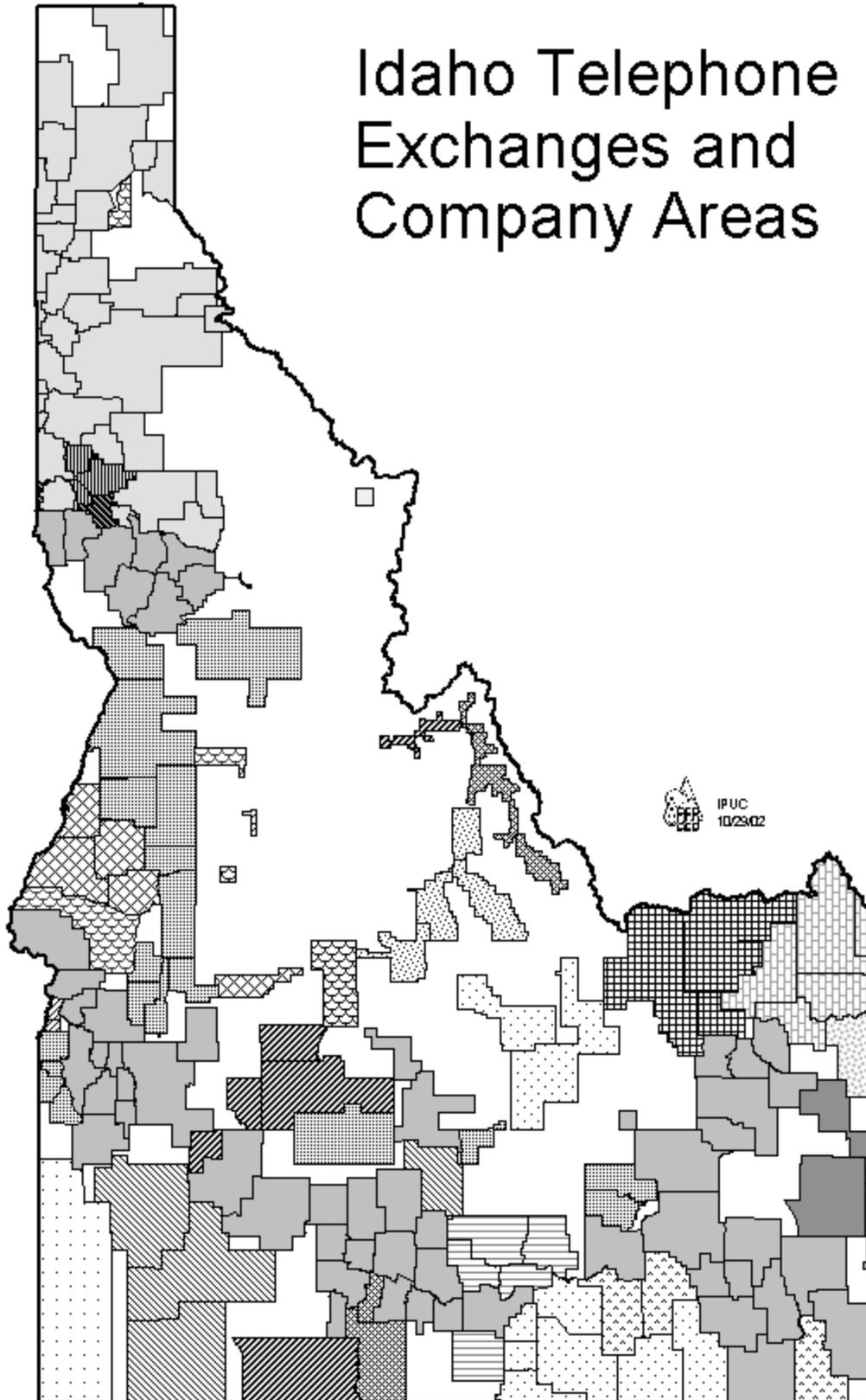
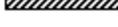


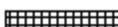
# Idaho Telephone Exchanges and Company Areas



## Regulated Companies

-  ATC
-  Cambridge
-  CenturyTel of Idaho
-  CenturyTel of the Gem State
-  Citicoms
-  Direct
-  Fremont
-  Island
-  Midvale
-  Oregon-Idaho
-  Pike
-  Qwest
-  Rural
-  Silver Star
-  TDS
-  Telpa
-  Verizon
-  Unclaimed

## Co-ops

-  Blackfoot
-  Custer
-  Farmers Mutual
-  Filer Mutual
-  Mid Lake
-  Project Mutual

IPUC  
10/23/02

# Telecommunication Utilities Under IPUC Rate Jurisdiction

**Albion Telephone Corp (ATC)**  
P.O.Box 98  
Albion, Idaho 83311-0098  
208/675-5335

**Cambridge Telephone Company**  
P.O.Box 86  
Cambridge, Idaho 83610-0086  
208/257-3314

**CenturyTel of Idaho, Inc.**  
P.O.Box 1007  
Salmon, Idaho 83467  
208/756-3300

**CenturyTel of the Gem State, Inc.**  
P.O.Box 9901  
805 Broadway  
Vancouver, Washington 98668  
360/905-5800  
111 A Street  
Cheney, Washington 99114  
509/235-3170

**Citizens Telecommunications  
Company of Idaho**  
4 Triad Center, Suite 220  
Salt Lake City, Utah 84180  
801/321-6602  
P.O.Box 926  
201 Lenora Street  
McCall, Idaho 83638  
208/634-6150

**Inland Telephone Company**  
103 South Second Street  
P.O.Box 171  
Roslyn, Washington 98941  
509/649-2211

**Fremont Telecom, Inc.**  
110 E. Main Street  
St. Anthony, Idaho 83445  
208/624-7300

**Midvale Telephone Exchange, Inc.**  
P.O.Box 7  
Midvale, Idaho 83645-0007  
208/355-2211

**Verizon Northwest, Inc.**  
17933 N.W. Evergreen Parkway  
P.O.Box 1100  
Beaverton, Oregon 97075  
503/629-2281  
208/765-4351 (Coeur d'Alene)  
800/483-4100 (Moscow)  
208/263-0557, Ext. 204 (Sandpoint)

**Oregon-Idaho Utilities, Inc.**  
P.O.Box 190310  
Rincon Station  
San Francisco, California 94119-0310  
415/597-7811  
714 Main Street  
P.O.Box 1406  
Caldwell, Idaho 83605  
208/454-7800

**Pine Telephone System, Inc.**  
P.O.Box 706  
Halfway, Oregon 97834  
541/742-2201

**Potlatch Telephone Company**  
P.O.Box 138  
702 E. Main Street  
Kendrick, Idaho 83537-0138  
208/835-2211

**Rockland Telephone Company, Inc.**  
P.O.Box 269  
147 W. 4th Avenue  
Rockland, Idaho 83271  
208/548-2345

**Rural Telephone Company**  
704 W. Madison Avenue  
Glenns Ferry, Idaho 83623  
208/366-2614

**Silver Star Telephone Company,  
Inc.**  
P.O.Box 226  
Freedom, Wyoming 83120  
307/883-2411

**Troy Telephone Company**  
P.O.Box 138  
702 E. Main Street  
Kendrick, Idaho 83837-0138  
208/835-2211

**Teton Telecom Communications**  
P.O.Box 900  
Driggs, Idaho 83422  
208/354-3300

**Qwest Communications**  
North and South Idaho  
P.O.Box 7888 (83723)  
999 Main Street  
Boise, Idaho 83702  
800/244-1111

# Idaho Telecommunications

## Waiting for competition

It has now been more than six years since the passage of the federal Telecommunications Act of 1996 made it legal for competition to develop for local exchange services, but making competition legal has not made it happen. Although regulatory barriers to competition in Idaho have been eliminated, many Idaho consumers still do not have a choice, and those who do have choices are not enjoying the full advantages of competition envisioned by Congress.

Market forces, and not legal or regulatory barriers, are the primary factors leading to the slow progress of competition in Idaho. The Idaho Public Utilities Commission approved three more applications for Certificates of Public Convenience and Necessity to provide competitive local exchange service during the year covered by this report, and had granted a total of 61 companies with certificates by June 30, 2002. In addition, two certificates were amended to include wider service areas. However, only a handful of these competitive local exchange companies (CLECs) have made the market decision to actually provide service to Idaho customers.

In the year covered by this report, the commission also approved over 100 interconnection agreements and amendments to previous agreements between incumbent telephone companies and competitors, including those providing wireless or paging services. These agreements specify the terms and conditions for connecting one company's system to the others so that calls may transfer seamlessly from one company to the next. They also include the terms and conditions under which an incumbent will sell its services, or the individual network elements that CLEC's may use to provide competitive services without duplicating the existing facilities.

The Idaho Telecommunications Act of 1988 allowed telephone companies to elect modified regulation for all but basic local exchange service to customers with five or fewer lines at one location. U S WEST chose partial deregulation under Title 62 for its territory in southern Idaho, beginning April 1, 1989. All telecommunications companies that only provide long distance services also come under the provisions of Title 62. These companies set their own prices and file price lists with the commissioners for informal purposes.

Approximately 400 long distance companies have price lists on file with the commission, although the number actually providing service to Idaho customers is estimated to be only a fraction of that. After years of increasing growth in the number of price lists on file, this number remained relatively stable this past year. The general economic downturn and the acute downturn in the technical sector was visible here with the number of new filings matched by the number of price lists withdrawn due to mergers, bankruptcies and decisions to

## Competitive Local Exchange Carrier Certificates

Approved in FY02  
3

Amended in FY02  
2

**Total Approved  
(as of 7/1/02)  
63**

**A list of companies issued certificates to provide basic local exchange service is available at  
[www.puc.state.id.us/  
FILEROOM/  
UTILITIES.pdf](http://www.puc.state.id.us/FILEROOM/UTILITIES.pdf)**

## Interconnection Agreements

**Agreements or  
Amendments  
Approved in FY02  
101**

**Approximately 400 companies had Title 62 price lists on file with the Commission at the end of June, 2002.**

cease operations in Idaho.

Services provided by the new CLECs are not rate-regulated, but, in accordance with the provisions of Title 62, are subject to the commission's rules. Telecommunications companies not providing basic local service, such as a long distance company, are also not subject to rate-setting authority of Title 61, but must comply with Title 62 rules. Upon complaint, the commission may hold hearings and order changes if the public interest is adversely affected, and may resolve disputes between companies. Title 62 regulations require that price lists be filed with the commission.

Commission staff reviewed more than 375 price lists or revisions to price lists during the year. While the commission does not review the actual prices in the price lists, staff checks the terms and conditions of the price list for compliance with applicable commission rules. The commission retains the authority to review the quality, availability, terms and conditions of service offered by economically deregulated Title 62 companies.

Until the commission determines that incumbent local exchange companies (ILEC) face effective competition throughout an exchange, basic local exchange service provided by an ILEC to residential and small business customers remains under the commission's Title 61 rate-setting authority.

Only one major rate review was conducted during the year, for Inland Telephone. As Inland is a recipient of state universal service support, customer rates were increased to the statewide average. A net result was a reduction in the amount of high cost support Inland would receive going forward.

More than 90 tariff revisions for price regulated services were reviewed and approved by the commission during this year. Most of these involved the introduction of new vertical or advanced services or adjustments to prices or fees made necessary by orders of the Federal Communications Commission or IPUC orders.

June 11, 2002

### **PUC RECOMMENDS APPROVAL OF QWEST APPLICATION**

**Case No. USW-T-00-3**

Before the federal Telecommunications Act of 1996, Qwest and Verizon were restricted from carrying long distance calls outside their own market areas or LATAs (Local Access Transport Area). This restriction was a result of the breakup of AT&T. Such interLATA calls were carried by other long distance companies. However, as GTE (now part of Verizon) was not part of the original AT&T, the act lifted the restrictions on GTE, so Verizon Northwest may now carry both interLATA and intraLATA calls.

The Bell Operating Companies, including Qwest, remain restricted from carrying interLATA calls until they can demonstrate that they have irreversibly opened their markets to competition for local exchange customers by

complying with the items specified on a checklist contained in Section 271 of the Telecommunications Act. Although the decision is made by the FCC, it must consult with the state commissions. Under the procedures established by the FCC, the state commission is responsible for establishing the record on which the FCC will base its decision.

In June 2002, the commission concluded its Section 271 proceedings, which began over two years ago, and filed comments with the FCC supporting Qwest's application to enter the interstate long distance market as this reporting period was coming to a close. The commission reached this conclusion after participating in multi-state collaborative proceedings as well as holding its own hearings to determine whether Qwest was in compliance with the checklist. In late December 2002, the FCC approved Qwest's re-entry into the long distance market in Idaho and eight other states.

### **OSS test**

One of the multi-state efforts was a 13-state effort to conduct a third-party test to determine whether Qwest's operational support systems (OSS) are open to competitors in a non-discriminatory manner. This multi-million dollar test was conducted by KPMG Consulting, with Hewlett-Packard Consulting acting as a pseudo-competitive company placing orders using Qwest's OSS. Liberty Consulting conducted an audit of Qwest's performance reporting procedures.

The test was conducted in what is known as "military style, or "test until pass" basis. As the testing revealed problems with Qwest's processes, procedures or systems, Qwest was provided an opportunity to fix the problem, and then the fix was tested. As is to be expected with such complex systems, over 500 concerns and deficiencies were identified, and Qwest made several improvements to its systems and processes as a result of the test.

KPMG Consulting, Hewlett-Packard and Liberty released their final reports in May, concluding that Qwest's overall systems were open to competitors and providing non-discriminatory service. While the overall conclusion was positive, a few concerns remained. The commission will continue to monitor Qwest's performance in these areas.

### **271 checklist**

A second effort involving seven states examined Qwest's compliance with the non-OSS related issues. The Telecommunications Act identified a 14-point checklist that Qwest needed to demonstrate it met before it would be allowed to provide interlata service. This multi-state collaborative process examined these checklist items in detail.

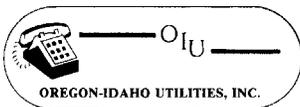
This process involved the use of a facilitator, Liberty Consulting, which acted as an arbitrator for the proceedings. All proceedings were conducted on the record, so as to develop a thorough record upon which the individual



**Potlatch Telephone Company**  
**Ave. Residential Rate**  
 = \$11.75  
**Ave. Business Rate**  
 = \$17.65  
**Troy Telephone Company**  
**Ave. Residential Rate**  
 = \$12.67  
**Ave. Business Rate**  
 = \$19.00



**Midvale Telephone Exchange**  
**Ave. Residential Rate**  
 = \$22.47  
**Ave. Business Rate**  
 = \$40.95



**Ave. Residential Rate**  
 = \$15.77  
**Ave. Business Rate**  
 = \$27.75

commissions based their final decisions. This process was a collaborative effort and, where possible, a consensus approach was used to resolve issues.

Although the majority of issues were resolved without requiring a decision of the arbitrator, the scope of the issues involved was broad enough that several issues remained unresolved. The overall proceedings were extensive and time consuming. This process entailed many steps for each of the checklist items, including:

- \* pre-filed positions by the parties
- \* responses to the prefiled positions
- \* oral arguments, including cross examination by the other parties. These occurred in four- to five-day sessions, held at least once a month, and twice a month a few times.
- \* post argument briefs, (and sometimes reply briefs),
- \* a decision by the arbitrator
- \* comments, exceptions and briefs on arbitrator’s decision.

The arbitrator had issued reports on checklist items 1 through 14 last year, and during this year addressed overall public interest issues, including the Performance Assurance Plan, or PAP. It included methods for ensuring Qwest’s market-opening efforts are maintained after it has obtained permission to cross LATA boundaries.

The PAP identifies performance levels that the service Qwest provides to CLEC’s must meet, and includes financial penalties if Qwest fails to meet them. Performance levels are measured and reported for nearly a hundred different measures across many different product lines. Penalties increase if performance falls below the performance levels repeatedly. The financial penalties under the PAP provide a significant deterrent to letting performance slip, as they could reach as much as 1/3 of Qwest’s retail revenues.

**QWEST WHOLESALE RATE CASE ONGOING**

**Case No. QWE-T-01-11, Orders No. 28748, 28834**

One other issue that required considerable attention was the wholesale rates that Qwest charges CLECs (local exchange competitors) for the use of its network, or for individual pieces of the network. These individual pieces are known as Unbundled Network Elements, or UNEs. The FCC has established procedures for the pricing of UNEs, but it is the responsibility of the state commissions for actually setting the rates. The FCC requires that rates be established using these procedures before it will approve a 271 application.

Qwest had been offering its services under rates established through arbitrated negotiations with AT&T in 1998. However, these rates did not meet the current FCC requirements, and a proceeding was initiated to establish more current wholesale rates. These rates are to be “forward looking” and cover the cost of service plus a reasonable margin.

Forward-looking rates are established by using complex models that estimate the cost of providing service through a network that is designed using today's technologies, rather than enhancing the existing network. Qwest developed its model, AT&T developed a different model, other parties developed even other models. The FCC developed what is known as the consensus model, as it combines different parts of each model into a single model. The different models each produce different results and each is highly dependent upon the inputs used to drive the models.

In spite of numerous efforts to narrow the differences between the competing models, including a hearing before the commission with competing experts defending each model and the inputs used by each party, the gap could not be completely closed. At the conclusion of the OSS test, Qwest decided to propose Idaho wholesale rates that were indexed to rates that had recently been set by the Colorado commission. The FCC had accepted rates established in a similar manner in a previous case, and the Idaho commission agreed that such rates would be sufficient for interim rates pending the conclusion of Idaho's cost proceedings.

December 9, 2002

**COMMISSION DENIES PETITION FOR TOLL-FREE CALLS**

**Case No. GNR-T-00-30, Order No. 29166**

Addressing customer petitions for expanding the calling areas that could be accessed with a local call continued to require considerable commission resources. In December, the commission denied a request by Ontario, Oregon, area residents for toll-free calling into the Treasure Valley.

The commission said that not enough "community of interest" standards between the Ontario and Treasure Valley exchanges existed to justify all Qwest customers in eastern Oregon and southern Idaho paying higher rates to meet the \$800,000 annual cost to provide toll-free calling between Ontario and the Treasure Valley. To meet that cost, all of Qwest's southern Idaho customers would have had a monthly increase of 17 cents added to their flat rate.

Cases involving the Potlatch, Shoup and Three Creek exchanges are also under investigation. New cases were filed for toll-free service between the Pine and Featherville exchanges and the Bruneau and Grandview exchanges.

**Unserviced areas**

Investigating options for providing service to previously unserved areas also required considerable attention. Families living in remote areas that currently do not have telephone service, such as the old mining areas of Pearl and Cobalt, as well as a group of farms near the Castleford exchange and pockets of residences outside the existing service area in the exchanges of Elk City and Craigmont, sought commission assistance in obtaining service.

The commission has approved tariffs for most telephone companies that

**Direct  
Communications  
Ave. Residential Rate  
= \$24.10  
Ave. Business Rate  
= \$42.00**

**ATC  
(Albion Telephone  
Company)  
Residential = \$24.10  
Business = \$42.00**

**Cambridge  
Telephone Company  
Ave. Residential Rate  
= \$24.10  
Ave. Business Rate  
= \$42.00**

**Inland Telephone  
Company  
Ave. Residential Rate  
= \$21.63  
Ave. Business Rate  
= \$40.68**

**Fremont Telcom  
Company  
Ave. Residential Rate  
= \$24.10  
Ave. Business Rate  
= \$42.00**



**Ave. Residential Rate**  
= \$17.50  
**Ave. Business Rate**  
= \$35.10



**CenturyTel of Idaho**  
**Ave. Residential Rate**  
= \$21.75  
+ \$3.50 rural adder  
**Ave. Business Rate**  
= \$39.77  
+ \$3.50 rural adder  
**CenturyTel of the Gem State**  
**Ave. Residential Rate**  
= \$24.10  
+ \$3.50 rural adder  
**Average Business Rate**  
= \$39.77  
+ \$3.50 rural adder



**Ave. Residential Rate**  
= \$24.10  
**Ave. Business Rate**  
= \$42.00

require new customers who request service at locations outside of the existing network to share the cost of extending the network to their location. In these instances, the costs are high, and the number of customers so low, that the cost per customer is prohibitive. In spite of analyzing a number of different alternatives, including different routes for cables, wireless, radio carriers, and varying levels of customer provided installation, solutions remain to be found.

**Local exchange companies**

In addition to the North Idaho service area of Qwest which remains fully regulated and subject to the provisions of Title 61, there are 16 other local exchange companies whose services are still fully regulated by the commission. Qwest’s Southern Idaho operating company is by far the largest local exchange company, with more than 67 percent of the customer lines (approximately 500,000) in the state. Verizon is a distant second, with nearly 130,000 access lines (about 18 percent). The Qwest North service area is the third largest, with 36,000, or 5 percent.

Citizens is Idaho’s third largest local exchange carrier with more than 20,000 access lines (3 percent). Fourteen other regulated telecommunications companies also serve Idaho residents, as well as six mutual or cooperative companies. These 20 companies serve the remaining 7 percent.

## Idaho's Universal Service Fund

Telephone companies operating in Idaho have been required since July 1988 to contribute to a Universal Service Fund (USF) to ensure that the high costs of small telephone companies do not result in rates that exceed the statewide average by more than 25 percent. These local and long distance companies are permitted to recover their contributions from local and long-distance customers. Local exchange companies may apply for assistance from this fund. They must submit proof to the commission that when they set their local rates at 125 percent of the statewide average, they still do not fully recover their cost of providing local service. The commission evaluates the circumstances and determines whether and for what amount the company may receive Universal Service funds.

Long distance companies connecting in-state long distance calls in Idaho are required to remit a 0.25 cent (\$0.0025) surcharge for each in-state long distance minute. Those companies are also required to submit periodic reports detailing their minutes of in-state toll usage. Local exchange companies are required to remit on a monthly basis 8 cents (residential) and 13 cents (business) for each line served. This is a decrease from previous levels.

### Universal Service Fund Facts

July 1, 2001 -- June 30, 2002

	Residential	Business	Toll Access
Statewide average	\$17.61	\$32.42	\$0.0529
125 percent of average	\$22.01	\$40.53	
Monthly surcharge rate	\$0.08/line	\$0.13/line	
LD/WATS surcharge rate	\$0.0025/min		

### Fund Activity

Balance 7/01/01 \$ 510,300

	Collections		Disbursements
Local Surcharge	\$1,231,353	ATC	\$514,238
Toll Surcharge	\$1,266,744	Cambridge	\$167,381
Total	\$2,498,097	Direct Comm	\$221,847
		Fremont	\$110,081
Disbursements	\$2,178,303	Inland	\$ 43,161
Admin/Amort/	\$ 29,096	Midvale	\$362,364
Bank/Brkr		Rural	\$316,128
Interest Earned	\$ 18,140	Silver Star	\$163,101
			\$1,898,303

Balance 6/30/02 \$ 1,099,550



**Qwest South**  
**Ave. Residential Rate**  
 = \$17.21  
**Ave. Business Rate**  
 = \$32.05

**U S WEST North**  
**Ave. Residential Rate**  
 = \$15.53  
**Ave. Business Rate**  
 = \$29.36



**Ave. Residential Rate**  
 = \$18.82  
**Ave. Business Rate**  
 = \$36.14

**Teton**  
**Communications**  
**Ave. Residential Rate**  
 = \$24.10  
**Ave. Business Rate**  
 = \$42.00

June 25, 2002

## FEE TO AID LOW-INCOME IDAHOANS INCREASES

Case No. GNR-T-02-10, Order No. 29056

A surcharge on all residential, wireless and business phone lines will increase from 8 cents per line per month to 10 cents effective July 1.

The Idaho Telephone Service Assistance Program (ITSAP), commonly referred to as a “lifeline” program, provides credits to low income households to assist them in obtaining and maintaining telephone service. Because the value of telephone service increases as more households have a telephone, a small contribution from all non-participating households is used to fund this program. In response to federal changes to the program, the Idaho Legislature opened the program to all low-income households.

The credits include \$3.50 per month per household in state funds, plus \$3.50 in matching funds from the federal government. In addition, the federally imposed subscriber line charge of \$6 is waived for ITSAP participants. The combined value of federal and state credits is \$13 per month per household.

The Department of Health and Welfare established and administers application procedures and eligibility determinations. Utilities are provided a list of the telephone numbers for qualifying households and automatically provide qualifying households with the credits.

The commission is responsible for maintaining the fund and reimbursing the telephone companies for the cost of providing these credits. Based upon the estimates of the number of households eligible for the credits, the commission established the monthly surcharge paid by all telephone users, including wireless customers, at 10 cents per line effective July 1, 2002. The surcharge was increased partly due to the growing number of households that qualify. Prior to the July 1 increase, there was an 8 percent increase in qualifying households from the previous quarter.

The ITSAP surcharge is assessed on residential, business, and wireless users. The gross surcharge revenue is netted against the assistance credits paid to eligible customers and the company’s administrative costs. Gross surcharge revenues collected by telecommunications companies during the year totaled \$581,714, of which \$357,517 (61 percent) was assessed on local exchange services and \$224,197 (39 percent) was assessed on wireless/cellular services.

At the start of the fiscal year, 26,090 households were participating in the program. 27,069 households received the credit in September 2002. The total value of the credits received by Idaho households, including the federal match, was more than \$3 million dollars.

## ITSAP

### Summary

Sept, 01 - Sept, 02

#### Credits Provided

**Idaho Share**  
= \$838,098

**Federal Match**  
= \$ 2,273,740

**Total Value  
of Credits**  
= \$3,111,838

**Fund Balance  
As of 9/30/02**  
= \$7,780

## Idaho's Telephone Relay Service

Idaho inaugurated telephone relay service (TRS) on Dec. 1, 1992, for the hearing- and speech-impaired. TRS requirements were created by the Federal Communications Commission under Title IV of the Americans with Disabilities Act of 1990. The 1992 Idaho Legislature established the manner in which TRS has been implemented.

Under Idaho rules, the Idaho Public Utilities Commission established a seven-member telephone industry committee to help select and advise a TRS administrator. In 1992, the commission appointed Robert Dunbar as its first TRS administrator.

This year, Mr. Dunbar began the federally required re-certification process for the Idaho relay. This process is required every five years by the FCC and addresses the operational standards, service offerings and performance requirements of relay service.

In accordance with an FCC requirement, Idaho's local exchange companies implemented 711 dialing access to TRS service on October 1, 2001.

A TRS call may be initiated by a text telephone user or a standard phone user. The caller dials 711 or a toll-free number to access the TRS center and reaches a Communications Assistant (CA) who will process the call. The caller gives the CA the number of the person to be called and the CA places the call. The CA will type to the person with the text telephone and speak to the person with the standard phone, relaying what is spoken/typed by each party.

"The idea is to allow as close to normal telephone service as possible for hearing- and speech-impaired persons," according to Dunbar.

Callers only pay the cost of the telephone call, as if the call was placed directly between the telephones. Long distance calls are billed based upon the points of origination and termination and many long distance companies bill them on a reduced rate basis. No charge is assessed local calls.

TRS service is available statewide and may be reached by voice by dialing 711 or 1-800-377-1363. Contact with a text-telephone operator is made by dialing 1-800-377-3529. Questions or comments regarding the use of TRS may be directed from either a text or voice telephone to 1-800-368-6185. Information on Idaho's TRS program is also available via the Internet at: [www.hamilton.net/relay/id/itrs.htm](http://www.hamilton.net/relay/id/itrs.htm)

All Idaho local exchange companies pay 4 cents per access line per month. In-state long distance companies pay \$0.0007 per bill minute to support the TRS. The commission did not change this rate in 2002.

**TRS service is available statewide and may be reached by voice by dialing 1-800-377-1363. Contact with a text-telephone operator may be made by dialing 1-800-377-3529. As of October 1, 2001, TRS can be accessed from any phone simply by dialing 711.**

**Questions or comments regarding the use of TRS may be directed from either a text or voice telephone to 1-800-368-6185.**

August 8, 2002

## **IDAHO DELAYS NEED FOR NEW AREA CODE**

**Case No. GNR-T-00-36, Orders No. 28924, 28982**

In May, 2001, an administrator appointed by the Federal Communications Commission notified the commission that Idaho's only area code would run out of telephone numbers during the third quarter of 2003. In response, the commission held public workshops and received public comments during October and November of 2001 to gather public input regarding the best way to implement a new area code in Idaho.

At the same time, the commission and its staff began pursuing several number conservation measures that could forestall the need for a new area code if timely implemented.

First, telephone number reclamation began in January 2002. This process allows the state to reclaim blocks of telephone numbers that are not being used.

Second, "rate center consolidation," which allows telephone companies to serve larger areas with fewer telephone numbers, was instituted in Qwest's southern territory in July 2002.

Finally, the commission petitioned the FCC to help Idaho forestall the exhaust of area code 208 by bringing "thousands-block number pooling" to Idaho sooner than the originally scheduled March 2003.

Thousands-block number pooling assigns smaller blocks of 1,000 telephone numbers to companies rather than blocks of 10,000 as has historically been done. If pooling could not be brought to Idaho in time to extend the life of area code 208, the commission asked that Idaho be geographically split into three regions and two new area codes be introduced to the state.

On April 24, 2002, the FCC announced that Idaho was moved ahead in the national thousands-block pooling roll-out schedule and would receive pooling in August 2002. As a result of this and other factors, Idaho's new projected exhaust of area code 208 is during the fourth quarter of 2009.

October 5, 2001

## **COMPLAINT LEADS TO \$1.2 MILLION QWEST REFUND**

**Case No. USW-S96-5, Order No. 28862**

The commission and Qwest Corp resolved a consumer complaint regarding improper charges for toll restriction service by agreeing to a plan that provides \$1.2 million in refunds and payments into a special account.

During the past three years, Qwest charged 90,073 customers a \$13.50 setup fee for toll restriction service. Under a 1998 agreement, no charge was to be imposed for the service if obtained at the same time service is initiated.

Qwest agreed to refund 42,396 customers a total of \$572,346. The other 47,677 customers who were improperly billed could not be refunded because they have been disconnected or reassigned. Qwest agreed to pay the \$643,639 improperly charged these customers into a special account to be used for a purpose that will later be designated by the commission.