

*✓ Mtn Ack
sent 3/21/03*

Jean Jewell

From: Ed Howell
Sent: Friday, March 21, 2003 12:33 PM
To: Jean Jewell; Ed Howell; Gene Fadness; Tonya Clark
Subject: Comment acknowledgement

WWW Form Submission:

Friday, March 21, 2003
12:33:16 PM

Case: QWE-T-02-25
Name: Clyde Dailey
Street Address: 3080 Gentry Way, Suite 100
City: Meridian
State: ID
ZIP: 83642-3599
Home Telephone: (208) 855-4001
E-Mail: cdailey@aarp.org
Company: Qwest
mailing_list_yes_no: no
Comment_description:

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF QWEST CORPORATION FOR DEREGULATION OF BASIC LOCAL EXCHANGE RATES IN ITS BOISE, NAMPA, CALDWELL, MERIDIAN, TWIN FALLS, IDAHO FALLS, AND POCATELLO EXCHANGES.

Case No. QWE-T-02-25

AARP Comments in Opposition to Qwest Application

INTRODUCTION

AARP files these comments pursuant to the Commission's Notice of Application and Notice of Right to Intervene issued December 17, 2002. The Notice allows those who desire to present their views without intervening in the proceeding the opportunity to "present their comments without prior notification to the Commission or the parties." Thus, AARP submits these comments in opposition to Qwest's Application to deregulate basic local telephone rates.

AARP is the nation's leading organization for people age 50 and older. It serves their needs and interests through information, education, advocacy, and community services, which are provided by a network of local chapters and experienced volunteers throughout the country. The Association's membership has a vested interest in the telecommunications services marketplace. AARP has over 145,000 members in Idaho, virtually all of whom receive basic local telephone service and many of whom live in the potentially affected exchanges. Basic local telephone service is essential for all people, particularly older people, and consumers must be able to rely upon the availability of affordable and high-quality telecommunications services. For these reasons, we thank the Commission for giving the public an opportunity to comment on this very important matter.

DISCUSSION

AARP urges the Commission to proceed cautiously and perform a rigorous review of the Company's Application. The stakes in this proceeding are too high to do otherwise. Absent true competition in the local telephone marketplace, approval of the company's petition would inevitably lead to higher rates for basic local phone service and allow Qwest to secure a monopoly of the local telephone market. While Qwest states that wireless phone service now provides sufficient competition to basic local exchange service

to warrant deregulation, AARP is concerned that a move to deregulation at this time would be premature. Qwest's Application places the availability and affordability of this essential service at significant risk. If granted, the Company would have the power to raise basic local telephone rates at will.

Idaho Code §61-602(3) directs the Commission, in its deliberation of deregulation of an incumbent telephone company, to "examine the impact such deregulation will have on the public interest in accordance with the general grant of authority given to the Commission by the legislature." In addition, in order to justify a request for deregulation, the incumbent provider must also show that effective competition exists. Idaho Code §62-622 (3)(b) states that effective competition equates to the existence of functionally equivalent, competitively priced local services reasonably available to both residential and small business customers from a telephone corporation unaffiliated with the incumbent telephone corporation.

However, Qwest's filing does not fully satisfy this test because it does not acknowledge or address several key issues. The inability to take one's current wireless telephone number to a new wireless carrier (number portability), high fees for breaking contracts, barriers to entry (such as limited spectrum bandwidth), different technology standards (wireless service employs different technologies from the traditional local and long distance phone networks), and the absence of consumer protection rules specific to wireless service providers may prevent consumers from fully enjoying competition despite the preliminary inroads the service has made into the marketplace. Also, the potential for market share dominance by two or three top wireless carriers may eventually reduce the total number of choices consumers have in the wireless market.

Moreover, findings from a recent national AARP survey of consumers' experience with wireless phone service suggest that reasons for subscribing to wireless phone services tend to vary according to the consumer's age. While younger subscribers often report that wireless is most valuable because of the convenience it affords them, older subscribers are more likely to say they purchase it for security in case of an emergency. The cost for wireless service can also vary significantly depending upon the calling plan selected, with each plan including a variety of fees and charges. In addition, calling plans can vary by quality of service, which is determined by a number of factors. These include the network capacity, the type of network and technology used by the provider, and the number and placement of wireless towers. Buildings and other structures, mountains and other geography, and even inclement weather, which can all deflect or block radio signals, also may cause poor reception for wireless users. One of the best ways to assess the quality of service coverage in the mobile phone industry would be to review customer complaints. However, no federal or state agency is currently required to undertake customer satisfaction surveys with regard to mobile telephone service, and even the data that is available from the Federal Communications Commission is not broken down by carrier.

Thus, AARP urges the Commission to take all of these issues into consideration in its decision making process. The current state of the wireless industry does not make it a true substitute for wireline telephone service. Contrary to the Qwest's contentions, competition from wireless service simply has not risen to the level necessitating the total deregulation of basic local telephone rates at this time.

CONCLUSION

AARP appreciates this opportunity to comment on this critical issue. For the reasons stated above, AARP opposes Qwest's proposal to deregulate basic local telephone rates in the seven Idaho exchanges presented in the Company's Application. Thus, we urge the Commission to reject the Company's proposal because, above all else, it stands to adversely impact the public interest.

Dated: March 21, 2003

Respectfully submitted,

Clyde Dailey
State Director
AARP Idaho
3080 Gentry Way
Suite 100

*✓ Gen. Ack
sent 3/21/03*

Jean Jewell

From: Ed Howell
Sent: Thursday, March 20, 2003 8:51 PM
To: Jean Jewell; Ed Howell; Gene Fadness; Tonya Clark
Subject: Comment acknowledgement

WWW Form Submission:

Thursday, March 20, 2003
8:50:48 PM

Case: QWE-T-02-25
Name: Dale Wocicki
Street Address: 612 E Antigua Dr
City: Meridian
State: Id
ZIP: 83642
Home Telephone: 208-895-0722
E-Mail: dwocic@qwest.net
Company: Qwest
mailing_list_yes_no: no

Comment_description: I am a 30 year employee of Mt. Bell/US West/Qwest. I have seen to business go from a true monopoly to many choices. As the telecommunications world has changed so has the competitive environment. From no competition to 7 or more choices for local service. I feel with as many choices as consumers now have that it is only fair Qwest be removed from local price regulation as none of the competitors as subjected to the same regulation. The marketplace will decide a fair price for local service. Regulating the prices of only one company very well may cost the company jobs as well. If there are fewer customers there obviously will be fewer jobs. Thank you for your consideration

Transaction ID: 3202050.48
Referred by: <http://www.puc.state.id.us/scripts/polyform.dll/ipuc>
User Address: 63.227.246.98
User Hostname: 63.227.246.98