

**BEFORE THE WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION**

In the Matter of the Application of	)	DOCKET NO. UT-991358
	)	
U S WEST, INC., and QWEST	)	
COMMUNICATIONS INTERNATIONAL	)	
INC.	)	STATEMENT OF POSITION OF
	)	THE CITIZENS' UTILITY
For an Order Disclaiming Jurisdiction, or in	)	ALLIANCE OF WASHINGTON
the Alternative, Approving the U S WEST,	)	
INC., - QWEST COMMUNICATIONS	)	
INTERNATIONAL INC. Merger	)	
	)	
.....	)	
	)	

**STATEMENT OF OPPOSITION**

1 The Citizens' Utility Alliance of Washington ("Alliance"), on behalf of its over 2200 members, asks the Commission to deny Qwest's petition to terminate or modify the Service Quality Protection Program ("SQPP"). Based on customer testimony and comment submitted in this case, the exhibits filed, and the arguments and testimony of Commission staff and Public Counsel, the granting of Qwest's petition is clearly not in the public interest.

**DISCUSSION**

2 Qwest would have the Commission ignore public testimony and comment in this case. In its reply comments in support of its petition, Qwest takes on the public witnesses offered by Public Counsel and the Citizens' Utility Alliance by arguing, "none of the these comments offers any reason for the Commission to reject Qwest's request for relief." *Qwest Reply Comments* at ¶ 43. Furthermore, when discussing the written comments submitted by its customers Qwest states, "Nor do any of the other public comments offer any legitimate criticism of Qwest's customer service." *Id.* Qwest concludes by adding, "public input does

not provide any helpful guidance to the Commission in its consideration of the issues in this case.” *Id.*

3 The Alliance respectfully disagrees. Washington law mandates the Washington Utilities and Transportation Commission to, “Regulate [telecommunications companies]... in the public interest”, not in the company’s own self-serving interest. RCW 80.01.040. Clearly, if the Commission is to regulate in the public interest it must listen to what the public has to say regarding Qwest’s petition and take into significant account the unanimous public sentiment reflected in testimony and written comments. Perhaps, if Qwest listened to its customers’ sentiment it would not be in the position of paying millions of dollars in penalties.

4 Four public witnesses and over 600 written commentators expressed their frustration, and in many cases detailed their personal experiences, in dealing with a company whose customer satisfaction index ratings have dropped substantially since 1995. *American Customer Satisfaction Index – Overview, Methodology, Telecommunications Scores through Q1 2003 (ACSI)*, Ex. 28 at 12. Since 1995, Qwest’s customer satisfaction index has fallen from 75 to 62. *Id.* That is almost a 20 percent drop in customer satisfaction. As Professor Fornell writes, in an industrial sector that as a whole that remains below the ACSI industrial average, Qwest “remains at the bottom of the industry.” *Id.* at 8. In other words, Qwest is the worst performing company in an industry already noted for its poor customer service.

5 While the intricacies of the SQPP may escape some commentators, they understand that the service quality benchmarks force Qwest to provide a certain level of customer service or face penalties. Given the “bottom of the industry” performance of Qwest, the witnesses and commentators are uniform in their assertions that the SQPP should continue in order to oblige Qwest to provide decent customer service.

6 Amy Hagins, in her written statement submitted in this case (Ex. 72), and testimony (Hagins, Tr. at 2096:1 - 2100:8) outlined her frustrations in working with Qwest to establish phone service for “approximately 300” vulnerable mentally ill clients. Hagins, Tr. at 2098:11. She testified: “One of the problems I have regularly is long hold times. Sometimes in one sign-up call we have two to three different hold times that add up to 45 minutes, sometimes longer...” Hagins, Tr. at 2098:16-19. When asked about whether the Qwest representative explains the reason for the long hold times she testified that in over half the cases they do not. Hagins, Tr. at 2098:22-2099:7.

7 Dale Miller also voiced his frustration, in a written statement and his public testimony, in working with Qwest. Ex. 72; Miller, Tr. at 2101:10 – 2108:14. In a project he was trying to get built to house developmentally disabled people it took over four months to work with Qwest to establish basic phone service for the tenants. While Qwest may dispute the causes of the delay, Mr. Miller describes a company unresponsive to its customers. He stated that a major contributor to the delay was Qwest installers would not give him their direct phone number. Miller, Tr. at 2105:1-19. “So I would have to go back through the process of talking to the engineer, having the engineer call the service people, and so on.” *Id.*

**“We couldn’t get answers.”** Miller, Tr. at 2103:20.

Mr. Miller was so frustrated he testified: “There are no options in Colfax for other phone companies. We would have easily gone with somebody else if we could have.” Miller, Tr. at 2104:3-5.

8 Other public commentators relay similar problems with customer service. Amber Richie submitted this written comment to the Commission:

Every time I need to call their customer service, I have long hold times, and then must talk to at least 3 different people (literally) before I find one who can and will help.

I have gone through the steps for changing my long distance (in this case, I'm actually trying to change to using them as my long distance carrier, so I won't have to pay a monthly fee) three times. They note it in their records every time, and then nothing gets changed.

If they cannot do what they promised, they should face the consequences. Like any other business, they should do what they promised, when they promised. Given the exorbitant earnings of their CEO, they cannot use lack of money as an excuse. If they cannot do what they promised, they should compensate their customers until such time as viable alternative can be found.

Much like a renter who must pay a fee if he backs out of a lease early, a company should pay a fee for terminating their contract early.

9 Derek Birnie, wrote this to the Commission:

I have never, ever, received poorer customer service than from Qwest. I would like to document all of the poor treatment and failure to perform, but that would add to the hours I have wasted on this company—over ten hours by my calculation in the last six months alone.

Don't let them off the hook. As long as they have the market share that they do, they need to be held accountable.

10 George Raft submitted this comment:

I am glad to hear that your staff is recommending Qwest be required to continue their performance plan. Given my past experience with Qwest and their complete disregard for the welfare of their customers, the only way they can be made to behave in any decent manner is to hit them in the pocket book. In a number of occasions I have had problems with data and voice services from Qwest and been told that I had no recourse and no one at Qwest was available to discuss the problem. The only times I have received acceptable service from them was when the issues fell under purview of this agreement they are now trying to worm out of. Qwest is too big to care about the consumer and for the most part we don't have other service options. Please continue to keep their feet to the fire, and thanks for looking out for our interests.

11 Melissa Young wrote this submission:

In our household, it was first known as USWORST. Now it is QWORST. This company has the worst service of all. I have personally experienced their imperious attitude, the "We don't have to, because we're the only phone company you get for your land line."

12 Pat Detmer and Fred Canada wrote this:

I've searched through all the Washington State Gov. pages, and I'm not sure I've got the right place, but I'll give it a try.

About a month ago, I read in the paper that Qwest was telling the state and consumers that bad service was behind them, and that they had their act together and shouldn't be held to close scrutiny anymore.

As a reluctant customer, I cry, "foul." I've spent many years in sales and marketing, and I know the power that sales and marketing has, but just because they "say" that they're better, and just because their ads show happy, satisfied people, it doesn't mean that those things are happening.

We own two businesses: The Station at Fishermen's Terminal in Seattle and The Quincy Group in Newcastle, and if it were possible for our small businesses to bill Qwest for the time spent on hold, waiting and hoping for help, we would. There's a cost to doing business with them that we'll never be able to recover, and it's time and money that we can ill afford to lose.

13 Jon Olson commented:

I could fill a book, but won't. This was prompted by a Qwest bill chock-full of mystery charges, which means another precious hour on the phone... Thank you for not letting them off the hook.

It took 6 calls to set up my telephone line. My average on hold time for each call was about 20 minutes. I had to wait almost a week for my service to be set up. I was sold a package that guaranteed that I would not receive telemarketing calls. My number is on the National Do Not Call registry yet I still receive telemarketing calls. I'm on a constant low-level search for an alternative.

Now they want to LOWER their standards? I'm about ready to simply stop paying them as is, because I don't want to spend 2 hours or more of my time just to cancel them.

14 Crystal Guyer wrote:

Don't you DARE cave into Qwest's request to void the agreement on customer service standards!!! They've not improved one bit as far as I can see! I've moved twice in the past year and both times had to fight with them to get a phone installed in a **reasonable** amount of time, without having to resort to doing the whole thing myself! Their problem is that they're just too big for their britches and they think

they can push us little consumers around and we have to put up with it. Don't let them!

15 Danny Oldberg, who states he is a former Montana PSC Commissioner, submitted extensive comments on his efforts to obtain service for Qwest. Highlights of his comments include:

(Monday, 3/15/04 2:48PM)

This morning when I made the request for service the Qwest rep named Dan told me even though my service was ready and would not require a service rep that due to WUTC rules they could not connect service for 3 days. When pressed he said it was so other companies would not be advantaged. I then e-mailed the Commission and got a great response from staff as well as a return call from Mr. Blackwood. I then called Qwest again and Darrah (sp?) said the same thing. I told her that was not the case and that I had spoke to the Commission. She then went to a Supervisor who came back and said it was a FCC rule. I said I wanted the rule # as I did not believe the FCC had any such rules. She then went back to her Supervisor and David came back and after much questioning he said it was not a Commission rule, but there own tariffs that do not require them to hook up for 7 days, but as a business practice they take 3 days. He said there service reps often don't understand tariffs and actual Commission rules.

....

(Thursday, 3/18/04 4:18PM)

Well, now its Thursday and I still do not have service. I called Qwest and was speaking to Ron when the call was disconnected. That meant I had to start over, wait for an available operator, listen to all the options again, before I got a new service rep. While the Qwest page and the automatic telephone check for says the order is complete it isn't and my phone isn't working and it is still working in the old location. The new Qwest person (Glenn) that is working said he didn't know what was going on and he would check it out. I now have been on hold for several minutes and don't dare hang up or I know I will have to jump through all the hoops again.

Well after being on hold for 15 minutes I got disconnected again.

That meant calling back Qwest and going through the interminable options to get to a service rep.

....

The nice thing about this experience is if I die and go to hell, it can't be nearly as bad as dealing with Qwest on trying to continue being a customer.

....

Want proof that we don't have a competitive telephone world? This is it. If Qwest thought customers would walk they would never allow such a situation.

....

Mr. Oldberg's final paragraph states:

I hope my experience is unique and most folks don't have to go through all of this. But I wanted to share with you how frustrating this experience has been for me. I started out trying to be the nice guy—to side with Qwest against the nasty

Commission that had rules that prevented me from getting immediate service. Didn't take long to realize the problem was Qwest—all the time.

16 Unfortunately, Mr. Oldberg's experience is not unique. As the small sampling of the over 600 comments submitted demonstrate, many Qwest customers are upset by Qwest's poor customer service and are asking the Commission to do all they can to force Qwest to provide adequate customer service. Some are upset that they are captive customers with no real choice and must deal with a company that acts as if it has no competitors.

17 The public commentators rightly see the SQPP as contributing to the public interest by improving the quality of Qwest's service and providing the incentives needed to force Qwest to be responsive to their customers. The SQPP also holds Qwest accountable for poor customer service. Finally, given the poor customer service they received from Qwest, customers find it objectionable that any customer service standards would be loosened. As Amy Hagins testified on keeping the SQPP in effect: "I believe things need to be kept in place to protect the clients I work with in helping them to get good customer service and to hold Qwest accountable." Hagins, Tr. at 2099:13-15.

### **CONCLUSION**

18 Telecommunications is an important service to Washington consumers. Poor customer service costs Washington's residential and business customers time and money and ultimately interferes with everyday commerce. The Alliance asks the Commission to follow the recommendations of the Washington residents who testified and submitted written comments in this case, of Commission staff and Public Counsel, and deny Qwest's petition. The members of the public who have taken the time to participate in this important case see the continuation of the SQPP as in the public interest. The Commission should follow the recommendations of the public.

I certify that the facts asserted herein are true and correct to the best of my belief.

Dated this 18th day of June 2004.

Respectfully submitted,

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John O'Rourke, Director  
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Spokane, WA 99201



## **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that I have this day served the foregoing document upon all parties of record in these proceedings by mailing a copy properly addressed with first class postage prepaid.

Dated this 18th of June 2004.

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