BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF QWEST)
CORPORATION DBA CENTURYLINK QC,) CASE NOS. QWE-T-12-01
CENTURYTEL OF IDAHO, INC. DBA) CEN-T-12-01
CENTURYLINK AND CENTURYTEL OF THE) CGS-T-12-01
GEM STATE, INC. DBA CENTURYLINK'S)
PETITION FOR AN EXEMPTION OF THE) NOTICE OF PETITION
COMMISSION'S TELECOMMUNICATIONS)
CUSTOMER RELATIONS RULE 502 (IDAPA) NOTICE OF
31.41.01.502)) MODIFIED PROCEDURE
)
) ORDER NO. 32446

YOU ARE HEREBY NOTIFIED that on December 22, 2011, a Petition was filed by Qwest Corporation dba CenturyLink QC, CenturyTel of Idaho, Inc. dba CenturyLink, and CenturyTel of the Gem State, Inc. dba CenturyLink (the CenturyLink Companies or CenturyLink) requesting an exemption from the Commission's Telephone Customer Relations Rule 502 (IDAPA 31.41.01.502). Rule 502 establishes standards for a telephone company to restore basic local service after an outage, and requires payment of customer credits when standards are not met. The rule was initially adopted in 1993, and CenturyLink asserts in its Petition that profound changes in the telecommunications industry in Idaho since the rule was adopted make the rule obsolete. Petition, p. 2. CenturyLink contends the rule now creates unusual and unreasonable hardships in a competitive marketplace that did not exist when the rule was adopted. Customer Relations Rule 3 states the Commission may grant exemptions to a rule if "unusual or unreasonable hardship results from the application" of the rule. IDAPA 31.41.01.003.

YOU ARE FURTHER NOTIFIED that CenturyLink asserts that when Rule 502 was adopted, incumbent local telephone providers were the predominant providers of local telecommunications service. Very few customers used wireless service and most had no alternative resource for voice communication in the event of an outage. Petition, p. 3. The development of alternative telecommunications technology, and changes in laws to encourage competition in telecommunications markets, has significantly altered the local telecommunications business. Petition, pp. 3-4. CenturyLink notes that its total line count in Idaho declined from 544,640 in 2001 to 310,870 in 2010. CenturyLink points out that the NOTICE OF PETITION

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competitors in the marketplace, including wireless, cable and VoIP providers, are not subject to the Commission's service performance rules. CenturyLink contends this disparity in treatment between its companies and the competitors creates for CenturyLink an "unusual or unreasonable hardship that justifies an exemption to the rule." Petition, pp. 6-7.

YOU ARE FURTHER NOTIFIED that Rule 502, under most circumstances, requires a telephone company to restore local service within 24 hours after an outage is reported to the company. IDAPA 31.01.41.502.01.b. If a telephone company does not restore service within the time required by the Rule, the company must credit the customer's account for an amount equal to the monthly rate for one month of local exchange service. *Id.* The rule requires telephone companies to keep monthly records of out-of-service reports and to notify the Commission if the company is not able to clear at least 90% of outages within the time required by the rule for a period of three consecutive months. IDAPA 31.01.41.502.03.

YOU ARE FURTHER NOTIFIED that CenturyLink in its Petition recognizes "that an exemption of this scope for the largest ILEC in Idaho as well as the two other CenturyLink companies may itself constitute a significant change in the regulatory landscape in Idaho." Petition, p. 7. With this acknowledgement, CenturyLink stated its willingness to participate in a rulemaking to address Rule 502 in a more comprehensive context should the Commission deem such an effort to be appropriate.

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal hearing in this matter and will proceed under Modified Procedure pursuant to Rules 201 through 204 of the Idaho Public Utilities Commission's Rules of Procedure, IDAPA 31.01.01.201-204. The Commission notes that Modified Procedure and written comments have proven to be an effective means for obtaining public input and participation.

YOU ARE FURTHER NOTIFIED that any person desiring to state a position on this Petition may file a written comment in support or in opposition with the Commission within 28 days from the service date of this Notice. The comment must contain a statement of reasons supporting the comment. In written comments, interested parties should state whether a broader rulemaking procedure is appropriate, and whether an exemption to Rule 502 should be granted to CenturyLink in the meantime.

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YOU ARE FURTHER NOTIFIED that reply comments may be filed within 14 days after the initial comment period.

YOU ARE FURTHER NOTIFIED that persons desiring a hearing must specifically request a hearing in their written comments. Written comments concerning this Petition may be mailed to the Commission and CenturyLink at the addresses reflected below:

> Commission Secretary Mary S. Hobson Idaho Public Utilities Commission 999 Main, Suite 1103 PO Box 83720 Boise, ID 83702

Boise, Idaho 83720-0074 E-mail: mary.hobson@centurylink.com

Street Address for Express Mail: Lisa A. Anderl

Associate General Counsel 472 W. Washington Street 1600 7th Avenue, Room 1506 Boise, ID 83702-5918

Seattle, WA 98191

E-mail: lisa.anderl@centurylink.com

These comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's home page located at www.puc.idaho.gov. Click the "Comments and Questions" icon, and complete the comment form, using the case number as it appears on the front of this document. These comments must also be sent to CenturyLink at the e-mail addresses listed above.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its Order without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for formal hearing.

YOU ARE FURTHER NOTIFIED that the Petition has been filed with the Commission and is available for public inspection during regular business hours at the Commission offices or on the Commission's web site at www.puc.idaho.gov by clicking on "File Room" and then "Telephone Cases."

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code and that the Commission may enter any final order consistent with its authority under Title 61.

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YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 et seq.

ORDER

IT IS HEREBY ORDERED that CenturyLink's Petition for an exemption from the Commission's Telephone Customer Relations Rule 502 (IDAPA 31.41.01.502) be processed by Modified Procedure, IDAPA 31.01.01.201-.204. Persons interested in submitting written comments in this matter must do so within 28 days from the service date of this Notice. Reply comments may be filed within 14 days after the initial comment period.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 25th day of January 2012.

PAUL KJELLANDER, PRESIDENT

MACK A. REDFORD, COMMISSIONER

MARSHA H. SMITH, COMMISSIONER

ATTEST:

Jean D. Jewell

Commission Secretary

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