I do have a question about your
 7 refunds to customers. I understand you made refunds to
 8 customers around about \$271,000. Have all the refunds
 9 been made and all the issues been settled up?

10 MR. REYNOLDS: Yes. The refunds were
 11 actually made in a month or two billing cycle right
 12 after the outage. It was one of the first things we
 13 addressed, and it wasn't something we normally do
 14 because we have to make refunds in accordance to the
 15 rules. And we all put our heads together and said, no,
 16 we are going to make full refunds for both regulated and
 17 nonregulated. For a period of time, it exceeds the
 18 actual outage days, and that decision was made and it
 19 went into effect immediately.

20 CHAIRMAN DANNER: Okay. Thank you.

21 On the redundant microwave system, basically
 22 what I saw in the testimony was that the cost of that
 23 system was around \$650,000. Is that now -- has that
 24 been completed? Is that microwave system up and
 25 running? Is there more to do on its installation?

Page 51

HEARING ON SETTLEMENT PROPOSAL

1 MR. REYNOLDS: It's done.

2 CHAIRMAN DANNER: Other than you are doing

3 stress tests?

4 MR. REYNOLDS: It performed admirably.

5 CHAIRMAN DANNER: So we are not waiting on

6 any more parts or anything like that?

7 MR. REYNOLDS: No. Although, it took us --

8 it's amazing with microwave systems getting the proper

9 leases, getting the spectrum. We had equipment that

10 came in that actually failed and we had to send it back

11 to the vendor. It took longer than we wanted it to

12 take. But it is finally up and running and it

13 functioned well during an outage. So that was -- I

14 guess if you are going to have a little stress test,

15 that wasn't bad.

16 CHAIRMAN DANNER: Okay. Are there any plans

17 to beef up the redundancy beyond the microwave system?

18 MR. REYNOLDS: I don't know of any specific

19 plans, other than what I have related to you. There may

20 be possibilities under CAF to the extent that if we did

21 deploy CAF in the San Juans, it would require us

22 probably to, you know, to get more bandwidth off the

23 island. And how we do that, whether it's leasing other

24 facilities or putting in facilities ourselves.

25 Submarine cable is extremely costly to lay,

Page 52

HEARING ON SETTLEMENT PROPOSAL

1 and I'm almost certain that we would try. And now we've

2 had success with the microwave shot, that maybe we could

3 try to beef that up.

4 CHAIRMAN DANNER: Okay. And I expect no one

5 is planning to build a bridge out to the San Juans

6 anytime soon. That would be helpful, wouldn't it?

7 MR. REYNOLDS: Yes, it would.

8 CHAIRMAN DANNER: So with regard to the

9 spectrum, did you start fresh in applying for spectrum

10 from the FCC? Was it an arduous -- after the outage,

11 did you have to go to the FCC and get spectrum? Or how

12 did you do that? Was there any opposition?

13 MR. REYNOLDS: My understanding is totally

14 based on trying to open up some additional spectrum

15 during the outage, and working with the FCC, things went

16 fairly smoothly. But when it hit Canada, it was very

17 difficult, and, in fact, we got the necessary spectrum

18 to do what -- to try to create redundancy during the

19 outage or try to create new pathways. We got the -- I

20 believe, the spectrum to Canada two days after we

21 started service. So that wasn't in enough time.

22 I don't -- I honestly don't know whether

23 those same channels will open, and we just expanded

24 those for our spectrum discussions on the microwave. I

25 assume that we probably started new with the new radio

Page 53

HEARING ON SETTLEMENT PROPOSAL

1 shots. We probably applied to the FCC and to Canada,

2 and my understanding is, once again, the long pole on

3 the tent was the Canadian Government.

4 CHAIRMAN DANNER: Okay.

5 MS. ANDERL: Your Honor, just to interrupt

6 since we are on the topic. The bench request response

7 indicated that those licenses were granted January 31st

8 of 2014 so -- and that does indicate that those were all

9 new licenses.

10 CHAIRMAN DANNER: Okay. And those are

11 licenses that are granted if there's no -- they don't

12 expire at some point?

13 MS. ANDERL: They are granted for renewable

14 ten-year terms.

15 CHAIRMAN DANNER: Okay. Renewable ten-year

16 terms.

17 MS. ANDERL: And there is no approval

18 required if nothing has changed after the ten years, so

19 if you're not outside of the band you -- or you don't

20 want to go --

21 CHAIRMAN DANNER: Right. And I know those

22 will be renewed.

23 MR. REYNOLDS: Can I do redirect on my

24 counsel? Just wondering.

25 CHAIRMAN DANNER: Yeah, in this case, yes.

Page 54

HEARING ON SETTLEMENT PROPOSAL

1 MR. REYNOLDS: I was just kidding. She's

2 been wanting to be a witness for years.

3 MS. ANDERL: Never been so worried.

4 CHAIRMAN DANNER: COMMISSIONER JONES just

5 called on her.

6 COMMISSIONER JONES: So the expiration on

7 those licenses is 2024, correct?

8 MS. ANDERL: Yes.

9 COMMISSIONER JONES: So you are the witness.

10 That could be a good idea.

11 MS. ANDERL: I think the lawyers have a

12 duty. I think I'm good.

13 COMMISSIONER JONES: But as of now, those

14 licenses are good unless there's an interference issue?

15 MS. ANDERL: That is my understanding.

16 Unless there's something that changes the terms and

17 conditions upon which they were granted.

18 CHAIRMAN DANNER: All right. Thank you.

19 JUDGE FRIEDLANDER: I have just a few

20 questions for clarification. You're probably going to

21 be very, I guess, reluctant or sorry that you mentioned

22 a dry run because some of my questions are going to be

23 about the dry run itself. That happened in July of this

24 year?

25 MR. REYNOLDS: No.

Page 55

HEARING ON SETTLEMENT PROPOSAL

1 JUDGE FRIEDLANDER: Or was that -- this was
 2 last week?
 3 MR. REYNOLDS: It was within the last two
 4 weeks.
 5 MS. ANDERL: The car pole was the -- the car
 6 hit the pole on the 19th.
 7 JUDGE FRIEDLANDER: So it was all fairly
 8 recent.
 9 MR. REYNOLDS: Yes.
 10 JUDGE FRIEDLANDER: And what service did it
 11 take out? Just the landline service? Did it take out
 12 anything else?
 13 MR. REYNOLDS: It took out the data
 14 services.
 15 JUDGE FRIEDLANDER: Oh, it did.
 16 MR. REYNOLDS: And it also took out the cell
 17 services because the cell traffic travels with the data
 18 traffic over the submarine cable that travels between, I
 19 believe it's Decatur Island and Anacortes and it
 20 terminates, actually, in La Conner. And so the accident
 21 happened in Anacortes, which breaks that fiber link.
 22 And luckily, it was on land.
 23 Typically we can, you know, fix a fibrous on
 24 land within 24 hours. It's complex, but because so much
 25 traffic travels over it, we throw a lot of resources to

Page 56

HEARING ON SETTLEMENT PROPOSAL

1 get it back in place because it has a potential of
 2 taking out so many customers.
 3 JUDGE FRIEDLANDER: So since it cut out data
 4 and it cut out cell service, how did you communicate
 5 with customers about restoration? Because I know there
 6 was an issue when the San Juan outage happened about
 7 communicating with customers. If they didn't have
 8 service, how can you --
 9 MR. REYNOLDS: We communicated via voice,
 10 and we immediately called -- we called Bob Jarman with
 11 the San Juan County Council. He happened to be in a
 12 council meeting, announced it to the meeting, as far as
 13 I know.
 14 We attempted to call the San Juan County
 15 Emergency Management people. We made additional calls.
 16 We did tweet out and we also contacted the -- the radio
 17 and video media and customers could still have access to
 18 that, depending on what types of services they had on
 19 the island. And we even -- before we knew whether it
 20 was a submarine cable cut or not, learning from the
 21 prior outage, we even were deploying technicians to
 22 start posting information throughout the communities.
 23 Now, we didn't have to get to that level
 24 because we found out it wasn't a submarine cable cut.
 25 And we had an ETR within four or five hours, and so we

Page 57

HEARING ON SETTLEMENT PROPOSAL

1 also communicated that information.
 2 But you can still do a lot of communications
 3 by voice. Like I was telling Chairman Danner, pick up
 4 the phone and call somebody.
 5 JUDGE FRIEDLANDER: It's just hard, though,
 6 when a lot of people have cut the cord. So if you don't
 7 have cell and you don't have broadband, there are not a
 8 whole lot of other options that you have, except you did
 9 say -- you did mention that you also made announcements
 10 over the radio. So -- and it took how long to repair
 11 the outage?
 12 MR. REYNOLDS: My understanding was, is that
 13 the outage occurred sometime in the morning and -- or in
 14 the afternoon. It was restored by, I believe, midnight
 15 that night. So I think it was an outage -- a duration
 16 of probably 8 to 10 hours.
 17 JUDGE FRIEDLANDER: Okay. A question with
 18 regard to the communication plan. This is for Staff and
 19 for the counsel. Do you -- either of your entities have
 20 any, I guess, wish lists for what you want to see in
 21 this communication plan? Do you have anything that is
 22 of particular importance?
 23 MS. JOHNSON: I mean, this is very much off
 24 the top of my head. I would say that one of the areas
 25 of concern that I had was if customers are losing --

Page 58

HEARING ON SETTLEMENT PROPOSAL

1 they lose their data services, then, you know, it's hard
 2 to look to Twitter or, you know, Facebook or whatever.
 3 Also along the same lines, people do rely on those
 4 services, but the company also relies on those for
 5 marketing and advertising.
 6 I was looking through like the -- their
 7 Facebook feed from those days, you know, it's
 8 interspersed between news about outages, you know, news
 9 for like, hey, sign up for this new service, which I'm
 10 sure their marketing people are not incredibly excited
 11 to be trying to back their sales alongside news of
 12 outages. So I want to make sure that there are specific
 13 requirements about how much and how frequent and where
 14 people can find that information. Even if it's like you
 15 are trying to call someone on the San Juans, so I have
 16 CenturyLink.
 17 And not that they did or didn't do this, but
 18 I wouldn't ever want there to be this incentive for
 19 there to be usage of those type of social media things
 20 because of concerns about how it might impact, you know,
 21 marketing for people who are trying to decide if they
 22 want to sign up for CenturyLink services.
 23 The other stuff, I think that -- actually, I
 24 had the very fortunate experience of living on Orcas
 25 Island for a summer when I was in college, and so I

Page 59

HEARING ON SETTLEMENT PROPOSAL

1 think that reading this, it was all interesting to me.
 2 It's a very unique community in the way the people
 3 interact with each other there and how well people are
 4 in touch and keep each other informed.
 5 I think that working distinctly with the
 6 service providers in the county, there will be able
 7 to -- they will be able to help design a plan that to
 8 serve customers best, you know. And I think it had some
 9 importance about how long it took for CenturyLink to end
 10 up on the island, a couple days before someone was out
 11 there.
 12 So I think those were all sort of things
 13 that I would like to hear from the people who live there
 14 about. This is how we interact with each other and this
 15 is how the news is going to be best spread.
 16 MR. REYNOLDS: I think those are great
 17 comments. And just piggybacking on that, I hope the
 18 communications plan will also establish some
 19 accountability and assuming the blame by the emergency
 20 management people in the San Juan Islands. But we can
 21 only do so much. We can't keep a full-time staff on the
 22 San Juans. It would be very costly. But if we could
 23 establish a procedure where we can notify emergency
 24 groups and they can do the posting and they take
 25 responsibility, because to me, the public safety in the

Page 60

HEARING ON SETTLEMENT PROPOSAL

1 San Juans is a two-way street.
 2 The company can do what it can do, but I
 3 believe these dialogs will hopefully lead us to really
 4 efficient plans where we can call two or three people on
 5 the island, get ahold of them, and they can immediately
 6 spread the leaflets out that need to be spread out so
 7 the public is informed.
 8 JUDGE FRIEDLANDER: And, Staff, did you have
 9 anything to add?
 10 MS. PEARSON: One more thing I want to
 11 address. I think that looking to, in the investigation
 12 report, for a plan for communicating with customers,
 13 like Mr. Reynolds was saying, in actual, physical
 14 postings that they make that happens right away, not
 15 three days into the outage and only a couple of
 16 locations when multiple islands are affected.
 17 And then also communicating with Commission
 18 Staff. It sounds like that's been addressed already
 19 with the procedure change with the company. And then
 20 communicating with the 911 coordinator and making sure
 21 that there is dialogue and that CenturyLink is the first
 22 one to reach out and that the 911 coordinator doesn't
 23 need to be repeatedly contacting the company looking for
 24 answers.
 25 JUDGE FRIEDLANDER: Great. Thank you. The

Page 61

HEARING ON SETTLEMENT PROPOSAL

1 only other question I have, so it's probably best
 2 addressed to, at this time, Mr. Williamson or
 3 Mr. Reynolds. If I am understanding this correctly,
 4 this will handle the voice traffic. The microwave
 5 system will be redundant for CenturyLink provision of
 6 voice traffic. Is -- and again, technical term if I get
 7 it wrong -- is the spectrum large enough to handle or if
 8 every resident who has voice service with you were to
 9 want the use the phone at that time and the microwave
 10 system is up, is it sufficient enough -- is it
 11 sufficient to handle every voice customer that you have
 12 on the islands?
 13 MR. REYNOLDS: Telecom networks are not
 14 designed to handle everybody going off the hook at the
 15 same time. No network is handled that way.
 16 However, your questions are really good
 17 ones. And once again the dry run that we had, when I
 18 was talking about how we were able to watch the usage
 19 double on the day of the outage and then it went back to
 20 normal afterwards. During that outage, the system was
 21 capable of handling all the traffic, all the 911
 22 traffic, the critical service with FAA, SS7 traffic, and
 23 the voice traffic with -- on one trunk group ten percent
 24 blocking, which means customers would get a path moving,
 25 but they stood a good chance of getting back in again if

Page 62

HEARING ON SETTLEMENT PROPOSAL

1 they redialed. So ten percent of those calls probably
 2 called back in and probably completed. All the 911
 3 trunks completed.
 4 And so to the extent a customer dialed 911,
 5 every one of those went through, by our records. So to
 6 me, it was a success. And we also got some feedback
 7 that there is some trunk grooming and tuning we can do
 8 to make it even stronger in the future.
 9 So we were very satisfied with the way it
 10 performed during an outage. I mean, essentially the
 11 same thing that knocked out -- same thing that was
 12 knocked out in the prior outage.
 13 JUDGE FRIEDLANDER: And you mentioned that
 14 the call volume doubled during the outage. What
 15 percentage of your customers would that be? Do you
 16 know? Do you have any idea?
 17 MR. REYNOLDS: You know, the chart I was
 18 looking at was in second calls seconds. I honestly
 19 don't know. I think maybe we could get information like
 20 that, but we don't --
 21 JUDGE FRIEDLANDER: It's not --
 22 MS. ANDERL: We have the number of call
 23 attempts, but if it shows a hundred attempted calls, we
 24 don't know if that was a hundred people calling once or
 25 two people calling 50 times each or something else. But

Page 63

HEARING ON SETTLEMENT PROPOSAL

1 the data is pretty detailed. I don't think it goes
 2 customer by customer, though.

3 JUDGE FRIEDLANDER: But the main thing is
 4 that the 911 calls all went through to CenturyLink's
 5 knowledge?

6 MS. ANDERL: They did.

7 JUDGE FRIEDLANDER: Okay. And then,
 8 Mr. Williamson, did you have anything to add?

9 MR. WILLIAMSON: It's significant to know
 10 that we didn't receive any Commission complaints through
 11 that, because that was one of the things we wanted and
 12 checked. And as far as CenturyLink could tell, their
 13 complaints were very small, considering, partly because
 14 all the SS7 links during that time so it just worked,
 15 and of course 911 being the most important. And it was
 16 an excellent question because actually Staff asked that
 17 same one.

18 JUDGE FRIEDLANDER: Well, there you go. And
 19 that was all that I had.

20 Anything further?

21 CHAIRMAN DANNER: I just want to clarify a
 22 point. Going back again to the commitments for
 23 improvements in the ten counties -- or in the seven
 24 counties. I can't remember, six counties. We would
 25 have -- under our government statute, we would have the

Page 64

HEARING ON SETTLEMENT PROPOSAL

1 ability to correct those improvements being made,
 2 wouldn't we?

3 MS. PEARSON: I don't believe so. I was
 4 not -- I didn't personally investigate any of those six
 5 complaints, nor was I in that section during that time.
 6 But what I know is, the staff who investigated those
 7 complaints were unable to find any commission statute or
 8 rule that would have required the improvements to be
 9 made.

10 CHAIRMAN DANNER: So I guess I would ask
 11 them
 12 to -- we will do a little research on the government
 13 statute, because I think that we do have authority to
 14 address or ask the company to address those so we can
 15 get some clarification. All right.

16 JUDGE FRIEDLANDER: Thank you. With that,
 17 why don't we talk a little bit about the exhibits. And
 18 we have before us a map of the San Juan Islands from
 19 CenturyLink, which is very helpful. I would like to
 20 mark that as Exhibit No. 4. I will send out an exhibit
 21 list to the representatives of the parties. And are
 22 there any objections to admission of this exhibit, the
 23 settlement agreement, joint testimony, the complaint,
 24 and the declaration by Ms. Pearson?

25 MS. ANDERL: No objections from the company.

Page 65

HEARING ON SETTLEMENT PROPOSAL

1 MS. GAFKEN: No objections.
 2 MS. CAMERON-RULKOWSKI: None from Staff.
 3 JUDGE FRIEDLANDER: Okay, thank you. Is
 4 there anything else before we adjourn? Okay. Hearing
 5 nothing, we are adjourned. Thank you very much.
 6 (Hearing adjourned at 4:20 p.m.)

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Page 66

C E R T I F I C A T E

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 3 STATE OF WASHINGTON
 4 COUNTY OF THURSTON

5
 6 I, Tayler Russell, a Certified Shorthand Reporter
 7 in and for the State of Washington, do hereby certify
 8 that the foregoing transcript is true and accurate to
 9 the best of my knowledge, skill and ability.

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 Tayler Russell, CCR