

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition by QWEST CORPORATION d/b/a CENTURYLINK QC for Partial Exemption from WAC 480-120-161(2)

Docket No. UT-(NEW)  
PETITION FOR EXEMPTION

1 Qwest Corporation d/b/a CenturyLink QC (hereinafter “Qwest”) petitions the Washington Utilities and Transportation Commission (“Commission”) for a partial exemption from the requirement under WAC 480-120-161(2) to provide a bill due date, and a 15-day interval between the mailing of a bill and the due date.<sup>1</sup> The exemption is requested only for those customers who have voluntarily signed up to pay their bills via a credit card or via an automatic withdrawal from a bank account. The two payment methods have different parameters, and the exemption sought is therefore a slightly different for each method.

2 The two options are referred to as “AutoPay”, which is the automatic withdrawal from a designated bank account, and “DPO”, which stands for “direct payment option” and is the recurring credit card payment method. Both of these are voluntary payment options that have been in place for many years.

3 Both of these options require an affirmative act by the customer to sign up for the service, since the company would not otherwise have access to a bank account or credit card number.

Neither payment option is required by the Commission’s rule, which requires only that the

<sup>1</sup> WAC 480-120-161(2) **Length of time for payment of a bill.** Bill due dates must reflect a date which at a minimum allows a customer fifteen days from the date of mailing for payment.

company accept cash, certified funds, and personal checks.<sup>2</sup>

### **Description of the AutoPay Option.**

4 When a customer is on AutoPay, the customer has signed up to have funds automatically withdrawn from a designated bank account to pay their bill each month. The customer has chosen to receive either a paper bill or an electronic bill. For both the paper and the electronic bill, the customer receives the statement with the total amount due, but the bill does not reflect a specific due date. Rather, the bill contains a statement that reads as follows: “Your Account is on AutoPay. Thank you for using the automatic payment system. Your payment will be made from your checking or savings account approximately 18 days after your bill date.” (See Attachments 1 and 2.)

5 The payment date that is shown is at least 15 days after the mailing of the paper bill, or the sending of the electronic bill. Thus, although the interval between the sending of the bill and the payment date is 15 days or more, and therefore complies with the rule, an exemption is required because the bill does not technically comply with the requirement in the rule that a “due date” be stated.

### **Description of the DPO Option**

6 The DPO option is similar to Autopay, except that the payment is charged to a customer’s credit card, and the payment interval is shorter. Both the credit card requirement and the shorter payment interval are provided to the customer before the customer selects the DPO option. Occasionally the customer will provide a debit card number instead of a credit card. While it is not Qwest’s policy to accept debit cards for DPO, Qwest does not have any way to verify that the number provided by the customer is a credit card and not a debit card.

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<sup>2</sup> WAC 480-120-161 (8) **Methods of payment.** (a) Companies must, at a minimum, allow the following methods of payment: Cash, certified funds (e.g., cashier check or money order), and personal checks.

7 The bill that is sent to the customer (as above, either paper or electronic, at the customer’s option) states as follows: “Thank you for using the automatic payment system. Payment will be charged to your credit card within 5 days after your bill date.” (See Attachments 3 and 4.) Thus, an exemption is required from both provisions of the rule – the 15-day interval, and the requirement in the rule that a “due date” be stated.

### **An Exemption from the Rule is in the Public Interest**

8 The Commission allows regulated companies to request exemptions from rules or statutes. WAC 480-07-110 sets forth the standards for granting an exemption, and the requirements for requesting one.<sup>3</sup>

9 Qwest respectfully asks that the Commission grant it an exemption from the “due date” requirement for both payment methods, and from the “15-day interval” requirement for the dPo option. Exemption is in the public interest because these special payment arrangements do not require the type of notice that the rule otherwise requires.

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<sup>3</sup> 1) **Exceptions and modifications.** The commission may grant an exemption from or modify the application of its rules in individual cases if consistent with the public interest, the purposes underlying regulation, and applicable statutes. The commission may modify the application of procedural rules in this chapter during a particular adjudication consistent with other adjudicative decisions, without following the process identified in subsection (2) of this section.

(2) **Process.**

(a) **How to request an exemption to or modification of a rule.** To request a rule exemption or modification, a person must file with the commission a written petition identifying the rule for which an exemption is sought, and provide a full explanation of the reason for requesting the exemption. Telecommunications companies, gas companies or electric companies filing petitions for exemption under this section shall provide a copy of the request with the public counsel section of the attorney general's office by mail or e-mail, within one business day of the day the request is filed with the commission.

(b) **Commission process.** The commission will assign the petition a docket number, if it does not arise in an existing docket, and will schedule the petition for consideration at one of its regularly scheduled open meetings or, if appropriate under chapter [34.05](#) RCW, in an adjudication. The commission will notify the person requesting the exemption, and other interested persons, of the date of the open meeting or hearing when the commission will consider the petition.

(c) **Standard for consideration.** The standard for consideration is the public interest standard. Factors the commission may consider include whether application of the rule would impose undue hardship on the requesting person, of a degree or a kind different from hardships imposed on other similarly situated persons, and whether the effect of applying the rule would be contrary to the underlying purposes of the rule.

(d) **Disposition.** The commission will enter an order granting or denying the petition, or setting it for hearing.

- 10 In both types of payment arrangements, the customer is advised of the payment interval, and accepts that interval as a part of an optional method of payment that is likely more convenient for and beneficial to the customer than paying by check or cash. Adding a “pay by” or due date to the bills could be confusing and could generate calls from customers wondering why there is a “pay by” or due date on their bill when in the past the bill message indicated that the customer did not have to take any action. A “due date” is inherently at odds with being on an automatic payment plan. In addition, the customer can discontinue the automatic payments at any time – there is no obligation to use either method to pay a bill.
- 11 Further, there have been no customer complaints on this issue. Qwest is requesting this exemption at this time because the Commission compliance staff assessed rule violations on its own over the lack of a due date. Customer complaints were filed on issues unrelated to AutoPay or DPO. Copies of the customer bills were provided to the staff who then noticed that the customer was on DPO or autopay and there was no due date on the bill.
- 12 Qwest’s customer billing system does not currently have the capability of populating a due date on the AutoPay or DPO bills. Qwest does not believe that it would be a prudent expenditure of resources to pay for IT time to create that capability when there have never been any complaints about the bills, and when the customer has already consented to the terms and conditions of these optional payment methods. Qwest therefore respectfully requests a permanent exemption from the rule as set forth herein.

DATED this 6th day of May, 2013.

QWEST CORPORATION, D/B/A CENTURYLINK QC

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