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Attorney for the Commission Staff

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE PETITION OF)	
QWEST CORPORATION DBA CENTURYLINK)	CASE NOS. QWE-T-13-05
QC FOR APPROVAL TO REPLACE THE)	
PERFORMANCE ASSURANCE PLAN BASED)	COMMENTS OF THE
UPON SETTLEMENT AGREEMENT IN)	COMMISSION STAFF
COLORADO.)	
)	
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)	

COMES NOW the Staff of the Idaho Public Utilities Commission, by and through its Attorney of record, Weldon B. Stutzman, Deputy Attorney General, and in response to the Notice of Petition and Notice of Modified Procedure issued in Order No. 32877 on August 14, 2013, submits the following comments.

BACKGROUND

On July 31, 2013, Qwest Corporation dba CenturyLink QC (CenturyLink QC) filed a Petition requesting the Commission approve replacement of the Company's Idaho Quality Performance Assurance Plan (Plan or QPAP) with a revised QPAP. The new Plan results from a settlement agreement between CenturyLink QC and various competitive local exchange carriers (CLECs) that participated in a Plan review before the Colorado Public Utilities Commission.

Under the federal Telecommunications Act of 1996 (1996 Act) CenturyLink is a an “incumbent local exchange carrier” (ILEC) as defined in section 251(h) of the 1996 Act 47 U.S.C. § 251(h). Pursuant to Sections 251 and 252 of the 1996 Act, CenturyLink is required to enter into interconnection agreements with other providers of telecommunications services who request access to its network, facilities or services.

The 1996 Act also provided a means by which Century Link could gain entry into in-region interLATA service markets from which they had been legally precluded, commonly referred to as “the 271 process.” The focus of the 271 process was to ensure that the local exchange marketplace was open for wireline competition and would remain open and that nondiscriminatory service quality would be maintained once Century Link received 271.

In seeking FCC approval under Section 271, CenturyLink worked with interested parties to develop performance measures known as Performance Indicator Definitions (PIDs), and put into place a QPAP that applied specific standards to the performance data to assure compliance with Section 271 interconnection requirements. The PIDs and the QPAP became exhibits to the interconnection agreements that CenturyLink offers to CLECs (specifically, Exhibits B and K, respectively).

On May 2, 2008, CenturyLink filed a petition with the Commission seeking to withdraw its Statement of Generally Available Terms (SGAT) and eliminate its QPAP and PIDs. The Commission granted CenturyLink’s request to withdraw its SGAT by Order No. 30750 entered March 17, 2009, but left open CenturyLink’s request to withdraw its Plan. On July 30, 2010, CenturyLink filed an amended petition proposing adoption of a new performance plan (QPAP II) in lieu of withdrawing the existing QPAP. As that docket progressed, the Commission approved some changes agreed to by the parties, but the issue of replacement of the existing QPAP with QPAPII remained undecided. On July 1, 2011, a joint request of CenturyLink and a group of participating CLECs collectively referred to as “Integra” asked that the Commission take no further action in the docket “until at least eighteen months after the Closing Date of the Qwest/CenturyLink merger.” The merger officially closed April 1, 2011.

CenturyLink filed a similar proceeding before the Colorado Public Utilities Commission (CPUC). The CPUC began a six-year review of the Colorado PAP (CPAP). In the review process, the CPUC gave specific directions regarding some CPAP issues and general directions on other issues, and directed the parties to negotiate a new CPAP that complied with those directions. The parties in the Colorado CPUC case ultimately agreed upon a Settlement

Agreement and a redesigned CPAP. An integral provision of that Settlement Agreement was that CenturyLink would petition the other 13 states in which the QPAP operates seeking the adoption of the redesigned QPAP in place of the QPAPs currently in effect in the respective states.

CenturyLink's Petition, which offers a redesign of the current Idaho QPAP, is based on the Colorado CPAP review and the redesign that was adopted in that jurisdiction and supported by the CLECs engaged in that docket. CenturyLink provides the redesigned Idaho QPAP and PIDs as Attachments 1 and 2 to its Petition. Attachment 1 consists of the redesigned QPAP which constitutes a new Exhibit K for interconnection agreements; Attachment 2 consists of the new PIDs that constitute Exhibit B for interconnection agreements. Attachment 3 provides a comprehensive description of changes that the proposed, redesigned QPAP and PIDs would make to the existing Idaho QPAP and PIDs.

STAFF REVIEW

There have been two audits of the multi-state QPAP and PIDs performed by an independent 3rd party since the completion of the 271 case. Following the completion of the audits, a comprehensive report was submitted to each state with state specific recommendations about the PIDs and PAP. Each Idaho audit revealed that CenturyLink's PAP penalty payments were declining. Part of the reduction was attributed to the Company improving its wholesale services as well as a decline in the number of CLEC providers. As a result of the improved performances, the Commission approved a reduction in certain PIDs. CenturyLink has continued to provide monthly reports on its performance and penalty payments to the Staff. Overall the Company has shown further reductions in penalty payments. There have been a few months where there has been an anomaly and a spike in certain PAP payments. When contacted by Staff, the Company has been responsive and for the most part has resolved the issues creating the problem. There still remain a couple of PIDs that the Company consistently misses, but with the revised PID/PAP proposal the Company will need to correct this or could end up with significant penalty payments under the new plan.

One term of the Colorado settlement is perhaps somewhat problematic. Specifically, that portion of the agreement that reads, "... effective on January 1, 2014. CenturyLink further requests that the Commission deem all existing interconnection agreements that currently contain the QPAP be modified to incorporate these revisions, also effective January 1, 2014, without

need for further filings or approvals.” Petition, p. 5. The CLECs involved in the settlement agreed to this provision, and all CLECs in Idaho were notified of the terms by the Commission’s Notice in this case. Absent any objections, Staff supports approval of applying the revised QPAP to existing interconnection agreements.

Overall, Staff believes that the changes proposed in the QPAP should not have a detrimental effect on CenturyLink’s wholesale services in Idaho. Moreover, through discussions between Staff and the CLEC involved in the Colorado negotiations, Staff believes that the changes being proposed have been vetted and have had a good representation of the CLEC community as a whole. Staff further believes that the revisions that were approved by the Colorado Commission recognize technological evolution within the industry, while still maintaining incentives for CenturyLink to provide quality wholesale services.

STAFF RECOMMENDATION

Staff has reviewed the Colorado plan and supports its adoption.

Respectfully submitted this 13th day of September 2013.



Weldon B. Stutzman
Deputy Attorney General

Technical Staff: Carolee Hall

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 13TH DAY OF SEPTEMBER 2013, SERVED THE FOREGOING **COMMENTS OF THE COMMISSION STAFF**, IN CASE NO. QWE-T-13-05, BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE FOLLOWING:

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SECRETARY

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