

PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: April 29, 2014

REGULAR \_\_\_\_\_ CONSENT X EFFECTIVE DATE \_\_\_\_\_ NA \_\_\_\_\_

DATE: April 16, 2014

TO: Public Utility Commission

FROM: Jim Stanage 

THROUGH: Jason Eisdorfer, Bryan Conway, and Bruce Hellebuyck 

SUBJECT: QWEST CORPORATION: (Docket No. UM 1655) Petition to Abandon its Scan Alert service.

**STAFF RECOMMENDATION:**

I recommend that the Commission grant Qwest Corporation's petition to abandon its Scan Alert feature.

**DISCUSSION:**

**Background**

Qwest Corporation d/b/a CenturyLink QC (Qwest) filed a petition to abandon its Scan Alert feature on May 31, 2013, amended the petition on August 15, 2013, and, again, on November 27, 2013. The company filed the petition pursuant to OAR 860-032-0020. The rule gives the Commission authority to grant or deny petitions for abandonment of service by telecommunications utilities. The rule also sets forth requirements for the petition. The petition originally set August 31, 2013, as the effective date of the abandonment, but it was amended to December 1, 2013, and then to April 30, 2014, in order to better accommodate customers.

**Descriptions of Services Proposed for Abandonment and Similar Service Offerings**

Scan Alert allows alarm monitoring by alarm companies that provide service in CenturyLink QC's territory. The Alarm Signal Transport Service (ASTS), referred to as Scan-Alert, provides a service that allows for the monitoring of a change in the status of an alarm or other type of warning sensors provided by a participating alarm company and located on the premises of an exchange access line customer. The

exchange access line customers, to which alarm companies sell the ASTS Service, are referred to as patrons of the alarm companies.

The company provides a scanning device in the central office, which checks for the presence of tone on the exchange access line. When an absence of tone is detected, the scanning device interrogates the reporting equipment on the premise of the exchange access line customer for the status of the patron's alarm sensors. The reporting equipment generates an identification number and status report that is routed to the alarm company.

A comparable service is available from other providers and most alarm services users have switched to those services over the past fifteen years.

#### Staff Procedures for Reviewing Service Abandonment

OAR 860-032-0020 provides that a telecommunications utility that intends to discontinue or abandon a regulated intrastate telecommunications service must file a petition with the Commission at least 90 days before the telecommunications utility intends to abandon the service subject to subsections (2) and (7)(a).

OAR 860-032-0020 subsections (5) and (6) require telecommunications utilities that petition to abandon a service to provide certain notifications to its customers, the Commission, and other affected parties.

Furthermore, if the Commission does not deny the petition or set it for hearing within 90 days after receiving the petition, the petition shall be deemed approved as provided for in OAR 860-032-0020(7)(a). There is also a requirement in subsection (7)(b) to mail a notification to any affected customer and to any other telecommunications provider affected by the proposed abandonment at the same time that the telecommunications utility files the petition with the Commission. The telecommunications utility must also file with the Commission a copy of the notification at the same time it mails the notification and files the petition as provided for in subsection (7)(c). Further still, subsection (7)(d) requires that the telecommunications utility must also demonstrate the abandonment would not deprive the public of "necessary telecommunications services." Finally, the telecommunications utility must obtain Commission approval before transferring customers to another telecommunications provider under subsections (7)(d) and (7)(e).

OAR 860-032-0020(6) contains requirements pertaining to notification of the abandonment by the provider to the Oregon Emergency Management system.

## Analysis

Qwest has provided the Commission the customer notice as required by OAR 860-032-0020(5) and has certified that it has been mailed to all existing customers of the services being abandoned. The customer notice contains the necessary information required by the rule.

Qwest customers currently subscribing to Scan Alert were mailed notices of these changes on May 31, 2013, and re-noticed customers on August 15, 2013. In June, staff was contacted by the Salem School District regarding the petition and expressed interest in a delay to allow it the time necessary to obtain another provider and to make necessary facilities changes. The School District's inquiry resulted in Qwest changing the proposed abandonment date from August 31, 2013, to December 1, 2013. Subsequently, Qwest has changed the effective date to April 30, 2014.

OAR 860-032-0020(6) contains requirements pertaining to notification of the abandonment by the provider to the Oregon Emergency Management system. This section of the rule is not applicable to this abandonment because Qwest is not exiting the telecommunications market in Oregon.

Qwest states that the reason for this petition is that it faces technical limitations due to the fact that production of the equipment necessary to maintain the service has been discontinued and replacement equipment supplies have been exhausted. Qwest notes that there were only 187 Scan Alert subscribers in Oregon, at the time of the May 31, 2013, customer notification.

Other telecommunications providers---i.e., competitive providers---would not be affected by the proposed abandonment. Features like Scan Alert cannot be purchased separately from their underlying Qwest access line service.

Refunds to affected Qwest customers would be unnecessary because they would no longer be billed for Scan Alert after April 30, 2014.

The petition meets the requirement of OAR 860-032-0020(7)(d) that the petitioner: "Demonstrate that the abandonment will not deprive the public of necessary telecommunications services." That is, there are alternatives available to the Scan Alert customers, and therefore, they would not be deprived of "necessary telecommunications services."

The Commission could require Qwest to reinstate service to prevent the public from being deprived of necessary services under OAR 860-032-0020(7)(d).

Qwest states in its petition that no customers would be automatically transferred to other telecommunications providers.

### Conclusions

Staff's analysis outlined above has led to the following conclusions:

- 1) Qwest has certified that it has provided the required notifications to its customers, the Commission, and other affected parties in a timely manner.
- 2) Other telecommunications providers would not be affected by the proposed abandonment. No one can purchase Scan Alert separate from their underlying Qwest access line service.
- 3) Qwest would refund, to any affected customer, any payments for service they do not receive because of the abandonment.
- 4) Qwest has demonstrated that the abandonment would not deprive the public of necessary telecommunications services.
- 5) The Commission could require Qwest to reinstate service to prevent the public from being deprived of necessary services.
- 6) The customer who contacted staff regarding the proposed abandonment has successfully obtained comparable service from another provider.

### Commission's Decision Alternatives

The Commission has the following decision alternatives:

1. Grant the petition---i.e., allow the abandonment of Scan Alert.
2. Deny the petition.
3. Set the petition for hearing---i.e., further investigate Qwest's petition to abandon Scan Alert.

### **PROPOSED COMMISSION MOTION:**

Qwest Corporation's petition to abandon Scan Alert service be granted.