

Docket No. UT-240029 - Vol. III

**In the Matter of the Petition of the Qwest Corporation,
et al.**

July 19, 2024



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BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

CENTURYLINK COMPANIES - QWEST)
CORPORATION; CENTURYTEL OF)
WASHINGTON; CENTURYTEL OF)
INTERISLAND; CENTURYTEL OF)
COWICHE; AND UNITED TELEPHONE) Docket No. UT-240029
COMPANY OF THE NORTHWEST)
)
to be Competitively)
Classified Pursuant to RCW)
80.36.320)
)

)

EVIDENTIARY HEARING
VOLUME III

Pages 59 - 316

TAKEN REMOTELY VIA VIDEOCONFERENCE

DATE TAKEN: July 19, 2024

REPORTED BY: Evelyn M. Adrean, RPR, CCR 22009424

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1 JULY 19, 2024

2 9:02 a.m.

3 JUDGE HOWARD: Let's be on the record.

4 Today is Friday, July 19th, 2024. The time is 9:02 a.m.

5 My name is Michael Howard. I'm an administrative law
6 judge with the Washington Utilities and Transportation
7 Commission, and I am presiding in this matter along with
8 Administrative Law Judge M. Haley Callahan and the
9 commissioners themselves.

10 We're here today for a hearing in Docket
11 UT-240029 which is captioned in the Matter of
12 CenturyLink Companies Petition for AFOR Classification.
13 And when I say AFOR, A-F-O-R, which stands for
14 alternative form of regulation. The commission convened
15 this hearing to consider CenturyLink's Petition for
16 Competitive Classification and specifically, CenturyLink
17 and staff are requesting the commission approve a
18 settlement providing for an updated alternative form of
19 regulation or AFOR.

20 Let's begin by taking short appearances
21 starting with the company.

22 MR. SHERR: Good morning, Your Honor. Adam
23 Sherr on behalf the CenturyLink.

24 JUDGE HOWARD: Thank you. Could we have an
25 appearance for staff.

1 MR. ROBERSON: Good morning, Judge Howard,
2 Judge Callahan. Jeff Roberson on behalf of staff. With
3 me at the counsel table is my colleague, Cassie Jones.

4 JUDGE HOWARD: Thank you. Could we have an
5 appearance for Public Counsel.

6 MR. O'NEILL: Good morning, Your Honors.
7 Tad Robinson O'Neill on behalf of Public Counsel.

8 JUDGE HOWARD: Thank you. So let's begin by
9 talking about our plans for the hearing today. First we
10 will touch on the admission of pre-filed exhibits and
11 testimony which should be fairly brief, I expect. We
12 will then allow for brief opening statements from each
13 party limited to ten minutes each before we turn to the
14 cross-examination of witnesses following the parties'
15 agreed order of presentation.

16 We will be taking all the witnesses
17 individually. We won't be impaneling any witnesses
18 today. I expect we will take a midmorning break and a
19 lunch break, and if necessary, if -- depending on the
20 length of this hearing, a midafternoon break as well.

21 I just want to remind the parties to keep
22 your microphones muted unless you are speaking. And if
23 you are observing, I would certainly encourage you to
24 keep your line muted as well. And I would also
25 encourage -- I see that we have witnesses joining us

1 on-line, and I'm happy to see that they seem to have
2 effective connections and we are seeing their video, but
3 they can also feel free to turn off their video until it
4 is their time to be tendered for cross.

5 If you are having any technical issue or you
6 observe that a party or a representative has dropped off
7 the on-line meeting, please mention that in the Chat.
8 The Chat should be reserved for technical issues and
9 requests for breaks only.

10 Are there any questions before we turn to
11 the admission of exhibits? All right. Hearing none,
12 let's turn to the admission of the exhibits. I
13 circulated a updated -- a compiled exhibit list to the
14 parties showing all the parties' exhibits filed so far
15 up to and including cross-examination exhibits. And I
16 understand the company does not intend to move for
17 Dr. Weisman's testimony to be admitted. Is that still
18 the case?

19 MR. SHERR: Your Honor, Judge Howard, the --
20 since Dr. Weisman was asked to be present today, the
21 company will move for the admission of his testimony.
22 Thank you.

23 JUDGE HOWARD: All right. Thank you. To
24 the parties -- with that understanding, do the parties
25 stipulate to the admission of all the pre-filed exhibits

1 and testimony? Turning first to the company.

2 MR. SHERR: Yes, Your Honor. CenturyLink
3 stipulates.

4 JUDGE HOWARD: Thank you. Staff.

5 MR. ROBERSON: Staff will stipulate.

6 JUDGE HOWARD: Thank you. Public counsel.

7 MR. O'NEILL: Public counsel has no
8 objection to the entry of all the exhibits listed in the
9 exhibit list.

10 JUDGE HOWARD: All right. Then I deem all
11 the pre-filed exhibits and testimony admitted including
12 the settlement agreement and the cross-examination
13 exhibits recently filed.

14 And I do note just as an aside that some of
15 the testimony and exhibits as well as some of the cross
16 exhibits are marked confidential. Normally, our
17 confidential cross is that the commission deal with
18 pricing information. It does seem that the
19 confidentiality designations in this docket include some
20 descriptions of customers' experiences. So I just ask
21 that counsel be mindful when you're conducting your
22 cross that of you are moving into discussing
23 confidential information, that you let us know at the
24 start of that, and we can take appropriate steps. And
25 if possible -- if possible and if it does not impede

1 your cross, that we would refrain from referring to that
2 information directly.

3 MR. O'NEILL: This is public counsel. Some
4 of my cross-examining questions will touch on subject
5 matter that's confidential, but I do not intend to
6 elicit any of the numbers, and I will try to caution the
7 witnesses to stay away from mentioning the numbers that
8 have been actually designated confidential. It's the
9 principle that I am interested in questioning about. If
10 I transgress, I hope Mr. Sheer will make sure to help
11 watch that line both for myself and for the witnesses.

12 MR. SHERR: Of course.

13 JUDGE HOWARD: All right. And thank you,
14 Mr. O'Neill, for mentioning that. And if you do feel it
15 is necessary, we can take the steps to have a separate
16 transcript prepared and to confirm that we only have
17 appropriate individuals present for that portion of the
18 cross. And in those cases, I do rely in part on the
19 company to look at who's attending in person in the room
20 and on-line to make sure that we don't have anyone
21 attending who should -- should have signed a
22 confidentiality agreement and has not. So that is an
23 option, Mr. O'Neill, if you need it.

24 All right. With that, our next item would
25 be turning to opening statements. As I noted, we would

1 allow for brief opening statements up to ten minutes per
2 party. And I'm going to ask that the commissioners join
3 us at this point. So let's go off the record for a
4 moment while we wait for the commissioners to join us.

5 (A break was taken from 9:09 to 9:11 a.m.)

6 JUDGE HOWARD: All right. Let's be back on
7 the record.

8 The commissioners are joining us in the
9 hearing room. We have Chair Dave Danner, Commissioner
10 Ann Rendahl, and Commissioner Milt Doumit joining us.
11 And we were about to move to opening statements from the
12 parties. And I will also let the commissioners know
13 that all of the pre-filed exhibits and testimony
14 including the cross exhibits have been admitted without
15 exception. Yes. Yes, the range is fairly short. I
16 will be aware of that.

17 So with that, let's turn to opening
18 statements beginning with the company.

19 MR. SHERR: Good morning, Commissioners and
20 Your Honors. Are you able to hear me okay through the
21 mic?

22 JUDGE HOWARD: Yes. You may want to lean
23 forward into the mic a little bit. There you go.

24 MR. SHERR: I will be very brief. I had not
25 intended to make any opening statements, but I can't

1 turn down an opportunity to speak, so thank you.

2 CenturyLink appreciates the opportunity to
3 appear today before the commission. The settlement
4 agreement we submitted on July 1st is the product of a
5 long process of negotiation and litigation. It
6 represents a good faith -- it is a product of good faith
7 engagement by the company, by staff, and by public
8 counsel, and it represents a fair and delicate balance
9 of a variety of interests raised by all the parties.

10 The agreement is in the public interest and
11 it recognizes the highly competitive nature of the
12 telecommunications market in Washington, something the
13 commission recognized over a decade ago in multiple
14 proceedings. We ask that the settlement be approved as
15 it was presented. And once again, thank for the
16 opportunity to appear today.

17 JUDGE HOWARD: Thank you. Allow staff the
18 same opportunity.

19 MR. ROBERSON: In the interest of time,
20 Staff will save its opening and just submit a closing
21 brief.

22 JUDGE HOWARD: All right. Certainly. And I
23 did overlook asking counsel to give short appearances
24 now that we have the commissioners joining us, so I will
25 backtrack slightly. Could we hear from the company.

1 MR. SHERR: Good morning. Adam Sherr. I am
2 the attorney for CenturyLink appearing on behalf of the
3 company.

4 JUDGE HOWARD: Thank you. And Staff.

5 MR. ROBERSON: Good morning. Jeff Roberson,
6 AAG on behalf of Staff. With me at the counsel table is
7 my colleague, Cassie Jones.

8 JUDGE HOWARD: Thank you. And public
9 counsel.

10 MR. O'NEILL: Good morning, Your Honors and
11 Commissioners. Tad Robinson O'Neill on behalf of public
12 counsel.

13 JUDGE HOWARD: All right. Thank you. And
14 staff has waived their opening statement. Public
15 counsel, would you like to provide an opening statement.

16 MR. O'NEILL: I do have a short opening
17 statement prepared.

18 Public counsel believes that the facts will
19 demonstrate that in rural Washington, the market is
20 insufficient to provide reliable telecom service. The
21 question facing this commission and this proceeding is
22 whether the settlement proposal is sufficiently robust
23 that the commission can lay down its duty to rural
24 Washingtonians and whether or not continued oversight is
25 necessary to ensure that a 79-year-old woman from rural

1 Klickitat County keeps her landline connection to her
2 family and friends.

3 Staff company and public counsel have
4 engaged in a good faith effort to come up with a
5 workable big data definition and voluntary challenge
6 process that will draw a safe line between the areas of
7 Washington where there is competition and where the
8 market does not work. And you will hear, and the
9 question, really, is: Where that line is drawn, can the
10 company allow CenturyLink to discontinue service without
11 a staff investigation, without formal and informal
12 discovery, without a public comment hearing, without a
13 full hearing with public advocates such as this one.

14 This hearing will focus on the flaws in the
15 data, uncertainty about cell phone reliability
16 particularly in the context of emergencies, radio
17 propagation blind spots, the issue of service
18 reliability, different -- difference in opinion over
19 price points, and over the company's ability to self
20 police.

21 The evidence both in the direct testimony
22 already admitted and in cross-examination will show that
23 market forces have proven themselves deaf to the needs
24 of rural Washington. Just as in this proceeding,
25 CenturyLink complains that the cost of upkeep on old

1 copper wire infrastructure that was officially created
2 with federal investment is insufficient to justify
3 continuing service to small rural populations.

4 Broadband and cell phone companies will not
5 engage in the kind of investment that's necessary to
6 build the infrastructure to help those rural markets
7 without government regulation. In this context, the
8 commission should find that it needs to fulfill its duty
9 by offering full due process for any requests for
10 discontinuance so that the company, the staff, public
11 counsel, and the public can be certain that nobody is
12 left behind. Thank you.

13 JUDGE HOWARD: All right. Thank you,
14 Mr. O'Neill.

15 So with that, we will turn to the
16 examination of the witnesses unless there are any
17 questions from the bench for any of the counsel. All
18 right. Hearing none, our first witness on the order of
19 presentation is Dr. Weisman. As I understand, public
20 counsel has -- is intending to use their 15 minutes
21 originally designated for Dr. Weisman and is intending
22 to question, I believe, Peter Gose on those same issues?

23 MR. O'NEILL: I can -- if Dr. Weisman's
24 here, I think it would be better to ask him questions
25 since he's available so that he can answer for himself.

1 I have a short period of time for him, and it may be
2 less than 15 minutes.

3 JUDGE HOWARD: All right. Certainly. And
4 because the witness' testimony has been admitted into
5 evidence, that is entirely appropriate.

6 Dr. Weisman, are you on the line, and can
7 you see and hear me all right?

8 DR. WEISMAN: Yes and yes.

9 JUDGE HOWARD: All right. Thank you. If
10 you please raise your right hand, I'll swear you in.

11 Do you swear or affirm that testimony you
12 will give today is the truth, the whole truth, and
13 nothing but the truth?

14 THE WITNESS: I do.

15 JUDGE HOWARD: All right. Thank you.

16 Could the company please introduce the
17 witness and tender them for cross.

18 MR. SHERR: Yes, Your Honor. Good morning,
19 Dr. Weisman.

20 DR. WEISMAN: Good morning.

21 MR. SHERR: Could you state your name for
22 the record, sir?

23 DR. WEISMAN: Dennis L. Weisman,
24 W-e-i-s-m-a-n.

25 MR. SHERR: And do you have before you

1 exhibits that have been marked Exhibit DLW 1T AND DLW 2?

2 DR. WEISMAN: I do.

3 MR. SHERR: And DLW 1T is entitled Direct
4 Testimony of Dr. Dennis L. Weisman; is that true?

5 DR. WEISMAN: Correct.

6 MR. SHERR: Were these exhibits prepared by
7 you or at your direction?

8 DR. WEISMAN: They were.

9 MR. SHERR: Do you have any corrections to
10 these exhibits?

11 DR. WEISMAN: I do not.

12 MR. SHERR: Are these exhibits true and
13 correct to the best of your knowledge?

14 DR. SHERR: Yes, they are.

15 MR. SHERR: So Your Honor, since they've
16 already been admitted, I will tender Dr. Weisman to
17 public counsel.

18 JUDGE HOWARD: All right. Thank you. And
19 public counsel, you may proceed.

20 CROSS-EXAMINATION

21 BY MR. O'NEILL:

22 Q. Good morning, Dr. Weisman. We met before the
23 proceeding began. I'm Tad Robinson O'Neill, the
24 assistant attorney general for public counsel.

25 You indicated that you do have a copy of

1 your testimony with you. Can you turn to page 3 of that
2 testimony?

3 JUDGE HOWARD: And Mr. O'Neill, could I
4 confirm: Are we using the page numbers on the bottom
5 right-hand corner, or are we using the page numbers of
6 the PDF document.

7 MR. O'NEILL: I am referring to the page
8 numbers on the bottom right-hand corner of your
9 testimony, Dr. Weisman.

10 JUDGE HOWARD: Thank you.

11 THE WITNESS: Yes, Mr. O'Neill.

12 BY MR. O'NEILL:

13 Q. At the bottom of the page, line 20, it states:
14 "Economic regulation is a substitute for competition
15 when market forces are deemed insufficient to provide
16 the requisite market discipline." Did I read the
17 correctly?

18 A. That's what my evidence indicates, yes, sir.

19 Q. And do you stand by that testimony?

20 A. I do.

21 Q. If you could turn to the next page, please. In
22 the middle of the page starting at line 9, you write:
23 "In the absence of significant barriers to entry, prices
24 higher than competitive levels can be expected to
25 attract new entrants." Did I read that correctly?

1 A. Yes.

2 Q. In your testimony, it is accurate that you did
3 not address whether or not there are significant
4 barriers to entry in Washington for rural markets; is
5 that correct?

6 A. Not directly, but I was aware that the
7 provisions of the 1996 Telecommunications Act which
8 allows for intramodal (phonetic) competition both
9 resale, sale of CenturyLink's services and individual
10 network elements can be used to replicate essentially
11 CenturyLink's service in those areas. So the purpose of
12 the act was in part, in large part to eliminate such
13 barriers to entry.

14 Q. And that's for the provision of ILEC services
15 or copper wire services that you're referring to;
16 correct?

17 A. Yes.

18 Q. But you haven't done any kind of analysis of
19 whether or not the market is sufficiently robust to --
20 for other technologies such as cell phone service or
21 broadband to reach rural Washington, have you?

22 A. No, I've not. But one of the constraints that
23 CenturyLink has put in place is no further deaveraging.
24 And as my evidence indicates, the competitive pressures
25 in other parts of the company's territory would be

1 expected to bring that competition into rural areas even
2 in the absence of the numerous alternatives to
3 CenturyLink service.

4 Q. You're aware that the federal government has
5 invested or it plans to invest over a -- just under two
6 billion dollars in rural -- in Washington in order to
7 expand broadband service to rural Washington?

8 A. I've read that in Mr. Gose's testimony.

9 Q. And that kind of government intervention is a
10 symptom of the market that is insufficient to create
11 those services, is it not?

12 A. I wouldn't necessary conclude that since we're
13 talking about voice services here alone which would not
14 require broadband per se.

15 Q. But you're not a specialist in
16 telecommunication, you're an economist; correct?

17 A. I'm a telecommunication economist. So whether
18 that's a specialist or not I guess is a matter of
19 interpretation.

20 Q. Your testimony also did not address the
21 technological barriers of radio propagation for cell
22 service, did it?

23 A. No, I did not look at that issue.

24 MR. O'NEILL: That's all the questions I've
25 got for you, Dr. Weisman. Thank you.

1 THE WITNESS: Thank you.

2 JUDGE HOWARD: Do we have any redirect from
3 the company.

4 MR. SHERR: No, Your Honor.

5 JUDGE HOWARD: Thank you. Do we have any
6 questions from the bench for Dr. Weisman? All right.
7 We do not have any questions from the bench for this
8 witness.

9 Dr. Weisman, thank you for your testimony
10 today. You are excused from the remainder of the
11 hearing.

12 DR. WEISMAN: Thank you.

13 JUDGE HOWARD: All right. Let's turn to our
14 next witness, Peter Gose, for the company. If you --
15 and Mr. Gose is with us here in the hearing room. Yes,
16 certainly, if you'd like to take a seat. Anywhere on
17 that table is great. And you may also need your laptop.

18 (Pause in the proceedings.)

19 JUDGE HOWARD: Mr. Gose, if you would please
20 turn on your bench microphone, and if you would raise
21 your right hand I will swear you in.

22 Do you swear or affirm the testimony you'll
23 give today is the truth, the whole truth, and nothing
24 but the truth?

25 THE WITNESS: I do.

1 JUDGE HOWARD: All right. Thank you.
2 Please introduce the witness and tender them
3 for cross.
4 MR. SHERR: Of course.
5 Good morning, Mr. Gose. Could you state and
6 spell your name for the record, please?
7 THE WITNESS: My name is Peter Gose, last
8 name spelled G-o-s-e.
9 MR. SHERR: Do you have before you what has
10 been -- exhibits that have been marked Exhibit PJG 1T
11 through PJG 29?
12 THE WITNESS: Yes.
13 MR. SHERR: And is that your direct
14 testimony and accompanying exhibits?
15 MR. GOSE: Yes.
16 MR. SHERR: Okay. Were these prepared by
17 you or at your direction?
18 THE WITNESS: Yes.
19 MR. SHERR: Do you have any corrections to
20 those exhibits?
21 THE WITNESS: Yes.
22 MR. SHERR: What is -- what corrections do
23 you have?
24 THE WITNESS: If you'll turn to page 4.
25 MR. SHERR: Of which document?

1 THE WITNESS: PJG 30 T.

2 MR. SHERR: Okay. We haven't gotten there
3 quite yet. We're on your direct testimony.

4 THE WITNESS: Okay.

5 MR. SHERR: So with regard to your direct
6 testimony and exhibits, do you have any corrections?

7 THE WITNESS: No corrections on direct
8 testimony.

9 MR. SHERR: And were those exhibits -- and
10 are those exhibits true and correct to the best of your
11 knowledge?

12 THE WITNESS: Yes.

13 MR. SHERR: Having predicted our next
14 testimony, can you please take a look at Exhibits PJG
15 30T which is entitled Settlement Testimony, and
16 accompany exhibits PJG 31 and 32?

17 THE WITNESS: Yes, I have it.

18 MR. SHERR: And that is your settlement
19 testimony; correct?

20 THE WITNESS: Correct.

21 MR. SHERR: Was that prepared by you or at
22 your direction?

23 THE WITNESS: Yes.

24 MR. SHERR: Do you have any corrections to
25 that testimony?

1 THE WITNESS: That I do.

2 MR. SHERR: Okay. On what page?

3 THE WITNESS: If you'll turn to pages 4
4 and 5.

5 MR. SHERR: Okay. Go ahead.

6 THE WITNESS: The table there, and the
7 numbering in the table is off. And in order to correct
8 that, I would need to refer back to the --

9 MR. SHERR: When you say "the numbering,"
10 are you talking about the AFOR section column?

11 THE WITNESS: Correct. AFOR section column.

12 MR. SHERR: Okay.

13 THE WITNESS: And I would correct that and
14 refer back to attachment A of the full Multiparty
15 Settlement Agreement. And in the table on page 4 and 5,
16 the provisions for the AFOR No. 1 begins with a number
17 listed item, alternative form of regulation. That did
18 not appear in the table on page 4 and 5. So the
19 numbering is off by one. So what is labeled No. 1 in
20 the AFOR section column should be labeled No. 2 and so
21 forth all the way down through what is labeled on page 5
22 in the AFOR column as Section 8 should be Section 9.

23 MR. SHERR: Okay. So just to be clear, what
24 has been on page 4 and 5 of Exhibit PJG 30T in Table 1,
25 the AFOR sections that are listed 1 through 8 should

1 actually be 2 through 9?

2 THE WITNESS: Correct.

3 MR. SHERR: Okay. Do you have any other
4 corrections?

5 THE WITNESS: No.

6 MR. SHERR: Okay. With those corrections,
7 is the testimony true and correct to the best of your
8 knowledge?

9 THE WITNESS: Yes.

10 MR. SHERR: The testimony having been
11 admitted, Mr. Gose is available for cross-examination.

12 JUDGE HOWARD: Thank you. And public
13 counsel indicated 60 minutes estimated for cross for
14 this witness. I would just -- Mr. Gose, I would
15 encourage you because our bench microphones have such a
16 short range, to bring it more in front of you. That
17 should work well.

18 Mr. O'Neill, you may proceed.

19 CROSS-EXAMINATION

20 BY MR. O'NEILL:

21 Q. Good morning, Mr. Gose.

22 A. Good morning, Mr. O'Neill.

23 Q. You have in front of you the testimony in
24 support of the settlement PJG 30T. It's also been
25 designated PJG 34X for cross --

1 A. Yes.

2 Q. Can you turn to page 2 of that document as
3 denoted in the lower right?

4 A. I'm there.

5 Q. Actually, I'm sorry. Page 1. It starts on
6 page 1.

7 You testified that the settlement represents
8 "a delicate balance of compromise that recognize the
9 vibrancy of the competitive landscape in Washington,
10 removes some regulatory burdens, CenturyLink, and
11 preserves or adds protection for Washington consumers
12 with the fewest service alternatives." Have I read that
13 correctly?

14 A. Correct.

15 Q. You would agree that the commission here is
16 faced with the choice between lessening the regulatory
17 burden on the company and protection of Washington
18 consumers who have less access to alternatives; is that
19 correct?

20 A. That's a fair characterization, yes.

21 Q. And you understand that the primary component
22 of the settlement that will be the focus of the
23 testimony is Subsection 9 which is the discontinuation
24 provisions; correct?

25 A. Yes.

1 Q. Okay. Have you quantified the burden -- the
2 administrative burden that will be saved if this
3 settlement is adopted?

4 A. Can you be a little bit more specific with what
5 you refer to as quantification?

6 Q. How much money is CenturyLink going to save if
7 this settlement is approved?

8 A. That -- I have not undertaken that effort.

9 Q. In the next sentence you go on to identify two
10 statutes, RCW 36.135 and 300. You're not a lawyer; is
11 that correct?

12 A. Correct.

13 Q. But you would agree that those are the
14 governing statutes that determine this matter?

15 A. Yes.

16 Q. Okay. Let's -- if you could turn to page -- at
17 the bottom of page 2, line 17 to 19. You write: "The
18 needs to relitigate whether Century has a monopoly power
19 (imposes significant burdens and costs on both the
20 company and the -- and the commission.)" Have I read
21 that correctly?

22 A. You have, yes.

23 Q. Can you identify how much money CenturyLink
24 incurs when it comes in for an AFOR?

25 A. Well, I haven't specifically quantified that.

1 There are certainly all the internal personnel that are
2 involved and then external assistance as well such as
3 Dr. Weisman who was with us today. Another.

4 Q. Now, that burden will be satisfied by the
5 adoption of an AFOR that has the five year -- well, it's
6 not expired; correct? I mean, the issue of litigating
7 whether or not to have an AFOR will be resolved with
8 that provision; correct?

9 A. I'm not certain I understood that question.
10 Could I ask you to repeat it? I apologize.

11 Q. Sure. You've identified the burden of having
12 to come in and prove that you're competitive or that
13 you're either a competitive -- need to be competitively
14 classified or that you need a specific AFOR. And that
15 burden will be satisfied by the provision in this
16 settlement of an indefinite period with a five-year
17 lockout; correct?

18 A. Five year or possibly, you know, longer if
19 no -- neither party came in. So yes, the burden to
20 undertake all those expenses and all that effort could
21 be shifted a little further into the future, thus
22 economizing for not only the company but also the
23 commission as well.

24 Q. So that benefit could be obtained without
25 Section 9 of this provision -- of this settlement;

1 correct?

2 A. Potentially.

3 Q. Okay. If you could turn now to page 25 of your
4 testimony. Again, lower right corner is the --

5 A. 25?

6 Q. 2-5, correct.

7 A. I'm there.

8 Q. In the middle of the page starting at around
9 line 10 you write: "To the extent that CenturyLink is
10 compelled to expend hundreds of thousands or millions of
11 dollars on the uneconomic replacement of legacy
12 technologies, for example, moving facilities at great
13 cost to accommodate a road move when very few customers
14 are even served by facilities, CenturyLink has less
15 capital to focus on expanding its high speed fiber
16 infrastructure." Did I read that correctly?

17 A. Yes.

18 Q. Now that is the real issue that CenturyLink
19 wants in this settlement to address, which is your
20 ability to discontinue service where the burdens of
21 maintaining an infrastructure outweigh the benefits of
22 an amount of money that you can extract from the
23 customers; correct?

24 A. The rationale there is what some degree of
25 regularity, the road moves discuss in their -- in the

1 testimony occur and -- those requirements occur and the
2 necessity to spend tens if not hundreds of thousands of
3 dollars to ensure that people on legacy copper retain
4 their service. There may be three, four, five customers
5 that are -- so say there's five and it's a \$250,000
6 project, the company will have just spent \$50,000 per
7 location to keep that customer on. And if that's the
8 absolutely only alternative in that location, that will
9 happen.

10 But the company seeks the ability, if this
11 commission should permit it, to allow the company to
12 consider the use of alternative sources, intramodal or
13 intermodal, to bring service to that customer and then
14 that \$250,000 or whatever the price tag might be for a
15 particular project could be expended to ultimately bring
16 fiber and high-speed broadband facilities to locations
17 within the state.

18 Q. And to be very specific, you're asking for
19 permission to discontinue without UTC oversight in
20 certain circumstances; correct?

21 A. In some, but not all; correct.

22 Q. In the last or the last two years, let's say
23 2023 and 2024, how many road moves have you engaged in
24 that would justify that, you know, CenturyLink would
25 come to the commission because it was uneconomic?

1 A. I don't have that figure with me today, but I
2 could certainly provide it.

3 Q. Do you have an estimate?

4 A. No.

5 Q. Is it more than one?

6 A. Likely so.

7 Q. More than five?

8 A. At this juncture, this is just -- would be
9 speculation, conjecture on my part, so --

10 Q. You don't know, in other words?

11 A. Correct.

12 Q. Okay. You indicate here that you are
13 attempting to expand high-speed fiber networks; is that
14 correct?

15 A. I'm having difficulty hearing. Can you repeat
16 that?

17 Q. You are intending to replace your copper
18 technology with high-speed fiber connections; correct?

19 A. The company is certainly engaged in that type
20 of activity today. But to do it far and wide
21 ubiquitously is -- will be a long and very
22 capital-intensive process.

23 Q. Have you applied for or received any federal
24 funding for that project?

25 A. Yes.

1 Q. One option in the case of a need to replace
2 copper wire or to move a wire center would be to replace
3 it with fiber cable rather than the legacy technology.
4 Have you explored that approach in Washington?

5 A. Again -- and I apologize -- my hearing's not
6 good this morning. You said to replace fiber with --
7 I'm sorry, to replace legacy copper?

8 Q. Right. So for example when you got a \$250,000
9 road move, one option would be to replace the copper
10 with your fiber internet at that time. Have you
11 explored the feasibility of that approach?

12 A. That's not the area of the company in which I
13 serve, but I would presume that our planning and
14 engineering functions would certainly do that.

15 Q. Okay. I'd like to now shift focus to a
16 discussion of the process that you and staff have
17 negotiated for ensuring that there's reasonable
18 alternatives when the company discontinues service
19 without UTC oversight. If you could turn to page 13 of
20 your testimony.

21 A. I'm there.

22 Q. Beginning on page 13 and going on to page 14,
23 you describe four steps that CenturyLink is going to
24 pledge itself to in order to justify no UTC oversight;
25 correct?

1 A. Correct.

2 Q. The first step would be for CenturyLink to
3 determine the precise boundaries of an area in which it
4 seeks to discontinue service; is that correct?

5 A. Yes.

6 Q. What criteria will CenturyLink apply to
7 determine where to discontinue service?

8 A. At this juncture, I haven't been a party to any
9 discussion whatsoever with respect to criteria because
10 in all likelihood, I would not be the one making the
11 decision.

12 Q. Do you know what criteria CenturyLink will
13 apply in making that determination?

14 A. I do not.

15 Q. Do you know whether it would take into account
16 the rural or urban nature of the area?

17 A. It potentially could. But again, whether
18 that's one specific criteria box to be checked, I can't
19 answer that today.

20 Q. In any case, this settlement does not require
21 CenturyLink to make such a determination before deciding
22 on a discontinuance; correct?

23 A. Are you referring to that distinction between
24 urban and rural in your question?

25 Q. That's correct.

1 A. Well it may not require that distinction. The
2 safeguards that are built into this process -- and it's
3 a lengthy one -- would, you know, certainly cover that,
4 whether it's a rural or an urban location.

5 Q. In this first step, you provide an example of a
6 \$250,000 road move and four customers --

7 A. Okay.

8 Q. -- and then you indicate approximately paying
9 \$50 a month, so that's \$200 a month for a \$250,000 move.
10 Do you have any kind of threshold or criteria for what
11 the delta has to be before a move is uneconomic?

12 A. The only information that I have been privy to
13 is that within the financial organization of our
14 company, we have specific periods in which we would like
15 to see a recruitment of that investment over a number of
16 years. What those numbers of years are, I don't know.

17 Q. Does CenturyLink currently have any plans to
18 discontinue service to any areas as defined in this
19 testimony in Washington State?

20 A. To the best of my knowledge, I have never had
21 anyone raise that subject with me ever at any time.

22 Q. Does CenturyLink have plans for discontinuing
23 in the future, so let's say the next three to five
24 years?

25 A. Again, I've -- that's, you know, potentially

1 asking me to speculate. I will suggest that as you I
2 think alluded to with Dr. Weisman, that there were a
3 number of federal grant programs made available and
4 that -- it may have been in your opening statement -- as
5 much as, you know, 1.7 billion dollars coming into the
6 State of Washington. And as those dollars flow and the
7 Washington Broadband Office does apportion those to some
8 grantees who will push broadband services deeper into
9 the network in the state, the potential for legacy
10 CenturyLink copper services to be overbuilt by
11 competitors exists. And should that happen at some
12 juncture in the future, instead of maintaining two
13 networks, you know, we don't need two fibers to the
14 farm, and so there could be a potential where another
15 competitor who brings high-speed fiber internet services
16 comes where we have older legacy copper and may no
17 longer make sense to maintain two networks in that
18 location.

19 Q. And I guess the question for this commission is
20 whether we should wait for that replacement to be in
21 place before discontinuing or whether there are certain
22 circumstances where we cannot wait; right?

23 A. I don't know if I entirely agree with that
24 premise because there may already be other alternatives
25 in some locations today in addition to the new services

1 that may come in the future.

2 Q. The second step that you engaged in is that the
3 company will consult with the FCC's broadband data
4 collection, or BDC data, as well as with wireless
5 availability data, and I presume that's commercially
6 available wireless availability data?

7 A. I apologize, can you repeat that again, please?

8 Q. Sure you're going to consult BDC data --

9 A. Correct.

10 Q. -- and wireless availability data?

11 A. Which is contained within the BDC data.

12 Q. Correct. And that data you will use to
13 determine whether or not there's an alternative;
14 correct?

15 A. That in addition to a robust method of
16 initially taking that data and then consulting with any
17 potential customer that might be identified to ensure us
18 that what the BDC data imparts is actually true and
19 correct at that location.

20 Q. Well that's the third step that you describe
21 here, which is you will reach out to each existing
22 customer in the discontinuance area with three things:
23 A letter, an e-mail, and a phone call. Correct?

24 A. Correct. To the extent that we have a working
25 e-mail for the customer.

1 Q. Correct. And the phone presumably will be the
2 line that you maintain for them and you will, you've
3 indicated, leave a voicemail. Is the phone call going
4 to be a person or is it going to be a robo-call?

5 A. Certainly be a person.

6 Q. Okay. That will give the consumers the
7 opportunity to indicate that they don't believe that
8 they do have reasonable alternatives or that they do and
9 they understand why you're leaving and they might
10 complain, but as long as they have availability that's
11 what you're checking for?

12 A. Yes.

13 Q. The fourth step would be an enhanced notice to
14 the consumers as well as sharing data with staff and
15 public counsel; correct?

16 A. Correct.

17 Q. And the idea behind that notice to staff and to
18 public counsel is, that would allow those entities to
19 check your -- your data and to object, presumably;
20 correct?

21 A. That's correct.

22 Q. How much time before -- or how much time will
23 you give the staff and public counsel before the
24 discontinuance occurs?

25 A. I think once we ever get to that juncture, and

1 again, I think the likelihood of that in my personal
2 belief is very, very slight. But if we ever did get
3 that far down the road in terms of time given, I think,
4 you know, an informal procedural schedule would probably
5 be agreed to at that juncture.

6 Q. How much time are you going to give them before
7 you initiate the FCC discontinuance 214 process?

8 A. As I sit here today, that's not something I've
9 contemplated. But again, that amount of time can
10 certainly be negotiated.

11 Q. That's not part of the settlement currently?

12 A. We do have a 45-day period from the time that
13 we do make contact with the customer to give them an
14 opportunity to reach back out to the company with their
15 response.

16 Q. I think that's in your third step. I'm talking
17 after you've decided to discontinue without UTC
18 approval, do you know how much time you're going to give
19 staff and public counsel to review your work?

20 A. I'd like to, I just -- I don't have an answer
21 for you as I sit here today.

22 Q. Is this process that you've agreed to in the
23 settlement any different than the process you would
24 engage in if you were to seek UTC approval for a
25 discontinuance?

1 A. I didn't catch that word you said. What type
2 of approval?

3 Q. Is the process that you just described in this
4 settlement any different from the process that you would
5 engage in before seeking UTC approval of a
6 discontinuance?

7 A. I thought you said ETC, so I beg your pardon.

8 I -- largely they would be one in the same,
9 I would think.

10 Q. How much time or expense does this process cost
11 CenturyLink?

12 A. It'll be -- the cost will be fairly substantial
13 because if we go back to Step 1 and walk all the way
14 through it, that, you know, kind of initial analysis of,
15 you know, a potential area for discontinuation will
16 require, number one, the identification of it, number
17 two, a very close scrutiny and analysis of each and
18 every customer living unit within that geographic
19 boundary, if you will, of the area for discontinuance,
20 and then performing those studies, reaching out to the
21 customer by phone call, via e-mail, and etcetera, and
22 then just kind of stepping through that process. As I
23 sit here today, I don't have a precise quantification, a
24 number for you, but the process is very thorough, it
25 requires a lot of home working on the company's part,

1 and would not be without some price tag.

2 Q. Would you agree with me that the company's
3 incentive to be thorough in that process would be
4 greater if there were a formal UTC filing that had to be
5 made?

6 A. I don't know that I do. I would say no because
7 if the company is seeking to discontinue a small
8 location, small geographic area, in order for the
9 request to pass muster in the first instance, the
10 company is going to do its homework, we're going to be
11 extremely thorough.

12 Q. Do you have -- the settlement doesn't indicate
13 this. Do you have an understanding of what challenge
14 rights consumers would have if they simply disagreed
15 with your decision to disconnect? Let's say there is
16 reliable cell service but for some reason they believe
17 that's not appropriate to the area. What challenge
18 rights would they have under this settlement?

19 A. The challenge rights, one of the items that we
20 have listed and will have on the notice is that the
21 consumer can approach the public counsel unit and all
22 that contact information will be included there. And
23 they can make their case that they believe that to be a
24 correct scenario, and through the powers that are
25 invested in the unit in which you work, you can help the

1 customer to assert those rights if need be.

2 Q. Where does the settlement envision public
3 counsel or UTC staff that UTC staff also can receive
4 complaints and advocate on behalf of consumers, where
5 would they challenge a decision to disconnect that meets
6 the criteria listed in the settlement?

7 A. Again, we would -- the public counsel unit
8 challenge?

9 Q. That's correct. What the venue?

10 A. Again as I testified earlier, I'm not an
11 attorney, so that -- in my estimation, it requires a
12 legal conclusion which I'm not prepared or qualified to
13 give.

14 Q. It's not described in the settlement, in any
15 case?

16 A. Not to my knowledge, other than in a multiparty
17 settlement in the notice therein, it, again, lists how
18 the customer can contact the public counsel unit. But
19 beyond that and how the public counsel unit might
20 proceed with any customer contact they have, I don't
21 know that that was contemplated.

22 Q. Let's turn now to data. You -- there is a data
23 source out there CostQuest, it's also Fabric Broadband
24 Data; is that correct?

25 A. Correct.

1 Q. And I'm going to -- this is a situation where
2 I'm going to ask you not to talk about numbers
3 because --

4 A. Understood.

5 Q. All right. In the quote that you cite to in
6 your testimony which is on page 15, if you need to refer
7 to it, you indicate that quote is for the Fabric data,
8 CostQuest data, for all of the ILEC states in which
9 CenturyLink currently operates?

10 A. That's my understanding, yes.

11 Q. Did you explore with CostQuest whether there
12 was a cheaper price for Washington specific, CostQuest
13 data?

14 A. At the time of construction of the testimony,
15 no. Since that time, we have reached out to CostQuest
16 for that information, and to this juncture they've been
17 nonresponsive so I don't have a number for you at this
18 time.

19 Q. Do you know -- and again, don't say numbers.

20 Do you know how much staff paid for the --
21 their access to CostQuest?

22 A. I've heard Mr. Bennett make reference to that,
23 but that number escapes me right now. I do know that on
24 occasion, CostQuest will afford different rate
25 structures for industry versus state government, so what

1 was provided or what staff -- the pricing that staff
2 provided might be different than what industry may be.

3 Q. Is there a threshold at which the access to
4 CostQuest data will no longer be cost prohibitive? So
5 let's say using the number, is it one-fourth of what is
6 listed there or one-half where it would no longer be
7 cost prohibitive?

8 A. Again, that's a difficult question to answer,
9 and I'm not trying to be evasive. But let's for the
10 sake of argument say it's one-fourth. So you and I can
11 kind of do the mental math of what that is. If I have
12 to purchase that for five years of the term of the
13 present AFOR, in each of five years that's more than the
14 amount today. That's a cost prohibitive number.

15 Q. Okay. So we roughly know not to refer to the
16 number, but if you get up to that number that's listed
17 in your document, whether it's over one year or over
18 five years, that's too much?

19 A. Again, as I -- that's not a final decision that
20 I can make for the company, but I -- in my estimation, I
21 would believe the answer to be yes today.

22 Q. Okay. Can you -- I'm now going to talk a
23 little bit about CenturyLink's staffing. Can you turn
24 to what's been designated as Exhibit 33X, PG -- I'm
25 sorry. PJG 33X, which is your testimony in case

1 UT 240029. Do you have that in front of you?

2 A. I do not.

3 Q. Okay.

4 A. What's -- oh.

5 MR. SHERR: Counsel, is that his direct
6 testimony in this case?

7 MR. O'NEILL: No. This is direct testimony
8 in -- it's 33X, direct testimony in UT 240078.

9 MR. SHERR: Counsel, I apologize. I read
10 that as his direct testimony in this case, and the
11 witness may not have a copy of that in front of him.

12 THE WITNESS: I do not.

13 MR. O'NEILL: Okay.

14 MR. SHERR: Apologies.

15 MR. O'NEILL: That's all right. I will
16 attempt to screen share because that is an option when
17 I'm remote. Otherwise, I would hand out a copy. I am
18 not there, and I apologize.

19 MR. SHERR: And I apologize for the
20 inconvenience.

21 JUDGE HOWARD: Mr. O'Neill, feel free to
22 share your screen. And if that is not sufficient, we
23 can wait a moment for the witness to receive a copy of
24 that, perhaps by e-mail.

25 MR. O'NEILL: I can send an e-mail

1 immediately as well. But let me try the share screen.

2 I'm going to too zoom in because I'm
3 assuming you can't read that at that level?

4 THE WITNESS: Correct.

5 BY MR. O'NEILL:

6 Q. Can you see that this is your direct testimony
7 in 240029?

8 A. Yes.

9 Q. Okay. This is a penalty proceeding related to
10 phone call response times by CenturyLink. Does that
11 sound right to you?

12 JUDGE HOWARD: Mr. O'Neill, I hate to
13 interrupt, but I believe this is -- the first page
14 refers to the present docket number, but I believe the
15 exhibit itself is from UT 0078, I believe.

16 MR. O'NEILL: Yes. I see -- and that's --
17 it should be on your screen now if you want to look at
18 that number.

19 BY MR. O'NEILL:

20 Q. Are you able to see that?

21 A. I can see it, yes.

22 Q. Okay. What I'm interested in -- I'm not
23 interested in this proceeding, I'm interested in some
24 testimony that you gave in this matter on page 10 of
25 that, and I'm going to scroll down to that page. Do you

1 see we're on page 10 here?

2 A. Yes.

3 MR. O'NEILL: Let me make sure I have the
4 right number and page.

5 COMMISSIONER RENDAHL: Mr. O'Neill, this is
6 Commissioner Rendahl. Are you on page 10 of the PDF
7 document or page 10 of the original testimony?

8 MR. O'NEILL: Page 10 of the original
9 testimony.

10 COMMISSIONER RENDAHL: Okay. Thank you.

11 BY MR. O'NEILL:

12 Q. In the middle of that -- hold on one second.

13 In the middle of this page starting at
14 line 16 -- and I'm going to highlight it so that you can
15 see what I'm looking at -- you write: "Likewise just
16 like any other business must, CenturyLink must maintain
17 staffing levels accounting for declining subscribership,
18 revenues, and resources." Did I read that correctly?

19 A. Yes.

20 Q. Is that statement true in this proceeding as
21 well?

22 A. Let's take that one at a time. So in the
23 context of the key performance indicators testimony
24 here, that's certainly a necessity when you staff seats
25 in a call center, you don't want people to sit there

1 unutilized and incurring costs without calls coming in
2 to handle. In the context of this particular matter,
3 I'm not -- I'd like you to be a little more specific
4 with the question what you mean with respect to that.

5 Q. Sure. I'm going to -- if you go down to the
6 very last line that starts here: "The company has had a
7 great" -- and I'll go on to the next page -- "deal of
8 staffing changes and downsizing (in all departments) and
9 has from time to time struggled to address every concern
10 and inquiry raised by every public utilities commission
11 in a preferred timeframe. Staffing levels are very
12 tight, and this assignment fell through the cracks."
13 Did the I read that correctly?

14 A. You did.

15 Q. Is it true that CenturyLink has had a great
16 deal of staffing changes and downsizing in all
17 departments?

18 A. Yes.

19 Q. I'm going to scroll down now to page 13 of the
20 document as denoted in the lower right corner, and I'm
21 going to direct your lines -- your attention to line 15
22 here where you testify: "As discussed above,
23 CenturyLink is short staffed, one attorney, one
24 paralegal, legal assistant, and I are responsible for
25 the regulatory affairs for Washington in addition to

1 numerous -- numerous other states. As noted above, I
2 have compliance responsibility for over 26 ILEC and CLEC
3 states. This is not offered as an excuse but merely as
4 the reality we face with overwhelming competition,
5 diminished reviews, and reduced staffing." Did I read
6 that correctly?

7 A. Did you say diminished reviews or revenues?

8 Q. Revenues. Excuse me. Revenues.

9 A. With that, you did correctly, yes.

10 Q. Is that true, that CenturyLink has diminished
11 staffing in its regulatory compliance, it's just you,
12 Mr. Sherr, and one legal -- paralegal for multiple
13 states?

14 A. That is correct.

15 Q. What protections in this settlement agreement
16 are there that CenturyLink won't experience the kind of
17 staffing shortage that caused the other proceeding
18 related to call times?

19 MR. SHERR: Objection as to relevance.

20 JUDGE HOWARD: I'll allow the question.

21 A. With that, Mr. O'Neill, could I trouble you to
22 repeat it, please?

23 Q. Sure?

24 What assurance in this settlement agreement
25 do we have that given the staffing shortages that you

1 have, that CenturyLink will maintain sufficient staffing
2 to do a thorough job when discontinuing without UTC
3 approval?

4 A. Thank you.

5 So in the first part of the question, I
6 understood you to say that as it had happened in the
7 call -- in the matter of the call time case, we had one
8 individual assigned to get those answers to staff as
9 requested who left the company. He was not replaced.
10 And so that, without question, simply did fall through
11 the cracks. Regrettable, but that's how it is.

12 In regard to this issue -- and again, I
13 think we're talking about the likelihood of something
14 that may rarely, if ever, occur. And when it does, if
15 it does, that all required resources would be devoted to
16 make certain that it is done with care, with
17 consideration, and compassion for any subscriber that
18 could potentially be impacted.

19 Q. It's possible that Mr. Sherr -- I'll convince
20 Mr. Sherr to come join me in the public counsel and
21 fight for the good fight, correct, and he won't be here
22 next year and someone else will have to replace him.
23 What assurances -- given the constraints that you're
24 facing with staffing, with expensive legacy copper
25 network that you will have sufficient staffing to allow

1 for discontinuance without UTC oversight?

2 MR. SHERR: I'm going to object that the
3 question has been asked and answered.

4 JUDGE HOWARD: I'll allow it.

5 A. In terms of assurances, I can tell you that I
6 have opined loudly within the company that, yeah, this
7 could potentially be unsustainable, and I am in the
8 process right now of seeking to hire some additional
9 people to bring us back to a full strength playing team.

10 Q. Do you know when you will hear back from the
11 company, whether they're going to provide those
12 resources?

13 A. I am very hopeful that before the end of the
14 third quarter of this year, if not before.

15 Q. Okay. Now I want to contrast this a little bit
16 with the process in this particular case where there was
17 a full and fulsome investigation by UTC staff, by public
18 counsel, full investment by CenturyLink in examining the
19 market in Washington, etcetera.

20 In this case, you filed this original
21 petition -- well, you first contacted the parties about
22 this more than a year ago; is that correct?

23 A. I would think it was almost more than two years
24 ago, actually, when first conversations began to occur.

25 Q. And then you filed this petition seven months

1 ago, and since then we've engaged in formal discovery;
2 correct?

3 A. Correct.

4 Q. There have been multiple discussions that you
5 and I have had, that we've had with staff; correct?

6 A. Agreed.

7 Q. Now the original filing included data from
8 Broadband Data -- the BDC data and an argument that
9 there was sufficient competition in all of Washington to
10 justify a competitive classification; is that correct?

11 A. That is correct. And even prior to that, I
12 constructed a pretty thorough analysis using something
13 other than BDC first using a data source called
14 broadbandnow.com and went through all 221 wire centers
15 that the company has ZIP Code by ZIP Code for each of
16 those wire services. Took a couple months to take
17 place. That gave us a really good sense of the existing
18 state of affairs of competition in Washington. But the
19 BDC data was passing or granular, more reliable because
20 it withstands a challenge process from the carriers.
21 And so that was that data that we used to underpin this
22 analysis, the BDC data.

23 Q. And this petition that you filed here in
24 Washington is similar to one that you filed in Utah;
25 correct?

1 A. I have not filed anything in Utah.

2 Q. Okay. The company hasn't filed -- Qwest hasn't
3 filed a petition asking for similar relief in other
4 states?

5 A. That's my understanding. Utah is not one of
6 the states in which I have compliance oversight.

7 Q. Okay. In any case, can you quantify the amount
8 of time, energy, and investment that CenturyLink put
9 into this because of the formal process that we are now
10 engaged in?

11 A. The energy and the resources that were devoted
12 to this, really, as I mentioned a moment ago began long
13 before this formal process with that broadbandnow.com
14 analysis off and on for days over the course of two
15 months. So I sat at my computer and looked at that
16 because I didn't know and I wanted to understand it, so
17 I went through that.

18 When they -- excuse me. When the
19 broadband -- I'm sorry when the BDC data came out, our
20 business intelligence and geospacial folks, we tasked
21 them with taking that data and helping us look at it to
22 determine how many competitors we had wire center by
23 wire center for both intra and intermodal competitors
24 throughout the state. But it's been substantial.
25 Again, when you ask how much or -- I can't attach or

1 quantify a dollar figure precisely to it.

2 Q. Would you agree with me that CenturyLink has
3 spent more than a hundred hours, probably hundreds of
4 hours, really, on this proceeding?

5 A. This proceeding. That's probably fair, I would
6 agree.

7 Q. Do you have any sense of the number of hours
8 that public counsel or the UTC staff has spent on this
9 proceeding to get where we are today?

10 A. I would say it's, you know, equal, possibly
11 greater.

12 Q. And now that we are sitting here after this
13 long process, you would agree that we have a much better
14 understanding of the facts in Washington state than we
15 did when we started this process; correct?

16 A. I think we improved our datasets and our
17 understanding of them day by day, yes.

18 Q. And the good faith negotiations in trying to
19 draw the line between areas where there isn't
20 competition and is competition has been productive,
21 would you agree with me?

22 A. Yeah. I would say the, you know, work that
23 we've all done together, staff, public counsel, the
24 commission has been, you know, very cooperative, in good
25 faith and very productive.

1 Q. And while it was, perhaps, cumbersome, this
2 process has achieved the goal of getting closer to the
3 truth; correct?

4 A. Can you define "the truth"?

5 Q. The true state of affairs in Washington when it
6 comes to CenturyLink and its telecommunication
7 competitors.

8 A. I'll agree with that.

9 Q. Let's talk a little bit about the FCC process
10 which is the backup kind of here for approval.

11 You have to get approval by the UTC and FCC
12 for discontinuation; is that correct?

13 A. Correct.

14 Q. And that's section 214, FCC 214; correct?

15 A. That's my understanding where the process lies
16 and is defined.

17 Q. Do you know what the criteria is that the FCC
18 applies when deciding to grant or not grant a
19 continuance?

20 A. I do not. That if a discontinuance process was
21 ever sought in that, that would likely go through an
22 entirely different legal team or group within our
23 company, wouldn't be state, it would be a federal
24 regulatory legal team.

25 Q. Do you know whether the factors considered by

1 the federal government overlap with the factors
2 considered by the UTC?

3 A. Again, because I'm not familiar with the
4 entirety of the 214 process at the FCC, I can't give a
5 precise answer to that question.

6 Q. Okay. Let's turn now to page 21 of your
7 testimony in support of -- in support of the settlement.

8 A. I'm there.

9 Q. This is the Yacolt example that you provided in
10 your testimony; right?

11 A. Correct.

12 Q. I happen to be from that area of Washington, so
13 I didn't know if you chose that for that purpose, but I
14 know of the areas.

15 A. I did not know that.

16 Q. And if you look at the figure 5 which is
17 actually on page 22?

18 A. Yes, I'm there.

19 Q. This is a -- that's a screenshot of the BDC
20 data which these little hexes, right, where cell phone
21 service, according to their data, is sufficient and then
22 the kind of gray hexes are where it isn't; correct?

23 A. Generally, I agree with that. You said -- you
24 mentioned cell phone service. What this is depictive of
25 is mobile broadband data. But I agree with you where

1 there's mobile broadband, there's more than likely the
2 likelihood that there's also cellular voice data as
3 well.

4 Q. So the example that you picked was kind of a
5 liminal one, you've got three homes that are in a hex
6 and then if you continue down that road which happens to
7 follow a river into a gorge, there isn't mobile
8 broadband service; correct?

9 A. That is correct. Though the -- and this
10 comes -- screenshot came from the FCC's broadband map,
11 and the FCC broadband map depicts two things. You can
12 either find fixed broadband or mobile broadband.
13 However within the FCC's datasets that underpin this,
14 the mobile voice can be discerned as well, it just can't
15 be picked up with the publicly available FCC broadband
16 data.

17 Q. Have you been to this area of Washington?

18 A. No, I have not.

19 Q. Do you know anything about the topography of
20 this particular road?

21 A. I worked -- prior to including this example, I
22 went to Google Earth, so I believe it's forested and the
23 topo lines on the map would suggest that it's not flat.

24 Q. Right. It's a river gorge; right?

25 A. Uh-huh.

1 Q. Okay. And that could explain why there's
2 mobile broadband coverage except along that mobile
3 gorge; correct?

4 A. That's certainly a possibility.

5 Q. Do you know that, by the way?

6 A. Do I know?

7 Q. Do you know -- did you -- you didn't go through
8 the process of calling all these people to see if they
9 had mobile service, did you?

10 A. I didn't, though I pulled the addresses. When
11 you click on each of those points in those hexagon
12 polygons in there, it does populate an address, and I
13 did gather all the addresses for every location in there
14 and went through to determine whether or not they are a
15 current CenturyLink subscriber.

16 Q. How much time did you spend in putting together
17 this example?

18 A. Identifying the screenshot, less than 5
19 minutes, probably took me 10 to 15 to click on each of
20 the ones in the polygons or the hexagons there and
21 dropped them into an Excel document. And then I
22 provided that Excel file to my business intelligence
23 folks who went through to determine whether or not
24 they're a current CenturyLink customer. So I would say
25 less than an hour.

1 Q. It took you less than an hour to identify an
2 area in Washington, to pull the data that you then
3 presented in this testimony?

4 A. That's fair.

5 Q. Is that an approximate number that we could use
6 for the first step of your process?

7 MR. SHERR: I'm going to object that it
8 calls for speculation.

9 JUDGE HOWARD: I'll allow the question.

10 A. Again, if I refer back to page 134 of my
11 testimony, that first step is to determine the precise
12 boundaries of the areas in which the company might at
13 some point seek a discontinuance --

14 Q. Right.

15 A. -- I think substantially longer than an hour.

16 Q. Do you know how much longer?

17 A. I wouldn't be the person conducting that work
18 in all likelihood, so -- but -- and to access a myriad
19 of different facilities' databases and systems, it could
20 take hours if not days, likely.

21 Q. So even though you were able to put together a
22 fairly compelling example in this testimony, it would
23 take additional time in order to prepare the packet that
24 you're describing in the settlement; is that fair?

25 A. Correct.

1 Q. And that would happen, according to settlement,
2 every time; right?

3 A. Any time there was an area under study for
4 discontinuance, that would be required.

5 Q. Okay. If the commission were to put a limit on
6 the size of a non reviewed discontinuance, what would be
7 the best workable limit for CenturyLink? So in this
8 case, you provided us an example of three houses. If we
9 were to limit it to, say, a hundred homes, would that be
10 workable for -- is there a limit that you would be able
11 to accept?

12 A. In my mind, placing a limit like that at this
13 juncture would be very arbitrary, and I don't know why
14 we would.

15 Q. Is there a maximum number of customers that you
16 would accept as a limit, or is the answer the same, that
17 that would be arbitrary?

18 A. I believe so, yes.

19 Q. And when you say "arbitrary" what you mean
20 there is, you don't know until you look; correct?

21 A. Correct.

22 Q. And in this settlement, there's no maximum
23 limit or size limit to the discontinuance that could be
24 proposed under the settlement agreement; right?

25 A. If I may ask a clarification question. When

1 you say the "size," are you talking about specifically
2 the number of individuals or the geographic unit of
3 measurement that we're studying?

4 Q. This is one of those fun ones where it's both,
5 which is why it's compound and it's a bad question.

6 But, I mean, yes, if we were -- under the
7 current settlement there's no restriction either on the
8 size, meaning geographic size, or on the number of
9 customers.

10 A. So I think an interesting consideration we have
11 to make here is that the larger the size, whether it's
12 number of customers or whether it's the size of a
13 geographic area under study, the far greater of the
14 likelihood that you're going to within that area
15 encounter a challenging customer location. And when
16 that happens, that triggers the company to come to the
17 commission for approval and -- so.

18 Q. And as you just said, until you see it, we
19 don't know, do we?

20 A. Right, correct.

21 Q. Let's shift now to -- we've been talking about
22 the administrative burden, both generally and of this
23 settlement on the company. Now I want to shift to the
24 impact on the consumers.

25 You provided the 2022 National Health

1 Interview Survey Early Release Program data -- updated
2 data in -- in support of your settlement testimony; is
3 that correct.

4 A. Yes. I believe you're referring to Exhibit
5 PJG 31?

6 Q. Yeah. And I've also designated that as PJG
7 35X, but yes. Do you have that in front of you?

8 A. I have PJG 31. What was the second one,
9 Mr. O'Neill?

10 Q. It's the same document, just also designated
11 as a cross --

12 A. Oh, understood. Thanks. I do have that in
13 front of me.

14 Q. And the 35 X is really more for the record so
15 we're clear.

16 A. Understood.

17 Q. If you go down to four lines up from the bottom
18 there, there's a column for a road rather for
19 Washington?

20 A. Right.

21 Q. And if you start from the landline only adults
22 you get -- there's a 1.9 listed there, that's the
23 percentage of Washingtonians who have only access to a
24 landline; correct?

25 A. Correct.

1 Q. And the next column is 2.7 percent, and that's
2 landline, mostly adults; correct?

3 A. Correct.

4 Q. And then the middle one is 6.3 percent which
5 are individuals who are "dual users," which I take it
6 means they use both with some frequency?

7 A. Yes.

8 Q. Okay. I had designated for you PJG 36XC. This
9 is Mr. Webber's testimony. Do you have that?

10 A. I do.

11 Q. And if you turn to page 16 of that document,
12 you will see --

13 COMMISSIONER RENDAHL: Excuse me. Counsel,
14 what page number was that?

15 MR. O'NEILL: Page 16 on the bottom right of
16 Mr. Webber's testimony which is 36X.

17 COMMISSIONER RENDAHL: Thank you.

18 A. I'm on page 16, Mr. O'Neill.

19 Q. You'll see that Mr. Webber performed some
20 calculations on the 2020 version of this survey
21 estimating the numbers of adults who were in these
22 categories. Do you see that?

23 A. Can you assist me with a line number or --

24 Q. Sure. If you look at 16, line 4 through
25 line -- line 13.

1 A. Apologies. I was on page 6-0 instead of 1-6.

2 Q. The problem and flaw of filing large testimony.

3 A. Yeah. I'm there on page 16, lines 4.

4 Q. So do you see where he did some calculations to
5 try to estimate the size or number of Washingtonians
6 that this survey reveals are dependent on land lines?

7 A. Yes.

8 Q. Now, you've provided updated numbers; correct?
9 And if you look at the -- back to the exhibit that you
10 provided, 1.9 is the percentage of Washingtonians in
11 2022 who are landline only; correct?

12 A. That's correct, yes. From 2020 to 2022, that
13 figure went down from 2.3 percent to 1.9, correct.

14 Q. And if you look at Mr. Webber's testimony,
15 you'll see that there are as of 2022's census roughly
16 6,024,689 adults in the state of Washington; correct?

17 A. I see that, yes.

18 Q. So it's just math.

19 Would you agree with me that at one -- I
20 mean, subject to check with a calculator later -- and
21 I've used a calculator -- would you agree with me that
22 this means that even in 2022, there were 114,469 adults
23 that had only a landline in Washington state.

24 A. That's what the numbers would suggest.

25 Q. And that there were 162,666 adults that were

1 mostly landline?

2 A. Again, subject to check, I'm with you.

3 Q. And that there were 379,555 Washingtonians that
4 were dual users; correct?

5 COMMISSIONER RENDAHL: Mr. O'Neill, the end
6 of your question dropped off. So what was the last
7 question?

8 Q. It was: 379,555 Washingtonians who are dual
9 use; correct?

10 A. That particular figure, is that on any of the
11 lines 4 through 15 on page 16?

12 Q. No, no. So that's --

13 A. This is --

14 Q. -- the math --

15 A. Right.

16 Q. -- updated to the new --

17 A. Yeah.

18 Q. -- roughly -- go ahead.

19 A. Again, that math likely works out.

20 THE REPORTER: Gentlemen, y'all are
21 beginning to talk over each other a little bit. Would
22 you be mindful of that, please. Thank you.

23 MR. O'NEILL: That was the court reporter.
24 Sorry.

25

1 BY MR. O'NEILL:

2 Q. If you add up the percentages of mostly
3 landline and landline, it adds up to 4.6 percent;
4 correct?

5 A. Yes.

6 Q. And that roughly squares with the 4 percent
7 market share number that you've identified in your
8 original testimony regarding the petition to be
9 competitively classified; correct?

10 A. Are you referring to where I calculated what I
11 believe to be CenturyLink's market share of voice
12 connections in the state of Washington?

13 Q. Yes.

14 A. While those two numbers, you know, are
15 fairly -- coincide fairly closely, that's not how I got
16 there, but --

17 Q. Okay. Just a coincidence, then.

18 Did you do any analysis to determine where
19 these land lines -- landline only and landline mostly
20 customers are concentrated in Washington?

21 A. I have not.

22 Q. Would you agree with me that it's likely that
23 those landline only customers are generally going to be
24 older? Older Washingtonians?

25 A. I believe that in some of the demographic data

1 that I've seen -- I believe it may have been -- Mr.
2 Webber's testimony -- that that's, you know, certainly a
3 preference for those 65 years and older.

4 Q. And would you agree with me that it's also
5 likely to be concentrated in rural Washington?

6 A. If we're going to use the premise that age
7 dictates, you know, adoption of wireless versus, you
8 know, landline retention, I don't think we can suggest
9 that the aged population of the state is entirely rural.
10 They could be in core Seattle as well.

11 Q. I wasn't inferring that there was a correlation
12 between age and rural, I was just saying that there is a
13 correlation between rural Washingtonians and more
14 reliance on land lines; correct?

15 A. Well, I'll accept your premise. Again, I
16 haven't studied that and can't say with certainty that
17 that is, in fact, the case, but --

18 MR. O'NEILL: Right. I'm now going to play
19 Exhibit 38 X to your testimony. I have tested this with
20 staff, so I hope this will work. You'll hear an audio
21 presentation and I'm going to share screen so you'll
22 also see a video as well. And then I have questions for
23 you after I've played it. Okay? Let me know anybody if
24 the -- if the technology doesn't work.

25 (Video playing.)

1 SPEAKER: This is Joy Margrav (phonetic).
2 (Inaudible.)
3 SPEAKER: Yeah. I'm going to make this real
4 short, but -- and I guess it's concerning Docket
5 UT-240029. And I'm a citizen of rural Klickitat County,
6 I'm 79 years old and living alone, and I've been paying
7 my landline phone service to CenturyLink for 30 years.
8 I don't have cell service at my residence. And if they
9 don't -- if they drop my landline, what would I do in an
10 emergency? And it would be very lonely without being
11 able to talk to my family and friends. So please don't
12 let CenturyLink take my landline away. Thank you very
13 much.

14 (End of video playback.)

15 BY MR. O'NEILL:

16 Q. As you sit here today, do you know whether
17 Ms. Margrav exists in an area where there's a
18 purple-shaded hex on some cell phone EDC data? I'm
19 sorry, mobile wireless data?

20 A. Yes.

21 Q. You do know. Does she?

22 A. I do.

23 Q. Does she?

24 A. She -- she does have commercial mobile radio
25 service or cellular from as many as four carriers in her

1 location.

2 Q. Do you know or can you quantify how much losing
3 her ability to talk to family and friends would mean?
4 Like what's the burden if we were to try to translate
5 into a number so that we can compare it to CenturyLink's
6 administrative burden?

7 A. With apologies, I'm not following the question.
8 Could you rephrase it a little bit, please?

9 Q. Can you value her connection to her family and
10 friends?

11 A. Value her ability to communicate to family and
12 friends?

13 Q. Yeah.

14 A. I -- I -- in my 30-plus years of doing this,
15 I've never been tasked with coming up with that sort of
16 a metric, so -- but, you know, obviously from her
17 comments she makes, it is important, and I don't
18 disagree with her.

19 Q. Did you review the testimony of Mr. Brevitz's?

20 A. Yes.

21 Q. And you're aware that in response to informal
22 data requests, staff has quantified the number of
23 challenging -- consumer challenging locations that would
24 be protected under the current definitions require UTC
25 approval; correct?

1 A. I saw a number in Mr. Brevitz's testimony. I
2 was unable to tie it back to staff analysis.

3 Q. The number was 1,200. Do you have any reason
4 to disagree that that's approximately the number of
5 locations that's protected by this settlement proposal?

6 A. As memory serves, I think it was specifically
7 1,233.

8 Q. I believe that's correct.

9 A. And I think that was the number. I could --
10 looking at the staffs' analysis, I couldn't quite get it
11 back, so it's quite possible it's a typographical error
12 in the testimony. But I don't have any reason to doubt
13 that that number, you know, may be slightly -- the
14 actual number could be slightly higher, could be
15 slightly lower. But for the entirety of the state to
16 have in the neighborhood of 1,000 challenging customer
17 locations isn't surprising.

18 Q. Does that -- or should that cause the
19 commission any angst that there are several hundred
20 thousand Washingtonians that rely on land lines and that
21 this settlement would protect around 1,200 locations?

22 A. I don't believe the commission should have
23 angst because again, we've set up a very robust process
24 to -- you know, that once the company and what I
25 continue to believe to be an unlikely scenario

1 identifies location that, you know, ultimately, it will
2 have to pass muster with the FCC and the 214
3 discontinuance process.

4 But let's say everything in line in that was
5 possible. The commission existence of any challenging
6 customer locations in those areas trigger a number of
7 things, one of which is, you know, seeking commission
8 approval for that. And when we do that, we will be
9 providing all of the information we have gathered to
10 identify any potential customers in those discontinuance
11 areas, and the commission at that juncture will
12 certainly have the ability and authority to, you know,
13 look into that to ascertain whether those customers are
14 receiving adequate protection.

15 So I believe the safeguards that are in
16 place within the constructs of the multiparty settlement
17 should provide the commission with a comfort and
18 assurance that, you know, any potential customers who
19 may be discontinued will be cared for.

20 Throughout this entire process going back
21 more than two years, so many -- almost every one of the
22 stakeholders have, you know, put this forth as a primary
23 concern of protection of customers who may have not have
24 alternatives. CenturyLink has stepped through this
25 process, staff as well, and have been very diligent to

1 make certain that those customers are properly looked at
2 and cared for such that a discontinuance with absolutely
3 no available alternatives within a set of parameters are
4 taken care of.

5 Q. Any time you design a process, what you're
6 really talking about is allocating the risk of being
7 wrong. What happens if we miss somebody? And in that
8 context, how do you weigh Ms. Margrav's ability to speak
9 with her family against your administrative burdens?

10 A. Again, in her testimony at the public hearing,
11 Ms. Margrav mentioned she doesn't have cell service at
12 her location. My personal belief, what she meant by
13 that is, she doesn't subscribe to it.

14 Q. Okay.

15 A. And so if -- you know, let's use this as an
16 extremely unlikely hypothetical scenario that her area
17 in rural Klickitat County where she lives was a
18 consideration. And we approached her through telephone
19 call, through e-mail, if she has it, through notice in
20 the mail and said, you know, CenturyLink is considering
21 this. We believe that you have AT&T wireless, we
22 believe you have T-Mobile, we believe you have U.S.
23 Cellular, and we believe you have Verizon at your
24 location. If we're wrong, please let us know.

25 And if she reached back out to us and said

1 yes, all those four carriers are in our area but to the
2 best of my knowledge they don't work on the hill or
3 wherever I live, we're going to create a ticket, we're
4 going to dispatch a CenturyLink individual to go to
5 those locations to make -- to ascertain that.

6 Q. And if she disagrees, what's her remedy?

7 A. If she disagrees with the --

8 Q. Your assessment that a cell --

9 A. Disagrees with the company's finding that cell
10 service is available?

11 Q. Correct.

12 A. Again, on the notices she receives, her, you
13 know, remedies will, you know, be that she's going to
14 have access to public -- all of public counsel's contact
15 information, and she can contact you and let us know
16 CenturyLink has approached me, and we are -- I don't
17 believe that I have any of these services here, they
18 contend I do. And, you know, it's -- I'll take your
19 phone call, we'll take, you know, anybody from your
20 staff and say, you know, this is what -- help us
21 understand.

22 Q. And?

23 A. Either I'll have that information or I won't.
24 But if I dispatch a technician there to take a
25 measurement of cell phone signal strength in that

1 location, I'll be able to provide that information to
2 you and say, you know, here's the quantitative findings
3 that we did from some tests that we'll all agree upon.

4 JUDGE HOWARD: And Mr. O'Neill, if I could
5 jump in. We're just a few minutes over your estimated
6 cross time for this witness. Do you believe you'd be
7 able to finish in the next minute or two? Do you have
8 some final questions?

9 MR. O'NEILL: I have one last line of
10 questions. Five minutes, max.

11 JUDGE HOWARD: Proceed.

12 BY MR. O'NEILL:

13 Q. I just want to turn now to the other provision
14 of the settlement that is pretty significant which is
15 CenturyLink's agreement to provide automatic credits for
16 outages. And I want to confirm that is with disregard
17 to either force majeure or third-party theft incidents;
18 is that correct?

19 A. That's correct. When -- in a multiparty
20 settlement agreement we have said that on a going
21 forward basis, those credits will be afforded in both of
22 those scenarios.

23 Q. And that's for people who file trouble tickets
24 in an -- where there's been an outage, they'll get an
25 automatic credit?

1 A. When they file a trouble ticket, correct.

2 Q. And the idea behind this is that it will
3 incentivize the company by better customer service;
4 correct?

5 A. By better customer service, if you mean, you
6 know, rectification of, you know, if I have -- a van
7 will come and take a 600 pair cable to get it spliced
8 back in more quickly or, you know, forbid, you know, we
9 have a wildlife like we did in, say, Madison Lake last
10 summer, to get those facilities replaced more swiftly.

11 Q. Have you quantified in the last year how many
12 incidents would have -- would have qualified for this
13 provision or whether --

14 A. To some extent, yes.

15 Q. What -- how many in the -- what period of time
16 did you review?

17 A. The entirety of 12 months of 2023.

18 Q. In 2023 how many incidents were there where
19 this would apply?

20 A. The -- we took the -- I would have to back into
21 the math. I can tell you that the credits based on a
22 day's outage beyond the 24-hour threshold being 1/30th
23 of the monthly rate which throughout 2023 was in the \$30
24 range, so it would be about a dollar a day. It would
25 have -- the additional credits that would have been

1 returned to customers would have been in the \$150,000
2 range. I believe that on a going forward basis because
3 of three things adding in force majeure situations
4 including threats for theft, vandalism incidents, and
5 also, perhaps most importantly, in the multiparty
6 settlement agreement, we have agreed to on a quarterly
7 basis, once every three months, bringing a bill message
8 from the customer saying, hey, if you've had an outage,
9 you are entitled to a credit. Please contact this
10 number and, you know, we will look at your ticket and
11 automatically apply that credit. So when you add in
12 force majeure, theft, vandalism, and then more frequent
13 notification to the customer, I think that number is
14 likely to increase.

15 Q. By about 150 a year?

16 A. Yes. About 150, correct.

17 MR. O'NEILL: Thank you. That's all the
18 questions I have.

19 JUDGE HOWARD: All right. Any redirect from
20 the company?

21 MR. SHERR: Yes. Your Honor, would it be
22 possible to take a short break? Is that all right, or
23 would you like to do that after redirect?

24 JUDGE HOWARD: That's -- if -- I was
25 preferring to stop after this witness, but that was a

1 bit of a longer cross. If the other parties don't
2 object, I'm fine with taking a break now.

3 MR. O'NEILL: From my part, Your Honor, I
4 would prefer a break now, if I could.

5 MR. ROBERSON: Staff has no objection.

6 JUDGE HOWARD: All right. Let's go off --
7 we're going to take a break, we'll reconvene at 11:05 --
8 wait, I'm sorry, 10:55 a.m. And we are off the record.

9 (A break was taken from 10:40 to 10:56 a.m.)

10 JUDGE HOWARD: All right. It is 10:56 a.m.
11 Let's be back on the record. And we left off after the
12 cross-examination of Mr. Gose, and we were going to turn
13 to the redirect by the company.

14 MR. SHERR: Thank you, Your Honor. I should
15 be very brief.

16 REDIRECT EXAMINATION

17 BY MR. SHERR:

18 Q. Mr. Gose, do you recall at the beginning of his
19 examination, Mr. O'Neill asked you whether the
20 commission faced -- is faced with a choice of either
21 decreasing regulation or -- or protecting customers?

22 A. I apologize. Mr. Sherr, I can't hear you.

23 Q. Okay. Thank you. Can you hear me better now?

24 A. Much better. Thank you.

25 Q. Okay. Do you recall at the beginning of his

1 examination, Mr. O'Neill asked you if the commission in
2 this proceeding is faced with a choice of decreasing
3 regulation or protecting customers?

4 A. Yes, I do.

5 Q. Do you believe those two things are mutually
6 exclusive?

7 A. No. I think the -- I believe that the
8 multiparty settlement agreement is a very fair
9 compromise and balance between the two.

10 Q. Mr. O'Neill also asked you a question -- and I
11 hope it's right -- whether the company has explored
12 replacing copper in the event of a road move with
13 fiberoptics instead. Do you recall that question?

14 A. I do.

15 Q. Is it -- would it be less expensive for the
16 company to replace a random section of copper with
17 fiber?

18 A. It all depends on the circumstances. The fiber
19 material may be less expensive than copper but it
20 requires more electronics on the end. But that's not
21 the area of the company in which I serve. So to
22 precisely answer, you would need to involve planning,
23 engineering, and a number of others. But it's likely
24 that it would be, you know, as much if not more.

25 Q. Okay. Near the end of his cross-examination,

1 Mr. O'Neill was walking you through the four steps that
2 we would -- that the company would engage with in order
3 to process a potentially hypothetical discontinuance.

4 Do you recognize that?

5 A. Yes.

6 Q. And it started on page 13 of your Exhibit PJG
7 30T?

8 A. Yes, I'm there.

9 Q. Mr. O'Neill asked you about Step 1 and whether
10 you would expect that to take longer than the amount of
11 time it took you to put together the diagrams that are
12 -- begin on page 17. Do you recall that?

13 A. I do.

14 Q. Is Step 1 the equivalent to the diagrams that
15 you placed in this -- in your testimony?

16 A. Certainly not. The diagram that I placed was
17 just one very hypothetical scenario that I envisioned
18 and tried to model just for an example of how the
19 process might work. But in reality for Step 1, the
20 steps that we have to go through, all the different
21 business units, finance, planning, engineering would all
22 have to come together, bring multiple different systems
23 and processes to construct that analysis, and it would
24 take a very -- quite a long amount of time.

25 Q. Okay. Because what is the analysis in Step 1

1 that we would be doing in that scenario?

2 A. Just to look to see, you know, what are the,
3 you know, business ramifications in terms of
4 utilization, maintenance, repair, anything that has to
5 occur in that particular area, and then ultimately the
6 number of subscribers and certainly the -- ultimately,
7 the alternatives that may or may not be available to
8 them in that area.

9 Q. Okay. Could you take a look at Exhibit PJG 31,
10 which is the CDC survey. It says Early Release Program
11 at the top?

12 A. 31 or 32?

13 Q. Excuse me. 31. 31?

14 A. 31. Okay.

15 Q. Do you have that?

16 A. Yes.

17 Q. Okay. Do you recall Mr. O'Neill asked you a
18 series of questions about the column entitled Landline
19 Only Adults?

20 A. Yes, I do.

21 Q. Okay. And you have that in front of you now?

22 A. I do.

23 Q. Mr. O'Neill used a variety of descriptors. He
24 described -- and again, just to reorient, the CDC data
25 which came out just recently shows 1.9 percent in the

1 Landline Only Adults column for Washington; correct?

2 A. Correct.

3 Q. And Mr. O'Neill referred to those individuals
4 in three different ways. He said they are dependent on
5 landlines, they have access -- they only have access to
6 landlines, and that they have only landlines. Is it
7 your understanding that this report, that 1.9 percent of
8 Washingtonians that are listed in landline only, that
9 that is the only technology for telecommunications that
10 they have access to?

11 A. No. I believe that that 1.9 percent is more
12 likely reflective of just the customer taste and
13 preferences and how they choose to consume their
14 telecommunication services.

15 Q. Okay. Is the 1.9 percent a identification of
16 available services at locations or of customer use?

17 A. It's not indicative of what's available there
18 but just again how the consumer chooses to purchase and
19 utilize telecommunication services.

20 MR. SHERR: Thank you. I have no further
21 questions, Your Honor.

22 JUDGE HOWARD: All right. Thank you. Do we
23 have any questions from the bench for this witness?
24 Please proceed.

25 COMMISSIONER DANNER: All right. Thank you.

1 Good morning, Mr. Gose. Appreciate you being here.

2 EXAMINATION

3 BY COMMISSIONER DANNER:

4 Q. I wanted to ask you: We talked a little bit
5 about federal funding, and you gave the scenario where
6 other carriers provide for state funding, BEAD funding,
7 others. But can you tell me: Has CenturyLink, Lumen,
8 or any of the companies, have they been awarded federal
9 funding such as RDOF funding in the past for serving
10 Washington service territories?

11 A. Yes.

12 Q. Lumen has. And can you tell me how much and
13 over what period of time?

14 A. So the RDOF program is a ten-year program, and
15 they awarded the state of Washington, I believe -- this
16 is subject to check -- about 42 million dollars over
17 that time period to serve I think around -- a little
18 more than 14,000 customer locations.

19 Q. Okay. And you can tell me specifically: Is
20 that serving existing locations, or is that reaching out
21 to new locations? How has that money been used just
22 generally speaking?

23 A. It could be to bring broadband services to
24 either new locations or existing locations that just
25 have nothing but, you know, Pop's Copper Service

1 available at that location.

2 Q. Okay. So -- and is it required that you reach
3 out to rural areas, or could you focus on rural -- or on
4 urban areas or highly dense areas when you're making
5 those investments?

6 A. Under the RDOF program, it looks at an unserved
7 and underserved markets which are primarily in more
8 rural locations.

9 Q. Okay. So Ms. Margrav, for example, could be in
10 an area where you would be reaching out and expanding
11 your services and improving your service?

12 A. Quite frankly, I really don't know. And I say
13 that because when I look at FCC's broadband data
14 collection map, she has some fixed wireless broadband
15 alternatives at her location at 35 down and 7 up. So I
16 don't even know if that's one of our RDOF locations
17 today.

18 Q. Okay. Are there other federal programs that
19 you have taken money for serving Washington State?

20 A. Looking back perspective, there was the Connect
21 America Fund II program and then also there's been some
22 funding from the American Rescue Plan Act, or the ARPA
23 grants as well.

24 Q. Okay. Are there any that are focused on tribal
25 areas?

1 A. I'm sorry, I didn't catch the --

2 Q. Tribal. Tribal areas. Are there any programs
3 that are specific to tribal areas?

4 A. There are, and CenturyLink, even some of our
5 RDOF areas spill over into tribal areas.

6 Q. Okay. And BEAD funding, are you looking at
7 applying for BEAD funding or any other state funding?

8 A. Yes. CenturyLink is in the process today of
9 going very thoroughly through the Washington Broadband
10 Office's Volume 2 and completely understanding the rules
11 and procedures for any sub grantees under that. But the
12 company certainly has that under strong consideration at
13 the moment.

14 Q. Okay. Consideration about whether to apply?

15 A. Correct.

16 Q. Okay. And you said western broadband office?

17 A. No. The Washington Broadband Office.

18 Q. Washington Broadband Office. Okay. Thank you.
19 I misheard that. All right.

20 So you're relying on the FCC's maps. Can
21 you tell me: Are you confident that those maps are
22 accurate.

23 A. I have a fairly high degree of confidence
24 because those maps are updated every six months and
25 subject to numerous challenges. So when a carrier

1 submits the data and somebody doesn't believe that there
2 are services available and either in the modality or the
3 speeds, they can contact the FCC's broadband mapping
4 team and let me them know. So those maps do become more
5 and more accurate over time.

6 But you raise a very good point,
7 Commissioner Danner, because when I look at those maps,
8 say, for instance, I get in a very unlikely scenario
9 that if we were go out and consider discontinuance and
10 it shows somebody like Ms. Margrav has those services.
11 There has been some conjecture that, you know, perhaps
12 wireless coverage or mobile or fixed wireless, will have
13 mobile or fixed, might be to some extent overstated.
14 And so that's why we want to go through that validation
15 process with the customer saying, do you believe you
16 have service here? And if they say, no, we don't, it's
17 a pretty easy task to dispatch somebody with the proper
18 testing equipment to go and validate that.

19 Q. Well, thank you.

20 So you talked about -- in your hypothetical
21 about moving, you know, a road and then having four
22 customers who are affected. But under this, I mean, you
23 could decide just as a business decision that you don't
24 want to serve the western part of county because it's
25 too far to drive for the trucks to make repairs,

1 whatever, it's just not in your business case. You
2 could make that decision and say we're not going to
3 serve this area anymore; is that correct?

4 A. I would agree to the extent that there are
5 viable alternatives in that area. But in the western
6 part of the county, if CenturyLink and commercial
7 satellite services are the only available alternatives,
8 I cannot.

9 Q. But if they are there, you could make that
10 business decision and say, we're just out of here, if
11 you feel there are viable alternatives?

12 A. If there are, you know, other available
13 alternatives that meet the parameters that are the
14 multiparty settlements in terms of speed and price, it's
15 a possibility.

16 Q. Okay. So it's just -- you would have the
17 authority under this agreement, if we approve it, that
18 you could do that. So the hypothetical of four people
19 is one thing but making a business decision that is not
20 based on outside forces but just your own business
21 calculation, you could decide that --

22 A. Again, I would reiterate, though, that that
23 authority also has to pass muster with the FCC through
24 their 214 discontinuance process as well.

25 Q. Understood. But assuming that was a decision,

1 you could pursue it?

2 A. From my understanding -- though it's not the
3 venue in which I serve -- the FCC is very, very stingy
4 with that process.

5 Q. Yes. And FCC's change over time too, just
6 like --

7 A. Yes.

8 Q. So I just want -- let's go back to the example
9 of Ms. Margrav. She's 79 years old, she lives in a
10 rural area of a county, and you tell her we're going to
11 discontinue -- this is a hypothetical -- and you say
12 you've got four other providers. Is it up to her to
13 ascertain whether any of those four are viable so -- I
14 mean, what is the process by -- if you put yourself in
15 her shoes, how do you go about this? She's got to call
16 these four providers on her landline, she has to call
17 these four providers, and they all say, sure, we can.
18 How does she test that they actually have service in her
19 area as opposed to her having to get in her car and
20 drive down to the city center to get cell coverage? I
21 mean, how does she test it out or how do you help her?
22 I mean, she's 79, but I -- I have been contacted by
23 people in their 90s. And I just want to know how this
24 works, because it seems like what you're doing is,
25 you're saying you have to do all this stuff as opposed

1 to we will help you do all this stuff. So I just want
2 you to put yourself in her shoes and tell me how this
3 process works.

4 A. That's a very fair and good question. And
5 certainly, we want to make certain that those customers
6 are cared for should that, again, unlikely situation
7 ever arise.

8 But can I ask you to turn to page 21 of my
9 testimony?

10 Q. This is your --

11 A. 30 T.

12 Q. You said page 25?

13 A. Yes.

14 Q. I'm there.

15 A. So if you see Table II there, so prior to even
16 contacting, Ms. Margrav, we're going to collect --

17 Q. I'm sorry, you said this is 30 T, page 25?

18 A. Page 21.

19 Q. Oh, I'm sorry.

20 A. My apologies. I'm not sitting close enough to
21 the microphone.

22 Q. All right. So there I am, Table II.

23 A. So in terms of instead of location 1 being in
24 the Yacolt area, it would be the in the rural Klickitat
25 County area. And we would have Ms. Margrav's address,

1 all the way down to the -- staff has asked us and we
2 agree, yeah, I think it's important because we can get
3 even more granular if we have the GPS coordinates for
4 that location. So we would collect that.

5 And then for all of wireless carriers in her
6 location, which again the FCC's BDC maps show that there
7 are four with as much as, you know, fixed wireless
8 available 35 up and 7 down -- I'm sorry 35 down and
9 7 up. We would gather the information in terms of who
10 is there, what plans they offer, how much it costs, and
11 when we provide her that information and reaching out
12 via the notice, all that information will be there
13 including how to contact the customer. To your point,
14 it's a fair one. Are we asking her to do all that work?

15 And so for any, you know, kind of elderly
16 customers like that, we will certainly be more than
17 willing to provide assistance to them to kind of help
18 them make that decision. Beyond just that, you know,
19 personal assistance, the multiparty settlement agreement
20 also affords her financial in a number circumstances as
21 well.

22 Q. Right. But my concern is that you are making
23 her doing some -- making her do some heavy lifting. She
24 has got to contact these other companies, she has to
25 determine what plan she wants and -- believe me, my

1 father didn't know how to use the television remote, and
2 I just -- you know, I'm trying to figure out how to --
3 if we're going to approve this, that we are not going to
4 be traumatizing a lot of seniors who really are not
5 going to be able to negotiate this because they've been
6 using their landline for the last 80 years.

7 And, you know, so we -- you're going to have
8 to introduce them to a cell phone, you're going to have
9 to -- or I should say one is going to have to introduce
10 a person to a cell phone, this is how it works, this is
11 the plan -- all you're interested in is voice, what is
12 the best plan for you. How do you provide that kind of
13 advice to a senior, or is that something that is going
14 to fall on the commission or to local service agencies?

15 A. I believe that that kind of assistance, you
16 know, if we're asking for this, there's no reason why,
17 you know, CenturyLink couldn't provide some amount of
18 assistance to the customer. But I completely agree with
19 you that, yeah, change, technological change especially
20 for older citizens can be difficult.

21 Just to provide a little bit of color,
22 because I think it's kind of instructive is, I started
23 my career in 1989 at the Missouri Public Service
24 Commission. At that time, we were kind of at a
25 crossroads like we are today because we were trying to

1 get all the electromechanical switches out of the
2 network. And one of the byproducts of that was that the
3 customers were going to lose their party line service.
4 And many -- and especially in rural areas like where
5 Ms. Margrav lives, cable TV wasn't very ubiquitous at
6 that time. If you had internet at all, it was, you
7 know, 1,200 bottom and dial up modem or less. And
8 customers did not want to lose their party lines simply
9 because of the entertainment value that it provided them
10 to, you know, keep tabs on their neighbors' lives. And
11 so I under -- completely understand Ms. Margrav's
12 position.

13 But change is inevitable, and so I'm not
14 saying that it absolutely has to be dictated or forced
15 upon her, and if comes to that we can provide a
16 reasonable level of care and compassion to help her make
17 that transition.

18 Q. So is that something that you would
19 affirmatively offer her, or is it something that she
20 would have to know and to ask for. You say you're
21 willing to, which is different than we will reach out
22 and help you.

23 A. So I don't have the authority as I sit here
24 today to tell you I can commit the company to that, but
25 I can advocate very strongly for it. And again, because

1 I see these type of scenarios as very limited in nature,
2 and quite frankly pretty unlikely. And, you know,
3 this --

4 Q. Well --

5 A. -- discontinuance portion has kind of become
6 front and center a little bit in this process simply
7 because we've been socializing this one particular
8 aspect of it for several years now across a number of
9 different stakeholders and --

10 Q. And I understand that, you know, change is
11 inevitable, it does happen, but it also disrupts
12 people's lives, you know. And this is a little
13 different than -- you know, I remember when I had to
14 make the life changing decision whether I was going to
15 use Word Perfect or WordStar, you know, and I know this
16 kind of stuff comes up. But here we are talking about
17 basically a vulnerable population that you're currently
18 serving, and we've got to figure out if we're going to
19 approve this, I mean, we've got -- we're giving you the
20 authority that you say is unlikely, but I think in terms
21 of worse case scenarios, you could say, okay, we want to
22 get out of this county or get out of this portion of the
23 county, and there's going to be these people who are
24 older Americans who are going to be asked to take on a
25 technology that they're not familiar with. How do we

1 help them with that so that Ms. Margrav is not basically
2 in a panic because she has never used a cell phone and
3 now she's going to be told sink or swim.

4 So that's what I'm looking for. And what I
5 hear is, you don't have authority right now to commit to
6 something like that but certainly it does concern me
7 because this is a vulnerable population that is -- that
8 there are a lot of older Americans who will be affected
9 by a decision to discontinue service. And so I -- I
10 need to be thinking about how we deal with those. And
11 so that's why I was looking for your thoughts on that.

12 A. As I think about it with respect to, you know,
13 some of the other components of this multiparty
14 settlement, let's take, for instance, the automatic
15 credit that we'll be agreeing to. As part of the
16 affects of it, that's a fairly heavy lift with respect
17 to all the IT back office programming and training of
18 the customer care agents to make certain that those
19 tickets get established and all that happens correctly,
20 to set up a hotline to assist that vulnerable population
21 with this kind of a transition, I see that as a much,
22 much easier task. And I would personally be glad to
23 advocate for that within the company. Again, I can't
24 commit to it, but would be glad to.

25 Q. Okay. Lastly, I wanted to ask you if you have

1 any customers in Washington that are on a price for life
2 program?

3 A. I haven't studied that, but it wouldn't
4 surprise me.

5 Q. Okay. That is a program where you have
6 guaranteed them a price for life --

7 A. Correct.

8 Q. -- and so of an assumption below that would be
9 that they would have service so that, you know, it would
10 be service for life and just how you would deal with a
11 price for life customer if you're going to abandon the
12 geographic area in which that person resides? So maybe
13 that will be a bench request.

14 A. That's fair enough, because I don't have the
15 information to respond. Although I want to, I just
16 don't have that information today. I look forward to
17 it.

18 COMMISSIONER DANNER: Okay. Thank you very
19 much. All right. That's all the questions I have for
20 now. I may have some in a moment.

21 COMMISSIONER RENDAHL: I'll say I have quite
22 a number of questions, but I will try to focus on that
23 that can't be asked in a bench request.

24
25

EXAMINATION

1
2 BY COMMISSIONER RENDAHL:

3 Q. But first, in your -- in the cross-examination
4 by Mr. O'Neill, in this question about how many road
5 moves there are, you said you didn't know how many. But
6 in terms of that, is it the CenturyLink companies that
7 could potentially put in fiber, that was a question he
8 had. Would it be the CenturyLink companies that are
9 putting the fiber or would it be the Lumen wholesale
10 nonregulated company that it would be likely to be
11 putting in fiber?

12 A. It could be both. Again in terms of that
13 decision, though, how engineering and planning would
14 construct that and connect it to the various portions,
15 Commissioner Rendahl, I just don't know.

16 Q. But it is possible is could be the unregulated
17 entity that's putting in the fiber?

18 A. It's certainly a possibility.

19 Q. Okay. And the question about the various steps
20 in the discontinuance process in your conversation about
21 Step 3, one of those options -- you know, the company
22 says they will make a call, it won't a robo-call, it
23 occurred to me that we've had some testimony in this
24 proceeding about folks being out of service for quite
25 some time and not being able to get service. If that

1 customer is one of those folks that has significant
2 service quality issues and is not connected at the
3 moment because CenturyLink has not fixed their service,
4 how will you make sure you contact that customer in
5 addition to a letter?

6 A. So there was the letter, there was the call,
7 and then was also the --

8 Q. E-mail?

9 A. -- e-mail. Potential e-mail.

10 Q. But presumably if they don't have voice, they
11 don't have e-mail, either. So how would you make sure
12 in the event of those customers, you would actually
13 contact them?

14 A. So as I've mentioned before, number one, I
15 state the likelihood of this as very limited and
16 unlikely; secondly, in terms of the numbers, I can't
17 imagine that they would be, you know, substantial. So
18 and in that instance, if we reached out and you're
19 unable to leave a voicemail, this isn't anything I've
20 previously contemplated before, but we could, you know,
21 certainly come up with possibly a fourth avenue of a
22 technician call or something of that nature.

23 So if I could, you know -- because I don't
24 have the authority to commit us to that, if, you know,
25 you could, you know, submit that question in a request

1 from the bench, we will certainly do a good job of
2 getting you an answer.

3 Q. Okay. In a bench request. Thank you.

4 And also in your responses to questions from
5 Mr. O'Neill, you said you couldn't really describe the
6 214 process because you're not a lawyer. But then in
7 another response, you said that there's a rigorous 214
8 process. So if you can't describe the criteria, how can
9 you confirm that's a rigorous process?

10 A. Fair question.

11 So I've heard our federal attorneys describe
12 how getting a 214 process or application through the
13 commission is a, you know, very kind of uphill task.

14 Q. Okay. And moving to -- just in general, and I
15 don't have a specific area, and so if I need to I will
16 form this into a bench question.

17 But in the discontinuance process, those
18 four steps, there's a reference both to, you know, in
19 reference to a CCL customer -- omitting a customer or an
20 area. And I'm confused about whether in particular if
21 there's a dispute and that dispute is upheld about a
22 customer's availability of alternative, CenturyLink will
23 then consider the customer or the area a CCL?

24 A. It could be both. So if a customer says I
25 don't, we studied and we looked and we believe there was

1 an alternative at that location, we provided our
2 information, and the council or the commission took a
3 look at it and said, you know, we don't believe it and
4 there was some ultimate decision that this customer is a
5 CCL, we have a couple choices. Either we can remove the
6 entire discontinuance request at that location or just
7 remove that particular customer location and proceed
8 with whatever might be left in the area.

9 Q. Okay. So turning to the service credit portion
10 of the settlement, and that would be Provision 8 of the
11 settlement. Does the statement in Subsection 12 that
12 references -- I'm looking for it right now -- in lieu of
13 commission penalties associated with a failure to apply
14 or not apply the correct credit amount, does that
15 restrict the commission's ability to impose penalties in
16 this specific scenario?

17 A. It's my understanding that yes, that if for
18 whatever reason CenturyLink didn't apply the credits
19 accurately, that we would go back, and once that's
20 identified apply twice the credit for the customer in
21 lieu of the commission's enforcement authority there.

22 Q. So that provision actually restricts -- is
23 intended to restrict the commission's enforcement
24 authority and preclude the commission from taking any
25 action based on those service quality issues completely.

1 It's a complete preclusion of any action the commission
2 might take about the company's -- the way the company is
3 addressing the service quality?

4 A. I think the -- that component was designed to
5 say, you know, if I -- inadvertently the system does
6 make a mistake and somebody -- if, say the -- just for
7 the sake of easy math, the monthly rate is \$30 and they
8 owe the customer \$2 worth of credit and the system has
9 some kind of a malfunction and they don't get their \$2
10 credit, it's designed to say, okay, we regret that
11 happened, here's \$4 instead of the commission coming
12 back for that one particular little misstep and fining
13 up to \$1,000 for that.

14 Q. So in that case -- and I think you referenced
15 in your response to Mr. O'Neill's questions that for a
16 months' worth of being out of service, that could be \$30
17 that the company might pay for that particular customer;
18 is that correct?

19 A. Correct.

20 Q. So under the commission's traditional
21 enforcement authority, we can either -- as you said,
22 there's penalty assessments for a \$100 a day --

23 A. Correct.

24 Q. -- or \$1,000 a day if we file a complaint. And
25 so \$30 is significantly less than either \$100 or \$1,000.

1 What incentive does that penalty provide to the company
2 to actually fix the customer's service? And we heard
3 testimony in the public comment hearing about customers
4 being out for months. So what is the incentive -- it
5 may address the enforcement issue, but what incentive
6 does that provide to the company to actually correct the
7 service?

8 A. It's -- in those instances, hypothetically,
9 let's say that, you know, I hope this would never
10 happen. But a customer was out for three months, would
11 be \$180 of service credit. And if the system
12 malfunctioned and they didn't get that accurately, that
13 \$180 would double to 360. That's a fairly, you know,
14 substantial financial penalty to the company for its
15 system working inaccurately. And I think that in my
16 mind, that's a very good incentive for the company to
17 address that situation.

18 Q. So would that amount -- I'm comparing it to the
19 cost of sending a technician out. Is it going to cover
20 the cost -- is it going to address, insense, not sending
21 a technician out or is it going to actually insense the
22 cost of getting the work done on the location?

23 A. I -- can I ask you to rephrase that? I
24 apologize.

25 Q. Sure.

1 So you said \$360 for three months. How much
2 would a technician cost to send out per visit, if you
3 know?

4 A. I -- I don't have, like, a loaded hourly labor
5 rate study available to me as I sit here. But, you
6 know, 50 to \$100. I -- that's conjecture on my part.

7 Q. Okay. And then depending on the cost of
8 replacing the copper, that could be significantly more?

9 A. Agreed.

10 Q. So there is a calculus that the company makes
11 in terms of not fixing a customer's service, correct, if
12 we're just looking at the numbers, not the intent but
13 just the numbers?

14 A. I would think there could be. I don't know
15 if -- again, it's not there, the company wants to serve,
16 Commissioner Rendahl, so I don't know if that calculus
17 was ever made, but could be.

18 Q. Okay. And one last question and then I will
19 turn it to my colleague.

20 There is -- in the provision of No. 7 of the
21 Attachment A, the provisions of the agreement, it talks
22 about: "The provision does not modify or restrict
23 CenturyLink's ability to enter into individual contracts
24 for service that specify rates other than statewide
25 average rates." Now I interpret that from my years of

1 having done telecom work to refer to commercial
2 services, when you would enter into an individual
3 contract. Is that a correct assessment.

4 A. Yes. And that would likely be more
5 relationship to flat-rated business lines. But you
6 might enter into individual case basis contact for a
7 term agreement or something of that nature.

8 Q. Does the company ever enter into the individual
9 contracts with residential or 1FR customers?

10 A. Not to my knowledge.

11 MS. RENDAHL: Okay. Thank you.

12 COMMISSIONER DOUMIT: Thank you. And
13 Mr. Robinson O'Neill and my fellow commissioners asked
14 many of the questions, but I have a few general ones,
15 Mr. Gose, if I might.

16 EXAMINATION

17 BY COMMISSIONER DOUMIT:

18 Q. So would you agree that the commission, we
19 stand in the place of the market to the extent that
20 there's no competition; is that right?

21 A. I'm not hearing you.

22 Q. I said: Would you concur that this commission
23 stands in the place of the market in terms of regulating
24 monopoly? Where there's no competition, we stand in the
25 place of what would be competition; is that correct?

1 A. That's correct. If I had, you know, 60 or
2 70 percent of the grid connection to the state of
3 Washington instead of less than 4, I would definitely
4 agree with that.

5 Q. And even if -- even if you -- in this -- to my
6 knowledge this settlement agreement doesn't excuse you
7 from carrier of last resort obligation in places in
8 which you are the singular carrier where there's no
9 competition, is that your -- is that correct?

10 A. I believe that's in the statute or the rules,
11 and so I agree with you, right.

12 Q. So we're here in part to determine whether it's
13 in the public interest to agree with the settlement in
14 terms of how it developed a process for determining
15 where competition exists and where it doesn't exist --

16 A. Agreed.

17 Q. -- is that right? Okay.

18 So when -- public counsel's question, you
19 testified on page 25 of your settlement testimony in
20 relation to -- you can go there if you'd like. And I'll
21 paraphrase your -- what I think you said in response to
22 the question. Okay. Essentially that, look, if -- it
23 doesn't make capital sense for us -- we don't have our
24 urban base to subsidize, you know, ourselves in these,
25 you know, rural areas necessarily, so we -- it doesn't

1 make economic sense to spend capital to sort of, you
2 know, enhance those few customers. But in the case of
3 what we just determined that where a few customers who
4 don't otherwise have -- a competitive proposition exist,
5 you will have to spend the capital. I think you
6 testified if those are the -- if we're the only game in
7 town -- those are my words -- then yes, we'll do what we
8 have to do; is that right?

9 A. Correct.

10 Q. Okay. Will you do that? Will the company do
11 that? You don't -- you now have fewer customers in
12 those rural area, you'll have potentially disconnected
13 those who are -- you know have the opportunity for
14 competition, you don't as we said have the urban base.
15 Won't there be an irresistible sort of pull for those
16 making those decisions to say, look, there are only a
17 few people here, that's just not cost beneficial for us
18 to spend what we need to spend in these areas. Should
19 we be concerned about that, or is this just, no,
20 there -- if there are a few customers left who are
21 uncertain, we have repair obligations, we'll spend what
22 we need to spend to take care of those customers?

23 A. So the company has a compact with the
24 commission that, you know, we're certificated to serve
25 certain areas. And until such time that a agreement

1 like this multiparty settlement or some other form
2 occurs, those areas where we are -- have a service
3 obligation, we will attend to.

4 I think it's important to realize, though,
5 that -- several folks have mentioned it today -- that,
6 you know, the state of Washington is going to see
7 1.75 billion dollars over the next six to ten years.
8 And whether or not that comes from, you know, incumbent
9 provider, it goes to new or current incumbent providers,
10 new providers, boards, public utility districts, rural
11 electric cooperatives, there -- it can be substantial
12 opportunity for additional services and broadband and
13 faster deployment of speeds to these rural areas the
14 like of which we've never seen before. And this is, you
15 know, perhaps a once in a lifetime, you know,
16 opportunity of that amount of capital infusion into the
17 state.

18 Q. Well I hope that occurs, because as I'm sitting
19 here, you know, Commissioner Rendahl went through a very
20 high level cost benefit exercise into the credits versus
21 money spent, \$360 doesn't impress me as a penalty that
22 could sort of push the company to spend a great deal
23 more than that in terms of the capital that it needs to
24 spend in these areas. That's kind of what -- that was
25 comment.

1 The other thing I am concerned about --
2 Commissioner Danner brought this up as well and
3 Commissioner Rendahl -- is for those -- the customers
4 who -- for whom the decision is made to discontinue,
5 they'll be notified. What if they don't essentially
6 appeal? Then they're out of due process in that case;
7 right? We have to do, I would say, everything we can to
8 ensure that that process can take hold, not just a
9 letter or a call in the case they don't have service or
10 e-mail or a tech, you know, call, but I, you know,
11 everything, I would say. And would you concur with
12 that?

13 A. I'm not sure if I followed the question.

14 Q. Yeah. The question is -- the question is: Do
15 you agree that we -- we shouldn't leave any stone
16 unturned when it comes to these customers who under the
17 agreement will make the last determination of whether to
18 appeal the decision, your decision, whether they have a
19 competitor, okay. So if they don't appeal, then it's --
20 they're out of business, it's game over. So we have to
21 do everything we can possibly do to ensure that they are
22 notified of their rights because you might be wrong in
23 the case. Do you concur with that?

24 A. To some extent. I certainly see your point,
25 and by and large I agree, yeah.

1 Q. To what extent don't you agree?

2 A. That the customers kind of out of luck.

3 You know, when they have, you know,
4 telephone calls, e-mails, letters sent to them, possibly
5 some item that we haven't contemplated yet, some of the
6 fair questions. You know, I haven't heard from you, I
7 dispatch a technician. I think, you know, in many
8 locations, if gas or water service is going to be
9 terminated for, say, nonpayment or something of that
10 nature, they have the technical come and ring the
11 doorbell and say, hey, we're sorry, you know, we need
12 payment today or we're unfortunately going to have to
13 turn your meter off or shut your water down.

14 So a -- kind of a, for lack of a better
15 term, welfare check to the customer if we haven't heard
16 from them, that's something that can certainly be taken
17 under advisement.

18 COMMISSIONER DOUMIT: All right. Thanks.
19 No -- nothing further from me. Thank you, Your Honor.

20 COMMISSIONER DANNER: I have a few more,
21 Mr. Gose. Thank you very much.

22 REEXAMINATION

23 BY MR. DANNER:

24 Q. So if we approve this settlement agreement,
25 there's going to -- we're providing you with a degree of

1 regulatory stability over the next five years. Are
2 these settlement terms such as the stay-out period
3 market base pricing, what effect are those going to have
4 on the incentive to replace aging infrastructure? Do
5 you see it as an incentive or a disincentive? You won't
6 have the pressure from the regulator. So what -- how do
7 you see that?

8 A. In terms -- I really don't see the incentives
9 being that different than they are under the current
10 AFOR today. Basically, with a few exceptions, the AFOR
11 that we're agreeing to in the multiparty settlement
12 largely is the same with a few exceptions.

13 Q. So you see no impact, your decisions are going
14 to be basically business decisions, then, regardless?

15 A. I would probably agree with that.

16 Q. Yeah. In your testimony, some of the answers
17 you gave to questions, you talked about having to -- you
18 know, you couldn't commit, you would have to check with
19 the company. When we're talking about "the company," is
20 that within -- I mean, we've got several companies here.
21 We've got all of the CenturyLink companies and then we
22 have the umbrella of Lumen. Where is that decision
23 being made? Is it at the Lumen level?

24 A. Yes.

25 Q. Okay. And that's basically where most

1 decisions are made that are affecting investments by the
2 various subsidiaries that are parties to this
3 proceeding?

4 A. Correct.

5 Q. Okay. And one of the provisions that you have
6 here would take away our authority to review or approve
7 mergers if the company were to decide to sell or merge
8 with another company, sale of the company. And as you
9 know we have in the past found -- we have disapproved
10 mergers because we have found that the buying, the
11 purchasing company wasn't fit, willing, and able for
12 whatever reason, the financials, or they were under the
13 control of a separate government agency or something
14 like that. Why should we approve a provision that does
15 not allow us to review mergers? I'm just wondering what
16 your thinking is there.

17 A. I think several things. Number one, as this
18 AFOR is constructed, it's a very fair balance and
19 compromise of all decisions here. Number two,
20 CenturyLink is far from a monopoly service provider that
21 may have been, you know, post divestiture. When I had,
22 you know, close to three million subscribers 20-some
23 years ago and today I have only 300,000 out of five or
24 six million voice grade connections in the state of
25 Washington, that likelihood is -- or necessity to have

1 authority over the company for those actions is very
2 asymmetric. In terms of that authority, if any other
3 similarly situated carrier, small carrier in the state
4 of Washington, do -- to answer the question, do they
5 operate under that same level of regulatory scrutiny.

6 Q. Yeah. I mean, what I'm struggling with is,
7 I've read, you know, Dr. Weisman's testimony, I've -- I
8 certainly am familiar with antitrust and market
9 economics and the so forth, but this is a little bit
10 different because for individuals, you are the monopoly
11 provider, you know. Even though for the state as a
12 whole, you have a smaller slice of the market share if
13 we look at the state as a single unit, but, you know,
14 for a particular citizen on a particular street, you're
15 the only game in town. And so, you know, how do I
16 balance that, you know? I love to here your comments on
17 that if you have any to share.

18 A. The only things that really come to mind is,
19 that citizen who has virtually no or very few other
20 alternatives is very few relative to the population. If
21 we've got a population in the state that's between six
22 and seven million and I have 1,200 or so locations that
23 fall under that bucket, that's pretty small. And if
24 we're going to use that as the basis to look at, you
25 know, merger activities and conditions for a company

1 that it has no market power, by and large. I hear loud
2 and clear what you're saying with respect to some
3 certain rural pockets of the state.

4 Q. Yeah. I mean, I just -- I worry about
5 individuals who have -- are dealing with long wait times
6 when they're trying to get service dealt with, those
7 kinds of things, you know, do we want -- you know,
8 should we have the authority to look and see that the
9 purchase company or the acquiring company is going to
10 have the commitment to service quality so that we don't
11 get burned. And so it is, it might affect 1,000
12 customers as opposed to 120,000 customers, but for those
13 customers, it's a pretty important decision. So I'm
14 just trying to figure out in my own head how to balance
15 that.

16 A. I completely hear what you're saying. I
17 recently with my CRS carrier, I had an occasion, I
18 needed to get in touch with their customer care
19 department. I was on hold for 45 minutes until that
20 occurred. Vexing? Absolutely. But what if that
21 carrier were to merge with another, the commission's,
22 you know, oversight over that is certainly not what it
23 would be with us as a, you know, regulated carrier but
24 one that's certainly no longer a monopoly.

25 COMMISSIONER DANNER: Now again, not a

1 monopoly statewide, but a monopoly on Elm Street is --
2 there's -- I'm trying to figure out how I slice and dice
3 this. So all right thank you very much. That's all I
4 have.

5 COMMISSIONER RENDAHL: And I have a number
6 of questions, but I think they can be turned into bench
7 questions in the interest of time.

8 JUDGE HOWARD: All right. Thank you. Any
9 further questions from the bench? All right. Thank
10 you, Mr. Gose, for your testimony. And I will note that
11 under commission rules, testimony subject to check as
12 you had indicated earlier, I believe there's five
13 business days to submit a letter if there is a
14 correction.

15 And counsel for the company, will Mr. Gose
16 be present the remainder of the afternoon? All right.
17 Thank you.

18 Thank you for your testimony at this time,
19 though I'd ask that you remain available just in case.
20 So we -- we are at 11:47. I want to make fairly
21 efficient use of the day. I would turn to Mr. O'Neill.
22 Mr. O'Neill, do you plan to ask questions -- to cross
23 James Webber at this point today? I mean --

24 MR. O'NEILL: Yeah, I do have a line of
25 questions for Mr. Webber. I am looking over to see how

1 quickly I can move through it as an estimate. I had
2 originally estimated about 15 minutes, so that's kind of
3 the scope.

4 JUDGE HOWARD: Would the parties have any
5 concerns with taking Webber before lunch and then
6 changing the witness order? All right. All right.
7 Hearing no objections, let's take our next witness out
8 of order. We're going to call James Webber.

9 Mr. Webber, are you on the call?

10 MR. WEBBER: Yes, I am, Your Honor.

11 JUDGE HOWARD: All right. And can you hear
12 and see me all right?

13 MR. WEBBER: I can. Thank you.

14 JUDGE HOWARD: Great. If you'd please raise
15 your right hand, I will swear you in.

16 Do you swear or affirm that the testimony
17 you will give today is the truth, the whole truth, and
18 nothing but the truth?

19 THE WITNESS: I do.

20 JUDGE HOWARD: All right. Please introduce
21 the witness and tender them for cross. I'd ask staff to
22 do that.

23 MR. ROBERSON: Good morning. Would you
24 please state your name and spell your last name for the
25 record.

1 THE WITNESS: My name is James D. Webber,
2 that's spelled W-e-b-b-e-r.

3 MR. ROBERSON: And did you sponsor
4 Exhibits JW -- JDW-1T through JDW-19 in this proceeding?

5 THE WITNESS: That is correct, yes.

6 MR. ROBERSON: And if I asked you the
7 questions asked in your testimony today, would your
8 answers be the same?

9 THE WITNESS: Yes, they would.

10 MR. ROBERSON: Mr. Webber is available for
11 cross.

12 JUDGE HOWARD: All right. Thank you.
13 Public counsel, please proceed.

14 CROSS-EXAMINATION

15 BY MR. O'NEILL:

16 Q. Mr. Webber, it's nice to meet you. I'm Tad
17 Robinson O'Neill. I'm assistant attorney general with
18 public counsel. I have a few questions.

19 In your original testimony filed back in
20 April, you testified that there is a significant
21 population in Washington that remains -- or that relies
22 solely or primarily on landlines for their voice
23 communication needs; is that correct?

24 A. I recall that general topic. Would you mind
25 giving me the page number so that I can look at it?

1 Q. Page 15 of your testimony -- and that's the
2 numbers in the lower right corner -- lines 9 through 12.

3 A. Yes, I see that. Thank you.

4 Q. Do you stand by that testimony today that there
5 is a significant number of Washingtonians that rely
6 solely or primarily on landlines?

7 A. The testimony as written, I stand by that as
8 being accurate. Though I will note in the conversation
9 you had with Mr. Gose, there -- there are updated data
10 as to the 2.3 percent figure which is now slightly
11 lower, I think it's 1.9. So the math would carry
12 through in follow-up.

13 Q. And it's true that this population of -- not
14 from that data but generally from data, that people who
15 are older tend to -- people who relied on landlines tend
16 to be older. Is that correct?

17 A. I do address the issue as to age in my
18 testimony and as it's written, I stand by that. But as
19 a general premise, it appears that the literature shows
20 preferences for older people are to retain landlines
21 versus switching completely to wireless. It's a higher
22 fraction of folks as they become older that have that
23 preference to retain their landlines.

24 Q. And it's also true separately that rural
25 populations tend to have a high reliance on landlines

1 for their voice commission needs; correct?

2 A. I also address that in my testimony, and I
3 believe it's accurately stated there.

4 Q. And it's also true that there is a tribal
5 component, the tribal populations, again, it's a
6 tendency -- tend to have a slightly higher reliance on
7 landlines?

8 A. Actually, I don't know that to be true. I
9 can't comment one way or the other.

10 Q. Okay. Fair.

11 On -- if you turn to page 23 of your
12 testimony, at line 7 you talk about marketplace report
13 and associated FCC orders. And shows it that for many
14 low income customers which you quote as the "persistent
15 minority: "Services involving bundles, enhanced
16 functionality, etcetera, are not functionally equivalent
17 or readily available at competitive rates." Did I read
18 that portion correctly?

19 A. Yes. You characterized that portion of the
20 testimony accurately.

21 Q. And in the attached -- if you go to page 32 of
22 your testimony, line 12, you testify: "The 55.13 amount
23 should be considered even more conservative as a measure
24 for use in this case given the intermodal nature of the
25 comparisons Mr. Gose initially made to CenturyLink's

1 copper-based services and broadband providers who often
2 do not provide voice services along with their basic
3 offerings without additional charges unless required by
4 state or federal support programs." Did I read that
5 correctly?

6 A. I believe you did. It looks like you're
7 reading from about lines 5 through 10.

8 Q. Do you stand by your testimony that the 55.13
9 dollar amount is a conservative estimate for
10 affordability?

11 A. Yeah. As I stated in my testimony when we're
12 looking at voice service in particular, it is a
13 relatively conservative figure. When you take a look at
14 the broadband flip side of that, FCC noticed that number
15 is about \$88. And so considering those two and where
16 the state is as a general matter, the 55.13 was pretty
17 conservative. And my point in stating that it's
18 conservative is that it -- for purposes of making
19 decisions in a cutpoint, if you will, as to what's
20 affordable and not, it's deemed reasonable to put the
21 company in the spot to look at that figure or a number
22 that might be a little bit higher or lower.

23 Q. And if you -- do you have access to what's been
24 marked as Exhibit SB 31X?

25 A. I don't know, to be quite honest.

1 Q. It's the public notice that you cite for that
2 55.13 number from the FCC.

3 A. Yeah, I recall the document, but frankly I
4 don't see it in the subdirectory that I have prepared to
5 testify today. Perhaps you could show it to me?

6 Q. I will share screen.

7 A. Yeah, exactly. Thank you.

8 MS. RENDAHL: Mr. Robinson O'Neill, is that
9 the same as his Exhibit JDW 5?

10 MR. O'NEILL: It is. It's the same at
11 JDW 5. You may have that.

12 MS. RENDAHL: Thank you.

13 MR. O'NEILL: That would be a good way of
14 doing it. Thank you.

15 THE WITNESS: Yes, I see that.

16 BY MR. O'NEILL:

17 Q. Do you have that up in front of you?

18 A. Yes.

19 Q. All right. If you look on the first page, do
20 you see there under Voice Rates, it says: "Based on
21 survey results, the 2024 urban average monthly rate is
22 \$34.27." Do you see that?

23 A. I do. And then it carries on and describes the
24 two standard deviations getting us to the 55.13 as the
25 figure used by the FCC for the rural areas.

1 Q. And we've heard testimony that, in fact,
2 CenturyLink's charge for voice services is around that
3 \$35 here in Washington as well; correct? Well, I don't
4 know if you were on the line, but did you hear that
5 testimony?

6 A. Let me see if I can answer your question
7 directly.

8 I recall the CenturyLink figures being in
9 the upper 30s, roughly 38, \$39 for residential, and then
10 single line businesses is going to be in the \$50-ish
11 neighborhood. I don't recall the numbers off of the top
12 of my head, but that ballpark.

13 Q. So this settlement at the -- if approved at
14 55.13 for affordability would be almost double what the
15 current rates are for voice only service?

16 A. I'm sorry, I don't think I follow your
17 question.

18 Q. Well, if we were to adopt a 55.13 affordability
19 and the actual price that's being paid now, we're in the
20 30s, it's not quite double but it's a significant
21 increase in the cost that a consumer would have to pay
22 in order to receive voice service under the terms of the
23 settlement; correct?

24 A. So I make sure that I understand the scenario
25 that you're looking at.

1 The test as I understand it is whether a
2 consumer can obtain a service, if you will, whether it's
3 bundled or not under the price structure that's in the
4 agreement --

5 Q. Correct.

6 A. -- and there may be in many instances prices
7 that are lower than the threshold. So I can't answer
8 your question specifically without knowing what the
9 number is for each individual customer. That's just not
10 data that I have.

11 Q. Okay. But it will be, at least from the
12 CenturyLink numbers, mid, like 1230s, it's going to be a
13 price increase for affordability considerations; right?

14 A. For the consideration as to whether it's
15 affordable, that's true.

16 Q. And in your testimony, you indicated that there
17 are consumers who make that choice for \$35 for voice
18 only or \$39 for voice only because that's all they can
19 afford; right?

20 A. I don't recall phrasing it that way, but I do
21 understand that customers make choices on affordability
22 and also the product set that they prefer.

23 Q. And do you -- or do you know whether staff has
24 conducted any analysis of the individuals -- the 1,200
25 individuals that are identified in their study as to

1 where their actual -- like what their actual budgets
2 are? Or we don't know that, right, that's unknown?

3 A. That's not data that I have. That's about the
4 best I can do to answer your question.

5 Q. Right. We probably want to have an
6 investigation into those individual people, maybe a
7 proceeding about it in order to determine that; right?

8 A. I -- I don't have an answer to the method by
9 which you would want to get that information.

10 Q. All right. I have one more line of questions.
11 Now I want to shift focus to your analysis of the
12 CenturyLink company's when it comes to service quality.

13 A. Sure.

14 Q. And I want to be clear here: I don't want you
15 to talk about any numbers because a lot of the numbers
16 that you cite are confidential. I'm really kind of
17 talking about generalities. And if an answer requires
18 you to look at numbers or answer with numbers, please
19 let me know and I'll stop you there and see if I can
20 work my way around having to share anything that's been
21 designated confidential. Is that fair?

22 A. It is. And thank you for the reminder.

23 Q. Okay. You would agree with me that your review
24 of trouble ticket data of the companies that are in
25 front of the commission here is -- demonstrates a

1 pattern of increasing service quality problems; correct?

2 A. As a general matter, yes, it does. And
3 obviously as written in testimony.

4 Q. In fact, it's a fairly significant increase, as
5 much as a fivefold increase for some of those companies;
6 correct?

7 A. I don't recall the exact numbers. But again, I
8 was seeing trouble ticket activity increase.

9 Q. And in addition to the number of overall
10 complaints, you were able to identify categories of
11 complaints where an individual made more than one
12 complaint, as many as five complaints in the same -- in
13 the time period that you were looking at; correct?

14 A. Yes. And in fact, that's listed at page 49 of
15 my testimony in Table II. There are groups of
16 customers --

17 Q. Which is confidential; right? We won't get
18 into numbers.

19 A. Understand. I'm just pointing to where it's
20 located in the testimony.

21 Q. Okay. And your assessment of the trouble
22 tickets is that the cause of this increase is declining
23 or deteriorating physical plants; in other words, their
24 physical infrastructure is getting, old and it's
25 breaking down?

1 A. I wouldn't characterize the testimony exactly
2 in that manner. What I -- what I did notice is that a
3 large percentage of the trouble tickets all come back to
4 a particular trouble code, and that code is for
5 deteriorated plants. And in many cases, what happens in
6 that circumstance is the line is "cut to clear." That
7 is, at a point in the network, one cable is swapped out
8 for another to continue the path out to the customer
9 location.

10 Q. In your opinion, are these service qualities
11 going to ameliorate going into the future, or are they
12 likely to get worse?

13 A. I don't know. I mean, I don't have a crystal
14 ball. I don't know of anything that would necessarily
15 cause the trend to change except that I'll note in the
16 agreement, as I understand it, the service credit
17 mechanism acts as a penalty to the company where its
18 service quality leaves customers out of service for a
19 period of time and that expense line, if you will, on a
20 budget internal to somebody in the company I expect is
21 going to cause investigation and provide data available
22 to the company to isolate those circumstances where
23 problems are recurring and they're making payments. And
24 it's by hope that it actually provides incentives to
25 replace cables where most needed to resolve those

1 issues.

2 Q. Incentives beyond a fivefold increase in the
3 number of complaints over the course of a few years?

4 A. I'm sorry, I don't quite understand the
5 question.

6 Q. Well, wouldn't the increase -- a fivefold
7 increase in complaints over a course of a few years be
8 incentive for the company to investigate and determine
9 why it is that they're unable to serve these
10 populations?

11 A. I -- again, I just -- I don't I think
12 understand the question.

13 Q. Okay. Did you or have you done any work to
14 determine whether the incentive of \$360 a month or so
15 will be sufficient to result in service quality
16 improvements?

17 A. Not quite sure I track your question. But when
18 I look at the number of trouble tickets that are
19 presented in Table II, there are -- well, in the third
20 column of Table II there's a total number. I won't use
21 that number. If credits were provided there based on
22 the average number of hours, that would be significant
23 dollar impact to the company. And it's my belief that
24 that now becoming an explicit expense line with data
25 related to where the customers are located gives the

1 company an opportunity to A., you know, the expense; B.,
2 to have an indication as to where the network is failing
3 to provide the appropriate service. It also gives staff
4 in the public counsel a base of data on which they can
5 draw analyses, and if action needs to be taken, they
6 could go to the commission and ask for corrective
7 measures.

8 Q. But as we sit here today, there's no way for us
9 to know what effects such an incentive will have in the
10 future. I mean, we're kind of speculating based off of
11 what a logical company would do; right?

12 A. Well, I wouldn't say we're speculating. I
13 mean, we've talked about the fact that there will be
14 penalties or, you know, financial incentives, and a line
15 item is going to appear on somebody's budget at the
16 company as an expense. My general experience shows that
17 when expenses start to creep up into an area,
18 management-type situation, they want to maintain their
19 budgets and if they're expending monies, they have the
20 incentive to stop that.

21 It will also provide for the data that the
22 company can see internally and hopefully provide
23 direction, if you will, as to whether efforts ought to
24 be focused. And like I said, it should give the staff
25 and the PC an opportunity to look at data and provide

1 additional oversight if necessary. So I wouldn't say
2 it's speculative. You've got these forces, if you will,
3 that will be working towards the benefit of the
4 customer.

5 MR. O'NEILL: All right. I have no more
6 questions. Thank you.

7 THE WITNESS: Thank you.

8 JUDGE HOWARD: Any redirect from staff.

9 MR. ROBERSON: I have some brief redirect if
10 that's --

11 JUDGE HOWARD: Please go ahead.

12 MR. ROBERSON: Okay.

13 REDIRECT EXAMINATION

14 BY MR. ROBERSON:

15 Q. So good afternoon, Mr. Webber.

16 A. Good afternoon.

17 Q. Do you recall being asked about kind of the
18 price and affordability of CenturyLink's services?

19 A. I do.

20 Q. And Mr. Robinson O'Neill brought up the urban
21 monthly average and CenturyLink's prices. Those are
22 prices; correct?

23 A. Correct.

24 Q. They're not an affordability benchmark?

25 A. That's correct.

1 Q. And the FCC calculates that through averaging
2 urban prices and then making two standard deviations
3 about that; correct?

4 A. Yes, that's correct. And I believe that's
5 outlined in that order or notice in JDW 5.

6 Q. And that's the 55.13 number; correct?

7 A. That is correct.

8 Q. Okay. Do you recall Mr. Robinson O'Neill
9 asking you about CenturyLink's incentives?

10 A. Yes.

11 Q. And as you point out, the settlement contains
12 terms providing for an automatic credit; correct?

13 A. That is correct.

14 Q. Is that the sum total of CenturyLink's
15 incentive?

16 A. No.

17 Q. So staff or public counsel could complain
18 against the company for violation of the commission
19 service quality rules; correct?

20 A. It could. And I would note that the process
21 that's established in the agreement will provide a base
22 of data that both staff and/or the PC could review and
23 have a good sense as to what's happening.

24 Q. And so that would be penalties under
25 commission's standard authority; correct?

1 A. That's correct.

2 Q. Were you on -- sorry.

3 A. I'm just saying that's my understanding, yes.

4 Q. Okay. Were you on earlier, did you hear
5 Commissioner Rendahl's questions about the preclusive
6 effect of that term in the settlement?

7 A. Yes.

8 Q. And are you familiar enough with the settlement
9 to answer the question, I guess, is the first question?

10 A. I believe I am. I've read through it a couple
11 times.

12 Q. And so that term, "the preclusive effect" --
13 its preclusive effect just applies to the calculation
14 and application of the penalty provision, right, it
15 doesn't grant the commission from enforcing any of its
16 other rules or service quality rules?

17 JUDGE HOWARD: Mr. Roberson, could I just
18 jump in. I know would isn't an objection, but I just
19 wanted to remind you that open-ended questions are the
20 most persuasive for our own witnesses.

21 MR. ROBERSON: Fair enough. I don't
22 supposed you're going to go let me treat him as hostile.

23 JUDGE HOWARD: Not yet.

24 THE WITNESS: I'll try not to be hostile.
25

1 BY MR. ROBERSON:

2 Q. Mr. Webber, thank you for your forbearance.

3 So would you explain your understanding of
4 Section 8-D of the settlement agreement.

5 A. Yes. As a former commissioned staffer and a
6 long time industry contract user -- I'm not an
7 attorney -- but my review of that section was that it
8 related to the credit mechanism that was created by the
9 agreement and nothing else. Whatever powers the
10 commission or the PC have to pursue service related
11 matters would not be impacted by the settlement
12 agreement, at least as I read it.

13 Q. And the settlement agreement provides for staff
14 or for public counsel to access the trouble tickets at
15 any time; correct?

16 A. It does.

17 Q. Does staff or public counsel have access to the
18 trouble tickets kept by the company?

19 A. That's -- that's my understanding, yes.

20 MR. ROBERSON: I probably should stop before
21 I get into further trouble, so --

22 JUDGE HOWARD: All right. Thank you. Do we
23 have any questions from the bench for this witness?

24

25

EXAMINATION

1
2 BY COMMISSIONER DANNER:

3 Q. So I just want to ask: When we're talking
4 about these numbers like \$33 a month and so forth, this
5 company is currently under a restriction with regard to
6 the deaveraging of prices. So the prices that are
7 currently set are not based on cost in a particular
8 area, they are basically based on competitive pressures
9 that the company might be facing in its -- in its urban
10 area and so forth; is that correct?

11 A. Yes, that's the way I see it. So let's talk
12 about Seattle, for example. Greater competition,
13 greater force on prices move prices down. But with
14 averaging across the entire state, the rural areas are
15 benefitting from that competition. Although they may
16 not see the competitors immediately in their backyard,
17 they're -- as many, they're benefitting from the hidden
18 pressure in the larger metro areas.

19 COMMISSIONER DANNER: Yeah. Okay. That's
20 what I wanted to clarify. Thank you.

21 THE WITNESS: You're welcome. Thank you.

22 COMMISSIONER DANNER: No further questions.

23 JUDGE HOWARD: All right. Thank you. With
24 that, let's take our lunch break -- well first, I will
25 thank the witness. Thank you, Mr. Webber, for your

1 testimony and you are excused from the remainder of the
2 hearing.

3 MR. WEBBER: Thank you.

4 JUDGE HOWARD: We will move to our lunch
5 break. We'll plan, I believe, on -- we'll take about a
6 45-minute lunch break and reconvene at 1:00. And just
7 looking at the remaining witnesses and the time
8 estimates, we have -- our two witnesses will pick up
9 with staff witness Bennett after lunch. And just
10 looking at the total time remaining, it does appear that
11 we will be fine in terms of completing the hearing
12 today, but I just would ask that all the parties be
13 mindful of trying to adhere to their cross time
14 estimates, and we'll move through this expeditiously so
15 we don't push the end of the hearing later today or have
16 to worry about trying to find time on the commissioners'
17 schedules so we can conclude on time today.

18 So with that, let's go off the record and
19 we'll reconvene at one. We're off the record.

20 (A lunch break was taken from 12:13 to 1:03 p.m.)

21 JUDGE HOWARD: Back on the record. It's
22 1:03 p.m. we're going to be resuming the
23 cross-examination of witnesses with our staff witness,
24 Sean Bennett. Mr. Bennett, are you on the line.

25 MR. BENNETT: I am. Good afternoon, Your

1 Honor.

2 JUDGE HOWARD: Good afternoon. If you'd
3 please raise your right hand, I'll swear you in.

4 Do you swear or affirm the testimony you'll
5 give today is the truth, the whole truth, and nothing
6 but the truth?

7 THE WITNESS: I do.

8 JUDGE HOWARD: All right. Thank you. Staff
9 may please introduce the witness and ask if there are
10 any corrections to the pre-filed testimony.

11 MR. ROBERSON: Good afternoon. Would you
12 please state your name and spell your last name for the
13 record?

14 THE WITNESS: Sorry, say that one more time.

15 MR. ROBERSON: Would you please state your
16 name and spell your last for the record?

17 THE WITNESS: Sean Bennett. My last name
18 is spelled B-e-n-n-e-t-t.

19 MR. ROBERSON: And did you sponsor
20 Exhibits SB-1T through SB-2018.

21 THE WITNESS: I did and do, yes.

22 MR. ROBERSON: And if I asked you the
23 questions asked both in your direct testimony which is
24 Exhibit SB-1T and also your settlement testimony which
25 is Exhibit SB-28T, would your answers be the same today?

1 THE WITNESS: They will be.

2 MR. ROBERSON: Mr. Bennett is available for
3 cross.

4 JUDGE HOWARD: All right. Mr. O'Neill, you
5 may proceed.

6 CROSS-EXAMINATION

7 BY MR. O'NEILL:

8 Q. Good afternoon, Mr. Bennett.

9 A. Good afternoon, Mr. O'Neill.

10 Q. Would you agree with me that the market is
11 insufficient to provide reliable telecom service, at
12 least broadband telecom service to rural areas in
13 Washington?

14 A. In some rural areas, yes.

15 Q. And I think you testified one example of this
16 is that the federal government is planning to spend
17 almost two billion dollars in Washington to expand
18 broadband service to rural areas; is that correct?

19 A. I don't know that -- the two million but, yes,
20 there are a number of programs both underway and very
21 well soon underway that will promote broadband
22 availability in rural areas.

23 Q. And federal funding and grants were part of the
24 reason or part of the way in which telephone wires were
25 initially extended out to rural areas; is that right?

1 A. It is.

2 Q. Now, in Washington, there are -- I mean, you
3 could describe this as being a barrier to entry that
4 prevents the expansion of the -- of broadband services
5 to rural areas; is that correct?

6 A. Can you repeat or rephrase the question?

7 Q. Sure.

8 There is a barrier to free competition in
9 rural Washington when it comes to telecom service, and
10 the significant investment to infrastructure that it
11 takes to expand and then maintain those networks;
12 correct.

13 A. Yeah. It -- it can be challenging which
14 federal programs do help make it easier, although
15 individual companies if they have the financial
16 resources would be able to do it on their own. But
17 there are many areas where they have not.

18 Q. And this is not an abstract problem, we know
19 this happens in Washington; right?

20 A. We do. There's broadband availability data,
21 mobile availability data, American community survey data
22 that all helps kind of paint the picture of where
23 various telecommunication services are and are not.

24 Q. Can you turn to what's been marked as SB-35X.
25 This is an excerpt transcript from a public comment

1 hearing from a Mr. Mederios, Joseph Mederios?

2 A. I am opening it. That's PC-7; correct? Yes.

3 Joseph Mederios.

4 Q. Yeah. It's PC-7 but it's been designated at
5 35X. Are you there?

6 A. I am.

7 Q. You'll see here that Mr. Mederios lives in
8 rural Pierce County between South Prairie and Orting.
9 Are you familiar with that area of Washington?

10 A. I know where Orting is, yes. I'm not sure
11 exactly where South Prairie is, but I'm generally aware
12 of that area.

13 Q. In 2021, according to Mr. Mederios, he
14 recognized that the copper network was no longer
15 sustainable, and he reached out to CenturyLink to
16 replace the copper wiring with fiberoptic cable. Do you
17 see that?

18 A. I do, yes.

19 Q. And he even applied for and received a grant to
20 help pay for that; correct?

21 A. According to this, yes.

22 Q. And even with that grant, according to him,
23 CenturyLink backed out because, according to him, they
24 were a low revenue area?

25 A. Based on this comment, yes, that is what it

1 says.

2 Q. And that's the kind of barrier that we're
3 talking about in Washington which is that that kind of
4 investment, even with government grants, is not certain;
5 correct?

6 A. Yeah.

7 Q. And as I understand the purpose of the
8 settlement that you have negotiated with the company, it
9 was to come up with a way to draw a line between the
10 areas of Washington where there is an affordable service
11 and the areas where there was and where there was
12 affordable service, you could rely on the market to
13 fulfill the need, and in the other areas you can't, and
14 so continued regulation is necessary. Is that a fair
15 description of the process that you were trying to
16 achieve or the goal you were trying to achieve?

17 A. Generally speaking, yes. It's -- it's really
18 about definitely the -- the discontinuance process was
19 born out to protect consumers that may not have other
20 available options available to them. That's not the
21 only goal, because people will still be protected with
22 the consumer protection standards and the credit, but
23 generally, yes.

24 Q. Okay. And in your initial testimony in -- I
25 have it designated as 20 -- sorry. As 29X. But it's

1 your original testimony 1T. You testified that cell
2 service was not an appropriate comparator for the voice
3 services provided by copper network that CenturyLink
4 maintained; is that correct?

5 A. Could you please point to that in my testimony?

6 Q. I don't have a specific area, but you did not
7 include cell service in your original testimony as a
8 comparator; correct?

9 A. No. I -- I'd say that's not correct.

10 Q. All right. Could you explain what your view
11 was of cell service in that original testimony?

12 A. Yeah. It's included throughout various
13 different areas both with respect to the mobile
14 availability data which CenturyLink initially relied on
15 in its competition study. In that study, it took the
16 mobile availability data information that really is an
17 absolute. But based on the FCC website, staff did not
18 have the belief that it's necessarily shown what is
19 definitely available within the home.

20 So after voicing those considerations, what
21 we did and what I did in my testimony is, identify the
22 U.S. census' American Community Survey's data which does
23 provide information about mobile internet access. And
24 staffs' analysis also included data information, we
25 broke it down on a wire center by wire center basis and

1 ultimately found that based on that ACS data when you
2 apportion it to the individual census tracts that
3 overlap CenturyLink's study area, there are about
4 248,000 households within the CenturyTel study area that
5 don't have mobile internet access.

6 And so the kind of two components from the
7 both the BDC's mobile availability data which shows if
8 it reports an area, it's not definitive that it's inside
9 that area, however there is a possibility that it is,
10 however we also know where it's not. And so if they
11 didn't report that hex, you can essentially then draw
12 it, okay, if it's not reporting availability, then it's
13 not in that area.

14 And so ultimately we have a lot of charts, a
15 lot of tables. My testimony was rather exhaustive. But
16 looking at fixed internet, we did also look at mobile
17 because previous commission orders did recognize that
18 not only are copper resellers competition, but that
19 voice services as well as mobile wireless are also
20 reasonably available alternatives.

21 Q. If you could turn to page 43 of your testimony?
22 And that's 43 in the bottom right corner, not the PDF.

23 A. I am there.

24 Q. At line 5, you start with: "Unfortunately, the
25 mobile BDC data does not measure availability inside

1 buildings, and staff therefore determined that it does
2 not accurately measure the availability of an
3 alternative service to fixed voice service. Staff did
4 make several attempts to find mobile data that could be
5 used to assess the availability and market concentration
6 requesting subscribership information directly from
7 mobile providers in Washington state was unsuccessful in
8 obtaining information from most relevant providers."
9 Did I read that correctly?

10 A. You did.

11 Q. Do you stand by your conclusion that the BDC
12 data, that the -- is not sufficient to establish the
13 availability of cell service inside of homes?

14 A. In and of itself, yes.

15 Q. All right. And in fact, you found no source of
16 data that exists anywhere, even with CostQuest data that
17 you ultimately purchased, that would allow you to make
18 that determination purely on the data; is that right?

19 A. The -- it depends on how location specific you
20 want to -- if you're looking at a location-by-location
21 basis or a general basis. We did find -- and I believe
22 if you go down a page or a few pages, there is the ACS
23 data which again does measure mobile internet access
24 within areas and estimates the number of households
25 without that mobile internet access within the

1 households.

2 Q. But it's an estimate, they don't -- I mean,
3 they're estimating, they don't know the answer. And
4 your estimate, I think you just said, was 248,000
5 Washingtonians without access?

6 A. Based on that ACS data within the CenturyLink
7 study areas, yes.

8 Q. Okay. Now in your study, you relied on a
9 separate database, the -- it's called -- it's the
10 CostQuest database which is a different database than
11 BDC; is that correct?

12 A. There's the Fabric, and then there's the
13 broadband or mobile availability data, yes. They are --
14 they are complimentary databases that work together, but
15 they are separate.

16 Q. And you used that data because it gave you some
17 additional information about locations; is that correct?

18 A. Yes. It gave us the ability to say based on
19 availability data, what's reported at an individual
20 location rather than generalized information that may or
21 may not be applicable to a specific location.

22 Q. And this is a supervisor layman description,
23 but the BDC data gives you those little purple hexes,
24 this cost Fabric would give you individual homes?

25 A. Sort of. And please feel free to clarify if

1 I -- well, there's the Fabric which is individual
2 locations, there's broadband availability data which is
3 really the provider reported availability data, whether
4 it's fixed internet or mobile. Fixed internet is
5 specific to an individual location, the mobile
6 availability data, they -- the different mobile
7 providers report availability at the hex level.

8 And with both of those what you are able to
9 ultimately do is, if you don't have the underlying
10 Fabric information, the FCC also does publish a
11 hex-shaped file, and all of the broadband availability
12 data components have an associated hex file associated
13 with them, so you're essentially able to then tie that
14 information to the hex kind of geographic area or the
15 individual location data if you have an agreement to be
16 able to use the Fabric dataset.

17 Q. Did you negotiate an agreement to look at the
18 Fabric dataset?

19 A. We did, yes.

20 Q. Did you purchase that data for Washington only
21 or for all the states that CenturyLink serves?

22 A. Washington only.

23 Q. And I don't want you to -- I don't want you to
24 disclose confidential information about the amount of
25 money that's been quoted to the commission for

1 CenturyLink's purchase. Can you tell us whether the
2 price the UTC paid -- the staff paid for the cost Fabric
3 data, how it compares to the price that's quoted from
4 CenturyLink?

5 A. It is a fraction of it, although I think it's
6 fairly imprecise.

7 Q. And you heard testimony earlier today that
8 CenturyLink really currently doesn't know how much that
9 CostQuest Fabric data would be for Washington State;
10 right?

11 A. I did hear, yes.

12 Q. Would you agree with me that access to that
13 database would significantly improve the granularity of
14 the data available if the settlement were to require its
15 use?

16 A. I'm not sure that I would. And if you'll allow
17 me to elaborate. The reason we felt it was necessary to
18 get access to the Fabric is because the initial petition
19 essentially used that hex process. And that hex process
20 isn't down to individual location. And in order for us
21 to kind of take the competitive classification petition
22 and really understand where it is and where it isn't, we
23 wanted to be able to say are these two locations within
24 this hex, is this information being reported to this one
25 or vice versa or neither. So it was important to get

1 accurate information. And within this proceeding that
2 was important. However, the terms of the settlement are
3 substantially detailed and it does require a
4 location-by-location analysis that Peter Gose and
5 hopefully CenturyLink will do. They will -- yeah.

6 Q. So I get what you're saying. So that's why in
7 the agreement, CenturyLink was required to go and
8 contact each of the customers in an area for
9 discontinuance in order to supplement the inadequacies
10 of the existing data in the BDC example?

11 A. It's a different method. I think it's an
12 appropriate method. They certainly could do the Fabric
13 and that would also give them the ability to do that
14 location-by-location analysis. But both methods, I
15 believe, would give them the tools necessary to go
16 through the enhanced discontinuance process.

17 Q. And ultimately, that's why you aren't
18 advocating for the requirement of cost Fabric, is
19 because of the process that CenturyLink agreed to do
20 which is an individual kind of survey of effected
21 locations?

22 A. It is.

23 Q. Now, in the process that's been negotiated, UTC
24 staff would not be the one reaching out to these
25 individual locations; correct?

1 A. That is correct.

2 Q. Public counsel would not be the one reaching
3 out to these individual locations; correct?

4 A. That is correct.

5 Q. And other than the certification from the
6 company that they had done so, it's not clear that they
7 would provide the answers or the data that they produced
8 from the survey, is it?

9 A. Can you repeat the question?

10 Q. Well, we're going to be relying on CenturyLink
11 to make sure that they do the survey appropriately,
12 right, that's what this settlement comes down to?

13 A. There are requirements for them to do the
14 survey requirements correctly and then provide all the
15 data associated with that discontinuance process to both
16 public counsel and CenturyLink staff as well.

17 Q. Okay. I want to switch a little bit to price
18 considerations. Ultimately, the settlement adopts a
19 price of -- it's -- I've drawn a blank.

20 A. 61.13.

21 Q. 61,13; correct?

22 A. That is correct.

23 Q. Is that number derived from a document or a
24 cost study?

25 A. It is de -- neither. It is ultimately derived

1 as part of the settlement negotiation process. There
2 are justifications and reasons for it which I can
3 certainly elaborate on, but --

4 Q. Okay. And the original number that you used
5 was 55.13; correct?

6 A. Yes, that is correct.

7 Q. And you heard testimony from Mr. Webber that
8 that was a conservative estimate of an affordability
9 benchmark; right?

10 A. I did.

11 Q. And you're not changing or challenging that
12 testimony, are you?

13 A. Challenging what testimony?

14 Q. That 55.13 is a conservative estimate of what
15 affordability -- of an affordability rate?

16 A. No. It -- it is reasonably conservative, yes.

17 Q. I want to ask you now some questions about
18 process. Mr. Gose presented an example, the Yacolt
19 example, in his testimony, took him about an hour to put
20 it together, he said. Do you know or do you have any
21 information on how long it would take CenturyLink to put
22 together the kind of information that they describe in
23 Step 1 of their process that is negotiated in the
24 settlement?

25 A. Nothing other than what I've heard today.

1 Q. And although they've described a very robust
2 process, there's nothing in this settlement that would
3 hold them to using a robust process, is there?

4 A. Can you elaborate? Because the overall process
5 is rather robust.

6 Q. I'm just talking about Step 1. Is there any
7 restriction on the size -- geographic size of the
8 location that they decide to discontinue?

9 A. Outside of the work that CenturyLink would take
10 upon itself to be able to do that and the increasing
11 likelihood of the larger area, the more likely there are
12 to be CCLs at first glance, yes.

13 Q. There's no requirement about size in the
14 agreement; correct? I mean it could be 10,000 people,
15 it could be 3?

16 A. That's correct.

17 Q. And there's no requirement or any kind of
18 enforceable -- forcible requirement that they exert the
19 kind of careful consideration that Mr. Gose described in
20 his direct testimony, they could just look at a map and
21 say, I don't know, that looks good to me, the math works
22 out, I'm going to do it; right? There's nothing in
23 Step 1 that's verifiable?

24 A. There's the end result of the work and analysis
25 that we see that we would work through to verify it,

1 but --

2 Q. And if we could be certain that Mr. Gose will
3 be in his position for the next ten years and he will be
4 the one doing the math, I think we'd feel comfortable.
5 But do you have any concerns about the company being the
6 one that makes this definition -- or makes these
7 decisions without any oversight by the commission or
8 explanation, really?

9 A. The discontinuance process is really about
10 making sure that those areas are unserved -- or that
11 those areas that are unserved or underserved are
12 protected. And so under a competitive classification
13 proceeding, if that -- that was granted, the company
14 would be able to kind of discontinue after it provided
15 that discontinuance process that's required by rule.
16 And so overall kind of the focus is on protecting those
17 consumers, but the reasons for that decision are
18 ultimately CenturyLink's.

19 Q. Well let's talk about that process, then.

20 How much time -- so their process is to
21 design the area, then they're going to do the study, and
22 then reach out to the individuals to do the survey, then
23 when they decide to move forward with it, they're going
24 to give staff and public counsel notice. How much time
25 are they giving staff to review their documents and

1 their data before the discontinuance?

2 A. If it would be all right, I would appreciate
3 pulling up the terms of the settlement. I do know that
4 there is a 45-day window for consumers to respond --

5 Q. Correct.

6 A. -- and then that discontinuance process with
7 the FCC can take several months. And I do believe that
8 the terms of the settlement also allows staff and public
9 counsel no less than essentially 60 days to be able to
10 go through that process.

11 Q. Do you know whether staff or public counsel
12 will have resources to do an adequate review of the data
13 presented in that 60 days to intervene before the
14 discontinuance occurs or the FCC process goes forward?

15 A. I wouldn't speculate as to public counsel's
16 ability or inability to be able to do that. But at this
17 point, staff -- as staff, I believe, yes, we do have the
18 resources necessary to go through that process and to
19 look at the enhanced discontinuance notice, work with
20 the company if it looks like they -- if there are issues
21 with that process, and then ultimately file comments
22 with the FCC and their discontinuance process if staff
23 felt strongly that that was warranted.

24 Q. Is there any remedy allowed in the settlement
25 for staff to bring the issue in front of the UTC?

1 A. I know we do have standing to bring a complaint
2 from working with the company through this -- I'm
3 certainly not an attorney. But from discussing this
4 process with the company, it's our understanding that as
5 they kind of send out a notice to these individuals,
6 that individuals are allowed to call either the company,
7 public counsel, or staff and to ask questions.

8 And so as part of that, I assume consumer
9 protection would definitely be receiving those calls,
10 and then as consumer protection gets those and after the
11 fact when we receive that notice, we would work through
12 kind of that data to ensure that they followed the
13 outline process, yes.

14 Q. How many staff do you currently have that would
15 be available for this work?

16 A. I can only speak for the telecommunication
17 staff. I'm currently the acting section manager, and
18 then I currently do have three other individuals as
19 well.

20 Q. And you're responsible not just for CenturyLink
21 but all the telecom cases, is that right, this unit?

22 A. We are. Although, we are not also -- we're
23 not -- also the consumer protection side, we do work
24 closely with them. But yes.

25 Q. And under the agreement, there's -- the

1 consumer would have to complain to either the UTC or
2 public counsel in order to trigger either of these
3 entities to stand up on their behalf or to investigate;
4 correct?

5 A. We would -- if we receive a discontinuance --
6 the enhanced discontinuance notice from CenturyLink, we
7 would do our own kind of due diligence on that
8 regardless of whether or not there were complaints or
9 questions that came up.

10 Q. Now, you don't know how this process is going
11 to work because we've never gone through it; right?

12 A. I don't know if I feel -- if I would
13 necessarily agree with that statement. The process is
14 very detailed and we do have a good understanding of
15 what that would go through. We haven't lived it and
16 experienced it to kind of go through that, but it is
17 very detailed and that does give us a good framework.
18 Along with the actual notification that is mailed out to
19 the consumer, is e-mailed out to the consumer, we would
20 use that as kind of the process or guide.

21 Q. If CenturyLink went through this entire process
22 and used the packet that they generated of data and
23 filed a petition with the commission to discontinue
24 showing that there were adequate -- there were adequate
25 service alternatives in the area of discontinuance,

1 would you agree with me that the most likely resolution
2 of that would be on an open docket meeting for the UTC?

3 A. Am I -- can I rephrase or, I guess, can you
4 clarify that? Are you saying at the kind of the very
5 end of the enhanced discontinuance process? Is that
6 your question?

7 Q. Let's say CenturyLink went through this entire
8 process, and at the end they had a packet of information
9 about alternatives about the people in the area of
10 discontinuance, and if they put that together and they
11 filed on the strength of a petition -- in a petition to
12 discontinue for the UTC, that would allow staff to look
13 at it, that would allow counsel -- public counsel to
14 look at it, and wouldn't the most likely result in that
15 scenario be resolution on an open meeting docket?

16 A. Sorry, you mentioned approval and a petition.
17 So are you saying that there's a petition which includes
18 CCLs, or are you saying enhanced discontinuance notice
19 with no initial CCLs?

20 Q. It can either be either way. Either no CCLs or
21 one or two CCLs where they have spoken with them and
22 like Ms. Margrav, there are four different competitors
23 and, you know, it's just she needs to get on with the
24 times and we should be able to discontinue it because
25 it's going to cost us too much money to maintain her

1 service, that kind of information could be assessed and
2 decided fairly quickly by the UTC on the open meeting
3 docket; right?

4 A. The normal discontinuance process for
5 competitive local exchange companies does go before the
6 commissioners at an open meeting generally as a bill
7 action item. And so we do kind of work through those
8 notification processes. And ultimately, if CenturyLink
9 did go through that enhanced discontinuance process, if
10 we found that CenturyLink worked through that entire
11 process appropriately, it would go through the open
12 meeting process like it does for -- for sea legs
13 (phonetic).

14 Q. Do you have any experience or knowledge of the
15 FCC review process?

16 A. The FCC review process for what?

17 Q. Section 214 discontinuances?

18 A. Very peripherally.

19 Q. Do you know what the standards are in a
20 Section 214 discontinuance versus the standards in an
21 AFOR statute or in a commission decision?

22 A. I do not, no.

23 Q. I want to now shift focus a little bit to some
24 comments that we received during the public comments
25 having to do with availability of communication during

1 emergencies. Were you or did you listen to the open
2 public comment hearings?

3 A. I was in attendance, yes.

4 Q. And are you an expert on the performance of
5 cell service during wildfires or other similar
6 emergencies?

7 A. No, I am --

8 MR. ROBERSON: Objection. This goes a
9 little bit beyond the scope of Mr. Bennett's testimony
10 at any phase of this proceeding.

11 JUDGE HOWARD: Hmm. I'll allow the
12 question.

13 Q. I think he said no, so --

14 A. No, I'm not.

15 Q. All right. Can you turn to what's been marked
16 as Exhibit 32X, SB-3X? This is a an article called Five
17 Alarm, Assessing the Vulnerability of U.S. Cellular
18 Communication Infrastructure to Wildfires.

19 A. I clicked on it. It's pulling up slowly. I
20 apologize. I did download it and I'm trying to open it,
21 but it's giving me a denied pop up.

22 Q. That's not good.

23 A. No.

24 Q. I can share screen with you if that would help.

25 A. Yeah. That -- that would be great. My

1 apologies. Thank you.

2 Q. Sure. I'm going to zoom in because there's no
3 way you're going to be able to read that at that level?

4 The page number I've turned to is 166 at the
5 bottom, and the question I want to ask you is about this
6 last paragraph here.

7 MR. ROBERSON: Objection. Foundation.

8 MR. O'NEILL: I haven't asked the question
9 yet.

10 MR. ROBERSON: Sure.

11 MR. O'NEILL: Judge Howard, I can't hear
12 you.

13 JUDGE HOWARD: Mr. O'Neill, please proceed.

14 MR. O'NEILL: Okay.

15 BY MR. O'NEILL:

16 Q. You can either read it quietly to yourself or I
17 can read it out loud so we're all on the same page, but
18 do you have any reason to doubt the findings of this
19 study, that the most vulnerable aspect of cell service
20 is the loss of power?

21 A. I have not read this -- read or reviewed this
22 case study.

23 Q. You have no reason to disagree with the finding
24 that it is the lack of power that is the most -- the
25 thing that makes cell service most vulnerable in the

1 case of a wildfire?

2 A. Looking at this, having not before seen it, can
3 you repeat your question for me?

4 Q. Sure.

5 Do you have any reason to doubt the
6 conclusion of this study that in the case of a wildfire,
7 the most striking vulnerability of cell service is
8 power?

9 A. I don't have any reason to think that it is or
10 that is isn't. I haven't reviewed this case study.

11 Q. Okay. Let's turn to what I marked as
12 Exhibit 36X. This is a transcript of a public comment
13 hearing for a Mr. Richard Johnson.

14 A. I have that one pulled up.

15 Q. So Mr. Johnson, according to this testimony,
16 lives in Okanogan County, south of the town of Okanogan.
17 Now, you agree with me that that is very likely a rural
18 part of Washington?

19 A. Most likely, yes.

20 Q. And he says that when the electricity goes out,
21 the telephone landline is the only way that we have to
22 contact the PUD, it's the only means that they have of
23 contacting a doctor or a hospital in a case of
24 emergency, it's the only contact with the outside world.
25 Do you agree with me that's what his testimony was?

1 A. That paragraph, yes.

2 Q. And furthermore, in rural Okanogan County,
3 their electricity goes out when the snow is wet, when
4 there's a strong wind, or when there's fire; correct?

5 A. Based on that sentence, yes.

6 Q. And in the particular area he's referring to,
7 it started snowing in November, it didn't end until
8 April, and every time the wind came up, the snow would
9 drift across their driveway and the road, and they would
10 lose power?

11 A. Yes.

12 Q. And they didn't have cell service even if they
13 were within a hex that was purple on the FCC BDC data;
14 correct?

15 A. I don't see that information in this.

16 Q. You don't see --

17 A. Can you show me where you're coming to that
18 conclusion?

19 Q. They didn't have electricity; correct?

20 A. Based on this statement, yes.

21 Q. Is it possible that a person living in a rural
22 area where there still would by access under the BDC
23 data would rationally decide to have a landline because
24 it's simply more reliable when conditions are adverse?

25 A. The -- to have one or not, if it's available,

1 that would be their choice.

2 My apologies, could you ask the question one
3 more time?

4 Q. It would be their choice. And I'm asking you:
5 Wouldn't it be rational for them to have a landline even
6 though they might have cell service and for them to
7 consider access to that landline something of a
8 necessity living in rural Okanogan County?

9 A. It could be. I guess it -- it depends on
10 whether or not they're ultimately -- services -- those
11 wireless and fixed services are available. But if they
12 chose to -- to only have a landline, then that would be
13 their choice under the current circumstances which they
14 exist.

15 Q. Nowhere in the current settlement agreement is
16 there a provision for assessing whether or not a service
17 is a necessity in spite of the fact that it might have
18 access under the BDC data; right? There's no provision
19 that allows or requires the company to consider that, is
20 there?

21 A. The commission previously viewed both copper
22 and voice as well as mobile wireless as readily
23 available options. And this process, if approved, would
24 take all of those different options into consideration,
25 and CenturyLink would only be allowed to discontinue

1 service if there are verifiably available alternative
2 services.

3 Q. But that could be a cell service where in rural
4 Washington when they lose power, because cell towers
5 require access to power to operate, that means they lose
6 cell service; right? I mean, that -- you don't know,
7 and there's no provision in this agreement, is there?

8 A. They -- they may lose cell service, they may
9 not. There are a number of cellular companies here in
10 Washington state that have previously been granted an
11 ETC designation status, and as part of that review
12 process they do have backup power. Many of the energy
13 companies also do have plans in place to rectify it as
14 quickly as possible.

15 And so obviously, anytime anyone loses
16 power, it's unfortunate, but there are rules and
17 regulations that prompt energy companies to repair that
18 service as quickly as possible. And just because an
19 individual loses electricity service does not mean all
20 of the infrastructure surrounding the area also loses
21 that power as well. It's certainly possible that it
22 does, but it's also possible that it's still functional
23 as well. And if an individual had a backup battery,
24 then they would still be able to use cellular service.

25 Q. Well it's not the individuals, it the cell

1 tower that has to have the backup power; right? It
2 not -- it isn't a question of you being able to power
3 your phone, it's question of whether or not the cell
4 tower also lost power and can't give you a signal;
5 right?

6 A. Yeah. And many of at least for those two
7 entities have and do.

8 Q. If you go back to the article that I just
9 showed you and you look onto the next page, what it says
10 there is that the FCC proposed such a rule requiring
11 cell towers to have that -- a battery, and it wasn't
12 approved. Do you know whether or not cell companies are
13 required to have battery power in rural areas so that
14 they can operate when in rural Okanogan County the power
15 is out for significant periods of time?

16 A. I'm sorry, what are you referring to? I
17 currently have open the comment from --

18 Q. I'll withdraw the question.

19 A. Okay.

20 Q. Now I want to turn to service quality issues.
21 If you turn to SBX 34, this is the testimony of Jean
22 Marie Dreyer.

23 A. Yeah pulling it up now.

24 Q. If you turn to page 11 of that document on
25 line 14: "In four years from 2019 to 2023, the UTC

1 consumer protection division received nearly 1,800
2 complaints about CenturyLink. 1,300 of those involved
3 quality of service with a higher proportion of that
4 coming from rural areas, up to 32 percent." Did I read
5 that correctly?

6 A. Yes, you did.

7 Q. And if you go to the next page, there's a chart
8 there and then some text which indicates that the raw
9 numbers complaints to CenturyLink has increased every
10 year for the last five years and that the percentage of
11 complaints that are specific to CenturyLink are an
12 increasing percentage of all complaints received by UTC.
13 In fact, CenturyLink has 89 percent -- CenturyLink's
14 complaints compose 89 percent of all complaints about
15 telecom. Right?

16 A. Based on this data, yes.

17 Q. Do you have any reason to doubt it?

18 A. Not to my knowledge, no.

19 Q. You heard testimony earlier today from Mr. Gose
20 that they have staffing shortages, they have declining
21 revenue, and -- do you have any concerns about the
22 ability of CenturyLink to self police itself in this
23 discontinuance process where they're the ones doing the
24 work and collecting the data?

25 A. If they want to try to go through that

1 discontinuance process, they have to do the work. So if
2 they don't have sufficient people to do the work, then I
3 think that would probably be a moot point because we
4 won't get to that point.

5 Q. It sounds to me like you are agreeing that
6 somebody needs to be reviewing their work, and the
7 question is whether it should be a formal process, that
8 is, something like this process we've gone through in
9 the last two years to get as much information as we
10 have, or if it can be an informal process where your
11 office and three individuals in my office and four
12 individuals are the only line between discontinuance and
13 somebody raising an argument that it shouldn't be done.
14 Right? That's essentially what we're disagreeing about
15 here?

16 A. The terms of the settlement are kind of greater
17 than the sum of their parts. And yeah, one of those
18 components is the discontinuance process that -- it's
19 really based on -- it starts with the mobile and fixed
20 internet availability data. And so, I mean, that data
21 and the structure and the process along with having a
22 maximum speed and a minimum -- or sorry, a maximum
23 price, a minimum speed, and then validating that
24 information is a -- is a very detailed methodological
25 process which may or may not happen if CenturyLink

1 receives a competitive classification.

2 And so this process is really -- it's
3 created so that we can understand whether or not it is,
4 and yes, it's definitely trust but verify. But staff
5 definitely takes that verification process very
6 seriously, and we would use the information that they
7 provided to do that verification.

8 Q. And has the UTC always been fully staffed in
9 the last couple of years?

10 A. I don't know the overall staffing levels of the
11 commission for each individual division, but I know the
12 telecoms section may be few but we're mighty, and we
13 continue to do the work that's asked of us.

14 Q. You and I have had multiple discussions about
15 this, you know my reservations. In spite of that, do
16 you still recommend the commission adopt this
17 settlement?

18 A. I do.

19 Q. You would agree with me that it would be
20 safe -- it would be, let's say, more conservative to
21 require CenturyLink to come in every time that they have
22 a discontinuance, and if they have a persuasive packet
23 like what they've described, it would probably be
24 resolved in a no action docket; right? That would be a
25 safer approach?

1 A. I don't know if I necessarily agree with that
2 characterization. I don't know if it would go as a no
3 action item. There might be a few people that want to
4 speak up about that discontinuance process. But we do
5 have a process in front of us that has substantial
6 safeguards for consumers. We do have and we really dug
7 into this data. And the data is dynamic, it's not
8 static, it's constantly changing. I think -- I'm trying
9 to remember the time period. We worked on this, like,
10 June 30th, 2024, broadband availability data as being
11 reported to the FCC soon, and soon you would work on
12 that data.

13 And the data that providers report is going
14 to be changing just like the competitive landscape. And
15 so it is competitive in an area. If there are
16 reasonable alternatives, this process was worked on with
17 painstaking detail because we want to get it right.
18 Because we want to make sure that really no consumers
19 are left behind, that they do have mobile or fixed
20 interned service as an alternative.

21 Q. And you -- I'm guessing that you spent at least
22 hundreds of hours, that is the commission, on this,
23 maybe even into thousands in the last two years getting
24 to this stage; correct?

25 A. It's been a lot. That's safe to say, yes.

1 Q. And your hope is that in the 60 days that you
2 get from this settlement, you will be able to do a
3 similar amount of working for the individuals that will
4 be directly impacted by that future decision that will
5 have no UTC process; right? That's your hope?

6 A. Can you state that question, comment one more
7 time?

8 Q. It is your hope that in the 60 days of informal
9 review that this settlement creates, that you will be
10 able to recreate that amount of time and investment for
11 those individuals who will be directly impacted by some
12 future decision, the scope of which we don't know now,
13 the dimensions of which we don't know now, we hope we
14 get it right, that's what we're relying on in this
15 process?

16 A. I'm just trying to kind of reconcile the time
17 estimate, because you mention putting that amount of
18 time into this. And that was hundreds of hours and
19 putting together the process to get there. I believe
20 that process now that we have it flushed out, if it's
21 approved, now that we have that process defined and laid
22 out, it won't be to that same level. It won't be
23 necessarily hundreds or thousands in totality on that
24 because we have the structure laid out, we have it
25 spelled out, and now it's just a matter of doing that

1 analysis.

2 So there still definitely would be a decent
3 amount of time to go through that process, but I don't
4 know if it would necessarily -- individual
5 discontinuance would rise to the same hours of input for
6 this entire proceeding over the last year or two years.

7 MR. O'NEILL: All right. I have no more
8 questions. Thank you, Mr. Bennett.

9 THE WITNESS: Thank you.

10 JUDGE HOWARD: All right. Do we have an
11 redirect? Please go ahead.

12 REDIRECT EXAMINATION

13 BY MR. ROBERSON:

14 Q. Good afternoon, Mr. Bennett.

15 A. Afternoon.

16 Q. Do you remember early on in your cross, you
17 were asked about kind of the broadband data collection
18 effort and you spoke about the ACS census data, and I
19 believe you said that there were about 248,000 locations
20 with no mobile service under the ACS study; correct?

21 A. That's correct, yes. I remember it.

22 Q. Does that mean that the service is unavailable
23 at those locations?

24 A. It's -- it's not defined. It -- I believe that
25 it -- it may not be available. They also -- some of it

1 could be that they just don't have it. So it really
2 could be both. But I do believe that the overall number
3 of kind of CCLs will most likely increase substantially
4 because it's not static, it is dynamic. And so I think
5 that 1,200 number of CCLs that was previously mentioned
6 is really a bare minimum, and as CenturyLink and as the
7 individual consumers and staff goes through that
8 process, that number of CCLs will increase. Because
9 there are, based on that ACS data, a lot of people that
10 don't have that mobile internet access.

11 Q. Do you also being -- sorry.

12 Do you also recall being asked about staffs'
13 negotiation for the Fabric data?

14 A. I do, yes.

15 Q. And did CostQuest offer staff, for lack of a
16 better word, a government rate?

17 A. Not to my knowledge.

18 Q. Okay.

19 A. To the best of my recollection, it was not.

20 Q. A little later on in your cross, Mr. Robinson
21 O'Neill was asking you about kind of discontinuance
22 without staff or public counsel getting involved. Do
23 you remember that? I believe he used the term
24 "oversight."

25 A. Yes, yes.

1 Q. Did staff view the processes set out in the
2 settlement as lacking oversight by the commission
3 through its staff?

4 A. Not at all. We -- we would be a significant
5 component of it. We wouldn't be kind of starting off,
6 that's on CenturyLink, which they may or may not do. To
7 my knowledge, they've -- at least since I've been here,
8 they haven't petitioned for a discontinuance in any
9 area. But if they do decide at some point in the future
10 if this process and the AFOR are ultimately accepted,
11 then we would be a part of it after they'd began that
12 process, and we would validate using the BDC data that
13 there are services and that CenturyLink isn't
14 discontinuing service to an unserved or underserved area
15 so that no one is left behind.

16 And not only are they not left behind, but
17 if CenturyLink does go through that process and an
18 individual indicates that they do participate in a low
19 income program, they could actually get help with
20 transitioning to other services. In the terms of the
21 settlement agreement CenturyLink would be willing to
22 help cover the cost. I believe it's in excess of a \$100
23 for fixed internet service to some extent, but also with
24 mobile wireless services as well.

25 Q. And what does staff view its role in kind of

1 reviewing CenturyLink's -- the data it collects through
2 the customer challenging validation processes?

3 A. We're validating it, we're verifying it. We
4 are ensuring that CenturyLink through that
5 discontinuance process is doing exactly what they said
6 they were going to do and that they are not
7 discontinuing service to anyone that doesn't have either
8 fixed wireless -- or sorry, mobile wireless or fixed
9 internet availability.

10 Q. And do you remember being asked about staffs'
11 ability to bring a complaint?

12 A. I do, yes.

13 Q. And so if staff finds defects in CenturyLink's
14 discontinuance dataset, would staff be able to complain
15 to stop a discontinuance if the felt that it was
16 unwarranted or inappropriate?

17 A. Yes, we would.

18 Q. One last question.

19 Mr. Robinson O'Neill asked you whether or
20 not you still recommended an option of the settlement
21 given his qualms. It was a yes or no question. You
22 said that you did. Could you explain why you do?

23 A. There are substantial benefits under the terms
24 of the settlement. By its initial -- by "its," I mean
25 CenturyLink. If CenturyLink's initial competitive

1 classification was granted without condition, it would
2 be allowed to kind of discontinue at will. And by
3 focusing and talking through and detailing this enhanced
4 analysis, we substantially minimize litigation risk. To
5 kind of get an overall terms of the settlement to look
6 like this, through that litigation process we really
7 would have had to win on almost every count. It is a
8 very detailed process, the commission did previously
9 consider mobile and voice service as alternative
10 services. And so we did try to take that into account
11 in this process.

12 But we're not just blindly relying on the
13 broadband availability data for both broadband and
14 fixed -- or sorry, mobile wireless, we're validating it.
15 Which CenturyLink's petition, there is no validation.
16 There's the 800 protected customers which are protected,
17 but then everyone else, all the other subscribers,
18 CenturyLink would potentially be able to just
19 discontinue with no additional validation or
20 verification.

21 But this mechanism, this process mitigates
22 that and puts in place a chance for first CenturyLink to
23 validate it, because not only are they going to the BDC
24 data, they're also going to the provider's links but
25 then they also have to have send out an enhanced notice.

1 And that enhanced notice mentions that consumers may
2 qualify for financial assistance. It also informs
3 people about the Washington State Broadband Office's
4 digital navigation program and language access services,
5 and there are actually digital navigators to help people
6 transition from -- or not necessarily help from
7 transition from voice to broadband, but to help people
8 understand and be able to set up and use those -- the
9 modern technology with internet and mobile services.

10 And so overall, there just really are a lot
11 of benefits. There's also the automatic service credit
12 which from staff's understanding is above and beyond. I
13 think earlier today, CenturyLink indicated that in 2023,
14 it would have been about \$150,000. That's real and
15 that's something that is going directly to the consumers
16 and it includes force majeure and vandalism. And it's a
17 automatic system upgrade once the trouble ticket has
18 been created. Without that kind of automated system
19 taking over, then it's just a whole bunch people. And
20 so that also helps kind of mitigate some risk and
21 increases the likelihood of that credit actually being
22 applied. But if it's not applied, then they get double.
23 And that double is meaningful too because staff did --
24 was agreeable to --

25 MR. O'NEILL: I'm going to object at this

1 point. This is a narrative answer at this point, and I
2 would ask that there be a question asked.

3 THE WITNESS: Okay.

4 JUDGE HOWARD: I will -- it was a broad
5 question, but I will grant the objection just given to
6 length of the testimony, the length of the answer.

7 Any further questions on redirect?

8 MR. ROBERSON: I think I can end there.
9 Thank you.

10 JUDGE HOWARD: All right. Thank you. Do we
11 have any questions from the bench? Please proceed.

12 MR. DANNER: I will start.

13 EXAMINATION

14 BY COMMISSIONER DANNER:

15 Q. First of all, just a clarifying question. In
16 your testimony related to the settlement agreement, it's
17 noted at SB 28T that CenturyLink will be providing the
18 customer notification of the enhanced service credits
19 within 30 days of the effective date of the AFOR, and
20 then on page 4 of Attachment A, it says it will provide
21 the notifications 60 days after the effective date of
22 AFOR. Can you clarify if it's 30 or 60 days?

23 A. I can. I apologize. You were going a little
24 faster than I was.

25 Q. All right. Well, I will slow down.

1 So basically, it's in your testimony where
2 you said 30 days but Attachment A of the settlement
3 agreement says 60 days. Just want your -- what is it?

4 A. And that 60 days -- sorry. On the settlement
5 testimony, can you say what page that is? I'm just
6 trying to --

7 Q. It's on page 16, line 4.

8 A. Okay. So 16, line 4 it states: CenturyLink
9 will provide double the credit balance to consumers and
10 then inform customers about this program via quarterly
11 bill inserts starting within 30 days of the AFOR
12 effective date. Okay. Thank you.

13 Q. And then in the settlement agreement, it says
14 that the bill insert notifications will be provided
15 within 60 days after the effective date of the AFOR.

16 A. Okay. I would probably go with the terms of
17 the settlement agreement.

18 Q. Okay. So that would be notification 60 days
19 after the effective date of the AFOR?

20 A. Yes.

21 Q. Okay. All right.

22 Then I had a question -- you heard my
23 question to Mr. Gose about the accuracy of maps. I
24 wanted to get your view. Are they -- the maps that
25 they'll be referring to the FCC is putting together, are

1 those accurate? In the past, there has been a lot of
2 question about the accuracy of maps. I just -- are we
3 at a point now where you're comfortable with them? And
4 what's the basis for that?

5 A. It is, and we are. Each iteration will be
6 better than the last. There is a challenge process that
7 the FCC allows and really encourages consumers to
8 challenge that information, and providers will update it
9 based on that and the FCC will. So definitely benefits
10 consumers to challenge it on their first and foremost.

11 But ultimately, although we do want to rely
12 on that, we don't want to rely on that exclusively which
13 is why we built in this validation process. It really
14 gives the consumer a chance to challenge it after
15 CenturyLink has put in initial legwork where they've
16 actually gone not only to the broadband availability
17 dataset, but also gone to the providers' website and
18 looked at each individual address. And they do provide
19 within that enhanced notice that they send out to
20 consumers the company's web link to help consumers be
21 able to kind of find that service.

22 So it's -- the mapping -- the initial
23 broadband data collection map is a starting point, but
24 it's not the ending point. There is that validation
25 process that CenturyLink needs to do, consumers have the

1 ability to then challenge it and provide documentation.
2 But even if they don't provide documentation,
3 CenturyLink will then validate -- attempt to validate
4 what they say, and then all that information will
5 ultimately be given to commission staff for us to go to
6 review.

7 We have spent a lot of time kind of with the
8 data and with the analysis and it will continue to get
9 better. And at this point, it's my understanding that
10 CenturyLink doesn't plan to discontinue service based on
11 the data in front of us, so they would be using future
12 iterations which will only get better with time as well.

13 Q. I thank you for that.

14 You also heard my question about concerns
15 about the UTC giving up authority to approve mergers and
16 acquisitions as the settlement takes that out. When
17 staff was agreeing to this settlement, did you have
18 concerns about that provision?

19 A. The primary concern which was rectified with
20 the current term was really about kind of CenturyLink's
21 ability to kind of break up an individual company, one
22 of the operating entities. Because there is language
23 where essentially CenturyLink can't kind of break up one
24 of its smaller companies even further. So then
25 essentially maybe a provider could only buy the urban

1 and not the rural or vice versa.

2 And so with that consideration, we do have
3 the current language where if there is someone that is
4 interested in buying one of these entities, they would
5 be able to do that, and they would be able to do that
6 and take -- taking on the entity as a whole. They're
7 not just getting a component, so they're getting kind of
8 the urban core along with the rural areas. And any
9 purchasing entity would also be subject to the AFOR. So
10 the AFOR still in is place, they wouldn't be relieved of
11 any obligations that are created and sustained with this
12 structure. So that was kind of thinking behind that
13 language.

14 And like many of these individual areas, the
15 sum really is greater than the parts. We're able to
16 avoid litigation risk with this combined settlement, and
17 overall the settlement does benefit consumers by only
18 allowing CenturyLink to actually discontinue service if
19 there are alternative services which are verified
20 ultimately by staff.

21 Q. Thank you. Now, you mentioned language,
22 translation services as well. I was -- I saw in the --
23 I think it's Attachment B that there are language
24 services that are being offered by the broadband office.
25 I didn't see any translation services by the company.

1 Is that your understanding as well?

2 A. That -- that is. I believe there -- my
3 apologies. I can try to find it. I do believe for the
4 service quality credit will also be translated into
5 Spanish. But everything else, yes, it is through a
6 digital navigator that there would be language access
7 assistance.

8 Q. Through the --

9 A. Through the kind of digital navigator.

10 Q. By the company or by the -- who would be -- the
11 digital navigator is -- is what?

12 A. It's -- a grant ran by the Washington State
13 Broadband Office --

14 Q. Right.

15 A. -- to help with the digital equity.

16 Q. Right. Okay.

17 So the company's going to send out a
18 postcard, people are going to get the postcard, so they
19 would have to contact the broadband office to get those
20 kinds of translation services then?

21 A. They -- the discontinuance notice includes a
22 link and a flyer for each of those languages for
23 individuals to get that language assistance.

24 Q. Okay.

25 A. So it -- yeah.

1 Q. Okay. But yeah, that is provided by broadband
2 office. All right. Thank you.

3 And is it your understanding that cell
4 towers need -- are required to have eight hours of
5 battery backup?

6 A. No, it's not. And I can expand a little bit if
7 you'd like me to.

8 Q. Please.

9 A. AT&T and T-Mobile were both previously
10 designated as high cost ETCs in the state of Washington
11 at the -- and at that time when they received their
12 designation, there was a rule in place that required
13 them to have at least -- I believe it's four hours of
14 backup battery power. However after that, the statute
15 was changed -- or sorry, the rule was changed to just
16 require them to have a sufficient amount of backup
17 battery power but it's not -- "a sufficient" isn't
18 necessarily defined.

19 Q. So sufficient to do what?

20 A. To provide backup battery. But it -- it's not
21 defined as far as the length of time --

22 Q. Okay.

23 A. -- for cell towers. But -- yeah.

24 Q. All right. Yeah, we may have to inquire
25 further about that.

1 And my last question is: You heard Mr. Gose
2 talk about -- my question to him about seeking state and
3 federal funding. And he said that he was -- that his
4 company was considering it, he did not say that they
5 would or would not. If the company does not seek BEAD
6 funding or other assistance funding, how is that going
7 to impact some of the numbers we would see for areas
8 where the company might want to discontinue services?

9 A. Yeah. So let me answer it two separate ways.
10 If they do seek it and then they don't seek it.

11 So if they don't seek it, the Washington
12 State Broadband Office does that have a project area map
13 where basically providers are -- will be going in and
14 bidding on deploying broadband that needs at least 100
15 down, 20 up to these different areas. Assuming they
16 overlap CenturyLink's study area, these companies will
17 start -- they will most likely be awarded the funding in
18 2025 and start building out over the next several years.

19 So over that five years, there will be a lot
20 more competition throughout CenturyLink's study areas
21 not only because of the BEAD funding but also RDOF
22 funding as well. And so as these other providers do
23 roll out available alternative service and report that
24 data to the FCC, those presumably would then be
25 available alternative services in the future, and

1 CenturyLink would be able to then kind of go to that
2 discontinuance process because they'd be able to point
3 to, say, company ABC is now offering one gig to your
4 location even though right now you have no one. So it
5 does increase the competition in those areas, but it's
6 going to take time. And this process was designed so
7 that kind of -- that can be taken into consideration.

8 You did ask what if they do participate in
9 the funding. And if they do participate in the funding,
10 it is interesting, because the way we structured this,
11 CenturyLink and its affiliates' information is not taken
12 into consideration as a competitor. So if they receive
13 that BEAD funding within their areas and no one else is
14 offering available services, then they would not be able
15 to point to themselves and say, look, there's
16 competition. So if there is no one else that has
17 otherwise deployed there on their own, then those
18 locations would still be CCLs because although they may
19 have one gig service, there's no other option, and so
20 they wouldn't be able to discontinue that voice service.

21 Q. Okay. And if the BEAD funding is not
22 available, it's set up in such a way that they won't be
23 funding two entities that would be overbuilding each
24 other?

25 A. Correct. There's a whole deed duplication

1 process where basically of there's broadband enforceable
2 commitment, then if it's funded by another program, then
3 the BEAD funding wouldn't also offer support for that.
4 They also do have qualifications on whether or not it's
5 a reliable service. And so NTIA, not the FCC, because
6 the FCC didn't necessarily find that one way or another.
7 But NTIA defines "reliable service" as -- or they --
8 they exclude unlicensed fixed wireless from that as well
9 as satellite.

10 And so if there's only an unlicensed fixed
11 wireless provider or a satellite provider that report
12 availability, the Washington State Broadband Office will
13 consider that as unserved or -- unserved or underserved
14 and so then it would be eligible for BEAD funding as
15 well.

16 COMMISSIONER DANNER: All right. Thank you
17 very much for answering my questions. That's all I
18 have. Thank you.

19 THE WITNESS: Thank you, Chair Danner.

20 COMMISSIONER RENDAHL: Thank you. Good
21 afternoon, Mr. Bennett. This is Commissioner Rendahl.

22 THE WITNESS: Good afternoon, Commissioner
23 Rendahl.

24 COMMISSIONER RENDAHL: Just to follow up on
25 an answer you gave in response to questioning from

1 Mr. Robinson O'Neill.

2 EXAMINATION

3 BY COMMISSIONER RENDAHL:

4 Q. You're were referring to the open meeting
5 process, and I just want to clarify that the rules that
6 you -- the rule you were referring to is referenced on
7 page 10 of Attachment A to the settlement, and that's
8 in -- that's in section -- it's in the discontinuance
9 section which goes on for some time, but it's page 10.
10 And that references WAC 481.20.083. Is that the rule
11 that references the process that will apply here?

12 A. For the -- that does reference kind of the
13 normal discontinuance process which we use any time a
14 CLEC discontinues service. There also is the enhanced
15 discontinuance process but that -- in staffs' mind
16 that's kind of a precursor to be able to get to that WAC
17 that you referenced, yes.

18 Q. Okay. Great. And then Attachment B to the
19 settlement -- or Appendix B to the settlement is a
20 proposed letter -- I see it as a proposed letter to go
21 to customers. And is there going to be further work on
22 this letter? Will public counsel and staff and the
23 consumer protection division have an opportunity to work
24 on this letter, or is this the letter that everyone's
25 agreed to?

1 A. This is the letter that the settlement parties
2 have agreed to. We did incorporate and work with
3 consumer protection to work through this process and the
4 company, however public counsel did not have any input
5 on that. So it's my understanding that this is kind of
6 the final product as a structure of this settlement.

7 Q. Okay. So if the commission were to grant the
8 settlement, it -- there are some things in here that I
9 think could be made more clear. Would there be an
10 objection to make this more clear? To require the
11 parties to work together again on this letter?

12 A. I -- staff works the settlement kind of in its
13 entirety without condition. The -- kind of the letter
14 is in front of us as far as I understand it. But I -- I
15 can't speak for the company as far as what -- how they
16 feel one way or another, but it -- they may be open and
17 willing to kind of work through that in the process.

18 Q. Okay. I'll leave that there.

19 You heard my questions for Mr. Gose;
20 correct?

21 A. I did, yes.

22 Q. Okay. And I asked a question about the
23 reference to individual case basis contracting, and it's
24 your understanding as well that this does not apply to
25 residential or one of our customers; correct?

1 A. Correct, yes.

2 Q. Okay. So did you also hear the question I
3 asked Mr. Gose about the impact of the Provision 8 in
4 lieu of commission penalties question?

5 A. I did. I'd be happy to address that further.

6 Q. Okay. So in -- Provision 8 has just general
7 provisions about service credits and then Subsection D
8 speaks to the double service credits. And the question
9 is: That statement, "in lieu of commission penalties
10 associated with the failure to apply or not apply the
11 correct amount," does that restrict the commission's
12 ability to take enforcement action or assess penalties
13 for these specific -- the specific facts of those
14 specific service quality issues?

15 A. The waiver is only specific to the application
16 of the credit. Staffs' understanding that the -- that
17 it is not waiving the commission's ability to do quality
18 of services penalties. So the commission has the
19 ability if it finds -- if it goes through an
20 investigation, it would be able to assess penalties on
21 these, it only would not be able to assess a penalty
22 because it missed that credit specifically, if that
23 makes sense.

24 So, I mean, if the line is out for a week
25 and it missed the credit, then they're going to get

1 approximately a \$6 credit plus the doubling of \$12 which
2 directly benefits the consumer rather than a penalty
3 permitting that application. However, nothing in this
4 prevents the commission from being able to issue
5 additional penalties for those six days whether it feels
6 it's necessary based on the facts to do \$100 a day or
7 \$1,000 a day or somewhere in between. Does that answer
8 your question?

9 COMMISSIONER RENDAHL: That does. That's
10 very helpful. I defer to my colleague, and I may have
11 more follow-up.

12 THE WITNESS: Of course. Thank you.

13 COMMISSIONER DOUMIT: Thank you,
14 Mr. Bennett.

15 EXAMINATION

16 BY COMMISSIONER DOUMIT:

17 Q. So back to wireless battery backup, which
18 you -- would you agree the wireless industry, unlike
19 what we're talking here is a highly competitive
20 enterprise?

21 A. Generally, yes.

22 Q. Okay. So whether there's a regulation on
23 battery backup or not, would you believe it's a distinct
24 competitive disadvantage to not maintain backup power in
25 that industry?

1 A. It would be, yeah.

2 Q. So I think we can -- sometimes we get hung up
3 when there's not a regulation, we think this is not
4 happening. But I think if we asked you, for example,
5 procure for us and we took notice of that fact that
6 wireless companies are, in fact, providing backup power,
7 you could procure that information if we asked for that
8 because just it's out there. I mean, it's -- it's -- to
9 my knowledge, that's going on right now, so --

10 A. We can definitely if we got a bench request for
11 that, we could definitely research it further and get
12 response back to you.

13 Q. Thank you. And one of the question -- you
14 mentioned earlier that your telecom shop, small but
15 mighty, okay. I understand Mr. Robinson O'Neill's
16 concern about are we working on a hope here, right, that
17 folks aren't going to get left behind without service.
18 We can't have that happen. So I -- I want you to go a
19 little bit deeper if you could, and I'm looking at your
20 direct testimony, page 4 but also page 1 of the bottom
21 right, to give your background.

22 Can you share some of your background in
23 terms of the depth of your knowledge on rural broadband
24 mapping granular data for the record.

25 A. Yeah.

1 Q. Just to have it.

2 A. Yeah. Most definitely. I've been here now
3 with the commission since about 2016. This is my first
4 kind of administering or overseeing the annual report
5 process and came up to telecom in 2018. And from that
6 time, I've helped administer the Small State Universal
7 Communication Services Program which is about helping
8 some of our small ILECs, maintaining enhanced and
9 provide both voice and more recently broadband service.

10 As a component of that, those companies --
11 many of them did have a defined broadband build-out
12 obligation. And a part of that is, they had to report
13 to us their build-out. And so they did provide us with
14 the shape files which we've analyzed, and also as a part
15 of kind of confirming and truing up their reported
16 information, also downloading reported broadband
17 deployment obligations, that those same providers
18 reported to the FCC. Because ETCs, Eligible
19 Telecommunication Carriers, are required to hit their
20 obligations, their broadband deployment obligations and
21 report these to the FCC.

22 That information is downloadable, and so I
23 download that and compare it all just to make sure that
24 what the companies are telling us matches what they're
25 also telling the FCC so that there is not a kind of

1 double reporting of, hey, we did this, we did this, and
2 they're the same one. So just holding companies
3 accountable.

4 I've also worked with Washington State
5 Broadband Office on their de-duplication process making
6 sure that areas aren't double funded. These same small
7 ILECs that I mentioned earlier do receive either a
8 number of different federal high cost support program
9 funds, broadband loop sort, ACAM, enhanced ACAM. I can
10 go into the details, but I'll spare you that for now.
11 But part of that is just making sure that if they do
12 have a broadband deployment obligation, that the
13 Washington State Broadband Office is aware of that and
14 so that way, they can report those areas as not eligible
15 for BEAD funding.

16 Again with the small ILECs, we knew that the
17 broadband data collection process was coming, and the
18 commissioners knew that it was coming. And so when
19 rules were developed, those small incumbent local
20 exchange companies that the commission had the foresight
21 to require those companies to provide that data to the
22 staff. And staff did receive that data and kind of did
23 an analysis and worked with each of the companies to
24 just ensure that what they were reporting to the FCC and
25 us is what they intended to report. And they have, and

1 it's gotten better with time.

2 So there's a lot of -- with broadband
3 availability, understanding where it is and where it
4 isn't so that policymakers can identify areas that are
5 unserved, and we're just trying to kind of do our part
6 to help Washington State Broadband Office have the best
7 information available so that we can make sure that all
8 unserved and underserved areas in the state of
9 Washington do get that service because for too long,
10 they haven't. Not for lack of trying.

11 Q. Thank you for that background.

12 So based on your expertise and resources in
13 your shop, then, are you fully confident -- it's an
14 important question public counsel raises. We have
15 not -- we can't go on faith here. Are you fully
16 confident that you can verify and validate the data and
17 the decisions -- disconnection decisions that
18 CenturyLink brings to you and to your shop on behalf of
19 the commission?

20 A. Yes. Definitely.

21 COMMISSIONER DOUMIT: All right. Okay.
22 Thank you. Nothing further. Thanks.

23 COMMISSIONER RENDAHL: And I have nothing
24 further.

25 JUDGE HOWARD: All right. There being no

1 further bench questions, Mr. Bennett, thank you for your
2 testimony today, and you are excused from the remainder
3 of the hearing.

4 MR. BENNETT: Thank you.

5 JUDGE HOWARD: Before we proceed to the next
6 witness, I just want to note we would have about
7 two-and-a-half hours remaining of hearing time minus ten
8 minutes for a midafternoon break soon. Are we fine with
9 proceeding to the company cross of Brevitz, or would the
10 parties like to take a break now.

11 MR. ROBERSON: Your Honor, a brief break
12 would be great.

13 JUDGE HOWARD: All right. We'll take a
14 brief break. We'll be back at 2:42, and then we'll try
15 to timely and efficiently move through the remaining
16 part of the afternoon. So we are off the record.

17 (A break was taken from 2:33 to 2:44 p.m.)

18 JUDGE HOWARD: Let's be back on the record.
19 We're going to continue with our last witness, David
20 Brevitz, testifying on behalf of the public counsel.
21 And I will turn it over to my colleague, Judge Callahan.

22 JUDGE CALLAHAN: Mr. Brevitz --

23 MR. BREVITZ: Yes.

24 JUDGE CALLAHAN: -- can you hear me?

25 MR. BREVITZ: Yes.

1 JUDGE CALLAHAN: Please raise your right
2 hand, and I will swear you in.

3 Do you swear the testimony you testify today
4 is the truth, the whole truth, nothing but the truth?

5 THE WITNESS: Yes, I do.

6 JUDGE CALLAHAN: Mr. O'Neill, please
7 introduce the witness and tender him for cross.

8 MR. O'NEILL: Good afternoon, Mr. Brevitz.
9 Can you please state your name and spell your last name
10 for the record?

11 THE WITNESS: Yes. My name is David
12 Brevitz. And the spelling of the last name is B-r-e-v,
13 as in Victor, i-t-z, as in zebra.

14 MR. O'NEILL: Mr. Brevitz, did you prepare
15 and file with the commission what have been marked
16 Exhibits DB 1T through DB 14?

17 THE WITNESS: Yes, I did.

18 MR. O'NEILL: Is the information contained
19 in those exhibits true and accurate, and would you
20 change any of that testimony today?

21 THE WITNESS: It is true and accurate. I do
22 have some corrections to 1T.

23 MR. O'NEILL: All right. Can you go ahead
24 and direct our attention to 1T and indicate on what page
25 you have a correction?

1 THE WITNESS: Yes. So this is my original
2 response testimony, and contained within it was
3 references to the testimony of Stephanie K. Chase on
4 behalf of the public counsel's unit. Those references
5 should be globally changed to Jean Marie Dreyer who has
6 adopted her testimony on behalf of public counsel.
7 That's the first one.

8 And then on page 29, line 2 the word "less"
9 should be changed to "more."

10 SPEAKER: What line was that?

11 THE WITNESS: That was line 2.

12 MR. O'NEILL: Thank you.

13 THE WITNESS: Page 29, line 2, "less" should
14 be "more."

15 MR. O'NEILL: With those changes, do you
16 have any other changes?

17 THE WITNESS: I have three more.

18 MR. O'NEILL: Okay.

19 THE WITNESS: On page 33, line 12 insert an
20 end parenthesis after PD3 fiber. It's missing an end
21 parens.

22 And if we're ready, on page 39, line 20,
23 delete the first appearance of the word "not."

24 MR. O'NEILL: And the last change?

25 MR. BREVITZ: And then lastly on page 43,

1 line 9, at the end of the line "is" should be replaced
2 with "its." And that's all the corrections I have.

3 MR. O'NEILL: With those corrections, I
4 tender the witness for cross-examination.

5 JUDGE CALLAHAN: The company has cross for
6 90 minutes. You may proceed.

7 MR. SHERR: Thank you.

8 CROSS-EXAMINATION

9 BY MR. SHERR:

10 Q. Good afternoon, Mr. Brevitz.

11 A. Good afternoon.

12 Q. My name is Adam Sherr. I know we've spoken
13 before, but I am the attorney for CenturyLink in this
14 matter. It's a pleasure to see you again.

15 A. Yes.

16 Q. Does public counsel believe that the
17 CenturyLink ILEC should be rate of return regulated in
18 the state of Washington?

19 A. No.

20 Q. Why is that?

21 A. It's unnecessary. Rate of return regulation is
22 a historical method of public utility regulation. I
23 can't remember the last rate case for a telephone
24 company I've seen. That's been decades. That's not an
25 issue in this case and shouldn't be.

1 Q. And you favor an AFOR, an alternative form of
2 regulation. You favor an AFOR as the vehicle for
3 resolving CenturyLink's petition in this case rather
4 than a granting of competitive classification; is that
5 correct?

6 A. Yes. I think that's more appropriate. And to
7 that extent, I agree with the settlement. It is the
8 framework for a proposed AFOR that requires some
9 modification, but it is an AFOR.

10 Q. You testified that broadband internet access
11 service connections are the telecommunication
12 connections chosen by consumers across the country. Do
13 you recall that testimony?

14 A. I don't know where those exact words are, but
15 that was certainly the thrust of my testimony.

16 Q. Okay. Is it in the public interest for
17 broadband services to be expanded throughout Washington?

18 A. Yes.

19 Q. Do you understand that every dollar spent out
20 of pocket on legacy copper facilities is a dollar
21 potentially not available to expand broadband services
22 further into Washington?

23 A. Well the way I would approach answering that
24 question is to say yes, capital investment dollars are
25 limited, companies have to make choices where they spend

1 it. Lumen is making the choice to spend their capital
2 expenditure dollars on quantum fiber and other
3 enterprise services. And AT&T made a similar argument
4 in California in support of its request to discontinue
5 copper services in the state of California. It told the
6 commission that interfact sellers (phonetic) are limited
7 and if -- it would have more money to spend on other
8 advanced services in the state if it didn't have to
9 spend it on copper.

10 Q. And you agree with that, don't you?

11 A. I -- yeah, I don't know the dollars, but in
12 theory that's true.

13 Q. Thank you.

14 Could you take a look at Exhibit DB 19 which
15 is your settlement response testimony --

16 A. Yes.

17 Q. -- and page 11, let me know when you're there.

18 COMMISSIONER RENDAHL: Counsel, do you mind
19 getting a little closer to the mic?

20 MR. SHERR: Yes. I apologize. Is this
21 okay? Thank you.

22 A. Page 11?

23 Q. Yes, sir. Page 11 of 32.

24 A. Yep.

25 Q. And on that page is Table 1. Do you see that?

1 A. Yeah, yes.

2 Q. All of this information comes from
3 Mr. Bennett's original response testimony and not his
4 settlement testimony; correct?

5 A. Correct.

6 Q. And it excludes the consideration of mobile
7 wireless, doesn't it?

8 A. I believe so, yes.

9 Q. Do you have any reason to believe that the
10 Centers for Disease Control was incorrect that
11 74.2 percent of adults in Washington use only wireless
12 phones?

13 A. I don't have any reason to disbelieve that, no.

14 Q. Okay. Any reason to disbelieve the CDC's
15 finding that 14 percent use mostly wireless?

16 A. I don't have any reason to disbelieve that, no.

17 Q. Okay. Any reason to disbelieve that CDC
18 finding that another 6.3 percent of Washington adults
19 use -- are dual users of both wireless and landline?

20 A. I don't challenge those statistics, no.

21 Q. Okay. So that's -- not to make you do math,
22 but that's 94.5 percent of Washington adults have only
23 or are exclusively using mobile wireless to communicate;
24 correct?

25 A. If that's what the math adds up to, I agree.

1 That leaves 5 or 6 percent in the state that don't,
2 which is a nontrivial number in absolute terms.

3 Q. And the CDC also shows that more than
4 90 percent of U.S. citizens in nonmetropolitan areas use
5 wireless only, mostly wireless, or dual users; isn't
6 that correct?

7 A. I'll take your figure. And again, that leaves
8 10 percent that don't, which is a nontrivial figure.
9 And those are the people we're talking about here, I
10 think, in this proceeding.

11 Q. And if a customer chooses to use mostly
12 landline service or only landline service, that may be
13 as a result of their choice and preference; correct?

14 A. It may be a result of availability too.

15 Q. Okay.

16 A. Again, that's why we're here today.

17 Q. Okay. But also, it may be a result of them
18 choosing to stick with landline service or subscribe to
19 landline service, not because they lack alternatives?

20 A. Sure.

21 Q. On page 13 to 15 of the same exhibit, this is
22 Exhibit DB 9T from pages 13 to 15, you express concern
23 that there are no limits on CenturyLink's ability to
24 seek discontinuance in Washington in terms of frequency
25 or area size. Correct?

1 A. Yes. Area in terms of geography and the number
2 of customers affected.

3 Q. Okay. And did you mention frequency as well?

4 A. I don't recall that. I may have.

5 Q. Okay. Those -- let me rephrase.

6 The 2014 AFOR, the one that's still
7 effective, didn't limit CenturyLink's ability to seek
8 discontinuance in terms of area size or number of
9 customers, did it?

10 A. I recall that provision. The size of the area
11 at that time was unlimited, yes.

12 Q. Okay. And public counsel is a party to the
13 settlement that led to that AFOR, wasn't it?

14 A. Ten years ago, yes, they were.

15 Q. So you -- you urged the commission to consider
16 placing limitations on the reasons CenturyLink can seek
17 to discontinue service in Washington, don't you?

18 A. I don't know about limits, but at least be
19 explicit. Right now they're -- the reasons are
20 unstated. We have testimony from the company indicating
21 that they expect us to be rarely, if ever, applied and
22 yet that belies the effort that the company put to
23 getting this provision as it is in the settlement, and
24 it's also occurring at a time when the largest company
25 in the country is pursuing discontinuance of service

1 over copper in California and other states, and it is
2 also occurring at a time when Lumen has told investors
3 that it's managing the CenturyLink operations for cash
4 flow. So I think there's ample reason for the
5 commission to be concerned about unlimited
6 discontinuance of what has been a public utility
7 service, particularly in the rural areas of Washington.

8 Q. Are you aware of any other telecommunications
9 provider in Washington which faces a restriction based
10 on their reasons they seek to discontinue?

11 A. I'm not aware of a provider in Washington
12 that's seeking to discontinue service.

13 Q. Okay. Well, I appreciate that. That wasn't my
14 question.

15 Are you aware of any other
16 telecommunications provider in Washington who has to
17 justify or explain the reasons they may seek to
18 discontinue service?

19 A. It seems to me that if another ILEC in the
20 state was to come and ask to discontinue service, they'd
21 have to justify why. So in that respect, CenturyLink
22 wouldn't be treated differently.

23 Q. Do you know that for sure?

24 A. I don't.

25 Q. Okay. Are you aware of a statute -- I know

1 you're not an attorney, but are you aware of a statute
2 or rule in the commission that requires explanation of
3 justification of the reasons for discontinuance?

4 A. I believe commission approval is required, and
5 that likely would -- that seems logical that there would
6 be some sort of explanation for why required. So it may
7 not be in black and white, but it seems to me that would
8 be part of the process.

9 Q. Are you aware that the overwhelming majority of
10 telecommunications service providers in Washington have
11 to do nothing other than provide notice to the
12 commission and customers if they choose to discontinue
13 service?

14 A. Majority -- are you including ILECs in that
15 majority?

16 Q. Well, that's a fair question.

17 In terms of voice connections, the providers
18 of the vast majority of voice connections in the state
19 if they have to do anything, don't have to do anything
20 other than provide notice to the commission and
21 customers that they intend to discontinue service; true?

22 A. Again, are you including ILECs in that vast
23 majority?

24 Q. Sure. Well, I'm not testifying, sir.

25 A. Well, I'm just trying to clarify the question

1 so I know what I'm answering.

2 Q. Sure. I'll move on.

3 Do you agree that the larger the area of
4 hypothetical discontinuance, the more likely it is that
5 there will be one or more CCLs in that area?

6 A. I think that could very well be the case, yes.

7 Q. And if there's at least -- if there's just one
8 CCL in that area, small and large, that proposed AFOR
9 requires CenturyLink to submit that discontinuance for
10 affirmative approval by the commission; right?

11 A. I believe that is what the settlement says,
12 yes.

13 Q. You urged the commission to require CenturyLink
14 to obtain a quote from CostQuest for a one-year license;
15 true?

16 A. Yes.

17 Q. Okay. You understand that the proposed AFOR is
18 for at least five years?

19 A. Yes.

20 Q. So are you really urging the commission to
21 require CenturyLink to pay for up to five years of a
22 license?

23 A. Well, the reason I recommended one year was to
24 get the -- get the cost, get some experience with the
25 process, and then it would be much easier for the

1 commission to see whether it was necessary to continue
2 to require that.

3 Q. So under your concept, CenturyLink would obtain
4 that license, whatever the cost, within the -- as soon
5 as the AFOR becomes effective?

6 A. Well, certainly before any petition for
7 discontinuance was filed.

8 Q. Right.

9 There's no -- you understand that there's no
10 specified timeframe whether it's year one, year two,
11 year three, whenever, when CenturyLink might actually
12 pursue discontinuance in Washington, if ever?

13 A. I'll agree the circumstances are completely
14 unspecified and vague at this point. We don't know what
15 CenturyLink might do or not do for the next five years
16 with regard to discontinuance.

17 Q. But you're --

18 A. I think it's hardly coincidental that this has
19 turned to such a big issue in this case at the same time
20 that discontinuance of service over copper facilities is
21 a significant issue nationwide.

22 Q. And you mentioned -- you referred to AT&T
23 earlier in California?

24 A. Yes.

25 Q. You understand AT&T and CenturyLink are not

1 affiliates; correct?

2 A. Absolutely.

3 Q. Okay. So going back to the question I asked,
4 are -- you -- it's not clear when CenturyLink might, if
5 ever, seek discontinuance to an area of Washington but
6 you're urging the commission to require CenturyLink to
7 obtain a one-year CostQuest license now?

8 A. Yes. Because I think the urgency with which
9 CenturyLink has pursued this issue in this case in this
10 settlement suggests that the company intends to use the
11 process.

12 Q. Would you take a look at page 17 of the same
13 exhibit, Exhibit DD 19?

14 A. Sure.

15 Q. Thank you.

16 A. I'm there.

17 Q. Great. Could you look -- there's a sentence
18 that starts on line 4 that I'm going to read to you and
19 then ask you a question. You say: "Second, the
20 commission should place limits on the size that the area
21 served only by CenturyLink copper networks that could be
22 put forward for the discontinuance of service process in
23 terms of geography and the number of customers
24 affected." Did I read that correctly?

25 A. Yes.

1 Q. Okay. Are you using "served only by
2 CenturyLink copper networks" as a synonym for
3 CenturyLink's ILEC service territory?

4 A. No. That means -- that's a smaller area than
5 probably CenturyLink's statewide footprint in that it
6 would exclude areas where Century has both fiber and
7 copper routes in the same area in parallel.

8 Q. Okay. I was just trying to understand what you
9 were referring to.

10 A. Right.

11 Q. So you're referring to areas here where
12 CenturyLink has copper but does not have fiber?

13 A. Right.

14 Q. Okay. Thank you for that clarification.

15 You suggest the commission should consider
16 precluding CenturyLink from seeking discontinuance in an
17 area larger than a wire center, a distribution area, or
18 to more than 50 or 100 customers; correct?

19 A. Well, that sentence is food for thought for the
20 commission to put some flesh on the bones of some
21 possibilities for reasonable limits in the absence of
22 any limits whatsoever in the settlement agreement. I'm
23 not sure that I would necessarily advocate any one of
24 those specifically, but those are the kind of
25 limitations that the commission could add to settlement

1 as a modification.

2 Q. Okay. And again, no other telecommunications
3 provider in Washington is subject to those types of
4 restrictions, are they?

5 A. As far as I'm aware, no other ILEC in
6 Washington is seeking authority to discontinue service
7 without commission approval. So yes, it's tailored to
8 this case.

9 Q. You urged the commission to be skeptical about
10 the reach of mobile wireless in rural areas of
11 Washington?

12 A. Yes.

13 Q. Before we get to your concerns about rural
14 areas, let me ask you a couple threshold questions.

15 Do you believe mobile wireless is an
16 adequate substitute for CenturyLink landline service.

17 A. It can be in certain places. And again, that
18 kind of falls along the rural/urban split. Mobile
19 wireless signal is much more robust and reliable in the
20 urban areas, even though there's spots in urban areas
21 where you can't get a decent signal. But as a general
22 rule, more so in urban areas, mobile wireless is used as
23 broadband substitute.

24 Q. Is it your testimony that wireless service is
25 not an adequate substitute for CenturyLink landline

1 voice service in any rural portion of the state?

2 A. No. It's very location specific. It's where
3 the customer is, and do they have a decent wireless
4 signal to carry data at high speed.

5 Q. Okay. And as we discussed before, the CDC
6 shows that more than 90 percent of the U.S. citizens in
7 nonmetropolitan areas use wireless only, mostly,
8 wireless, or dual users?

9 A. Right. Which leaves the other 10 percent which
10 I think the commission needs to be concerned about.

11 Q. Okay. And some part of that 10 percent or
12 maybe all that 10 percent may actually have other
13 alternatives available to them, but they may choose not
14 to pursue those alternatives?

15 A. Perhaps. I don't know.

16 Q. Is it public counsel's position that in
17 CenturyLink's service territory, CenturyLink had market
18 power over the 72.9 percent of nonurban citizens who use
19 wireless only?

20 MR. O'NEILL: I'm going to object here just
21 briefly. That's the second time it's happened.

22 Mr. Brevitz is not public counsel, he's a
23 witness. And you can ask him his opinion, but I would
24 object to any question about public counsel's position.

25 JUDGE CALLAHAN: Counsel, can you rephrase

1 your question?

2 MR. SHERR: Absolutely.

3 BY MR. SHERR:

4 Q. Is it your position that in CenturyLink's
5 service territory, CenturyLink has market power over the
6 72.9 percent of nonurban citizens who only use service?

7 A. My testimony would be that CenturyLink has
8 market power where the customer does not have an
9 adequate alternative service. And those locations tend
10 to be, it appears, in a rural areas.

11 Q. But you would agree if a customer's not even
12 using landline service, CenturyLink can't possibly have
13 market power over that customer?

14 A. Would you repeat that?

15 Q. Sure.

16 You would agree, though, that if a customer
17 is not using landline service at all, that CenturyLink
18 can't be deemed to have market power over that customer?

19 A. Right.

20 Q. Same question as to nonurban -- the 13 percent
21 of nonurban citizens who mostly use wireless. Would you
22 agree with me that CenturyLink doesn't have market power
23 over the 13 percent of nonurban customers who mostly use
24 wireless?

25 A. I guess it's not clear to me what additional

1 service those wireless customers might be using.
2 They're mostly in wireless. What the other service
3 they're using?

4 Q. So your answer is you don't know?

5 A. Right.

6 Q. Okay. Thank you.

7 And same question for the dual users which
8 is 5 percent according to CDC of nonurban citizens are
9 dual users of wireless and landline. Do you believe
10 that CenturyLink has market power over that 5 percent in
11 its service territory?

12 A. Well again, I don't know. I don't know what
13 alternative services they are using in addition to the
14 mobile wireless and what they're using the mobile
15 service for.

16 Q. Have you conducted or provided any studies as
17 to how many rural Washington customers appear to have
18 access to mobile wireless service based on FCC data but
19 in reality lack functional service?

20 A. I have not.

21 Q. Do you have any data indicating that mobile
22 wireless service isn't suitable in rural areas of
23 Washington?

24 A. No. But that's a location-by-location
25 question. That's a very customer specific question.

1 Some premises will have decent wireless access, others
2 will not.

3 Q. Public counsel submitted a few customer
4 comments as cross-examination exhibits. Were you
5 involved in reviewing those comments and/or selecting
6 those for review by the commission?

7 A. I was not.

8 Q. You also urged the commission to more clearly
9 define the circumstances under which the discontinuance
10 process can be used?

11 A. Yes.

12 Q. Are you familiar with the FCC Section 214
13 process?

14 A. In a working level, yes. I attached an exhibit
15 showing a list of the applications from -- for 2022,
16 2023, and 2024.

17 Q. Thank you.

18 Have you worked on any Section 214
19 applications for reviews?

20 A. I have not.

21 Q. Does the FCC limit Section 214 discontinuances
22 to particular reasons or justifications?

23 A. No, they do not. Which I think increases the
24 importance of the commission review and approval of
25 service discontinuance.

1 Q. Same question: Does the FCC limit Section 214
2 discontinuance as to particular geographic sizes or
3 numbers of customers?

4 A. No, not to my knowledge, which again increases
5 the importance of a commission review of these kinds of
6 discontinuances.

7 Q. Are you aware of how infrequently the FCC has
8 permitted an ILEC to discontinue voice service in its
9 legacy territory?

10 A. I have, yes. From what I've reviewed with --
11 the 2022 through '24 applications, most of those
12 applications are CLECs. And for the ILECs, I didn't
13 review each and every one, but the ones I reviewed, it
14 was situations like a road move or in some cases, again,
15 AT&T was applying for broad scale service
16 discontinuance. There's one where it applied for
17 discontinuance in 60 exchanges and 14 states, something
18 like that.

19 Q. Was that approved by the FCC?

20 A. It's hard to tell. They don't really act on
21 them. They put out a public notice, and that's the last
22 thing you see in the file. They're deemed granted
23 within 31 days if it's a discontinuance, I think, if
24 there's no objection.

25 Q. Do you want to -- I'm so sorry to talk over

1 you. I apologize. Do you want to finish your answer?

2 A. That was it.

3 Q. Okay. Do you believe that this -- the AT&T
4 application you're talking about was deemed granted by
5 the FCC?

6 A. I wouldn't be surprised, but I don't know.

7 Q. At page 19 of the same testimony, you state:
8 "it should be clear that a CCL -- a CCL includes a
9 location where the customer may have DSL service from
10 CenturyLink below the 25/3 threshold?"

11 A. Yes.

12 Q. I'll admit that I didn't quite understand what
13 you were referencing, so I want to try to clarify that.

14 In the hypothetical you're proposing, does
15 the CenturyLink DSL customer also subscribe to local
16 voice service from CenturyLink?

17 A. Let's see.

18 Q. And for -- to help follow along, this is page
19 19, lines 20 and 21.

20 A. Right.

21 Q. If you need me to ask the question again, I
22 certainly can.

23 A. Yeah, go ahead, please.

24 Q. In the hypothetical you're presenting there for
25 commission consideration, does the CenturyLink DSL

1 customer also subscribe to local voice service from
2 CenturyLink?

3 A. I'm suggesting that's what needs to be clear,
4 whether they do or not.

5 Q. If -- okay. Well, let's go one at a time.

6 If -- if there's a CenturyLink voice
7 customer who also has DSL service from CenturyLink, and
8 I guess according to your hypothetical the DSL would be
9 provided at below 25 over 3, are you suggesting that
10 should be a different process than what is set out in
11 Section 9 of the settlement agreement?

12 A. No, not a different process, just information
13 provided as to whether or not any of these customer have
14 DSL in addition to voice service.

15 Q. What is the value of providing that
16 information?

17 A. A broader picture of what the alternatives are?

18 Q. CenturyLink is not going to be considering its
19 own affiliate broadband services as a competitive rate
20 services in the CCL analysis, is it?

21 A. No. This is CenturyLink ILEC service. As I
22 understand CenturyLink offers DSL on an unregulated
23 basis.

24 Q. Okay. Let me ask it a different way because
25 you raised a really good distinction.

1 You understand that the CCL analysis will
2 not count as a competitor in broadband service provided
3 by any CenturyLink affiliate including the ILEC; true?

4 A. I do. But again, this is information as
5 disclosure to the extent it pertains for commission
6 consideration.

7 Q. Staying with your concern about CenturyLink
8 DSL, I want to give you a short hypothetical which I
9 think will be very understandable. And what I want to
10 know is whether you believe this customer location
11 should be considered as CCL. Is that okay?

12 A. Okay.

13 Q. Okay. So the three facets: One, the customer
14 does not use CenturyLink voice service at all. They're
15 not a 1FR customer, they don't have voice service from
16 us.

17 A. Okay.

18 Q. The customer does use CenturyLink DSL at a
19 speed under 25 over 3.

20 A. Okay.

21 Q. And third, the customer has access if it so
22 chooses to cable internet service at greater than 25
23 over 3 at \$50 a month. Would you consider that customer
24 a CCL?

25 A. Which one?

1 Q. Well, there's only one customer location that
2 we're talking about, so the customer -- go ahead.

3 A. So the hypothetical is that customer has access
4 to cable TV over 25, 3, cable internet?

5 Q. Cable internet, that's right.

6 A. And has access to CenturyLink DSL below 25, 3?

7 Q. Correct. And actually purchases that service.

8 A. Okay.

9 Q. But does not purchase voice service from
10 CenturyLink.

11 A. Okay.

12 Q. So I'm wondering if you're suggesting that this
13 could should be considered a CCL location?

14 A. Well, I think the answer would be no if the
15 customer location has cable internet above 25/3
16 available.

17 Q. Thank you.

18 You urged caution about consideration of
19 fixed wireless as a substitute for landline service?

20 A. Yes.

21 Q. And that's on page 21 and 22 of your testimony.

22 A. Okay.

23 Q. Under the proposed AFOR, the discontinuance
24 process requires CenturyLink to communicate in multiple
25 ways to solicit input on the alternative services shown

1 by the FCC, doesn't it?

2 A. That's what the settlement says, yes.

3 Q. Okay. So it that customer fears that fixed
4 wireless doesn't actually operate at their house, they
5 can advise CenturyLink and CenturyLink can attempt to
6 validate that?

7 A. That's -- that's right. That assumes that the
8 process works perfectly and that customers respond to
9 what's basically a regulatory inquiry that they probably
10 don't understand anything except that they might lose
11 their service.

12 Q. And staff and public counsel will both be given
13 that information from CenturyLink and will have an
14 opportunity to validate and investigate any concerns
15 they may independently have or that are raised by the
16 customer.

17 A. To the extent the customer responds at all,
18 yes, that's true.

19 Q. Were you in the hearing room when Mr. Bennett
20 testified?

21 A. Yes.

22 Q. Did you hear Mr. Bennett testify that staff
23 would affirm, validate the CCL findings regardless of
24 customer input?

25 A. I -- I guess I missed that, but I'm not sure

1 how staff would do that unless it's just a reference to
2 the mapping.

3 Q. You testified -- this is at page 23 of your
4 testimony, Exhibit DB 19.

5 A. Okay.

6 Q. You testified about quantum fiber, which --

7 A. Yes.

8 Q. -- is a broadband service provided by an
9 affiliate of CenturyLink ILECs?

10 A. Yes.

11 Q. What, if you know, is the total number of
12 customers CenturyLink has transferred from voice
13 offerings to unregulated fiber internet offerings from
14 Lumen affiliates?

15 A. We ask that they request, and CenturyLink
16 objected to answering, so we don't know.

17 Q. And do you know the total percentage of
18 customers that you allege have been transferred from
19 voice offerings to unrelated fiber internet offerings?

20 A. We got no answer, so we have no idea.

21 Q. And when you discuss transferring of customers
22 from voice to unregulated fiber internet offerings, are
23 you suggesting a voice customer was moved to a broadband
24 service without their consent?

25 A. That's what some of the complaint data

1 suggested. Customers were complaining that they were
2 transferred from CenturyLink to quantum without their
3 knowledge and they didn't particularly understand what
4 was happening, and the deal may have changed. There's a
5 whole series of complaints that is listed in
6 Ms. Dreyer's testimony.

7 Q. Well speaking of customer complaints, you -- in
8 the same piece of testimony, you call into question
9 whether there is effective competition? This is on page
10 24 through 26.

11 A. Well, that testimony is in the context of what
12 a customer complaints and quality service problem
13 suggest about the existence of effective competition.

14 Q. Okay. Are you testifying that there's a lack
15 of effective competition?

16 A. Not globally.

17 Q. Okay. But when you're talking about the
18 service quality complaints, you're making the point that
19 there's a lack of effective competition for those
20 customers?

21 A. The existence of that volume of complaints goes
22 contrary to what commissions around the country have
23 been told for decades about the benefits of competition
24 and everything will be better, cheaper, faster, or the
25 customer will move to a different provider. With this

1 level of the complaints, it suggests that at least some
2 of these customers do not have an alternative provider
3 that they can move to, and Mr. Webber made the same
4 point in this testimony.

5 Q. Okay. Well let me focus on your focus on the
6 words "effective competition." You understand that
7 CenturyLink backed away for purposes of the settlement
8 from its litigation position that it seeks competitive
9 classification?

10 A. Yes, I do.

11 Q. Is it your position that the commission must
12 find effective competition exists in order to improve an
13 AFOR?

14 A. It is not. The AFOR -- the statute lists I
15 think six criteria that the commission has to consider
16 in approving a -- an AFOR.

17 Q. Okay. And is it your understanding that
18 commissions' authority over CenturyLink's retail service
19 quality will change from today and the previous proposed
20 AFOR?

21 A. No. I believe the jurisdiction stays the same,
22 and based on level of complaint data that we've
23 observed, we believe that there's sufficient grounds for
24 the commission to look further into these service
25 quality issues.

1 Q. Okay. But your testimony is that the purview
2 of the commission will not change as a result of the
3 proposed AFOR?

4 A. From the last AFOR, no. The last AFOR
5 referenced the service quality -- the existing service
6 quality statute and then -- and regulations and then
7 subsequent to that, certain regulations were deleted,
8 leaving the commission with just a general service
9 quality regulation to operate under.

10 Q. Is it your position that if a customer
11 complains to the company about a service interruption or
12 issue, that it is compelled to change providers?

13 A. No.

14 Q. Is it your position that it's unreasonable for
15 a customer to experience service issue and still remain
16 with the provider?

17 A. No. I've had service issues with my own
18 service, and I stick with the providers usually.

19 Q. So it's possible that a customer can experience
20 a single or even multiple service issues and still
21 choose not to change available -- change to available
22 alternative services; right?

23 A. It's possible. I've also seen in my experience
24 circumstances where the customers are just worn out of
25 complaining and they quit complaining, but they still

1 have the same service quality problems.

2 Q. So if a customer experiences a service quality
3 problem once or even multiple times and they choose to
4 stay with -- in this case CenturyLink -- it may just be
5 that they have a preference as opposed to not having
6 alternatives; correct?

7 A. I don't know. That doesn't -- that doesn't
8 make a lot of sense to me.

9 Q. But you just testified, didn't you, that it's
10 not unreasonable for a customer to experience a service
11 issue and still remain with the same provider?

12 A. It's not, but there's a question of the
13 magnitude and the frequency of those service quality
14 issues.

15 Q. Okay.

16 A. That was the focus, again, of Mr. Webber's
17 testimony where he focused on recurring complaints,
18 recurring complaint data that, just the onesie, twosie
19 sort of complaints.

20 Q. Are you familiar -- I know you're not an
21 attorney. Are you familiar with RCW 80.36.090 which is
22 entitled Service to be Furnished on Demand?

23 A. Yes. I've read it.

24 Q. Can you explain your understanding of what that
25 statute requires?

1 A. Can you share a copy of that?

2 Q. Unfortunately, I don't have a copy in front of
3 me. If you don't know, that's okay.

4 A. I don't. I remember reviewing it, but I'm not
5 sure I have --

6 Q. Okay.

7 A. I certainly don't have it handy.

8 Q. If I get a chance to cross-examine your
9 attorney, I'll ask him. I probably won't.

10 Do you know if the proposed AFOR purports to
11 repeal or otherwise modify or neuter that statute?

12 A. I don't see any provisions in the AFOR in the
13 settlement that implicate that statute or refer to it.

14 MR. SHERR: Okay. Sir, thank you so much
15 for your time. I have no further questions.

16 JUDGE CALLAHAN: Any redirect? Hearing
17 none. Staff indicated cross was 75 minutes. You may
18 proceed.

19 MR. O'NEILL: I apologize. I was under the
20 impression that we were going to redirect at the end of
21 both the cross-examination period, but I can -- I do
22 have questions. I could do it here, or I could reserve
23 to the end. And I think more efficient to reserve to
24 the end, so if I could do that.

25 JUDGE CALLAHAN: That would be fine.

1 MR. O'NEILL: Okay.

2 MR. ROBERSON: And just as that expectation,
3 going last, much of what I was going to cover has
4 already been covered, so I think I can do this in
5 significantly less than 75 minutes.

6 JUDGE CALLAHAN: How much time do you
7 anticipate?

8 MR. ROBERSON: 20 minutes at the most.

9 CROSS-EXAMINATION

10 BY MR. ROBERSON:

11 Q. Good afternoon, Mr. Brevitz. Would you please
12 turn to Exhibit 9T, which is your settlement
13 testimony --

14 A. Yes, I'm there.

15 Q. -- page 30, about line 6.

16 A. Okay. Okay.

17 Q. You've been asked questions about this by
18 Mr. Sherr. And this is the portion of your testimony
19 where you talk about the FCC's discontinuance process;
20 correct?

21 A. Yes.

22 Q. And you've read the settlement; correct?

23 A. Yes.

24 Q. So the settlement contains provisions that
25 require CenturyLink to provide notice of a

1 discontinuance filing along with some data to staff and
2 public counsel; correct?

3 A. Yes.

4 Q. And that's meant to enable participation in
5 that FCC process; correct?

6 A. I'm having a little trouble hearing you.

7 Q. My apologies. Rephrase, perhaps, more
8 appropriately.

9 That data allows staff and public counsel to
10 meaningfully participate in the FCC's 214 discontinuance
11 process; correct?

12 A. It should be very, very similar data to what's
13 filed at the FCC, I think. To me, the best course would
14 be for the company to run through the discontinuance
15 process at the Washington commission first, get an
16 outcome, and then take that to the FCC rather than
17 having them proceed in parallel for the most meaningful
18 input. Ideally, the Washington process would yield a
19 result that could be taken to the FCC and there wouldn't
20 be a need for further participation at the FCC level.

21 Q. Okay. With that in mind, staff does have the
22 opportunity or the commission has the opportunity to
23 participate at the FCC level; correct?

24 A. That's correct.

25 Q. And public counsel has that same opportunity?

1 A. That's correct. When the -- as I understand
2 it, when the FCC staff gets these applications, they
3 review them first for completeness under the rule,
4 communicate with the company to fill any gaps, or get --
5 I've seen -- there are a number of filings there that
6 were withdrawn, then re-filed with more information,
7 that kind of thing. And there was -- one of the AT&T
8 applications involved the state of Michigan, and the
9 Michigan commission filed objections. And AT&T in the
10 Michigan commission kind of went offline for a while,
11 and AT&T came back with a joint application in which the
12 Michigan commission approved or exceeded to.

13 Q. So I guess based on that case, it seems like PC
14 participation in the FCC process has -- it's meaningful,
15 correct, it affects the outcome?

16 A. Well, I think it's a little too early to say
17 because from what I can tell, there have not been very
18 many full-blown discontinuance residential and business
19 service legacy voice. It's -- most of the applications
20 are for other things or for kind of naturally limited
21 things like a CenturyLink application with regard to
22 Florida to discontinue service to avoid having to
23 rebuild after the hurricane around Naples with copper.

24 Q. Okay. Do you have any reason to believe that
25 the FCC wouldn't consider the commission's position if

1 it did comment on a discontinuance application?

2 A. No. I think -- I think it's open public
3 comment, and the FCC staff would consider the comments
4 that they get and probably be more interested in what a
5 state utility commission had to say, perhaps, than an
6 individual commenter.

7 Q. Well, do you think the FCC would afford kind of
8 a similar weight to an attorney's general office that
9 makes comments through a public counsel unit?

10 MR. O'NEILL: I'm going to object to we're
11 kind of speculating or calling for speculation.

12 MR. ROBERSON: All right. Fair enough.

13 BY MR. ROBERSON:

14 Q. Turning to page 17 of your testimony.

15 A. The original or the --

16 Q. All of my questions will deal with your
17 settlement testimony --

18 A. Okay.

19 Q. -- if that helps.

20 A. 17?

21 Q. Yeah. And all the pages are the actual page in
22 the testimony, not the PDF.

23 A. Right. Got it.

24 Q. Here is the portion of your testimony where you
25 recommend limiting kind of the scope of the

1 discontinuance application; correct?

2 A. Yes.

3 Q. Okay. And I believe Mr. Sherr asked you about
4 limits on area. But you did talk about limits on the
5 number of customers; correct?

6 A. Yes.

7 Q. And is it fair to say that the more customers
8 for whom a CenturyLink company seeks to discontinue
9 service, the greater the likelihood that there's a CCL
10 that's one of the customers?

11 A. I can see that being likely, yes.

12 Q. Do you know if CenturyLink has ever sought to
13 discontinue service in an area the size of a wire
14 center?

15 A. To my knowledge, they have not.

16 Q. Do you know if they've ever sought to
17 discontinue service in an area larger than a wire
18 center?

19 A. Well, I don't know if sale of 20 state
20 operations counts, but Lumen has certainly sold off
21 entire states.

22 Q. Fair enough.

23 In Washington are you aware of the company
24 or any of the ILECs seeking to discontinue service to an
25 area greater than a wire center.

1 A. No. And again, this is an issue -- an industry
2 issue that is just culminating now in front of utility
3 commissions probably around the country, certainly in
4 California, here in Washington. And if you look at the
5 company's investor filing, the FCC 10-Ks and those sorts
6 of documents, it's clear why discontinuing service in
7 areas served by copper networks might be of interest to
8 the company. So I think it's a looming issue. We
9 shouldn't take comfort from the fact that it hasn't
10 happened yet or hasn't really happened in the past.

11 Q. Do you know how many wire centers don't have at
12 least one CCL?

13 A. No real idea.

14 Q. Okay. I believe it's around page 17 of your
15 testimony, if you turn there.

16 A. Yes, I'm there.

17 Q. Actually, it's page 18. Sorry.

18 A. Okay.

19 Q. There you recommend striking the validation
20 process and accepting customers' determinations that
21 they don't have an alternative service; correct?

22 A. Yeah. Basically --

23 MR. DANNER: I'm sorry. Counsel, what line
24 are you on?

25 MR. ROBERSON: On my notes I have page 18

1 through page 19. I'm sorry I can't be more precise.
2 From what I remember, it's near the bottom of the page,
3 like maybe the second paragraph from the bottom.

4 THE WITNESS: Yeah, page 18, line 16.

5 BY MR. ROBERSON:

6 Q. Just so I'm clear, you're not suggesting that
7 the settlement process allowing customers to challenge
8 whether or not they have wireless goes away, right, it's
9 just you don't think they should have to do anything
10 more than a test if they don't have service; is that
11 correct?

12 A. I think we and the commission should be taking
13 the customers at their word. They've lived in that
14 premise for how long they've lived in it, they know what
15 options they have or don't have. And if they speak up
16 and say they don't have adequate service, that could be
17 good enough, and that should be packaged up and
18 presented to the commission for the commission's review
19 and decision.

20 I think that withdrawal of public utility
21 service is an important enough issue that the commission
22 should be having a look at each circumstance. And some
23 may be pretty routine. I don't know of anybody that's
24 going to argue much about a road move, but that's
25 another aspect of the settlement that is silent, is the

1 different circumstances that could apply. A road move
2 is one thing, discontinuing service in a broader area
3 because the numbers don't look good is a different
4 thing. And the commission should be clear about what is
5 and isn't an appropriate reason to discontinue service.

6 Q. Okay. So whether or not a customer actually
7 has service, there's objective data for that, correct,
8 measures of signal strength or something like that?

9 A. There can be. But I think the accuracy of the
10 data can be questionable at times too.

11 Q. Are you an engineer?

12 A. I am not an engineer. I've been accused of
13 playing one, but I am not.

14 Q. Okay. So you don't have any engineering
15 background to deal with whether or not the data is
16 acceptable or not?

17 A. Well, hardcore engineering, but 40-plus years
18 of telecom experience.

19 Q. Okay. Can you think of another area of kind of
20 public policy where a customer's subjective feelings are
21 used for determining eligibility if there's kind of an
22 objective benchmark?

23 A. I would argue that in this case, it's not
24 subjective feelings about the customer from the
25 customer, it's what they know and they have experienced

1 in their premise. They know that they don't have
2 adequate broadband service or other alternatives. And
3 speaking up and saying so should be good enough.

4 Q. Hypothetically, if a location were to go
5 through the process twice and in between, the original
6 customer moved, without changes to the signal being
7 provided to the property, if one customer thinks the
8 service is acceptable and second doesn't, you would
9 reach a different conclusion as to whether or not
10 location is a CCL; correct?

11 A. Under the terms of your hypothetical, that
12 drives that conclusion, yes.

13 Q. So wouldn't that necessarily mean that you're
14 looking at a subjective determination by the customer?

15 A. I don't think so, but I guess we have to agree
16 to disagree.

17 Q. Okay. On page 18 you describe the validation
18 process as intrusive; correct?

19 A. What I'm referring to there is the notion that
20 a customer's already told the company that they don't
21 have adequate service and then get a knock at the door
22 and somebody wanting to come in the house that they
23 don't know.

24 Q. The customer wouldn't necessarily have to allow
25 the tech into the house; correct?

1 A. If the testing is going to be what signal
2 strength is received in the house where the customer is
3 sitting at the kitchen table using a device, yes, it
4 would have to be. The kitchen table test.

5 Q. It's possible the workgroup would be able to
6 figure out to decrement a signal strength based on
7 distance from a publicly available point that tech could
8 measure the signal strength; correct?

9 A. I suppose. I don't know if that would be
10 subjective or objective or not.

11 Q. Do you know if public counsel received any
12 complaints from customers about visits from CenturyLink
13 technicians?

14 A. Well, certainly not with this process because
15 it's not in effect.

16 Q. Okay. Did public counsel receive any comments
17 from customers stating that they thought that the
18 process was intrusive?

19 A. This has been a relatively late-breaking
20 development. It's filing at the commission. I'm not
21 sure that any customers have their eyes on this yet.

22 Q. Are you familiar with the FCC's BDC program?

23 A. Yes.

24 Q. And does that include a challenge process?

25 A. Yes.

1 Q. And does it allow challenges based on self
2 attestation?

3 A. No. The challenges have -- the challenges are
4 presented, then other parties review the challenges, the
5 FCC staff and CostQuest.

6 Q. Are you aware of the Washington State Broadband
7 Office is in the process for building out that program
8 for administering BEAD funding?

9 A. Yes.

10 Q. Are you aware that the WSBO is also building a
11 challenge process?

12 A. Yes.

13 Q. Does it allow -- excuse me.

14 Does it allow challenges based on self
15 attestation.

16 A. I doubt it. But that's for an entirely
17 different purpose. This -- at stake here as whether or
18 not the customer continues to have public utility
19 service at their location.

20 Q. On pages 10 through 13 of your testimony, you
21 discuss kind of the number of CCLs; correct?

22 A. Let's see. You said 10 to 13? Yes.

23 Q. And on page 10 in here, I do have lines 18
24 through 19, you say there are roughly 1,200 CCLs when
25 mobile service is considered; correct?

1 A. I cite the figure that staff provided in their
2 informal response to our informal question.

3 Q. Did you do any kind of analysis of your own to
4 determine the number of CCLs?

5 A. I did not.

6 Q. Do you have any reason to disagree with
7 Mr. Bennett's numbers?

8 A. That there may be 1,233 CCLs if mobile is an
9 alternative?

10 Q. Yeah.

11 A. No. I have no reason to disagree. I think his
12 analysis is very good.

13 Q. And so to get there, I guess, page 13,
14 lines 4 to 6, you basically say that the largest things
15 affecting the number of CCLs is the inclusion of mobile
16 wireless service; correct?

17 A. I think I say that inclusion of mobile as an
18 alternative gravely reduces the number of CCLs from
19 somewhere over 100,000 to 1,233, just that one
20 assumption.

21 Q. And you are aware that the commission has
22 determined that mobile service is an alternative service
23 for CenturyLink service; correct?

24 A. I'm not sure I go that far. Can you point me
25 to a cite?

1 Q. I don't have the order. It's the old
2 CenturyLink and Frontier AFORs, I believe.

3 A. Yeah.

4 Q. If you don't know, you don't know. That's
5 fair.

6 A. Well, I've read those -- I've read the entire
7 order including the cited provisions, and I'm not sure
8 it's as unequivocal as you're suggesting. From what I
9 read, the commission did make some extensive statements
10 about the advance of technology and what different
11 things customers are doing with telecommunication
12 technologies now. But I don't read the language that
13 goes so far as the commission saying that mobile
14 wireless is an alternative service across the entire
15 state of Washington. And that's our point.

16 Q. So in the settlement, CenturyLink has to
17 determine the number of CCLs in the area for which it
18 seeks to discontinue service at the time it moves
19 forward with the discontinuance process; correct?

20 A. Yes.

21 Q. So is it fair to say that the number of CCLs
22 isn't truly fixed until CenturyLink actually starts the
23 process?

24 A. Well, yes. But under the assumptions in the
25 settlement, there will be relatively few CCLs given that

1 mobile wireless is considered to be an alternative
2 service and the comparing somewhere around 100,000
3 unserved locations without wireless -- mobile wireless
4 considered to 1,233 with it considered gives you an idea
5 of the ones -- the CCLs that'll be left aside by the
6 analysis.

7 Q. Okay. But the process also provides for
8 challenge and validation; correct? For every address
9 that -- or every location that CenturyLink seeks to
10 discontinue service, the business or the person living
11 there has the opportunity to challenge whether or not
12 they have reasonably available, affordable service;
13 correct?

14 A. Yes. But I don't think that corrects for a
15 structurally flawed process.

16 Q. But doesn't that process also mean that
17 literally every location that CenturyLink would include
18 in its application is a potential CCL?

19 A. What process? I'm not -- I don't understand
20 your question.

21 Q. So if we're talking about the discontinuance
22 process, if CenturyLink has to verify or allow
23 customers, business or residential, to challenge whether
24 or not they have reasonably available, affordable
25 service, doesn't that transform every location involved

1 in the discontinuance application into a potential CCL?

2 A. No. And I don't think that we're required --
3 we're suggesting requiring the customer verify every
4 location.

5 Q. No. But the company does have to verify every
6 location; right? It has to send out the notice to every
7 customer?

8 A. The company does have to send out notice. The
9 customer response is to be seen. We don't know how
10 robust the customer response to these kind of mailings
11 will be.

12 Q. But every customer has the built-in option to
13 challenge the availability of those alternative services
14 and their affordability; correct?

15 A. Yes. But this really kind of resembles all the
16 negative selection practices that have been issues from
17 time to time in the industry. If you don't complain,
18 you're in.

19 Q. But given that, it's fair to say that the 1,200
20 is a floor for the number of CCLs; correct?

21 A. I think it's a very low and unrepresentative
22 floor.

23 Q. But it's a floor, right, the number could go up
24 quite a bit?

25 A. Yeah. Depending on what happens in the

1 process. But again, I don't see why -- I don't
2 recommend that the commission adopt a flawed structure
3 right off the bat and hope that the customer challenge
4 process cures it.

5 Q. Fair enough.

6 I'd like to talk about the top of page 20
7 which is your recommendation that CenturyLink file the
8 trouble tickets in any application to discontinue
9 service.

10 A. Yes.

11 Q. The settlement -- sorry.

12 A. Sorry.

13 Q. The settlement requires CenturyLink to keep
14 those tickets and produce them to staff or public
15 counsel on demand; correct?

16 A. As far as I know, yes.

17 Q. And that means that staff or public counsel
18 could access them at any time?

19 A. Yes. But this is in the context of a
20 discontinuance process with fast-ticking clock and it
21 seems to me that this is the sort of information that
22 should be reviewed along with the other data to present
23 a complete picture regarding the area where the
24 company's seeking to discontinue service.

25 Q. Okay. If the commissioners wanted the data,

1 they could order staff to get it at any time; correct?

2 A. Yes. But again, why set up an incomplete
3 process right off the bat and come back and try and fix
4 it later? This ought to be part of the whole package
5 that's submitted. I'm sure that CenturyLink has the --
6 has any data on maintenance tickets and so forth for the
7 locations and provide that along with the other data
8 that's going to be provided with regard to alternatives.

9 Q. Last thing I'd like to talk about is page 7,
10 which is your testimony about the service quality
11 credits.

12 A. Yes.

13 Q. Do you believe this term is in the public
14 interest?

15 A. I think it's better than where we are today. I
16 continue to question whether or not it will -- I
17 couldn't swear that this will actually be an incentive
18 for CenturyLink to improve facilities and reverse the
19 trend of service quality complaints. I don't know that.
20 But it's -- it's better than what we had before.

21 Q. So it's better than what we had before. Does
22 that mean it is in the public interest?

23 A. I think it's worthwhile to at least refund the
24 money to the customer for service that they are paying
25 for that doesn't work. So it accomplishes that

1 objective and returns the funds that the customer was
2 otherwise paying for service that doesn't work.

3 Q. Does the terms "worthwhile" mean that it's in
4 the public interest?

5 A. Well, I'm just going to stick with worthwhile.
6 It's -- we're ahead of where we were before with this
7 provision.

8 Q. Okay. Do you believe that this term precludes
9 the commission from investigating CenturyLink's service
10 quality issues?

11 A. I don't think it does. But that's not a legal
12 opinion.

13 Q. Fair enough.

14 But if you're correct, this would mean that
15 the service quality process would operate independently
16 of any complaint or penalty assessment process of the
17 commission; correct?

18 A. That's right. We do recommend that the
19 commission have a look at the service quality issues in
20 their testimony.

21 Q. And public counsel could complain about those
22 service quality issues at any time; correct?

23 A. I don't know why they couldn't.

24 Q. Do you know if penalties paid for a commission
25 finding of a service quality violation are paid to the

1 public service revolving (inaudible) like the consumer?

2 A. I don't know where the penalties go in the
3 state of Washington.

4 Q. But the settlement, the service quality credit
5 that goes directly to the consumer; correct?

6 A. Yes.

7 Q. Near the bottom of page 7 at lines 18 through
8 19, you sort of fault staff for failing to estimate or
9 quantify the number of consumers who would benefit from
10 the program; correct?

11 A. I don't know that I'm faulting anybody. I do
12 believe all parties were operating in good faith. But I
13 do point out that neither of the parties estimated the
14 dollars or the customers that would benefit as part of
15 this. So that's all to reach the conclusion that we
16 really don't have good, firm information to think about
17 whether or not this really is an incentive for the
18 company to improve service or not.

19 Q. If you would turn to page 20.

20 A. Okay.

21 Q. And in the first Q and A on that page, you
22 quote public counsel witness Dreyer as providing
23 testimony about: "A concerning level of customer
24 trouble complaints." Correct?

25 A. Yes.

1 Q. And on page 24 --

2 A. Okay.

3 Q. -- again in that first answer you quote
4 Ms. Dreyer -- well, you reference her testimony and you
5 note that: "Substantial testimony has been provided in
6 this matter that CenturyLink customers are experiencing
7 significant quality of service problems." Correct?

8 A. Yes.

9 Q. So just anecdotally, there's plenty of evidence
10 that there are widespread service quality problems;
11 correct?

12 A. I -- what I'm saying here is, I believe that
13 the testimony documents a significant enough level of
14 customer service quality of service issues that it would
15 warrant commission investigation.

16 Q. And given that fact, is there any reason to
17 believe that the credits would involve a substantial
18 number of customers or a substantial amount of money?

19 A. I'm not sure the two go together.

20 Q. Well, if there --

21 A. The credits are refunding a dollar a day,
22 basically, for being out of service for what is a
23 declining base of residential service customers.
24 Residential and business.

25 Q. Would you agree that there's a direct

1 correlation between the number of complaints for service
2 quality issues and the number of credits?

3 A. Well, the credits go for trouble tickets, not a
4 service. The complaints are not necessarily one in the
5 same. Looking at line 7 on page 24 as indicated by the
6 level of complaints, number one, and analysis of trouble
7 report tickets, number two, the credits are based on
8 trouble reports.

9 MR. ROBERSON: Fair enough. I think I'm
10 done. Thank you.

11 JUDGE CALLAHAN: Mr. O'Neill, you may
12 redirect.

13 REDIRECT EXAMINATION

14 BY MR. O'NEILL:

15 Q. Mr. Brevitz, I'm going to start on that last
16 point of the weighing the benefits of Condition 8
17 against the potential harm of Condition 9 for
18 discontinuance. How do you weigh the \$150,000 per year
19 of customer credits against the possibility of a
20 79-year-old woman losing the ability to speak with her
21 family?

22 A. That's a really difficult question, and that's
23 the kind of question that commissions have to evaluate.
24 When I -- further, when I hear \$150,000 annual in the
25 context of a company with the size of the operation that

1 CenturyLink has in Washington, 150,000 is a lot to all
2 of us individually, but there's materiality
3 consideration considerations with regards to the
4 company. Does 150,000 really incent any different
5 behavior for a company that's making however much Lumen
6 is making in the state of Washington.

7 Q. Do you recall questions about the challenge
8 process under the settlement agreement?

9 A. Yes.

10 Q. And just so that we're on the same page, I
11 believe I understand the proposed settlement would
12 require the consumers to challenge to the company that
13 they have adequate service and then the company would
14 then decide based off of either testing or some other
15 decisionmaking that they did have adequate service.

16 Do you have any concerns about allowing a
17 telecom company to be arbiter of whether or not there's
18 some competition that justifies a discontinuance?

19 A. I do. The --

20 Q. Could you explain?

21 A. The company is the same -- the company has the
22 motivation to support its petition. It wouldn't have
23 started the process if it didn't want and intend to
24 terminate service in the area. So there's, I think, a
25 bit of a conflict there. The customers may be somewhat

1 inhibited in whether and what they say to the company on
2 the whole subject, and it's -- to me it's just better --
3 a better structure to have the information go straight
4 to the commission for evaluation, decision, if needed,
5 without all this extra process from a company that's
6 indicated it's already short staffed.

7 Q. Under the current regulation, the current AFOR
8 where every discontinuance has to come before the
9 commission, if a person like Ms. Margrav were to object,
10 who would be the factfinder to determine whether or not
11 her objections were unreasonable or warranted?

12 A. Under the settlement agreement, it filters
13 through the company first.

14 Q. I know. But right now without the settlement
15 agreement under the current regulation, who is the
16 arbiter? I mean, who makes the factual -- when there's
17 a factual dispute in front of the commission, who's the
18 one that resolves that?

19 A. Yeah. Goes straight to the commission.

20 Q. You talked about -- when you said in -- with
21 respect to whether or not CenturyLink was seeking or had
22 sought to discontinue service, you talked about a
23 looming issue in -- not just in Washington but
24 nationally about the discontinuance in --

25 (Audio reverberation.)

1 MR. O'NEIL: I don't know if that's on my
2 part.

3 THE WITNESS: I dont' know either. I heard
4 it. Go ahead.

5 BY MR. O'NEILL:

6 Q. I'm just trying to orient. You understand
7 where I -- you remember that testimony?

8 A. I didn't hear because of the background.

9 Q. You had testified there is a looming issue
10 nationally about the retirement of the copper network.
11 And I wanted to ask you to explain more fully: What is
12 the looming national issue about the copper network, the
13 legacy system from the old AT&T days?

14 A. Well, it's -- it's old, it's manufacture
15 discontinued, it's harder to maintain, there's two work
16 forces. The copper network, the legacy network is not
17 scaleable, well-suited to future broadband. And it's a
18 network that was built over a century, and it's a public
19 utility infrastructure that's very difficult to or
20 expensive to replace. And so there's -- it's certainly
21 a dilemma for the companies that operate both networks,
22 what to do, how to make the transition. And the
23 industry response seems to be coming down to we want to
24 discontinue service.

25 Q. Until the transition to the new technology of

1 broadband was complete, should the commission be paying
2 more or less attention to requests to discontinue?

3 A. I think the commission should be paying more
4 attention to requests to discontinue. We're in a
5 transitional time in between the -- while there's two
6 networks in place. Transitionally, we could have some
7 hope that all this infrastructure investment will
8 address most of the issue and bring adequate broadband
9 service to the unserved and underserved locations. But
10 I think it would be a mistake to pull service from
11 consumers before that they have actually available
12 service to subscribe to.

13 Q. You mention that we're in the midst of a
14 transition process. Could your testimony on this point
15 change in the next five to ten years as federal
16 government money is expended in Washington to expand
17 broadband service?

18 A. Yes. My testimony would keep up with what the
19 actual facts on the ground are, and to the extent
20 there's successful deployment of fiber networks that hit
21 these unserved and underserved areas, the concerns
22 obviously are much less significant.

23 Q. But we're faced with that question now. And
24 what is your recommendation to the commission on the
25 facts and the data that we have available today about

1 whether it is wise to allow a company to discontinue
2 without UTC oversight?

3 A. My recommendation is that incumbent local
4 exchange carriers particularly should not be allowed to
5 discontinue service without commission review to ensure
6 that there is, in fact, adequate alternative service
7 functioning and available that the customer can
8 subscribe to.

9 Q. Is the market sufficiently well developed in
10 rural Washington to support the expansion of broadband
11 without regulation or federal investment?

12 A. I think the data that we've seen here in -- in
13 this matter that we've been reviewing for the better
14 part of a year or two demonstrates the limits of market
15 competition. The areas that we're talking about that
16 we're focused on have had, in theory, the availability
17 market competition, but the reality is these areas do
18 not universally uniformly have other service
19 alternatives available.

20 Q. Would you -- or would you oppose the
21 discontinuance of copper wire in a downtown Seattle wire
22 center or, you know, neighborhood?

23 A. No. And I think, you know, there's a separate
24 FCC provision for that technology transition where a
25 service provider's allowed to discontinue service over

1 copper when they have moved over, invested in fiberoptic
2 facilities.

3 Q. Okay.

4 A. And that obviously makes sense for a lot of
5 reasons.

6 Q. So is it fair to say that your concern is in
7 the liminal areas of Washington, the transitional both
8 in terms of technology and from urban to rural spaces
9 where the market is not currently sufficient?

10 A. Yes. My -- in my testimony I refer to "thin
11 markets." My concerns are for the thin markets that are
12 thin in terms of up-to-date capital investment and
13 technology and thin in terms of a customer base. Those
14 are the areas where public utility regulation was
15 designed to provide necessary service to customers and
16 to protect them from high rates, which is not really an
17 issue here, but available availability and adequate and
18 reliable service which is a concern here.

19 MR. O'NEILL: Okay. I have no more
20 questions. Thank you.

21 JUDGE CALLAHAN: Any questions from the
22 bench?

23 COMMISSIONER DOUMIT: Thank you. Thank you,
24 Mr. Brevitz, for your testimony.

25

EXAMINATION

1
2 BY COMMISSIONER DOUMIT:

3 Q. Just -- I'm trying to sort of figure out the
4 relevance of this what you call "looming issue" of the
5 copper to -- because I -- I will accept it, for example,
6 AT&T, California is going through this, but we -- in
7 Washington state, to my knowledge, and I might be, you
8 know, incorrect, but maybe you can correct me if I am.
9 To your knowledge, haven't essentially the remainder of
10 the ILECs already moved to fiber, made that transition
11 that you say is a looming issue now. And again, I don't
12 know if this is necessarily relevant I'm just trying to
13 elicit some more information.

14 A. Sure. I think it's a bigger issue for the
15 larger holding companies like Verizon, Lumen, and AT&T,
16 the rural companies have, you know, different business,
17 different business plans, and they've been able to
18 upgrade to fiber, and they don't have the same issue.
19 But it is a significant issue, I think, for the larger
20 holding companies that tend to have a blend of urban and
21 rural territory. The urban areas have kept up with the
22 newer technology while the rural areas have lagged
23 behind. And we didn't -- we asked for information on a
24 number and the location of customers served just by
25 copper. We didn't get it. But that's the kind of

1 inquiry that would -- if we had the information, would
2 show the extent of it.

3 And, you know, I think the bottom line is,
4 there's a lot of copper out in the rural areas, that's
5 the primary technology serving the end user customer,
6 and those are the ones that are potentially exposed to
7 service discontinuance of fewer options. If there's
8 copper -- if the network is copper, it's copper for a
9 reason, because the business case doesn't exist to
10 upgrade it.

11 Q. Okay. And in Washington we said, you know,
12 without wireless, 100,000 CCLs and CenturyLink testimony
13 with wireless 1,213 or whatever it was, that -- I mean,
14 does that not say to you that there is a robust sort of
15 wireless build-out in these territories as well, in
16 CenturyLink's territory?

17 A. Well, that's -- that's the map that -- that's
18 the model propagation for the wireless. And whether or
19 not individual customer locations actually have decent
20 coverage or not is to be seen. There's a concern in all
21 this mapping that how much is marketing versus how much
22 is actually service. We're in the process of finding
23 out, but I think it's going to take years.

24 Q. For us, though, we don't have years. We have
25 this, you know, petition before us to decide on, one way

1 or the other, the settlement.

2 A. Right.

3 Q. And so we are -- would you agree that we're
4 determining whether this settlement is in the public
5 interest based on whether this process that's before us
6 will accurately determine whether CenturyLink's
7 customers are served -- unserved by other than
8 CenturyLink?

9 A. Yes, I agree with that. I think the
10 commission needs -- I think the commission would be
11 better served by handling these applications themselves
12 and getting the actual data in. We -- in truth, we
13 don't know exactly how many or for what circumstances
14 will come in front of the commission for company.
15 That's -- we don't have any information on that. If
16 it's just a road move, as the company's example
17 suggests, those will be relatively easy to dispose of.

18 But if there are discontinuances for larger areas for
19 other purposes, just improve the cash flow of the
20 operation, then that's a different circumstance. That's
21 something that the commission, I think, should have a
22 say so on what's allowed and what's not, what's a valid
23 reason for discontinuing service, public utility
24 service, and what is not.

25 COMMISSIONER DOUMIT: All right. Thank you

1 very much. Thank you. That's it.

2 THE WITNESS: Uh-huh.

3 COMMISSIONER RENDAHL: Good afternoon,
4 Mr. Brevitz.

5 THE WITNESS: Good afternoon.

6 EXAMINATION

7 BY COMMISSIONER RENDAHL:

8 Q. So in looking at your testimony response
9 testimony (inaudible) -- excuse me, 9T, do you have that
10 still in front of you?

11 A. I do or I will.

12 Q. All right. If you'll to go page 7 of 32
13 starting on line 12. And in this testimony, you speak
14 to public counsel's position or what appears to be
15 public counsel's position on Provision 8 which is
16 relating to the automatic credits. And you discuss the
17 need for more quantifiable data from the company to help
18 the commission evaluate the degree to which this
19 provision benefits consumers or incentivizes the
20 company. However, there's no explicit indication as to
21 whether public counsel supports or you support or oppose
22 this provision. Is that support conditional on some --
23 is that -- if there is support, is it conditional on
24 something in particular? Just trying to determine
25 exactly your position on behalf of the public counsel.

1 A. Yeah. I -- I certainly don't object to this
2 provision, but I think it's a stretch based on the
3 information we have to conclude that it actually
4 provides adequate incentive to the company to improve
5 facilities and improve service quality.

6 MS. RENDAHL: Thank you. That's all I have.

7 JUDGE CALLAHAN: Mr. Brevitz, you are
8 excused. That brings us to the end of the
9 cross-examinations. I have a few other housekeeping
10 items before we adjourn. Mr. O'Neill, is one week
11 enough for you to submit the public comments?

12 MR. O'NEILL: There have been a lot of
13 public comments filed in this matter, and I really want
14 to confer with staff to be sure that they are able to
15 pull it all together within a week. I'd ask my
16 assistant, Mr. Bryce Hardman (phonetic), to contact Ryan
17 to make sure that was the case and then I got COVID, and
18 I have been laid low.

19 So I don't know the answer to the question.
20 I don't know if Ryan is on or -- I know Mr. Harmon is
21 not.

22 JUDGE CALLAHAN: Any objections from other
23 parties?

24 COMMISSIONER DANNER: I just want to note
25 that at the public comment hearing, we did speak with

1 public counsel. We agreed that one week from today
2 would be the -- close of business one week from today, I
3 believe. That's my memory, is that we would -- so are
4 you asking for an extension of that, then?

5 MR. O'NEILL: I am. And so today the record
6 closes for public comments, and then we have a week to
7 assemble it. And I just wanted -- I wanted to confirm
8 prior to this proceeding that we are on course to do so,
9 because I think there's over 200. And I haven't had a
10 chance so, so I am -- I will ask for a continuance if I
11 get information from the staff that it's going to take
12 more time. So let's -- I'll keep it as a goal, and
13 unless you hear from me, we will make it. But I don't
14 want to throw my staff under the bus.

15 JUDGE CALLAHAN: Let's go one week from now.
16 So in your public comments exhibit, you can mark it
17 Badge Exhibit 1.

18 MR. O'NEILL: I'm sorry, I missed the
19 number.

20 JUDGE CALLAHAN: Badge Exhibit 1. So we
21 have one round of post-hearing briefs due
22 August 7th, 2024. We ask the parties to limit your
23 post-hearing briefs to 60 pages. Please include in your
24 briefing the issues of whether Provision 8, penalty,
25 which requires the company to award automatic credits

1 for out of service or service that is not in working
2 order. And Subsection D of Provision 8 specifically,
3 which indicates the automatic credits are in lieu of
4 commission assessed penalties associated with the
5 failure to apply or not apply credit amounts, to include
6 the commission from any enforcement action related to
7 the same service quantity issue.

8 If you argue that preclusion applies, please
9 explain the basis for the claim and whether preclusion
10 applies retroactively prior to the date of the
11 commission's order if the commission approves the
12 settlement.

13 Is there any questions from parties?

14 MR. SHERR: Yes, Your Honor. Adam Sherr
15 from CenturyLink. Given the complexity of the hearing
16 today and the matters we've discussed, CenturyLink's
17 position that it might be helpful to the commission,
18 although the commission can decide for itself, to have
19 two rounds of briefs, opening briefs and response
20 briefs, so that the issues can be joined and so we're
21 not all just speaking at the same time without anyone
22 responding. That may be beneficial to the commission;
23 and if so, we would support that.

24 It's sounds like other bench requests may be
25 issued, and so to ensure that we have -- I'm not sure

1 when that will be. But to ensure that we have adequate
2 time to deal with that and the briefs, CenturyLink would
3 suggest moving the -- what would now be the opening
4 brief by a week to August 14th, and then provide the
5 parties two weeks to respond in a simultaneous
6 post-hearing response brief, and then, of course, the
7 statutory deadline would then move three weeks to
8 accommodate the extra time for briefing.

9 COMMISSIONER DANNER: Judge, may I ask:
10 What is the expiration date of the current AFOR?

11 MR. SHERR: The expiration of the AFOR is
12 roughly at the end of this calendar year. As part of
13 our petition for competitive classification back in
14 January, we asked the commission to deal with that issue
15 because this would be pending to ensure that this
16 doesn't run out of time. Obviously, we need a new
17 direction before we fall into, you know 1968 rate of
18 return regulation. So yeah, I think we have until the
19 end of the year. We had -- under orders in the AFOR, we
20 had to make a presentation or file for competitive
21 classification as of a particular date. And so yeah,
22 that it expires.

23 To the extent that this may -- we have
24 plenty of time to resolve this, and obviously if
25 something goes awry and there isn't an order confirming

1 the AFOR one way or the other, we may come back to you
2 and say we need more time for this proceeding to get
3 resolved. But for now, that's not an issue.

4 MS. RENDAHL: So I will say my only concern
5 here is that this is not the only case the commission
6 has on its docket, and fall is very, very busy and
7 including late August is very busy. So I guess I don't
8 see the need for two rounds of briefs. I think we can
9 get any bench requests out next week. And so I guess I
10 defer on the question of delaying the opening brief, but
11 I don't know that we need two rounds, and I do think we
12 just have a lot of other things that we're going to have
13 to turn to, and having two rounds of briefs and
14 extending the date is going to just pancake a lot of
15 other things for the commission.

16 MR. SHERR: Understood, Commissioner. The
17 concept was really to benefit commission. If you don't
18 find it beneficial, that's fine.

19 COMMISSIONER DANNER: But it does sound like
20 you are asking for another week from the 7th to the
21 14th. Do you need more time?

22 MR. SHERR: In light of bench requests --
23 obviously, I don't know the volume of them -- that would
24 be appreciated. If that doesn't, again, work, then
25 we'll work with what we have.

1 COMMISSIONER DANNER: I'll leave that to the
2 Judge.

3 MR. O'NEILL: For what it's worth, public
4 counsel would support the move to the 14th, not -- I
5 mean, I will also receive the bench requests and the
6 answers, but it would be easier for my own schedule, but
7 that's -- that has to do with deadlines with PSE and not
8 with this matter, as the commission may know.

9 JUDGE HOWARD: Judge Howard, briefly here.
10 Sorry, Mr. Chair, if I missed your addressing this, but
11 if we did move the deadline for the post-hearing briefs,
12 I would be concerned if we did not also move the
13 deadline for entry of the final order in this docket.

14 MR. SHERR: Absolutely. In lockstep, yes.

15 JUDGE HOWARD: But that would be my primary
16 concern. But I, you know, of course I'm not a
17 commissioner, but I share Commissioner's Rendahl's
18 concerns with pancaking workloads if this is moved any
19 later. But I defer to what's helpful to the
20 commissioners.

21 COMMISSIONER DANNER: Thank you. If we were
22 to delay this to August 14th for the briefing, that
23 means we're pushing the effective date out by a week.
24 What is that date?

25 JUDGE HOWARD: I think that would be

1 September 9th if the deadline for the final order is
2 currently September 2nd in this docket.

3 MR. SHERR: And CenturyLink would consent.

4 COMMISSIONER DANNER: So that gives us less
5 than a month to complete that order. I think that
6 should be sufficient.

7 MS. RENDAHL: I have no objection to that.

8 JUDGE HOWARD: If -- it sounds like the
9 commissioners and the company are agreeable to extending
10 the deadline for the post-hearing briefs to August 14th.

11 THE REPORTER: I'm sorry, excuse me. I hate
12 to interrupt, but I cannot see who's talking, and it
13 just has "record," so I'm having a really difficult time
14 identifying who's speaking right now. I'm trying to
15 guess because I cannot see.

16 JUDGE HOWARD: Oh, apologies. This is Judge
17 Howard again.

18 THE REPORTER: Thank you.

19 JUDGE HOWARD: Yes.

20 So we are -- this is an oral ruling here on
21 the record. We are moving the deadline for the single
22 round of post-hearing briefs to August 14th. And per
23 the company's consent, moving the deadline for the final
24 order in this case from September 2nd to September 9th.
25 And I would -- okay.

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Are there any other questions from the parties before we adjourn? Hearing none, we are off the record, and we are adjourned. Thank you all.

(Hearing adjourned at 4:29 p.m.)

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C E R T I F I C A T E

STATE OF WASHINGTON
COUNTY OF WHATCOM

I, Evelyn M. Adrean, RPR, a Certified Shorthand Reporter in and for the State of Washington, do hereby certify that the foregoing transcript of the hearing, having been duly sworn on JULY 19, 2024, is true and accurate to the best of my knowledge, skill, and ability.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 31st day of July 2024.

Evelyn M Adrean



EVELYN M. ADREAN, RPR, CCR-WA