

ITEM NO. CA4

PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: September 13, 2016

REGULAR \_\_\_\_\_ CONSENT X EFFECTIVE DATE September 14, 2016

DATE: August 31, 2016

TO: Public Utility Commission

FROM: Stephen Hayes 

THROUGH: Jason Eisdorfer, Bryan Conway, and Bruce Hellebuyck 

SUBJECT: UNITED TELEPHONE COMPANY OF THE NORTHWEST:  
(Docket No. ADV 360/Advice Letter No. 16-04) Price Plan compliance  
Advice Letter filing establishing service guarantee plan.

**STAFF RECOMMENDATION:**

Staff recommends that the filed tariff be allowed to go into effect.

**DISCUSSION:**

Issue

Whether the Commission should allow United Telephone Company of the Northwest's (United or Company) Advice No. 16-04, which establishes United's Service Guarantee Plan, to go into effect.

Applicable Law

The Commission approved United's Price Plan Application in Order No. 14-347 pursuant to ORS 759.255 on October 7, 2014. Consistent with the requirement found in ORS 759.255(2), the Commission applied a public interest standard in granting that approval. ORS 759.255(2)(b) establishes one of the three criteria the Commission shall consider in approving an ORS 759.255 Price Plan.

(b) Ensures high quality of existing telecommunications services and makes new services available.

The provision in the Price Plan for establishing a Service Guarantee Plan effectively meets the first part of the statutory review criteria.

The service guarantee provision is found in United's Price Plan, Exhibit A, Section T.a. Service Performance Guarantees, which provides that United will implement a Service Guarantee Plan if its service quality metrics reach a specified threshold. The service quality standards are established in OAR 860-023-0055 and the Price Plan provision is specific to the service quality standards described in sub-sections (4) and (6); provisioning and held orders for lack of facilities and repair clearing time, respectively. Specifically, the Price Plan requires United to implement a Service Performance Guarantee Plan if the standard in either sub-section (4) or (6) is missed for 3 months out of a twelve month rolling period, for any repair center.

#### Discussion and Analysis

The Company's service quality meets the threshold requirement to establish a Plan. The Company missed OAR 860-023-0055(6) Repair Clearing Time metric for the Coast District three months out of a twelve month rolling period. The Repair Clearing Time metric measures the time it takes for the Company from the time the customer trouble report is received until it is resolved. The standard for this metric was reduced from 95% to 90% beginning January 2014 in Docket AR 575. In addition to other reporting relief the standard was lowered to encourage companies to spend adequate time on difficult repairs. Staff's goal was to shift concentration on quick repairs to meet the standard to concentration on facility improvement.

As required in the Price Plan, the filed Tariff Sheets establish the terms of a Service Guarantee Plan which are consistent with the terms of the existing Qwest service guarantee plan. Qwest's service guarantee plan was established in Order No. 08-408. The Company indicates that it began providing credits to customers for qualifying transactions on August 1, 2016.<sup>1</sup> As laid out in the Price Plan, the Service Guarantee Plan may be removed if the Company meets the previously missed standard or standards for a 12 month period.

#### Public Interest Compliance

The Service Guarantee Plan requirement was one of many components of the Price Plan the Commission found to be in the public interest in Order No. 14-037. Implementing the Service Guarantee Plan, as proposed by United, is consistent with that finding.

#### Conclusion

Staff recommends the United tariff filing be allowed to go into effect.

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<sup>1</sup> Staff notes that tariffs are not effective until allowed by the Commission. ORS 757.225.

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**PROPOSED COMMISSION MOTION:**

Allow United's Advice 16-04, establishing the Company's Service Guarantee Plan, to go into effect.

United.16-04.ServiceGuaranteePlan