

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: April 8, 2008**

REGULAR _____ CONSENT X EFFECTIVE DATE _____ N/A _____

DATE: March 26, 2008

TO: Public Utility Commission

FROM: Irv Emmons

THROUGH: Lee Sparling, Dave Booth and Dave Sloan

SUBJECT: CENTURYTEL OF OREGON INC and CENTURYTEL OF EASTERN OREGON INC (CENTURYTEL): (Docket No. UM 1369) Petition for exemption from filing certain service quality reports in accordance with the provisions of OAR 860-023-0055(16)(d).

STAFF RECOMMENDATION:

Staff recommends the Commission grant the petition for exemption from certain service quality reporting requirements filed by CenturyTel of Oregon, Inc. and CenturyTel of Eastern Oregon Inc., hereafter CenturyTel, but expressly reserve the authority to revoke the exemption for cause.

DISCUSSION:

On March 5, 2008, CenturyTel filed a petition pursuant to OAR 860-023-0055(16) requesting exemption from the rule's monthly service quality reporting requirement.¹

In 2005, staff initiated Docket AR 492² to update and modify the service quality rules found in OAR 860-023-0055, 860-032-0012, and 860-034-0390, as applied to: Large Telecommunications Utilities, Competitive Telecommunications Providers, and Small Telecommunications Utilities, respectively.

These rules govern reporting requirements, service standards, service objective levels, and the retention of records for quality of service performance indicators. Importantly, OAR 860-023-0055(16)(d) authorizes the Commission to grant an exemption from the service quality reporting requirements for any Communications Utility who meets or

¹ CenturyTel service quality reports are currently received and analyzed monthly. The CenturyTel service quality graphs and charts can be found at <http://www.oregon.gov/PUC/telecom/squality/large/ctel.pdf>. An analysis and summary of the data is distributed internally in a separate staff report.

² Order 05-1260 was signed 12/21/2005.

exceeds the service quality standards for the twelve successive months immediately preceding the filing of the petition.

Staff notes that granting an exemption request under the rule does not vacate CenturyTel's continuing requirement to measure service quality metrics, gather information, and retain a complete record of service quality data. CenturyTel's request, if granted, would only exempt CenturyTel from submitting the monthly service quality report to the Commission.

SERVICE QUALITY REPORTING EXEMPTION REQUIREMENTS MET

Staff has reviewed the petition and concludes that CenturyTel has met or exceeded the service quality objectives within the study period of February 2007 to January 2008 as required by OAR 860-023-0055(16)(d).

CenturyTel has achieved the objective service levels found in OAR 860-023-0055(4)-(7):

- OAR 860-023-0055(4) - Provisioning, Held Orders and Held Orders over 30 days, Due to Lack of Facilities,
- OAR 860-023-0055(5) - Trouble Reports,
- OAR 860-023-0055(6) - Repair Clearing Time, and
- OAR 860-023-0055(7) - Blocked Calls.³

POTENTIAL REPORTING RESUMPTION CONDITIONS

Staff recommends the Commission include a statement in its order granting the petition that it may revoke the exemption if a staff investigation shows poor CenturyTel network

³ The Blocking report is posted on the OPUC website at <http://www.oregon.gov/PUC/telecom/squality/interblk.pdf>. Respondents are only required to submit data when they fail to meet the threshold of greater than 1% blocking in the final trunk group, during the normal busy hour.

performance.⁴ Staff, with Commission authorization, would initiate such an inquiry on the basis of, but not limited to, the following network performance concerns.

- The filing of complaints by existing service patrons or potential subscribers with the Commission's Consumer Services Division, against CenturyTel regarding:
 - Service Denial - Held Orders and Held Orders over 30 Days, Due to Lack of Facilities,
 - Repair or chronic repair complaints resulting from a single cause or equipment failure on a repetitive basis in a wire center which can be analyzed and calculated to be above the service quality standard based on the wire center size and the appropriate objective service level⁵ - Trouble Report Rate,
 - Lack of Responsiveness to Service Concerns - Trouble Reports Cleared within 48 hours,
 - A Company's inability to meet its Service Commitments, due to, but not limited to, a lack of workforce - Commitments Met/Provisioning.

- Complaint(s) lodged by connecting Carrier(s), alleging CenturyTel is at fault in its network management of traffic volumes resulting in intermittent or repetitive Blocking incidents, or both.

The examples illustrated above, or other service anomalies brought to the Commission's attention, would have to be contributing factors within reasonable control of CenturyTel, readily identifiable, confirmed and quantified through data gathering and field analysis, as deemed appropriate.

⁴ 860-023-0005, "Maintenance of Plant and Equipment by Energy Utilities, Large Telecommunications Utilities, and Intrastate Toll Service Providers: Each energy utility, large telecommunications utility, and intrastate toll service provider must have and maintain its entire plant and system in such condition that it will furnish safe, adequate, and reasonably continuous service. Each energy utility, large telecommunications utility, and intrastate toll service provider must inspect its plant distribution system and facilities in such manner, and with such frequency, as may be needed to ensure a reasonably complete knowledge about its condition and adequacy at all times. Each energy utility, large telecommunications utility, and intrastate toll service provider must keep such records of the conditions found as the utility considers necessary to properly maintain its system, unless in special cases the Commission specifies a more complete record.

⁵ OAR 860-023-0055(5)(b), Objective Service Level: A large telecommunications utility must maintain service so that the monthly trouble report rate, after approved trouble report exclusions, does not exceed: (A) For wire centers with more than 1,000 access lines: two per 100 working access lines per wire center more than three times during a sliding 12-month period (B) For wire centers with 1,000 or less access lines: three per 100 working access lines per wire center more than three times during a sliding 12-month period.

Staff has reviewed the Consumer Services Division's current complaint archive for CenturyTel and found fifteen complaints relating to service quality. The complaints involved missed commitments or chronic repair problems that were issued during the study period. Consumer Services determined that CenturyTel was "at fault" on four of these complaints for customer service violations and two for safety violations. These complaints were reviewed and found to be within acceptable limits to meet the service quality level needed for this petition and acceptable within staff's recommended parameters for potential reporting resumption conditions.

Additionally, staff recommends that the Commission not initiate any investigation against CenturyTel, for the purpose of resuming service quality reporting, based on billing issues or claims that an account is in arrears for non-payment, which could include a disconnection or termination of a customer's service.

PROPOSED COMMISSION MOTION:

CenturyTel's petition, for exemption from submitting monthly service quality reporting requirements be approved with the caveat that the Commission may revoke the exemption for poor CenturyTel network performance.