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2012 FEB 23 AM 9:46

IDAHO PUBLIC
UTILITIES COMMISSION

Jean Jewell
Commission Secretary
Idaho Public Utilities Commission
472 W. Washington
Boise, ID 83702

**RE: QWE-T-12-01, CEN-T-12-01, CGS-T-12-02 Petition of the CenturyLink
Companies for Exemption from Rule 31.41.01.502**

Dear Ms. Jewell,

Please find enclosed the original and seven copies of Frontier's comments in the above mentioned case. Please contact me at (503) 645-7909 if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Renee M. Willer". The signature is written in a cursive, flowing style.

Renee Willer
Frontier Communications
20575 NW Von Neumann Drive
Beaverton, OR 97006
(503) 645-7909
renee.willer@ftr.com

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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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CENTURYLINK COMPANIES)
PETITION FOR AN EXEMPTION OF)
COMMISSION RULE 31.41.01.502)
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CASE NO. QWE-T-12-01
CEN-T-12-01
CGS-T-12-02

IDAHO PUBLIC UTILITIES COMMISSION

COMMENTS OF
FRONTIER COMMUNICATIONS

Frontier Communications Northwest Inc. and Citizens Telecommunications Company of Idaho d/b/a Frontier Communications of Idaho (collectively, "Frontier") submit the following comments.

On January 25, 2012, the Idaho Public Utilities Commission issued a Notice of Modified Procedure, asking interested parties to comment on CenturyLink's Petition for an exemption of the Commission's Telecommunications Customer Relations Rule 502 (31.41.502). Specifically, the Commission asked parties to state in written comments whether a broader rulemaking procedure is appropriate, and whether an exemption to Rule 502 should be granted to CenturyLink in the meantime.

Frontier supports CenturyLink's request for waiver of Rule 502 both for the Out of Service restoral commitments for basic local exchange service and the elimination of mandatory Out of Service credits. Frontier, like CenturyLink, faces the challenges of retaining and capturing new customers in a highly competitive market where our competitors are not held to the same regulatory requirements. Frontier agrees with CenturyLink that these rules were created at a time when Incumbent Local Exchange Carriers (ILEC) had the ability to be dominant in the market and did not face local exchange competition. Sweeping changes in the communications market, particularly the rise of wireless, cable telephony and VoIP technologies has shifted the paradigm of basic local service. The market is now more competitive and consumers have more choices. Rules developed during a time of fewer choices are not in-step with today's customer expectations and not in the public interest.

Because ILEC competitors are not held to the same standards, Frontier, CenturyLink and other Title 62 companies are put at a competitive disadvantage, and customers suffer.

For these reasons, Frontier respectfully requests the Commission open a rulemaking to discuss necessary changes to Rule 502 to meet the statutory mandate that non-economic regulatory requirements relating to basic local exchange service be technologically and competitively neutral¹. In addition, Frontier supports granting CenturyLink and all similarly situated companies, including Frontier, a temporary exemption to Rule 502 while the broader rulemaking is considered. Like CenturyLink, Frontier also faces the challenge of balancing workforce needs to provide a superior customer experience and meet regulatory requirements. Frontier's Idaho operations are similar to those CenturyLink in that the areas served cover a large, non-contiguous geographic area of the state, requiring technicians to drive hours to get to the location for an out-of-service commitment. Further, customers have not complained to the Commission or Frontier that their needs are not being met. Rule 502 protected customers in the past because they had no other means of communication when voice service was impacted. Today, customers rely on wireless phones and their broadband connections for alternate means of communication. Many Idahoans have dropped landline service completely and substituted wireless, VoIP and Cable alternatives. These newer technologies compete directly with Frontier but are not required by the Rules to meet to out-of-service mandates and provide automatic credits.

Frontier and other providers realize that competitive choices and a superior customer experience will drive consumer decisions. Mandating regulatory requirements that apply to some providers and not to others creates an imbalance in regulation, which limits the flexibility with which regulated companies can respond to customers. For these reasons, Frontier requests that the Commission open a rulemaking to discuss these important issues and immediately grant a waiver of Rule 502 to CenturyLink and all similarly situated companies.

Dated February 20, 2012



Frontier Communications
Authorized Representative

¹ Idaho Code § 602-605 (5) (b)