BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

EST CORPORATION) CASE NOS. QWE-T-13-03
NK QC, CENTURYTEL) CEN-T-13-03
BA CENTURYLINK AND) CGS-T-13-03
THE GEM STATE, INC.)
NK FOR PARTIAL)
REQUIREMENTS OF) ORDER NO. 32867
20841
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On June 7, 2013, a Joint Petition was filed by Qwest Corporation dba CenturyLink QC; CenturyTel of Idaho, Inc. dba CenturyLink; and CenturyTel of the Gem State, Inc. dba CenturyLink requesting waiver of the requirements of Commission Order No. 29841 that all eligible telecommunication carriers (ETCs) file a two-year network improvement plan. Under the federal Telecommunications Act of 1996, the Commission is authorized to designate carriers as ETCs and is responsible for annual ETC certification for Idaho service areas. The Federal Communications Commission (FCC) has adopted rules for designation of ETCs and their reporting requirements to receive federal universal service support. This Commission in Order No. 29841 adopted most of the FCC reporting requirements, but required ETCs to provide a two-year build-out plan rather than a five-year plan as required by the FCC.

The CenturyLink Companies' Petition asserts that the FCC is significantly reviewing and modifying the ETC certification and reporting requirements. The new rules are not yet completed but will require new reporting requirements for broadband obligations being imposed on carriers. New reporting requirements will include maps detailing progress toward plan targets, an explanation of how much universal service support was received and how it was used, and an explanation of any network improvement targets that have not been met during the year. CenturyLink Petition, p. 3. The FCC, however, has not completed all the steps necessary to provide the final form for the ETCs to formulate new plans and report, so the FCC has waived the five-year plan requirement for 2013. CenturyLink Petition, p. 3. CenturyLink asserts it will be required in the future to create significantly more comprehensive and detailed plans demonstrating how it has used and intends to use any federal high-cost funding it receives. CenturyLink Petition, p. 4. CenturyLink asserts any two-year plan will be scrapped as

broadband funding and federal reporting requirements come on-line within the next 12 months. *Id.* CenturyLink states if its waiver is granted, it will file its FCC ETC filings with the Commission and in 2014 will file its five-year plan with the Commission. Accordingly, the Petition asks that the Commission's requirement that ETCs file a two-year network improvement plan be waived for this year, and that Order No. 29841 be modified so that the two-year requirement is no longer required.

On July 3, 2013, the Commission issued a Notice of Application and Notice of Modified Procedure to process the Petition, establishing a comment period for interested parties to file written comments. Written comments were subsequently filed by Commission Staff, Idaho Telecom Alliance, and Frontier Communications. All comments support the waiver requested by the CenturyLink Companies, and also recommend the Commission extend the waiver to all ETCs.

In its comments, Frontier Communications stated that because the FCC issued an order waiving the five-year plan requirement for 2013, and the FCC is still in the process of formulating new reporting requirements, "it does not make prudent sense to prepare and submit a two-year network improvement plan for Idaho that is not in conformance with the 2013 FCC requirements." Frontier Comments, p. 1. The ITA is a state telephone association with 14 members, all of which have been designated as ETCs. ITA Comments, p. 1. ITA states it is in agreement with CenturyLink's Petition that "until the FCC requirements are clearly established, ETCs would not be able to produce a network improvement plan with any certainty and as such, such plans would be meaningless." ITA Comments, p. 2. Staff in its comments provided a review of the FCC's recent orders and ETC annual reporting requirements. Staff stated that "given the new, specific FCC reporting requirements for ETCs, Staff believes the Commission's requirement that ETCs file a two-year network improvement plan is redundant and is no longer useful." Staff Comments, p. 4.

Based on the record in this case, the Commission finds it just and reasonable to approve CenturyLink's Petition to waive the requirement of a two-year network improvement plan for 2013 and to extend the waiver to all ETCs. It is undisputed that the FCC's reporting requirements are evolving and are increasingly complex. As a result, the importance of separate state reporting requirements to identify ETC build-out plans is diminishing. *Idaho Code* § 61-624 authorizes the Commission at any time to "alter or amend any order or decision made by it."

The Commission accordingly hereby amends Order No. 29841 to remove the requirement that ETCs provide a two-year network improvement plan, and further amends the Order to require that ETCs provide a five-year network improvement plan with their annual reports, consistent with FCC reporting requirements.

ORDER

IT IS HEREBY ORDERED that CenturyLink's Petition to waive the requirement of a two-year network improvement plan for 2013 is approved, and this waiver is extended to all ETCs filing reports in 2013.

IT IS FURTHER ORDERED that Order No. 29841 is amended to remove the requirement that ETCs provide a two-year network improvement plan, and further is amended to require that ETCs provide a five-year network improvement plan with their reports, consistent with FCC reporting requirements.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this day of August 2013.

PAUL KJELLANDER, PRESIDENT

MACK A. REDFORD, COMMISSIONER

MARSHA H. SMITH, COMMISSIONER

ATTEST:

Jean D. Jewell

Commission Secretary

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