BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

IN THE MATTER OF THE PETITION OF THE CENTURYLINK COMPANIES – QWEST CORPORATION; CENTURYTEL OF WASHINGTON; CENTURYTEL OF INTERISLAND; CENTURYTEL OF COWICHE; AND UNITED TELEPHONE OF THE NORTHWEST – TO BE COMPETITIVELY CLASSIFIED PURSUANT TO RCW 80.36.320	DOCKET UT-240029

POST-HEARING BRIEF OF COMMISSION STAFF

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ROBERT W. FERGUSON
Attorney General

/s/ *Jeff Roberson*, WSBA No. 45550
Senior Assistant Attorney General
Office of the Attorney General
Utilities and Transportation Division
P.O. Box 40128
Olympia, WA 98504-0128
(360) 810-0509
jeff.roberson@atg.wa.gov

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I. INTRODUCTION

1 Since 2013, the CenturyLink companies (collectively "CenturyLink") have operated under an alternative form of regulation (AFOR). That AFOR recognizes the changing state of the telecommunications market in Washington by treating CenturyLink, long the monopoly provider of telephony within its service territory, as a competitive company in most respects, but retaining some regulatory oversight for the Commission to protect the company's customers that lack access to reasonably available, affordable alternative services.

2 In this proceeding, CenturyLink sought to replace that AFOR, which is expiring, with full competitive classification, which would reduce the Commission's regulatory oversight to minimal levels. Staff opposed the Company's petition after determining that the current state of competition across CenturyLink's service area does not yet support such a step.

3 Staff and CenturyLink resolved their dispute through a settlement that includes a Proposed AFOR. That Proposed AFOR provides what Staff believes to be the most appropriate regulatory framework for the company's operations, given that CenturyLink faces substantial competition in some areas of its service territory, but little effective competition in others. The Proposed AFOR tailors CenturyLink's regulatory framework to that reality, providing CenturyLink the flexibility it needs to compete with alternative providers and services where they exist, but also ensuring that customers who cannot choose a competitor to provide service retain the Commission's protection.

4 The Proposed AFOR is consistent with the requirements for AFORs under RCW 80.36.135 and the Legislature's public policy goals in RCW 80.36.300. It is, accordingly, lawful and in the public interest. The Commission should approve it without condition.

II. BACKGROUND

5 In 1911, Washington's Legislature passed the state's first comprehensive public service laws.[1] The act endowed the newly-created public service commission with the power to regulate, among other types of entities, telephone and telegraph companies,[2] which were subject to the type of rate-base, rate-of-return regulation still applied to many public service companies today.[3] That meant that telephone companies were required to provide service to those reasonably entitled to it at fair, just, reasonable, and sufficient rates[4] prescribed in tariffs[5] on file with the commission.[6]

6 That regulatory framework proved remarkably enduring, surviving the many political and economic shocks of the early and mid-twentieth century. In the end, only after technological advances prompted the FCC to allow competition in interstate telephony[7] and a federal lawsuit forced AT&T to divest itself of its local operating companies,[8] including Pacific Northwest Bell,[9] did the idea of competition in intrastate telephony begin to take root.[10]

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[1] LAWS OF 1911, ch. 117.
[2] LAWS OF 1911, ch. 117, §§ 35-45.
[3] *E.g.*, RCW 80.28.005-.900 (prescribing rate-base, rate-of-return regulation for electric, natural gas, and water utilities).
[4] LAWS OF 1911, ch. 117, § 35.
[5] LAWS OF 1911, ch. 117, § 36.
[6] LAWS OF 1911, ch. 117, § 2.
[7] *E.g.*, *in re Establishment of Policies & Procedures for Consideration of Application to Provide Specialized Common Carrier Servs. in the Domestic Point-to-Point Microwave Radio Serv. & Proposed Amendments to Parts 21, 43, & 61 of the Commission's Rules*, Docket No. 18920, First Report & Order, 29 F.C.C.2d 870 (May 25, 1971).
[8] *See generally U.S. v. Am. Tel. & Tel. Co.*, 552 F. Supp. 131 (D.D.C. Aug. 24, 1982).
[9] *See AT&T*, 552 F. Supp. at 232 (listing Pacific Northwest Bell as a Bell Operating Company in Appendix A). The CenturyLink companies are successors to Pacific Northwest Bell. Bennett, Exh. SB-28T at 5:7-11; Bennett, Exh. SB-1CT at 10:5-8.
[10] *See AT&T v. Iowa Utils. Bd.*, 525 U.S. 366, 371, 119 S. Ct. 721, 142 L. Ed. 2d 835 (1999).

7 In 1985, the Legislature amended the public service laws to allow the Commission to classify telecommunications companies or services as competitive[11] if they were "subject to effective competition."[12]

8 For companies, competitive classification meant "minimal regulation," with the Commission empowered to waive regulatory requirements for such companies when doing so served the public interest.[13] The Commission's rules provide for a standard list of waivers for competitively classified companies. Those rules, among other things, waive the provisions that require telecommunications companies to provide service under tariff as well as those giving the Commission authority over the company's budget, issuance of securities, transfers of property, and dealing with affiliates.

9 For services, competitive classification meant detariffing.[14] That detariffing came with a proscription on the use of any remaining regulated services to subsidize the providing company's competitively classified ones.[15]

10 In 1989, the Legislature determined that the Commission required yet more authority to appropriately regulate the telecommunications industry. Based on the same technological and structural shifts that prompted the amendments made in 1985,[16] the Legislature authorized the Commission to employ an AFOR where traditional regulation (and, implicitly, competitive classification) is inappropriate.[17] Under an AFOR where, consistent with state policy, the Commission may tailor the regulatory framework applied to a company to its circumstances.

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[11] LAWS OF 1985, ch. 450, § 3.
[12] LAWS OF 1985, ch. 450, §§ 4, 5. Effective competition meant that the customers of the company or the service had "reasonably available alternatives" such that they did not constitute a "significant captive customer base." LAWS OF 1985, ch. 450, §§ 4, 5.
[13] LAWS OF 1985, ch. 450, § 4(2).
[14] LAWS OF 1985, ch. 450, § 5(2).
[15] LAWS OF 1985, ch. 450, § 4(3), (6).
[16] LAWS OF 1989, ch. 101, § 1(a).
[17] LAWS OF 1989, ch. 101, § 2.

This means that the Commission may waive various statutory requirements for the affected company.[18]

11 By the mid- to late-2000s, Washington's traditional local exchange companies were petitioning for an alteration to the regulatory framework applied to them. For example, in late 2012, Frontier filed a competitive classification petition with the Commission.[19] The Commission ultimately approved a settlement agreement that resolved that docket by competitively classifying the company's services.[20] The next year, CenturyLink filed a petition to be regulated under an AFOR pursuant to RCW 80.36.135.[21] The Commission approved the AFOR for CenturyLink, which treated the company as if it were competitively classified, with exceptions.[22]

12 In these dockets, the Commission noted the changing nature of the telecommunications landscape brought about by transformational technological developments. In the Frontier case, the Commission observed:

> The single-provider monopoly era has given way to an environment in which a broad range of providers of telecommunications services utilize an array of technologies to provide services that enable consumers to work, play, and learn in ways hardly imagined just a few years ago. Traditional landline telephone service is increasingly being supplanted by mobile wireless telephony. The total number of cellphone users in Washington already far surpasses the number of traditional wireline telecommunications consumers….[23]

13 In addition to mobile wireless providers, the Commission also noted the prevalence of competition from competitive local exchange companies (CLECs), cable companies, and VoIP

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[18] LAWS OF 1989, ch. 101, § 2, 5. After the Legislature authorized the Commission to utilize AFORs, Congress significantly curtailed the ability of entities like the Commission to restrict competition in intrastate telephone markets with passage of the Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56. While that act creates some background to the petition before the Commission, it is not directly relevant here.
[19] *In re Petition of Frontier Commc'ns Nw., Inc.*, Docket UT-121994, Order 06, at 2 ¶4 (June 22, 2013).
[20] *See generally Frontier*, Docket UT-121994, Order 06.
[21] *In re Petition of The CenturyLink Cos.*, Docket UT-130477, Order 04, 2 ¶ 4 (Jan. 9, 2014).
[22] *See generally CenturyLink*, Docket 130477, Order 04.
[23] *Frontier*, Docket UT-121994, Order 06, 13-14 ¶ 41.

providers, none of which faced the same regulatory requirements as the incumbent providers, thus enjoying a competitive advantage.[24] In the CenturyLink case, the Commission again highlighted the expanded menu of telecommunications options, many of which had not existed just decades ago, and all of which competed with CenturyLink.[25]

14 In these cases, the Commission also found that with the marketplace and technological changes came a need to reevaluate the regulatory framework for incumbent providers and reexamine the Commission's traditional role in oversight over such companies.

> [A]s this marketplace and technological transformation occurs, we recognize that the 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….[26]
>
> If alternative providers of telecommunications services exist and the Company no longer serves a significant captive customer base, we will substantially reduce historic regulation, particularly economic regulation, in favor of the disciplines of an effectively competitive marketplace. In the world as it exists today, our traditional role must devolve to one increasingly focused on preserving and promoting conditions for competition."[27]

In the CenturyLink case, the Commission took the opportunity to "acknowledge the realities of the 21st Century marketplace by reducing unnecessary regulation and bolstering the ability of CenturyLink and its competitors to provide effective competitive telecommunications services to the ultimate benefit of this state's consumers."[28]

15 Eleven years later, in January 2024, CenturyLink filed with the Commission a petition for competitive classification in this docket. In April 2024, Staff and Public Counsel filed response testimony. Public comment hearings were held in May and June 2024. During the pendency of

[24] *Frontier*, Docket UT-121994, Order 06, 15 ¶ 46.
[25] *CenturyLink*, Docket UT-130477, Order 04, 13 ¶¶ 40-41.
[26] *Frontier*, Docket UT-121994, Order 06, 15 ¶ 46; *see also CenturyLink*, Docket UT-130477, Order 04, 14 ¶ 43.
[27] *Frontier*, Docket UT-121994, Order 06, 26 ¶ 77.
[28] *CenturyLink*, Docket UT-130477, Order 04, 14 ¶ 43.

the case, the parties engaged in extensive settlement negotiations, and Staff and CenturyLink reached a settlement in principle in June 2024. The settling parties present the Proposed Settlement Agreement, which would establish a new AFOR for CenturyLink and continue to treat the company as if it were a competitively classified company, subject to certain exceptions. Below, Staff explains how this settlement meets all applicable legal requirements and is in the public interest.

III. DISCUSSION

16 The settlement and Proposed AFOR provide for the most appropriate form of regulation for CenturyLink.[29] After reviewing the Commission's standards for approval of settlements, this brief explains why the settlement meets them and asks the Commission to adopt it without condition.

A. Governing Legal Standard

17 The Commission "will approve a settlement if it is lawful, supported by an appropriate record, and consistent with the public interest in light of all the information available to the [C]ommission."[30] As the Legislature has authorized the Commission to employ an AFOR when doing so is "in the public interest,"[31] here the Commission largely must focus on whether an adequate record supports the settlement and whether the settlement's terms are consistent with the public interest, which would necessarily make the AFOR lawful.

18 The Commission may approve the settlement with or without conditions, or it may reject the settlement.[32] If it approves the settlement with conditions, the settling parties must

[29] Bennett, Exh. SB-28T at 1:16-7:3.
[30] WAC 480-07-750(2).
[31] RCW 80.36.135(2)
[32] WAC 480-07-750(2).

unequivocally accept those, or the settlement is deemed rejected and the Commission will return the matter to a litigation posture.[33]

B. The Settlement is Lawful, Supported by an Appropriate Record, and Consistent with Public Policy

19 The Legislature set forth the public policy goals against which the Commission should measure the AFOR's consistency with the public interest in RCW 80.36.135 and RCW 80.36.300. The Commission may separate those public policy goals into five sets: access to service, fair and affordable rates, service quality, competition, and regulatory flexibility. This brief addresses each set in turn.

1. The Settlement is consistent with public policy goals concerning access to service.

20 The first set of public policy goals concerns access to telephone services. It includes the Legislature's determination that the public has an interest in:

- "facilitat[ing] the broad deployment of technological improvements and advanced telecommunication services to underserved areas or underserved customer classes;"[34]
- Maintain[ing] and advance[ing] the efficiency and availability of telecommunications service;"[35] and
- "[p]reserv[ing] affordable universal telecommunications service."[36]

The settlement agreement comports with each of those public policy goals.

21 Initially, the settlement facilitates the broad deployment of technological improvements and advanced telecommunications services to underserved areas or underserved customer classes. It does so by treating CenturyLink as if it were competitively classified, with certain

[33] WAC 480-07-750(2)(b)(ii), (c).
[34] RCW 80.36.135(2)(a).
[35] RCW 80.36.300(2).
[36] RCW 80.36.300(1).

guardrails installed.[37] The Commission, nearly a decade ago, recognized that traditional rate-base, rate-of-return regulation did not equip Washington's incumbent local exchange carriers to thrive in the changing telecommunications landscape.[38] This remains true, where ILECs like CenturyLink face significant competitive pressure in portions of their service territories.[39] The AFOR maintains the Commission's regulatory authority over the company at a level similar to the level over its competitors, with targeted increases in oversight intended to protect consumers.[40] This treatment provides CenturyLink with the ability to react nimbly to market dynamics, consistent with the previous AFOR under which the company has operated for the last 10 years.[41] This will allow CenturyLink to continue to roll out broadband facilities and services, along with other advanced telecommunications services, across its service territory.[42]

22 The settlement also "maintain[s] . . . the . . . availability of telecommunications services"[43] in Washington in two ways. First, the settlement's wholesale obligation term recognizes CenturyLink's obligations under the Telecommunications Act of 1996,[44] including its interconnection obligations.[45] This recognition "ensur[es] that the Commission maintains full regulatory authority over issues within its jurisdiction."[46] Second, under the settlement, CenturyLink will continue to tariff certain services, including services relied on for public

[37] Settlement Agreement at Attachment A at 1 ¶ 2; Bennett, SB-28T at 2:16-18, 6:23-7:3.
[38] *CenturyLink*, Docket UT-130477, Order 04 2 ¶ 3, 14 ¶ 42; *Frontier*, Docket UT-121994, Order 06, 2 ¶ 3, 34-35 ¶¶ 43-45.
[39] *See generally* Bennett, Exh. SB-1T.
[40] *E.g.*, Settlement at Attachment A at 3-10 ¶¶ 8, 9.
[41] Gose, Exh. PJG-30T at 25:4-9.
[42] Bennett, Exh. SB-28T at 7:21-8:2, 8:14-16, 8:19-9:2, 19:14-16.
[43] Bennett, Exh. SB-28T at 14:9-10.
[44] Settlement at Attachment A at 2 ¶ 4.
[45] Bennett, Exh. SB-28T at 27:1-5.
[46] Bennett, Exh. SB-28T at 13:15-16.

safety[47] and services used by other carriers.[48] Retaining those services in tariff will "ensure ongoing stability in the telecommunications network for the benefit of Washingtonians."[49]

23 Finally, the AFOR comports with Washington's goal of preserving affordable universal telecommunications service by ensuring that all customers have access to CenturyLink's voice services, or reasonable and affordable alternatives.[50] While competitively classified companies may exit in a market after providing notice of their intent to do so,[51] the settlement recognizes CenturyLink's historical role as an ILEC by requiring it to engage in a rigorous process before it may discontinue voice service in any portion of its territory.[52] That process "is detailed and forward looking and will ensure that CenturyLink does not discontinue service in an area unless 100% of that area is subject to effective competition or it has obtained the Commission's approval."[53]

24 Under the settlement, if CenturyLink ever seeks to discontinue service, it must first determine whether the proposed discontinuance affects a challenging customer location (CCL).[54] A CCL is defined as a "location without either 25 down and 3 up Mbps fixed internet speeds (or faster) or mobile wireless offered at a mass-market price below a specified affordability threshold."[55] The process for ascertaining whether an area contains CCLs begins with "pair[ing] each individual subscriber with an address on the FCC's Broadband availability map using

[47] Settlement at Attachment A at 2 ¶ 5 (Basic and Enhanced Universal Emergency Number Services – 911 & E-911 remains in tariff).
[48] Settlement at Attachment A at 2 ¶ 5 (Exchange Areas, Local Calling Areas, and Maps; Interconnection Services, Resales Services, Switched Access Services, and Wholesale Services remain in tariff).
[49] Bennett, Exh. SB-28T at 14:10-13.
[50] Settlement at Attachment A at 4-10 ¶ 9; Bennett, Exh. SB-28T at 17:11-16.
[51] WAC 480-120-083.
[52] Settlement Agreement at Attachment A at 4-10 ¶ 9; Bennett, Exh. SB-28T at
[53] Bennett, Exh. SB-28T at 26:8-11.
[54] Settlement Agreement at Attachment A at 4-10 ¶ 9.
[55] Bennett, Exh. SB-28T at 18:3-5. The affordability threshold is currently set at $61.13 per month, but it adjusts automatically so that it remains $6 higher than the FCC's reasonable comparability benchmark for voice services. Settlement Agreement at Attachment A at 4-5 ¶ 9.a.ii.

address mapping and spatial overlay tools."[56] CenturyLink will use the most up-to-date FCC data available at the time it pursues any potential discontinuance.[57] The company must designate any location without service availability meeting the specified criteria as a CCL.[58]

25 If CenturyLink determines that a proposed discontinuance of service would include a CCL, it must do one of two things. It may either obtain the Commission's approval to move forward,[59] or it may remove the location from the proposed discontinuance if it can do so consistently with the network footprint.[60]

26 If CenturyLink determines that the proposed discontinuance of service does not involve a CCL, it must verify that conclusion before moving forward. That verification process involves outreach to and survey of the affected customers. The company must "identify (for each subscriber) the competitively priced services with the necessary speeds . . . and prepare a Consumer Notice to be mailed, provided verbally, and emailed" to every customer affected by the potential discontinuance of service.[61]

27 The proposed notice must provide the customer with information about the availability of competing services, the process at the Commission, and potential assistance. It must provide the customer with a list of alternative providers that CenturyLink has determined offer affordable services at the customer's location.[62] It must also provide information about how to challenge the determination that those alternatives are available (meaning that the customer can actually use one of the alternative services at the location) or affordable (meaning that they satisfy the price

[56] Bennett, Exh. SB-28T at 21:10-13; Settlement at Attachment A at 5 ¶ 9.b.
[57] Gose, Exh. PGT-30T at 13:16-20.
[58] Settlement Agreement at Attachment A at 7 ¶ 9.b.ii.2.
[59] Bennett, Exh. SB-28T at 18:8-9.
[60] Staff's Response to Bench Request No. 8.
[61] Bennett, Exh, SB-28T at 21:13-17, 23:7-8.
[62] Settlement at Attachment A at 6 ¶ 9.b.ii; Bennett, Exh. SB-28T at 18:9-13, 23:6-14.

benchmark for a CCL), including contact information for Staff and Public Counsel.[63] And it must alert the customer to financial assistance potentially available as well as contract information for digital navigators, who can assist customers with technological transitions and language access.[64]

28 If a customer challenges CenturyLink's determination about potential alternatives, the company must attempt to validate its initial availability determination.[65] For mobile service, this validation step will involve dispatching a technician to measure signal strength inside the customer's home, if the customer will allow access, or from the nearest publicly accessible location, if the customer will not, against a benchmark set by the Commission.[66] If CenturyLink cannot validate its determination that the alternative is available and affordable, it must consider the location a CCL.[67]

29 If, after the challenge and validation process completes, a proposed discontinuance does not involve a CCL, CenturyLink may move forward with the discontinuance process after providing enhanced notice to the Commission, Public Counsel, and affected customers.[68] This will ensure that Staff and Public Counsel may verify CenturyLink's work and can take steps to stop any improper discontinuance.[69] At the state level,[70] that would involve a complaint to the

[63] Bennett, Exh. SB-28T at 23:10-24:8.
[64] Settlement at Attachment B; Bennett, TR. at 226:2-9, 232:5-7; *see* Settlement at Attachment A at 7-9 ¶ 9.b.ii.3 -.6 (prescribing the assistance available).
[65] Settlement at Attachment at 6-7 ¶ 9.b.ii.1 - .2 (describing the challenge process); Bennett, Exh. SB-28T at 23:15-25:3.
[66] Settlement at Attachment A at 6-7 ¶ 9.b.ii.1 - .2.
[67] Settlement at Attachment A at 7 ¶ 9.b.ii.2.
[68] Settlement at 9-10 ¶ 9.c; Bennett, Exh. SB-28T at 18:8-9.
[69] See Bennett, Exh. SB-28T at 26:1-13.
[70] CenturyLink must also obtain the FCC's permission to discontinue service, and the Commission or Public Counsel could intervene in any such proceeding to recommend that the Commission deny the application. E.g., Brevitz, TR. at 278:21-279:1. While the FCC has signaled it would take the Commission's or Public Counsel's intervention seriously; *In re Tech. Transitions*, 31 FCC Rcd. 8283, 8302 (F.C.C. July 14, 2016) ("states retain the option of filing comments on any discontinuance application that raises particular concerns; the Commission will take seriously concerns from a state government authority in evaluating whether to remove an application from

Commission alleging that CenturyLink has violated any order adopting the settlement or (or perhaps "and") violated RCW 80.36.090 by improperly discontinuing service, whether by Staff[71] or Public Counsel.[72]

30 Public Counsel questions whether the settlement's discontinuance provisions, as written, serve the public interest. It does so in two ways: through the testimony of witness David Brevitz, which explicitly recommends conditions on any approval of the settlement, and through argument and cross-examination at hearing. This brief first addresses Public Counsel's testimonial challenges, then the ones made at hearing.

31 In his testimony, M. Brevitz offers six conditions that the Commission should impose before accepting the settlement's discontinuance term. Initially, he recommends that the Commission require CenturyLink to obtain a quote for the FCC's Broadband Serviceable Location Fabric, and then comply with any Commission order to procure the license for the discontinuance process.[73] M. Brevitz's concerns about the data he believes needed by CenturyLink are unwarranted. Staff acquired a license "to use granular location data that can be associated with the broadband availability data"[74] because it had concerns about ensuring that no customer was left without service, and the data accompanying CenturyLink's initial filing did not assuage those.[75] But the settlement's challenge and validation processes obviate the need for using Fabric in the future data because "CenturyLink will be manually viewing each location one at a time and will not be generalizing any data over a larger geographic area which eliminates the

streamlined treatment and in evaluating whether to grant"); Staff does not plan to depend on the FCC's process. Staff instead plans on vetting any CenturyLink application and taking steps to stop any improper discontinuance through processes offered at the Commission.

[71] RCW 80.04.110; RCW 80.36.090; Bennett, TR. at 205:1-3, 224:13-17.

[72] *Cf.* Brevitz, TR. at 294:21-23.

[73] Brevitz, Exh. DB-9T at 16:20-22.

[74] Bennett, Exh. SB-28T at 21:3-4.

[75] Bennett, TR. at 198:16-199:5.

risk of CenturyLink misapplying one location's data to the wrong location."[76] The proposed condition thus imposes a significant cost[77] without any corresponding benefit. The Commission should reject it.

32 M. Brevitz then recommends that the Commission limit the geographic scope or number of customers to which CenturyLink may discontinue service, seemingly based on fears that CenturyLink will use the process to walk away from large numbers of customers.[78] The settlement is structured in two ways to address M. Brevitz's concerns, and the Commission should, accordingly, decline to impose the condition.

33 First, the CCL determination, notice, challenge and validation processes are intended to ensure that no customer is stranded without service.[79] They involve, by design, a significant amount of upfront work on the company's part, and the work involved scales up with the scope of any proposed discontinuance.[80] That work is itself a deterrent that should limit the scope of any proposed discontinuance of service.[81]

34 Second, whenever CenturyLink seeks to discontinue service to an area that contains a CCL, it must obtain the Commission's approval before it may proceed.[82] As M. Brevitz acknowledged at hearing, the larger an area considered for discontinuance, or the greater the number of customers involved, the greater the likelihood that any proposed discontinuance would involve a CCL.[83] Accordingly, CenturyLink must either keep the scope of any proposed discontinuance small or likely be required to petition the Commission for permission.

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[76] Bennett, Exh. SB-28T at 21:17-20.
[77] Gose, TR. at 100:3-14.
[78] Brevitz, Exh. DB-9T at 17:4-9.
[79] Bennett, Exh. SB-28T at 17:11-16.
[80] *See* Settlement at Attachment A at 4-10 ¶ 9.
[81] *See* Gose, TR. at 96:22-97:1 (describing CenturyLink's upfront work on any proposed discontinuance as significant).
[82] Settlement at Attachment A at 4 ¶ 9.a; Bennett, Exh. SB-28T at 18:8-9.
[83] Brevitz, Tr. at 256:3-12, 281:7-11; *see also* Gose, Tr. at 117:10-18; Bennett, Tr. at 202:9-12.

35 M. Brevitz then cautions the Commission about the use of mobile wireless as an "alternative service[,] particularly in rural areas."[84] There are several problems with this recommendation.

36 First, to the extent that M. Brevitz couches his concerns as to whether mobile service is an alternative to CenturyLink's copper-based service, rather than as whether mobile service is available in all areas of CenturyLink's territory, he invites the Commission to determine which technologies are alternatives to legacy voice services. But the Commission has quite explicitly refused to make such determinations, instead allowing customers to do so through the market.[85] The reasons underlying the Commission's policy of technological neutrality are no different now than when the Commission initiated it,[86] and the Commission should decline M. Brevitz's invitation.

37 Second, although M. Brevitz does not specify what it means to be "cautious" with mobile wireless, he appears to mean that the Commission should presume that wireless service is not available when evaluating whether customers have available alternatives.[87] He appears to base his recommendation for that presumption on the existence of gaps in mobile wireless coverage.[88]

38 Here, Staff acknowledges that M. Brevitz is not wrong to identify gaps in wireless coverage as a problem. Indeed, Staff spent a significant amount of time attempting to identify those gaps to draw conclusions about what they meant for CenturyLink's customers.[89] Staff first looked to the FCC's availability data, but could not rely on it because the agency explicitly disclaims that data measures availability inside a residence.[90] Staff then turned to the Census

[84] Brevitz, Exh. DB-9T at 17:10-11.
[85] *Frontier*, Docket UT-121994, Order 06, 14-15 ¶ 43, 19-20 ¶¶ 57-58.
[86] *E.g.*, RCW 80.36.135(5) (state policy promotes diversity in telecommunications providers and services).
[87] Brevitz, Exh. DB-9T at 17:10-19:5.
[88] *See* Brevitz, Exh. DB-9T at 18:7-12.
[89] Bennett, TR. at 193:10 - 197:16.
[90] Bennett, Exh. SB-1T at 43:3-7.

Bureau's data on wireless internet access, but the bureau releases data at the census group block level, making it useless for a customer-by-customer look, and the bureau does not collect data as to whether customers lack access or simply have chosen not to purchase service.[91] As a last resort, Staff attempted to obtain subscriber data from the wireless carriers, but those entities had serious privacy concerns with providing the data, and Staff ultimately did not press the issue.[92]

39 Having acknowledged M. Brevitz's concern, the solution to the problem he identifies is not to presume that wireless service is unavailable everywhere. The "gap" in wireless coverage is not the size and shape of CenturyLink's service territory, something the Commission can readily see in the data showing that millions of people in the company's territory are not CenturyLink customers at all, relying instead solely on wireless service.[93] Others use wireless service predominantly, and others still use wireless service as frequently as landline service.[94] Discounting those facts is unreasonable.

40 The solution, instead, is to do what M. Brevitz agrees is necessary: any proposal for discontinuance of service should involve an individualized determination about service alternatives at the future point in time when CenturyLink makes the proposal.[95] As discussed above, the settlement's discontinuance terms provide exactly that. The Commission should recognize as much and adopt the term as written.

41 Within his caution about the availability of wireless service, M. Brevitz testifies that "[o]ne clear implication of gaps in mobile wireless coverage is that CenturyLink and the Commission should take customers at their word when they state mobile wireless service is not

[91] Bennett, Exh. SB-1T at 46:17-48:3.
[92] Bennett, Exh. SB-1T at 43:8-11.
[93] Gose, Exh. PJG-30T at 11:11-13.
[94] Gose, Exh. PJG-30T at 11:11-14.
[95] *See* Brevitz, Exh. DB-9T at 23:18-19 (testifying that the conditions suggested by M. Brevitz "recognize that whether a customer has alternative broadband providers is a very *location-specific* question.") (emphasis added).

available inside their home."[96] Staff does not see why the one thing implies the other. As just noted, there are indeed gaps, but there is also widespread coverage throughout CenturyLink's service territory. If mobile service is not available, CenturyLink should readily be able to verify as much.[97] Public Counsel produced no evidence that customers would view the process as intrusive or cumbersome.[98] And, indeed, the public involvement with this docket suggests that customers willingly explain why they need to remain CenturyLink customers, however unhappy they are about that.[99] The Commission should not replace an evidence-based, objective process with one that depends on the subjective beliefs of CenturyLink's customers, which creates the possibility of arbitrary results.[100]

42 Finally, M. Brevitz is concerned about the limited number of locations that constitute CCLs when wireless service is considered, which he claims show a "major concession" given by Staff.[101] There are two problems with M. Brevitz's analysis.

43 First, M. Brevitz's analysis is not yet ripe. Staff calculated the number of known CCLs, at current time, at 1,216 locations.[102] But that is irrelevant because CenturyLink is not seeking to discontinue service now,[103] and, as M. Brevitz admits, ongoing investment in telecommunications infrastructure may mean that the situation looks completely different if and when the company does.[104] The settlement is forward-looking to account for these coming changes in the telecommunications market: it contains a CCL designation process that provides

[96] Brevitz, Exh. DB-9T at 18:13-19:5.
[97] See Gose, TR. at 141:16-18 (characterizing the validation process as simple).
[98] *See generally* Brevitz, Exh. DB-9T; Brevitz, TR. at 286:11-21.
[99] *E.g.*, Public Counsel's Answer to Bench Request No. 10, at Attachments 1 & 2.
[100] *See* Brevitz, TR. at 285:4-16.
[101] Brevitz, Exh. DB-9T at 12:21-13:4.
[102] M. Brevitz uses 1,233 as the number, but the exhibit indicates that the number of CCLs would be 1,216. Brevitz, Exh. DB-10 at Attachment A (cells B22 and C22). This brief uses the number from the exhibit.
[103] Gose, Exh. PJG-1T at 40:4.
[104] *E.g.*, Brevitz, Exh. DB-9T at 4:18-23.

for an individualized look at the availability and affordability of alternatives at any location involved with a proposal for discontinuance.[105] Until the process plays out, the Commission cannot say for sure whether any given location is not a CCL. The current CCL count is thus a floor, with literally every CenturyLink location being a potential CCL.[106] Given that process, Staff "believe[s] that the overall number of . . . CCLs will most likely increase substantially . . . as CenturyLink and . . . individual customers and [S]taff go[] through th[e] process."[107]

44 Second, it is impossible to look at an alleged concession in a vacuum. Parties approach settlement negotiations in light of their evaluation of their litigation risk,[108] something that M. Brevitz does not mention at all. Given all that the Commission said in the 2013 Frontier and 2014 CenturyLink orders concerning mobile as an available service,[109] Staff had to approach these negotiations knowing that the Commission could order CenturyLink competitively classified at the end of this proceeding.[110] Should that happen, CenturyLink could discontinue service to any or all but roughly 800 of its customers[111] with nothing but notice to the Commission.[112] Staff was able to eliminate that risk AND negotiate an individualized, location-based look at alternative services. That is not a concession: that is the achievement of Staff's litigation goal of ensuring consumer protection.

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[105] Settlement at Attachment A at 5-7 ¶ 9.b.i-.ii.2.
[106] Brevitz, TR. at 291:19-25.
[107] Bennett, Exh. SB-28T at 222:2-8. Staff's belief accords with the census data, which indicates more than roughly 1,200 customers are without wireless service. Bennett, TR. at 222:8-10.
[108] *E.g.*, Bennett, Exh. SB-28T at 14-17; Bennett, TR. at 224:23-225:11.
[109] *E.g.*, *Frontier*, Docket UT-121994, Order 06, at 20 ¶ 59 ("[n]or are we willing to create geographic submarkets that do not currently exist based solely on the presence or absence of competitors. Frontier offers its local exchange services at the same rates, terms, and conditions throughout its service territory. CLECs, wireless service companies, and VoIP providers similarly provider their services on a statewide, or even national basis.").
[110] That could come at the administrative level with the Commission determining that the facts warrant such a classification in light of its previous decisions (specifically the 2013 Frontier order and the 2014 CenturyLink order) or as the result of an appeal in which a reviewing court determines that the Commission erred in determining that the company had no significant captive customer base.
[111] *In re Petition of CenturyLink*, Docket UT-240029, CenturyLink Petition for Competitive Classification, 27-28 ¶ 44 (Jan. 8, 2024).
[112] WAC 480-120-083.

45 M. Brevitz next recommends that the Commission specify the conditions under which CenturyLink may discontinue service.[113] Underlying that request appears to be the assumption that some discontinuances are less acceptable than others.[114] M. Brevitz's recommendation does nothing to protect customers or the Commission's resources, and the Commission should reject the condition.

46 Enumerating a list of acceptable reasons for discontinuance adds nothing to the protections the settlement includes to ensure that no customer is left without service. A customer that loses service because of the economic costs of a road move, which M. Brevitz suggests is not problematic,[115] is in no better or worse position than one who loses service for one of the reasons that M. Brevitz suggests are suspect.[116] The settlement agreement, as written, protects customers by providing that CenturyLink cannot discontinue service to a customer location, whatever CenturyLink's intent, unless either: (1) the company has the Commission's approval, or (2) the customer has affordable service alternatives. There is no reason to add to the term, especially with a proposal that would accomplish nothing additional.

47 M. Brevitz's recommendation creates significant burden on the Commission. He asks the Commission to consider literally every possible circumstance for discontinuance and identify which of them are permissible.[117] That is not a small undertaking. Perhaps the Commission could avoid significant effort by speaking generally to the principles that it would apply in addressing the issue, but that would invite litigation about the application of those principles to the facts before it. In addition, limiting discontinuances to a specified set of reasons begs the parties to

[113] Brevitz, Exh. DB-9T at 19:6-17.
[114] *See* Brevitz, Exh. DB-9T at 13:22-14:11, 19:7-10.
[115] Brevitz, Exh. DB-9T at 14:4-7.
[116] Brevitz, Exh. DB-9T at 14:12-19.
[117] See Brevitz, Exh. DB-9T at 19:6-7.

litigate whether CenturyLink is offering pretextual reasons for any discontinuance it might propose.

48 M. Brevitz's next recommendation concerns the definition of a CCL.[118] He asks the Commission to clarify that a location is a CCL if the voice subscribed there takes digital-subscriber-line service at speeds less than 25 Mbps down and 3 Mbps up.[119] The definition of a CCL captures that factual scenario, and refinement is unnecessary.[120]

49 Finally, M. Brevitz asks the Commission to condition approval of the settlement on a requirement that CenturyLink provide trouble tickets for locations to which CenturyLink seeks to discontinue service with any notification to the Commission,[121] believing that those trouble tickets might shed light on whether the customer has available alternatives.[122] Again, the settlement addresses that concern. It requires CenturyLink to retain trouble tickets and provide them to Staff upon request.[123] And, as discussed below, Staff will be affirmatively performing its own review of available alternatives should CenturyLink ever propose to discontinue service. To the extent that the trouble tickets are relevant, Staff can access them at any time.

50 Public Counsel also took issue with the discontinuance term at hearing, both through argument and cross-examination of the settling parties' witnesses. Those issues concerned two things: who determines whether a customer has alternatives and whether the affordability benchmark is set too high. None of those arguments merit modification of the settlement.

51 Initially, Public Counsel repeatedly contended at hearing that CenturyLink should not have the power to determine whether a customer has an affordable alternative service because it

[118] Brevitz, Exh. DB-9T at 18-20.
[119] Brevitz, Exh. DB-9T at 19:18-21.
[120] Settlement at Attachment A at 4 ¶ 9.a.
[121] Brevitz, Exh. DB-9T at 20:1-12.
[122] Brevitz, Exh. DB-9T at 20:9-12.
[123] Settlement at Attachment A at 3-4 ¶ 8.e; Bennett, Exh. SB-28T at 17:2-4.

is not disinterested in the outcome of that determination.[124] But Public Counsel elides over the fact that a disinterested party, Staff,[125] will be verifying that customers whose service might be discontinued have affordable alternatives.[126] Staff, at hearing, explained that it had a duty to do its own "due diligence" on any proposed disconnection.[127] As discussed above, if Staff does determine that CenturyLink is moving forward with a discontinuance that involves a CCL, it has enforcement options[128] to prevent the company from cutting off service to the location.

52 At hearing, Public Counsel also suggested that the affordability threshold was set too high by comparison to the FCC's affordability benchmark.[129] That is a meaningless apples-to-oranges comparison. The FCC's affordability benchmark concerned only voice services,[130] and the agency derived it mathematically. The settlement benchmark looks at mass market broadband services, and the parties set it at a level below the average consumer price for broadband within CenturyLink's service area.[131] And Staff believes that there will be downward pressure on the prices, and thus the benchmark, given the roll out of federal assistance.[132] Regardless, the fact that CenturyLink's charges for voice service are less than the affordability benchmark does not mean that charges at the benchmark are unaffordable.[133] Public Counsel also

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[124] *E.g.*, Brevitz, TR. at 298:21-25.
[125] Public Counsel may also review CenturyLink's CCL determinations and take action if it concludes that CenturyLink had failed to adhere to the terms of the settlement by discontinuing service to a customer reasonably entitled to receive it. *See* Settlement at Attachment A at 9-10 ¶ 9.c.i; RCW 80.36.090.
[126] *See* Settlement at Attachment A at 9-10 ¶ 9.c.i.
[127] Bennett, TR. at 206:5-9; 218:2-7 (explaining that Staff will review any proposed discontinuance with a "trust but verify" mindset), 223:9-15 ("we would be a part of it after they'd begun that process, and we would validate using the BDC data that there are services and that CenturyLink isn't discontinuing service to an unserved or underserved area so that no one is left behind."), 224:3-9 ("we're validating it, we're verifying it. We are ensuring that CenturyLink through that discontinuance process is doing exactly what they said they were going to do and that they are not discontinuing service to anyone that doesn't have either . . . mobile wireless or fixed internet availability"), 244:11-20.
[128] Public Counsel has those same enforcement options. RCW 80.04.110(1)(a).
[129] *E.g.*, Webber, TR. at 173:8-22.
[130] Webber, TR. at 173:11-13; Webber, Exh. JDW-5 at 1.
[131] Bennett, Exh. SB-28T at 20:1-3.
[132] Bennett, Exh. SB-28T at 20:7-12.
[133] *See* Webber, TR. at 182:20-25.

overlooks the provisions in the settlement that are meant to assist low-income customers subscribe to alternative services, which should bridge any affordability gap.[134]

2. The Settlement is consistent with public policy goals concerning service pricing.

53 The second set of public policy goals concerns fair and affordable rates. It includes the Legislature's judgment that the public interest includes:

- "provid[ing] for rates that are fair, just, reasonable, sufficient, and not unduly discriminatory or preferential;"[135]
- "not unduly or unreasonably prejudic[ing] or disadvantag[ing] any particular customer class;"[136]
- "ensur[ing] that customers pay only reasonable charges for telecommunications service;[137] and
- "ensur[ing] that the rates for noncompetitive telecommunications services do not subsidize the competitive ventures of regulated telecommunications companies."[138]

The settlement agreement has terms that accomplish each of those public policies goals.

54 The settlement agreement carries forward CenturyLink's agreement to average non-recurring and monthly charges for standalone residential and business services.[139] That term will apply the pricing discipline imposed by competition with other carriers in the urban cores of CenturyLink's service territory to its operations across the state.[140] The Commission previously recognized that this term would ensure fair, just, reasonable, sufficient, and non-discriminatory rates.[141] It should do so again here.[142]

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[134] Bennett, Exh. SB-28T at 25:5-21.
[135] RCW 80.36.135(2)(e).
[136] RCW 80.36.135(2)(f).
[137] RCW 80.36.300(3).
[138] RCW 80.36.300(4).
[139] Settlement at Attachment A at 2-3 ¶ 7.
[140] Bennett, Exh. SB-28T at 7:15-19, 8:4-6 15:12-18; Webber, Tr. at 186:3-18; Weisman, Tr. at 76:22-77:3.
[141] *CenturyLink*, Docket UT-130477, Order 04, 22 ¶¶ 68 -69.
[142] M. Brevitz agrees that the term is unobjectionable.

3. The Settlement is consistent with public policy goals concerning service quality.

55 The Legislature directed the third set of public policy goals at service quality. It includes the Legislature's finding that the public interest includes:

- "preserv[ing] or enhanc[ing] service quality and protect[ing] against the degradation of quality or availability of efficient telecommunications services;"[143] and
- "maintain[ing] and advance[ing] the efficiency and availability of telecommunications service."[144]

Again, the settlement is consistent with those public policy goals.

56 The parties intended provision 4 of the settlement, which the settlement carries forward from CenturyLink's existing AFOR, to preserve or enhance service quality and maintain the availability of services.[145] The term provides that the Proposed AFOR does not affect the Commission's authority to regulate CenturyLink's wholesale services under the Telecommunications Act of 1996, nor does it affect carrier-to-carrier service quality requirements or enforcement or remedial provisions that would apply if CenturyLink fails to meet service quality standards or other measures.[146] The Commission has previously found that term to preserve service quality.[147] It should do so again.[148]

57 The settlement also contains a retail service quality provision that directly supports the Legislature's public policy interests related to preserving and enhancing service quality. Provision 8 of the Proposed AFOR requires CenturyLink to implement a systematic process to award automatic credits to consumers who establish a trouble ticket when their qualifying

[143] RCW 80.36.135(2)(d).
[144] RCW 80.36.300(2).
[145] *See* Settlement at Attachment A at 2 ¶ 4; Bennett, Exh. SB-28T at 13:8-16.
[146] Settlement at Attachment A at 2 ¶ 4.
[147] *CenturyLink*, Docket UT-130477, Order 04, 17 ¶ 52.
[148] Again, M. Brevitz finds adoption of the term to be reasonable. Brevitz, Exh. DB-9T at 5:2-6.

service is out of service for more than 24 hours or is not in good working order.[149] CenturyLink is obligated to apply the credit even in the event of force majeure, vandalism or theft of the property used to provide service.[150] If CenturyLink should fail to the issue the required credits or misapply the credit to the customer's detriment, CenturyLink must issue manual credits at double the amount owed. This provision is in the public interest for three reasons.[151]

58 First, the provision directly benefits customers experiencing service quality issues. A process for an automatic credit represents an improvement because no such process exists, nor is one required under the Commission's service quality rules or the company's current AFOR. Certainly, no such provision would exist for customers if the Commission had approved CenturyLink's competitive classification petition as filed. Notably, these automatic credits are mandatory even in the event of force majeure, vandalism or theft, a benefit unavailable under Commission rules for pro rata credits related to service unavailability.[152] And, unlike penalties for service quality violations, which go to the public service revolving fund,[153] the credits go directly to the customers who experience the issue, providing a benefit to the party injured by the service quality problems.[154]

59 Second, the retail service quality credit provision incents CenturyLink to resolve service quality issues in a timely manner. Staff sought this term through settlement after finding "a number of customers that experienced lengthy, repeated, or lengthy and repeated service quality

[149] Settlement at Attachment A at 3-4 ¶ 8; Bennett, Exh. SB-28T at 15:21-16:20.
[150] Settlement at Attachment A at 3 ¶ 8.b.
[151] M. Brevitz was unable to opine that crediting customers for service issues was in the public interest, but he nevertheless testified that the provision is "worthwhile;" Brevitz, Tr. at 293:21-25, 294:1-7; and "better than we had before." Tr. at 293:20.
[152] WAC 480-120-164 ("Pro rata credits are not required when force majeure, customer premises equipment, or inside wiring is the proximate cause for the unavailability of a service.").
[153] RCW 80.04.405.
[154] Settlement at Attachment A at 3 ¶ 8; Bennett, Exh. SB-28T at 15:21-16:2.

problems."[155] CenturyLink has estimated, based on data from 2023, that the amount returned to customers in automatic credits for outages beyond the 24-hour threshold would have been in the $150,000 range for the year if the settlement had been in effect.[156] And, as CenturyLink witness Peter Gose explained at hearing, the amount of credits the company will return to customers is likely to be higher in the future for two reasons: (1) Provision 8 includes outages due to force majeure, theft and vandalism; and (2) Provision 8 requires CenturyLink to inform customers about the automatic credit program via bill message on the quarterly basis.[157] M. Gose explains these credit costs will incent the company to fix service quality problems.[158] Staff Witness James Webber agreed after reviewing the trouble ticket data from Table 2 of his direct testimony, noting that if automatic credits were awarded based on that data, the dollar impact to the Company would be "significant."[159] M. Webber explained that, as a general matter, increasing expenses incent management to address the rising costs to maintain its budget.[160]

60 Finally, Provision 8 of the Proposed AFOR is in the public interest because the Commission's service quality rules continue to apply under the provision. As observed by M. Bennett, "Whether CenturyLink is regulated under a traditional rate of return framework, is competitively classified, or operates under an AFOR, the Company is subject to the same consumer protection rules and regulations."[161]

61 At hearing, the Commission invited briefing as to whether Provision 8 of the Proposed AFOR limited its ability to investigate service quality problems or otherwise impose penalties. The answer, generally, is no. Provision 8(d) addresses a circumstance in which CenturyLink fails

[155] Bennett, Exh. SB-28T at 16:15-17.
[156] Gose, TR. at 131:20-25, 132:1-2.
[157] Gose, TR. at 132:2-14.
[158] Gose, Exh. PJG-30T at 8:20-21.
[159] Webber, Tr. at 180:17-23.
[160] Webber, Tr. at 181:12-20.
[161] Bennett, Exh. SB-28T at 10:11-14.

to apply the automatic credit or applies the incorrect credit amount to a customer's detriment. In such cases, CenturyLink must apply double the amount of the credit owed. This doubling of the amount owed is in lieu of penalties that may have been imposed by the Commission related to failure to correctly apply the credit amount. The Commission's authority to impose penalties is limited only as to the incorrectly applied credit amount and not as to the underlying service quality issue that gave rise to the trouble ticket that triggered the automatic credit.[162]

62 Provision 8 of the Proposed AFOR should be the adopted by the Commission without condition. It is in the public interest because it provides an automatic credit to customers who experience qualifying service interruptions, it creates an incentive for CenturyLink to quickly address such issues, and it leaves in place the Commission's existing authority over quality of service. Public Counsel's lack of opposition[163] further supports the Commission's adoption of this provision.

4. The Settlement is consistent with public policy goals concerning the protection and fostering of competition and the diversity of services.

63 The fourth set of policy goals concerns competition. It includes the determination that the public interest encompasses:

- "preserv[ing] or enhanc[ing] the development of effective competition and protect[ing] against the exercise of market power during its development;"[164] and
- "promot[ing] diversity in the supply of telecommunications services and products in telecommunications markets throughout the state."[165]

64 The settlement advances these public policy goals, largely through the mechanisms discussed above. The settlement requires CenturyLink to average its charges across its service

[162] For an illustrative example of the operation of Provision 8, *see* Bennett, Tr. at 239:15-25 and 240:1-8.
[163] Brevitz, TR. at 308:1-5.
[164] RCW 80.36.135(2)(c).
[165] RCW 80.36.300(5).

territory. That term applies the competitive pressures felt in some areas of CenturyLink's territory across its territory, meaning that the company effectively faces competition even in areas where it truly has none. That prevents CenturyLink from exercising market power during the term of the AFOR. The settlement also treats CenturyLink as if competitively classified, subject to exceptions intended to protect consumers, like the geographic averaging of rates just discussed. The flexibility offered by that term allows CenturyLink to compete on more equal terms with other telecommunications companies in the Washington market.

65 The settlement also promotes diversity in the supply of telecommunications services and products within Washington. Again, the settlement treats CenturyLink as if it were competitively classified, with certain consumer protection guardrails. That treatment allows CenturyLink flexibility in developing and rolling out its service offerings.[166]

5. The Settlement is consistent with public policy goals concerning regulatory flexibility.

66 The final public policy goal concerns the regulatory structure itself. Specifically, the Legislature determined that public policy favored:

- "improv[ing] the efficiency of the regulatory process;"[167] and
- "permit[ting] flexible regulation of competitive telecommunications companies and services."[168]

67 The Proposed AFOR improves the efficiency of the regulatory process, again, largely through the provisions discussed above. As Staff noted, "[t]he Proposed AFOR improves the efficiency of the regulatory process with continued streamlined financial reporting, continued market-based rate setting, and" the establishment of a mechanism to ensure that CenturyLink's

[166] Bennett, Exh. SB-28T at 12:6-9.
[167] RCW 80.36.135(2)(b).
[168] RCW 80.36.300(6).

response to market conditions will not deprive a customer of service when the customer has no reasonably available, affordable service alternatives.[169]

68 M. Brevitz questions whether the Commission should condition approval of the settlement on modification of Provision 6 to require Commission approval of mergers or acquisitions involving CenturyLink. Staff views that step as unnecessary. The requirements imposed by the AFOR would continue to apply to CenturyLink or its successor after any merger or acquisition, meaning that the company could not escape its obligations through such a transaction. And the Commission's authority over the transfer or sale of wire centers or access lines remains unchanged. This means that CenturyLink cannot break up and parcel out the ILECs, ensuring that they remain whole and financially viable.

IV. CONCLUSION

69 The Proposed AFOR appropriately balances CenturyLink's need for regulatory flexibility to place it on a more even footing with intra- and intermodal competitors with the needs of those of its customers lacking affordable alternatives. The Commission should approve it without condition.

Respectfully submitted, this 14th day of August, 2024.

/s/ *Jeff Roberson*, WSBA No. 45550
Senior Assistant Attorney General
Office of the Attorney General
Utilities and Transportation Division
P.O. Box 40128
Olympia, WA 98504-0128
(360) 810-0509
jeff.roberson@atg.wa.gov

[169] Bennett, Exh. SB-28T at 10:1-5.