

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: October 23, 2007

REGULAR _____ CONSENT X EFFECTIVE DATE _____ NA _____

DATE: October 15, 2007

TO: Public Utility Commission

FROM: Celeste Hari

THROUGH: Lee Sparling, Dave Booth, and Kay Marinos

SUBJECT: COMCAST PHONE OF OREGON LLC: (Docket No. CP 1070) Petition for Waiver of Notice Requirement of OAR 860-032-0020 (11)(b).

STAFF RECOMMENDATION:

The Commission should grant the petition by Comcast Phone of Oregon LLC (Comcast) seeking a waiver of the 90-day time period for Commission notification of abandonment of service under OAR 860-032-0020(11)(b) and permit a notice period to the Commission of 36 days.

DISCUSSION:

The Commission's abandonment of service rule for competitive telecommunications service providers is OAR 860-032-0020. On October 8, 2007, Comcast filed its notice of abandonment and a request for waiver of OAR 860-032-0020(11)(b).

OAR 860-032-0020(11)(a) requires a competitive provider that intends to abandon (i.e., cease providing) any or all services in Oregon, to notify customers of its intent at least 90 days before abandoning the services. On August 7, 2007, Comcast mailed notice to its customers of its intent to abandon Comcast Digital Phone service in Oregon effective November 13, 2007.

Comcast Digital Phone service is provided via a legacy service platform that will not be supported by Comcast in the future. Comcast will continue to provide telecommunications service via a different platform under the name of Comcast Digital

Voice service. Customers have the option of switching to this service or moving to another provider. Of Comcast's large Oregon customer base, only 2,671 customers are affected by the discontinuance of Comcast Digital Phone service. This is a small percentage of Comcast's total Oregon customers.

Comcast is currently contributing to the Oregon Universal Service fund and paying all other fees and taxes as a competitive telecommunications provider. The company indicated that it will continue those payments and contributions in the future on its Digital Voice service. Comcast will maintain its current certificate of authority to provide telecommunications service as a competitive provider in Oregon. See Order No. 02-579, docket CP 1070.

The company provided the Commission copies of the notification mailed to customers on August 7, 2007. OAR 860-032-0020(b) requires the abandoning company to file notice with the Commission at the same time it mails notice to its customers. Comcast representatives indicated that a letter was sent to the Commission in August which would have been in compliance with the abandonment notification requirement. However, the letter was not filed electronically and there is no record that the letter was received in the Commission office. Staff recalls conversations and a meeting with the company during the August timeframe indicated by Comcast but no formal filing was received by the Commission.

On September 28, 2007, the Commission received a copy of Comcast's application required by the Federal Communications Commission (FCC) when seeking authority to discontinue providing service. Staff contacted Comcast to notify the company that it needed to comply with the Commission's rules regarding abandonment of service. Comcast made the filing on October 8, 2007.

OAR 860-032-0020(11)(c) specifically allows a telecommunications services provider, such as Comcast, to abandon service, but only if the exiting provider has complied with the Commission's customer notice requirements for abandonment of service. Comcast provided copies of the notice sent to its customers on August 7, 2007, showing that the company has met the 90-day customer notification requirement required in OAR 860-032-0020 (11)(a). If the Commission grants Comcast's petition for waiver of the 90-day notice requirement to the Commission and permits a notice period of 36 days, the company will have met all applicable Commission notice requirements. Comcast could then proceed and abandon service effective November 13, 2007.

Waivers should not be granted routinely. However, Comcast's customers were given the required 90-day notice prior to abandonment and have had ample time to obtain alternative service from Comcast or other providers. Comcast provided a telephone number and address for customers who have questions. Comcast is choosing to provide a "soft" disconnect to customers. This will allow customers to continue to reach 911 and the company's call center for 30 days after the service is disconnected. Customers will have had notice and sufficient time to obtain alternative service prior to disconnect, but the soft disconnect is a back-up in case some customers do not pick a new carrier prior to disconnection. The company offers Comcast Digital Voice service which customers may choose if they wish to remain with Comcast. Alternatively, customers may choose to move to a different carrier. Comcast has complied with all other requirements of the rule. The only issue remaining is the 90-day notice to the Commission.

It appears that Comcast did not intentionally avoid compliance with the 90-day Commission notification rule. Staff checked with the Commission Consumer Services department and although there were some calls regarding Comcast disconnections in August, there have been almost no recent calls on the matter. Comcast appears to have been acting in good faith to meet all of the requirements in OAR 869-032-0020.

PROPOSED COMMISSION MOTION:

Comcast's petition for waiver of the 90-day time period for Commission notification of abandonment of service under OAR 860-032-0020(11)(b) be granted, and a notice period of 36 days be permitted.