

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of:

A Rulemaking To Consider Adopting a Rule In WAC 480-120, Telephone Companies, Relating to Standards for Restoring Regulated Telecommunications Services Following an Outage and Customer Notification of Planned Service Interruptions.

DOCKET NO. UT-170031

Frontier Communications

Comments on Proposed Rulemaking

By Notice of Opportunity to File Written Comments (Notice) dated February 2, 2017, the Washington Utilities and Transportation Commission (Commission) has called for comments on the Commission's filing with the Code Reviser a Proposal Statement of Inquiry (CR-101) to consider adopting a rule to address repair standards for service interruptions and impairments, excluding major outages.

Frontier Communications appreciates the opportunity to respond to the Commission's request for comments regarding the proposed rulemaking. We believe the Commission took appropriate action in UT-140680, when eliminating service quality requirements on restoral times by allowing the fiercely competitive marketplace to discipline providers. Since the elimination of WAC 480-120-440, Frontier Communications internal tracking in 2016 yielded only four out-of-service complaints that were not force majeure, holiday or weekend related. Treating wireline companies differently than non-regulated voice service providers allows additional regulatory burdens and creates unfairness in the competitive market, contrary to guidance from the Legislature. As the Commission itself observed in Docket UT-121994, Order 06, Paragraph 46: "Accordingly, as this marketplace and technological transformation occurs, we recognize that the

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traditional role of incumbent telecommunications providers such as Frontier, and the regulatory construct that is applied to them, should be re-examined, and where appropriate, regulation should give way to the discipline of the competitive marketplace. Incumbent telephone companies are increasingly subject to a vigorous level of inter- and intra-modal competition from CLECs, cable companies, wireless companies, and Voice over Internet Protocol (VoIP) providers that serve both business and residential consumers. These providers are not subject to the same regulatory requirements that apply to Frontier, and to that degree, they have a distinct competitive advantage.”

1) What is a reasonable amount of time within which a company should be able to restore service following an outage in the absence of circumstances beyond the company's control?

A reasonable amount of time to restore service following an outage (especially in instances that are beyond the company's control) vary greatly. For example, a snow storm in Granite Falls causing commercial power outages, closed roads and dangerous conditions could take weeks to restore. As an ILEC, we are dependent on reliable and operating commercial power and are generally the last party to reattach to a downed pole after the electric provider and competitive telecommunications providers. Many out of service repairs happen within minutes over a telephone call with a customer service representative. Often times the repair requires the customer to be on site to allow a technician access and the property owner is not available. To establish a one-size-fits-all solution to a problem that the Company believes does not exist creates an unfair advantage to those competitors not burdened with this regulatory requirement. Frontier Communications is incentivized by competition to be responsive when working on out of service orders because we recognize that customers get to decide with whom they do

business. Establishing a reasonable interval for a service restoral following an outage varies greatly, depending on an array of circumstances. In sum, the marketplace will determine what a reasonable time means to the consumer, and providers who do not perform will lose customers.

- 2) *Does your company have service quality measures or standards for the time it takes to restore service after an outage? If so, what are those measures or standards and what has been the company's performance with respect to those measures or standards?*

Frontier Communications monitors many factors of its performance, including whether the customer's issue was resolved during the first contact, whether commitments and appointments were met, repair intervals, and overall customer satisfaction. Frontier does not have internal specific standard metrics for out of service requirements. Raw data is collected on a 48 hour out-of-service standard for purposes of tracking and does not take into account the myriad variables, as mentioned above, when collecting this information.

- 3) *What costs does a company incur to restore service within this amount of time? What additional costs would a company incur to restore service within a shorter period of time?*

Frontier Communications costs to restore service are mostly labor-driven. Shortening the out of service repair interval would drive additional costs in the form of overtime, the use of contractors hired when necessary, and possibly hiring and training additional technicians. The overall impact of additional cost that does not increase additional revenue based on a mere 4 complaints would adversely impact Frontier Communications resources and finances.

- 4) *Should the Commission establish a benchmark for service restoral (e.g., a certain percentage of outages restored within a specified period of time)? If so, what costs would a company incur to track and report on its performance using this benchmark?*

It is Frontier's position that reimposing a benchmark for service restoral is a step in the wrong direction. As the telecommunication industry is becoming less regulated and ILEC providers have lost a majority share of voice customers, creating a benchmark is both unfair and could have unintended consequences by focusing on one product.

Allowing the market to drive consumers' choice was a decision this Commission made by regulating Frontier as a Competitively Classified ILEC (UT-121994) in 2014. In addition, Frontier has a service footprint across the entire state, including some of the most remote rural areas of Washington. Sheer geography places the Company at a disadvantage for meeting a metric compared to a company that only operates in a small, defined and densely populated geographic area. Frontier Communications stands by its excellent restoral record.

Per General Order R-580 dated March 26, 2015 in Docket UT-140680, the monthly Service Quality reporting requirement for missed appointments, installation or activation of basic service, summary trouble per 100 and repair OOS & NOOS were eliminated effective April 26, 2015. Per the same Order, the company maintains records for three years for the following: switching (inter-intra office call completion, dial tone), trunk blocking, answer performance for business office and repair and repair OSS cleared in 48 hours.

- 5) *How and when do companies currently notify customers of a planned service outage?* Frontier Communications works to avoid service interruptions although planned maintenance work is necessary and notifications are given pursuant to WAC 480-120-416.

WAC 480-120-412 (6) **Notice of intentional outage.** When a company intends to interrupt service to such an extent that it will cause a major outage, it must make a reasonable effort to notify all customers who will have their telephone service affected and the state emergency management authorities not less than seven days in advance if circumstances permit or as soon as it plans to interrupt service if circumstances do not permit seven days' advance notice. A notice is not required for planned service interruptions that have a duration of less than five minutes and occur between the hours of 12:00 a.m. and 5:00 a.m.

In conclusion, and for the reasons stated, Frontier Communications encourages the Commission to decline to adopt a new rule at this time.

Submitted this ____ day of March, 2017.

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