

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

Rulemaking to consider adopting a rule in)
WAC 480-120, Telephone Companies,) **Docket U-170031**
relating to standards for restoring)
regulated telecommunications services) MCI COMMENTS ON PROPOSED
following an outage and customer) RULEMAKING
notification of planned service) (Sept 11, 2017)
interruptions, Docket UT-170031)
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I. INTRODUCTION

- 1 MCImetro Access Transmission Services Corp and XO Communications Services, LLC (collectively, MCI) provide the following in response to the Commission’s request for comments in the above referenced proceeding.
- 2 On Feb. 3, 2017, the Washington Utilities and Transportation Commission (Commission) filed with the Code Reviser a Preproposal Statement of Inquiry (CR-101) to consider adopting a rule to address repair standards for service interruptions and impairments, excluding major outages.
- 3 Comments regarding CR-101 all opposed reinstating a repair standard, pointing out that substantial telecommunications marketplace developments as well as the existing rule which requires “prompt” repair make this action unnecessary.
- 4 The Commission is now requesting a second round of comments on this issue, including any “...suggestion on alternatives to a firm repair interval that would enable consumers to receive timely restoration of impaired services while affording providers greater flexibility in addressing marketplace conditions.”

II. DISCUSSION

- 5 MCI appreciates the opportunity to provide input to the Commission in this matter. MCI generally echoes the input provided by commenters in their March responses to CR-101 that existing rules and marketplace conditions provide sufficient incentive for carriers to restore services as quickly as reasonable without the need for a firm repair interval.
- 6 As discussed by those commenters, in competitive markets the penalty for poor service quality is the customer's ability to switch providers. The Commission recognized this fact only two years ago when it eliminated the 48-hour rule. The Commission stated that the "telecommunications industry has undergone substantial technological and competitive changes in just the last few years. Washington consumers and businesses now have multiple choices of providers for their telephone services, and as a result, the incumbent local exchange carriers have experienced significant declines in customer and local telephone service revenues. This proposal addresses the changes that have occurred in the telecommunications marketplace since 2007, the last time the Commission revised its rules."¹
- 7 The proposal to reinstate the requirement ignores the fact that MCI and other carriers have every incentive to deliver the service quality consumers demand. In other words, it is not in MCI's financial interest to see customers defect to competitors. Arbitrary regulatory standards such as the proposed 48-hour firm repair interval hamstring MCI's ability to meet customer expectations in a cost-efficient manner, thereby harming consumers.

¹ U1-140680, Proposed Rulemaking, Original Notice, December 2, 2014.

8 In General Order R-587, the Commission comments that “[f]air, just, and reasonable telecommunications service includes an obligation to restore service following an outage as expeditiously as practicable. As Staff points out, other states have rules that reflect this principle.”² The referenced Appendix A of the Staff Memo points to rules of four states. The Texas rule has limited applicability and doesn’t apply to deregulated companies such as MCI.³ And not coincidentally, another state that has recently completed a comprehensive overhaul of telecommunications regulation in light of competition, Colorado, has completely eliminated the rule referenced by Staff⁴.

9 MCI believes that the Commission’s decision to eliminate Rule 440 was the correct action. Further, the existing rule requiring prompt repair⁵ provides carriers a sufficient “obligation to restore service following an outage as expeditiously as practicable.”

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² See Appendix A, Staff Memo at 4 (describing the applicable rules in four other states).

³ See Texas PUC Substantive Telecom Rules - §26.54. Service Objectives and Performance Benchmarks. (a) This section establishes service objectives that should be provided by a dominant certificated telecommunications utility (DCTU), as applicable. A deregulated company that holds a certificate of operating authority or a transitioning company in a market that is deregulated is exempt from complying with the retail quality of service standards and reporting requirements in this section.

⁴ See Colorado PUC Decision No. C17-0490, Adopted June 7, 2017.

⁵ WAC 480-120-411 (1)(c) – Each local exchange company (LEC) must: “Promptly repair or replace broken, damaged, or deteriorated equipment, when found to be no longer capable of providing adequate service”.

III. CONCLUSION

10 The information provided in this docket does not support a more restrictive rule implementing a firm repair interval. The existing standard along with competitive market forces are more than sufficient to incent providers to provide the support customers require. Therefore, the Commission should take no action at this time.

Submitted this 11th day of September 2017.

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