



STATE OF WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

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April 27, 2020

Mark L. Johnson, Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop S.E., Lacey, WA 98503
P. O. Box 47250
Olympia, Washington 98504-7250

RE: CenturyLink Compliance Condition 5.1 for 2020
Docket UT-170042

Dear Mr. Johnson:

On July 7, 2017, the Washington Utilities and Transportation Commission (Commission) entered Order 03, "ORDER APPROVING SETTLEMENT AGREEMENT AND TRANSACTION AND GRANTING LIMITED WAIVER OF WAC 480-07-160," (Order 03) in the above-referenced docket. Order 03, among other things, required CenturyLink (Company) to submit reports to the Commission on May 1 of 2018, 2019, and 2020 detailing the regulated network maintenance expense for the prior calendar year for each of the Company's incumbent local exchange carriers (ILECs) in Washington. The report will include an explanation for any decline in an ILEC's maintenance expense per access line from the levels in 2014-16.¹

BACKGROUND

On April 9, 2020, CenturyLink filed its final compliance report detailing the regulated network maintenance expense for the 2019 calendar year for each of the Company's five incumbent local exchange carriers (ILECs) in Washington. The report was filed as, "*Confidential Pursuant to Protective Order in Docket UT-170042.*"

ANALYSIS

UTC Staff is satisfied that CenturyLink has complied with both the spirit and the letter of Condition 5.1, for the year end December 31, 2019. Because the 2019 maintenance expense per

¹ Order ¶58 and Settlement, Exh. JP-1 § 5.1.

access line was greater than the 3-year average for each company, no explanation of the expense trends is required in this year's annual report.

RECOMMENDATION

UTC Staff recommends that the Commission issue a compliance acknowledgement letter recognizing that CenturyLink has complied with its obligation to file the third and final (out of three) annual maintenance expense reports under settlement condition 5.1. which states in part, *"If the annual maintenance expense per access line of any of the [five] Washington ILECs is less than the expense incurred per access line for the years 2014 through 2016, CenturyLink will provide an explanation of the variance."*

Sincerely,

Tim Zawislak
Senior Regulatory Analyst