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April 26, 2001

Carole Washburn
Washington Utilities and Transportation Commission
1300 S. Evergreen Pk. Dr. S.W.
PO Box 47250
Olympia, WA 98504-7250

Re: ***Telecommunications Rulemaking, Docket No. UT-990146***
Draft Proposed Rule WAC 480-120-X08

Dear Ms. Washburn:

Please accept and consider the following comments of Public Counsel regarding the Commission's consideration of revisions to chapter 480-120 WAC relating to the operations of telecommunications companies. In this letter we provide further comment on one draft rule, WAC 480-120-X08. We are filing these comments electronically and via facsimile. In addition, we are sending in the mail today, an original plus ten copies of our comments.

WAC 480-120-X08 Service quality credits

Public Counsel continues to strongly support this draft proposed rule. The general purpose of this rule is to ensure that customers receive appropriate credits when local exchange carriers fail to meet baseline standards of service quality. In particular, the rule would require the following:

1. Incumbent local exchange carriers (ILECs) are required to issue customer credits when orders for the first residential line or first two business lines are delayed beyond 5 business days from the receipt of the order (unless the customer requests a later date). Section 1.

2. For all other services not captured by Section 1 (outlined above), the ILEC or the competitive local exchange carrier (CLEC), must give the customer a due date, and if the carrier fails to meet that due date, customer credits would apply. Section 2. For example, if a customer places an order with a CLEC, the company must provide a due date, and credits would be warranted if the due date is not met. Similarly, if a customer places an order with an ILEC for the first residential or first two business lines and requests a due date beyond five business days, credits would be warranted if the ILEC fails to meet that due date.

In both of these instances, the amount of the credit increases as the order is delayed for each additional week or partial week beyond the due date.

3. Section 3 of the draft rule also includes a $50 credit for missed appointments.

Public Counsel believes that these customer credits would provide appropriate and justified compensation to customers that have received inferior service from their telecommunications provider. The vast majority of consumers in Washington do not have an ability to choose their telephone provider. Thus, if the company does not show up for an appointment, or fails to install lines for primary service on time, most consumers simply do not have the option of turning to another provider.

Service delays do have real economic costs for consumers, both residential and business customers. Individuals may have to take time off of work to meet a technician at their house, and thus a missed appointment can result in unexpected costs. Also, for many small businesses, high quality telephone service is critically important and they may suffer significant revenue losses from a delayed installation order.

In Colorado, delayed orders were the focus of a class action lawsuit filed against US West (now Qwest). Qwest recently agreed to pay $36 million to settle this Colorado case. The *Denver Post* reported on October 7, 2000 that the credits or cash payments awarded to customers as part of the $36 million settlement ranged from $3.79 for a residential customer who waited 1 to 4 days for a second line, to $1,900 for a business customer that waited more than 150 days for a primary phone line. The state of Washington is similar to Colorado in terms of its population and urban/rural mix, and thus these costs could serve as a proxy for the costs that Washington consumers face as a result of poor service quality from local exchange carriers.

With respect to the missed appointment credit, Public Counsel recommends that the $50 credit for missed appointments be *automatically* issued to consumers, rather than placing the burden on the consumer to contact the provider and request the credit. Also, we recommend that the Commission consider including another section in this rule, or in another rule, to provide for customer credits when local exchange carriers do not meet the standards for repair of out-of-service conditions established by the Commission.

Thank you for your time and consideration of these comments.

Very truly yours,

Mary Kimball
Analyst, Public Counsel

cc: Bob Shirley