

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of:

RULEMAKING TO CONSIDER AMENDING RULES IN WAC 480-120, TELEPHONE COMPANIES, WAC 480-121, REGISTRATION AND COMPETITIVE CLASSIFICATION OF TELECOMMUNICATIONS COMPANIES, WAC 480-122, WASHINGTON TELEPHONE ASSISTANCE PROGRAM, WAC 480-123, UNIVERSAL SERVICE, WAC 480-140, COMMISSION GENERAL – BUDGETS, AND WAC 480-143, COMMISSION GENERAL – TRANSFERS OF PROPERTY, DUE TO COMPETITIVE CHANGES WITHIN THE TELECOMMUNICATIONS TO MEET CONSUMER, COMMISSION AND INDUSTRY REQUIREMENTS NO LONGER APPLICABLE UNDER THE EXISTING WAC RULES

DOCKET NO. UT-140680

INITIAL COMMENTS OF
CENTURYLINK

I. INTRODUCTION

I CenturyLink hereby files its initial comments in this docket in which the Washington Utilities and Transportation Commission (“Commission”) has opened a rulemaking to consider amendments to the rules governing the provision of telecommunications services in the state. Affected chapters of the Washington Administrative Code are Chapters 480-120 (Telephone Companies); 480-121 (Registration and Competitive Classification); 480-122 (WTAP); 480-123 (Universal Service); 480-140 (Budgets); and, 480-143 (Transfers of Property).

II. BACKGROUND

- 2 The Commission Staff has undertaken a comprehensive review of the above-referenced Chapters of the Washington Administrative Code, and has proposed a number of amendments, clarifications, and deletions to the rules. Staff helpfully provided stakeholders with a redlined version of the rules, and a matrix summarizing the Staff recommendations. On many of the recommendations CenturyLink agrees with the proposed changes, or at least does not disagree. CenturyLink will simply remain silent on those rules, but is very appreciate of the initiative taken by Staff to propose elimination of outdated and unnecessary requirements, and to streamline and combine rules where possible.
- 3 There are some rules where CenturyLink believes that additional clarification or amendments are warranted. In addition, CenturyLink believes that in light of the robust competitive market in Washington, other rules should also be deleted, and the competitive marketplace should drive behaviors and company performance. Those rules will be discussed in Section III in the narrative below.

III. ADDITIONAL RULE MODIFICATIONS

- 4 In this section of CenturyLink's comments, rules that warrant additional clarification or amendments, or which should be deleted entirely, are addressed in order from the beginning of Chapter 480-120 WAC.

Part I. General Rules

- 5 WAC 480-120-071 Extension of Service. This rule governs the obligation of a company to extend service to unserved customers. Staff proposes to amend the rule to make it applicable only to ETCs who receive federal high-cost universal service support. At this time, CenturyLink meets that definition, and the high-cost support is not geographically specific to any part of the state. However, with the upcoming implementation of CAF II,

that support, if a company receives it, will be granted on a census-block specific basis. CenturyLink believes that the rule should be clarified so that it is applicable only in the specific geographic area where a company receives universal service support. In other words, receipt of high cost support in Morton, for example, should not trigger the applicability of the rule in other, non-supported areas.

6 WAC 480-120-034 Classification of Local Exchange Companies as Class A or Class B.

In light of other proposed amendments regarding service quality reporting and financial reporting, it is not clear that Class A and Class B distinctions serve any purpose, and CenturyLink recommends that the Commission consider deleting this rule.

Part II. Establishing Service and Credit

7 WAC 480-120-104 Information to Consumers. Staff has proposed certain modifications

to the rule, which are discussed below. However, as an overall consideration, CenturyLink believes that the Commission should delete this rule, on the basis that the competitive market, not regulatory mandates, should dictate the manner and type of communications that the company has with its customers. CenturyLink does currently send confirmation notices to customers, and has no plans to change that practice if the rule were repealed. Nevertheless, with the presence of pervasive and effective competition for telecommunications services in the state, it seems unnecessary for the Commission to dictate the time, manner, and content of companies' communications with their subscribers.

8 CenturyLink specifically opposes the modifications to subsection (1)(c). Staff recommends that the rule be modified to require the company to notify customers of certain information that was previously required to be included in the white pages directory (information on establishing credit, how a bill becomes delinquent, WTAP, etc). However, when the Commission amended the directory rule in May of 2013, it eliminated those requirements, which have now not been in place for over a year.

9 Requiring the company to include this information in a welcome letter or to direct the customer to the information on the company website is burdensome, and potentially irrelevant and confusing to the consumer who has just changed or established service. In addition, it is not clear how a company would comply with this requirement – the rule states that the company must either provide the customer information or state that it is available on the company’s website. The rule then lists six items, including

- i. the process for establishing credit;
- ii. The procedure by which a bill becomes delinquent;
- iii. steps the company must take to disconnect service;
- iv. WTAP;
- v. Federal enhanced tribal lifeline program, if applicable
- vi. The right of the customer to pursue any dispute with the company, including appropriate procedures within the company and then to the commission by formal or informal complaint.

10 First, the rule is not clear on exactly what information is to be provided to the consumer. Each of these items is the subject of a Commission rule or set of rules, and are not necessarily conducive to brief summarization. Thus, if the company were to include all information on each topic in the welcome letter, the welcome letter would be 20 pages long and contain information that is irrelevant to virtually all of the customers who receive it. Alternatively, the company would have to establish a Washington-specific web page, but again it is not clear what that page would contain – a list of all the rules?, a summary of the rules? None of this information seems particularly beneficial to the consumer.

11 As an alternative, CenturyLink recommends that subsection (1)(c) not be modified. If the Commission had believed that this information is important to get to consumers it could have easily been left in the directory rule, but it was not. Or, the company could simply

include the Commission's website in its notice letter, with a statement that additional information to consumers may be obtained through the Commission, and the Commission's rules.

- 12 WAC 480-120-122 and -123 Establishing Credit – Residential Services and Business Services. These rules contains relatively detailed requirements regarding notice to customers when an additional deposit is required by the company after the customer has established service. WAC 480-120-122(7) and 480-120-123(4).

CenturyLink believes that these provisions are outdated and should be eliminated or modified. The provisions as currently written require detailed written notice to the customer by mail or personal delivery, and establish a six-business day deadline for the customer to pay the additional deposit. These requirements fail to recognize that communications between the company and the customer frequently occur via e-mail or phone call, and that mailed notice is not necessarily the best way to reach the customer. CenturyLink believes that these subsections of the rule should be modified to simply require that the company give the customer reasonable notice of the additional deposit, and a reasonable amount of time to pay it.

- 13 WAC 480-120-133 Response Time for Calls to Business Office or Repair Center During Regular Business Hours. CenturyLink believes that this rule should be deleted, consistent with the approach taken by Staff in eliminating other rules that govern the relationship between the company and its customers. Staff has proposed eliminating a number of rules on the basis that "competition is affecting all ILECs and CLECs and the market should dictate service quality." CenturyLink agrees.

- 14 The customers' experience when they call with questions or concerns is very important to CenturyLink, and competitive alternatives to CenturyLink's service dictate that CenturyLink must manage this portion of its business in a way that is customer-friendly and provides good service quality. Regulation of things such as wait times, and what

menu options should be offered, is simply out of date and no longer needed. In addition, the rule uses outmoded metrics, which do not reflect the current (much more sophisticated) options that a customer has to complete many types of service orders and inquiries without speaking to a live operator at all.

Part III. Payments and Disputes

15 CenturyLink is evaluating the current rules and may have recommended changes when that analysis is complete. CenturyLink will file additional comments, if it has any, no later than June 20, 2014.

Part IV. Discontinuing and Restoring Service

16 CenturyLink is evaluating the current rules and may have recommended changes when that analysis is complete. CenturyLink will file additional comments, if it has any, no later than June 20, 2014.

Part V. Posting and Publication of Notice

17 No changes proposed by Staff. Most rules address tariffs, which are largely inapplicable to CenturyLink. CenturyLink has no proposed changes.

Part VI. Customer Information

18 CenturyLink has no comments on these rules or the proposed changes.

Part VII. Telecommunications Services

19 WAC 480-120-255 Information Delivery Services. This rule requires companies who offer access to information delivery services to send a customer notice advising customers of their right to block access to these services. CenturyLink believes that the need for this rule is likely in the past and that it could be deleted, but for the statutory mandate in RCW 80.36.500. Nevertheless, the rule could, at a minimum, be simplified.

20 Information delivery services (or “900” numbers) are far less popular or accessed than

they were before the dawn of free adult content on the internet. In addition, there is an extensive federal regulatory scheme under the Federal Trade Commission governing pay-per-call services, and requirements are already in place for companies to notify customers of their rights under the Telephone Disclosure and Dispute Resolution Act (TDDRA). Pursuant to those requirements, CenturyLink notifies customers of their right to dispute pay-per-call charges, and credits those charges when the customer disputes them.

21 If the Commission wishes to streamline the rule, which CenturyLink supports, the Commission could simply require notice of the availability of blocking via publication in the directory and a bill insert, eliminating the requirement of a “single-topic bill insert” which is currently in the rule. CenturyLink supports this change as it would enable companies to more efficiently and cost effectively send these notices.

22 WAC 480-120-258 Collocation. Staff is recommending that this rule remain in place, but simply be renumbered to be included in Part VII of the rules instead of in Part IX. CenturyLink believes that this rule can be eliminated.

23 CenturyLink recognizes (and remembers) that the Commission originally adopted this rule as the result of a 1999 docket. During that time, interconnection under the 1996 Act was still relatively new, disputes between ILECs and CLECs seeking collocation were fairly common, and the law and rules were unsettled in terms of what was required.

24 Now, many CLECs have consolidated with each other, or gone out of business. Collocation space is no longer at a premium in central offices. Collocation requests are no longer the source of disputes. It seems a bit incongruous to have a Commission rule addressing collocation, but no rules addressing other aspects of interconnection or access to UNEs. Nor is there a need for rules addressing those other topics, as the FCC’s rules provide sufficient guidance on all of these issues, and the rights and responsibilities of ILECs and CLECs are spelled out in their interconnection agreements. Thus, this rule is no longer needed and can be eliminated in this docket.

Part VIII. Financial Records and Reporting Rules.

25 No comments.

Part IX. Safety and Standards Rules

26 WAC 480-120-411 Network Maintenance. Staff has proposed an amendment to require that companies maintain a reasonable inventory of portable generators to power peripheral equipment that is not otherwise connected to standby generation. CenturyLink is not opposed to the requirement of having portable generators available, but would welcome a discussion in the workshop as to how a “reasonable number” of those generators will be determined.

27 WAC 480-120-436 and -437 Responsibility for Drop Facilities and Support Structure, and Responsibility for Maintenance and Repair of Facilities and Support Structures.

These rules are another component of a company’s obligation to serve. In that way, they are related to WAC 480-120-071, which governs service extensions – these rules apply to maintenance and repair of facilities after service has been extended to an area. Much like WAC 480-120-071, the mandatory applicability of these rules should be limited to areas where the company is receiving federal high-cost universal service support. Otherwise, the company is forced to expend resources uneconomically, to serve and maintain service to areas where the revenues do not cover the costs. Adding a sentence to the beginning of each rule, as in WAC 480-120-071, would address this issue.

28 WAC 480-120-438 Trouble Report Standard. Consistent with the elimination of various other service quality metrics and reports, the trouble report standard in this rule should be eliminated, and the rule deleted.

29 WAC 480-120-439 Service Quality Performance Reports. Staff is recommending changes to this rule to delete service quality reporting requirements. This is a necessary and welcome change, recognizing that the competitors in the local market are not subject

to these rules. CenturyLink has a few additional edits to this rule to make it internally consistent and to reflect proposed changes to other rules. Those changes are shown in redline in Attachment A. Note that the Staff recommended changes were accepted before CenturyLink made its edits.

30 WAC 480-120-540 Terminating Access Charges. This rule is proposed to be re-numbered as WAC 480-120-259, but no other changes are recommended. CenturyLink believes that in light of the FCC's ICC Transformation Order this rule is outdated and no longer necessary, as well as being inconsistent with the ICC Order in some respects (subsection (6) in particular). CenturyLink recommends deleting the rule.

Part X. Adoption by Reference

31 No comments

32 Chapter 480-121 WAC – Registration & Competitive Classification. No comments

33 Chapter 480-122 WAC – WTAP. No comments.

34 Chapter 480-123 WAC – Universal Service. CenturyLink believes that the Commission could simplify and streamline the ETC reporting requirements in WAC 480-123-060, -070, and -080 by modifying those rules to require only the information on FCC Form 481 (along with an officer affidavit attesting to the proper use of funds). This would be a competitively neutral alternative to the current rules, which burden companies who report in multiple jurisdictions. As it currently stands, the information required under WAC 480-123-070(2)-(6) is duplicative of the information required by the FCC.

35 The Commission should align its reporting requirements and timing (which Staff has done in its proposed modifications to the rules) with those required by the FCC to recognize the FCC's call for a uniform reporting process, as well as to avoid the inefficiencies of state specific processes for companies that operate in multiple states. The FCC has identified the information and certifications it believes is required for

companies to demonstrate their compliance with the obligations of the federal high cost and lifeline programs and also requires that the same information be filed with state commissions and other relevant authorities such as Indian tribes.

36 As much as possible, the Commission should accomplish this alignment by citing the specific FCC rules or adopting them by reference. Repeating the language in the WAC from the current FCC rules would require continual monitoring and updating as is being done in this docket. There is no independent requirement for the ETC certification process in Washington outside of the federally delegated authority for purposes of the federal high cost and lifeline programs and the Commission's rules should not go beyond those requirements.

37 CenturyLink has proposed combining sections -060, -070, and -080 and streamlining the rule to more closely match the Form 481 requirements. The proposal is included as Attachment B, both clean and redlined versions.

38 Chapter 480-140 WAC – Budgets. No comments.

39 Chapter 480-143 WAC – Transfers of Property. No comments.

IV. CONCLUSION

40 CenturyLink looks forward to participating in the upcoming workshop, and may have additional comments at that time.

Submitted this 9th day of June 2014.

CENTURYLINK

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