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**IOWA UTILITIES BOARD**  
**Telecommunications Section**

Docket No.: SPU-2010-0006  
Utility: Qwest Communications  
International, Inc., and  
CenturyTel, Inc.  
File Dates: March 17, 2011; June 1, 2011  
Memo Date: June 16, 2011

**TO:** The Board

**FROM:** John Ridgway, Joni Nicoll

**SUBJECT:** Clarification/Modification of Post-Merger Service Quality Reporting

**I. Background**

On March 17, 2011, Qwest Communications International, Inc. (Qwest), and CenturyTel, Inc. (CenturyLink) (collectively, Applicants) filed with the Iowa Utilities Board (Board) a request for the Board to approve a proposed service quality reporting plan. The service quality reporting was required by Board order, dated November 19, 2010, as part of the Board's allowance of the proposed reorganization between the Applicants. Applicants stated they have reviewed this reporting proposal with the Consumer Advocate, and the Consumer Advocate agrees with the key service quality performance metrics to be reported to the Board.

In response to the proposed plan, on May 11, 2011, the Board issued an "Order Approving Proposed Service Quality Reporting Form, with Modifications." The Board order noted that Applicants proposed to report only on service interruption and customer trouble reports. Although the Board generally agreed that it is not necessary to require the extensive, detailed reports that were required after the U S West/Qwest merger in SPU-99-27, Applicants' proposed reporting format was so aggregated and the proposed reporting categories were so limited that the Board determined the information provided was not sufficiently detailed to allow the Board to evaluate post-merger service quality.

In the May 11 order, the Board approved the post-merger service quality reporting format proposed by Applicants and agreed to by Consumer Advocate, with the following modifications:

1. In addition to data regarding service interruption and customer trouble reports, CenturyLink shall report the following monthly data on a quarterly basis: the number of repeat trouble reports; service connection (provisioning) data; and held order data.

Alternatively, and with respect to the service connection and held order data only, CenturyLink or Consumer Advocate may make a filing within 14 days of the date of this order explaining why this data should not be included in the reports.

2. CenturyLink shall report individual wire center level data on a quarterly, rather than semi-annual, basis.

The Board also ordered CenturyLink to file the quarterly service quality reports beginning on or before July 15, 2011.

On June 1, 2011, Applicants filed a "Motion for Clarification and/or Modification of Service Quality Reporting." The motion seeks clarification on the reporting deadlines and seeks clarification or modification regarding reporting for the provisioning of alternative forms of service.

On June 8, 2011, the Office of Consumer Advocate (OCA) filed a response to Applicants' motion. OCA does not oppose the change in the filing date for initial reports from July 15 to August 15, 2011. OCA agrees with Applicants that for ease of use, the data in the filings should match calendar quarters and calendar years. OCA further states that it is supportive of the remaining determinations in the May 11, 2011, Board order.

## **II. Legal Standards**

The Board's service quality rules for telephone service are found in 199 IAC 22.6. Local exchange utilities, such as Qwest and CenturyLink, are required to measure, by individual wire center, their service connection, held order, and service interruption performance monthly according to subrules 22.6(1), 22.6(2), and 22.6(3), respectively. Records of the measurements are not required to be reported to the Board, but are to be provided upon request of the Board.

Subrule 22.6(1), Service Connection, states that each local exchange utility shall make all reasonable efforts to maintain a five-business day standard for primary connection service or within the customer-requested service connection date. Eighty-five percent of all customers are to be provided service within five business days, 95 percent within ten business days, and 99 percent within 30 business days.

Subrule 22.6(2), Held Orders, sets out record-keeping, connection prioritization, alternative service, and billing requirements for those instances when a local exchange utility is unable to connect a customer within the times enumerated in subrule 22.6(1).

Subrule 22.6(3), Service Interruption, contains provisions for cleared out-of-service trouble reports, speed of service repair call answering, maintenance

notification, record keeping of trouble reports, maximum rate of customer trouble reports, and adjustments to customer accounts when service is interrupted for more than 24 hours.

### **III. Analysis**

As stated above, Applicants seek clarification on the reporting deadlines and request clarification or modification concerning reporting for providing alternative forms of service for held orders.

Regarding reporting deadlines, Applicants explain that a report filed on July 15, 2011, would include only data for April and May 2011 because the data for June would not be completed and compiled before July 15. The next quarterly report would then have data for June, July, and August 2011, and so on. In order to align the reporting with calendar quarters, Applicants claim they would need until August 15 to complete, analyze, and compile the data for reporting. Applicants state they believe that providing data that aligns with calendar quarters would be more practical and easier for the Board to analyze and compare with other data.

Staff agrees with Applicants that reports which align with calendar quarters would be more practical and meaningful. Staff also believes reporting of calendar quarters was the Board's intent in setting the July 15 filing date, but the Board did not know that Applicants would need additional time to compile the quarterly data.

In its May 11, 2011, order, the Board also ordered Applicants to report held order data. The Board is requesting that Applicants report: 1) the total number of Iowa customers not having primary local exchange service within 15 business days, and 2) the total number of Iowa customers using alternative forms of service while waiting for CenturyLink's service. 199 IAC 22.6(2)"c" requires that when a local exchange utility fails to provide primary local exchange service to any customer requesting service within 15 business days, the utility must provide the customer with an alternative form of service until primary local exchange service can be provided.

Applicants believe that the Board's request for this reporting metric goes beyond what the rules require, and provides little additional information to the Board. Applicants point out that the Board's order already requires reporting of held order statistics at 5, 10, and 30 business day intervals consistent with 199 IAC 22.6(1). Applicants contend that adding another held order interval reporting date of 15 business days would not provide the Board with materially better information regarding Applicants' provisioning performance, particularly since there is no performance standard for 15 business days in the rules. Thus, Applicants request that the Board clarify or modify its order such that Applicants report held order statistics at 5, 10, and 30 business day intervals, along with the

total number of Iowa customers receiving alternative forms of service, but not held order data at 15 business day intervals.

After further review, staff agrees that there is not a performance standard for 15 days in the rules. However, staff does not believe that the Board was asking for Applicants to report a performance standard. The order merely stated that the report include the "total number of Iowa customers not having primary local exchange service within 15 business days." The performance standards in 199 IAC 22.6(1) are measured by percentages of customers not connected within the 5, 10, and 30-day timeframes. Nevertheless, staff believes that the Board will get essentially the same information from the reporting of total number of Iowa customers using alternative service, to which Applicants agree to report. In addition, since the Board will receive held order statistics at 5, 10, and 30 business day intervals, an additional requirement of reporting service connection orders held for 15 days provides limited additional information to the Board. As noted by the Board in its May 11 order, the long wait times for service connections experienced by customers at the time of the U S West/Qwest merger are not currently an issue. Therefore, staff believes that it is not necessary for Applicants to report held order data at 15 business day intervals.

#### **IV. Recommendation**

Staff recommends that the Board issue an order approving Applicants' motion to modify the July 15, filing date for quarterly service quality reports to August 15, 2011, with successive reports to be filed 45 days after the close of each calendar quarter. In addition, staff recommends that the order also approve Applicants' motion to omit the requirement to report the total number of Iowa customer not having primary local exchange service within 15 business days.

All other service quality reporting requirements, as discussed in the Board's May 11, 2011, order in this docket, remain unchanged.

#### **RECOMMENDATION APPROVED**

#### **IOWA UTILITIES BOARD**

/jln

/s/ Elizabeth S. Jacobs    6-22-11  
Date

/s/ Darrell Hanson        6-21-11  
Date

/s/ Robert B. Berntsen    6-21-11  
Date

cc: David Lynch