

ENTERED MAY 23 2018

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1935

In the Matter of

CITIZENS TELECOMMUNICATIONS
COMPANY OF OREGON, dba FRONTIER
COMMUNICATIONS OF OREGON and
FRONTIER COMMUNICATIONS
NORTHWEST INC.,

ORDER

Petition to Abandon the Busy Verification and
Busy Interrupt Services.

DISPOSITION: STAFF'S RECOMMENDATION ADOPTED

This order memorializes our decision, made and effective at our May 22, 2018 Regular Public Meeting, to adopt Staff's recommendation in this matter. The Staff Report with the recommendation is attached as Appendix A.

MAY 23 2018

Made, entered, and effective _____.

Lisa D. Hardie

Lisa D. Hardie
Chair



Stephen M. Bloom

Stephen M. Bloom
Commissioner

Megan W. Decker

Megan W. Decker
Commissioner

A party may request rehearing or reconsideration of this order under ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Circuit Court for Marion County in compliance with ORS 183.484.

ORDER NO. 18 182

ITEM NO. CA1

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: May 22, 2018

REGULAR _____ CONSENT X EFFECTIVE DATE June 1, 2018

DATE: May 10, 2018

TO: Public Utility Commission

FROM: Stephanie Yamada *SO*
I *BAC*

THROUGH: Jason Eisdorfer, Bryan Conway, and Bruce Hellebuyck *[Signature]*

SUBJECT: FRONTIER COMMUNICATIONS NORTHWEST INC. AND CITIZENS
TELECOMMUNICATIONS COMPANY OF OREGON:
(Docket No. UM 1935) Petition to Abandon Busy Verification and Busy
Interrupt Services.

STAFF RECOMMENDATION:

Staff recommends that the Commission approve the petition by Frontier Communications Northwest Inc. (Frontier NVV) and Citizens Telecommunications Company of Oregon (Citizens) to abandon Busy Verification (BV) and Busy Interrupt (BI) services.

DISCUSSION:

Issue

Whether the Commission should:

1. Approve the Companies' petition and allow the abandonment BV/BI services;
2. Deny the petition; or
3. Set the petition for hearing.

Applicable Rule or Law

OAR 860-032-0020 sets forth specific requirements for telecommunications utilities that intend to discontinue or abandon a regulated service. OAR 860-032-0020(7) contains

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the requirements for telecommunications utilities that intend to abandon any regulated service for which there are current customers.

Pursuant to OAR 860-032-0020(7)(a), a telecommunications utility that intends to abandon any regulated service for which there are current customers must file a petition for authority to abandon the service with the Commission at least 90 days before the effective date of the abandonment. If the Commission does not deny the petition or set it for hearing within 90 days after receiving the petition, the petition is deemed approved.

OAR 860-032-0020(7)(b) requires the telecommunications utility to mail a notification to each customer and telecommunications provider affected by the proposed abandonment at the same time it files the petition with the Commission. The notification must include a statement that upon request from affected customers or providers the Commission may, but is not required to, deny the petition or set it for hearing. Other specific content requirements for this notification are laid out in OAR 860-032-0020(5).

Pursuant to OAR 860-032-0020(7)(c), the telecommunications utility must file a copy of its customer notification(s) with the Commission at the same time that it files the petition and mails the notification. The telecommunications utility must also inform the Commission of the number of customers and other providers affected by the proposed abandonment.

OAR 860-032-0020(7)(d) requires the telecommunications utility to demonstrate that the abandonment will not deprive the public of necessary telecommunications services.

Frontier NW is regulated under a price plan pursuant to ORS 759.255. The price plan approved for Frontier NW in Docket No. UM 1677, Order No. 14-290, does not waive or otherwise modify the operation of OAR 860-032-0020 with respect to that company.

Pursuant to OAR 860-032-0000, upon request or its own motion, the Commission may waive any of the Division 032 rules for good cause shown.

Analysis

Frontier NW and Citizens (collectively, Frontier or Company) submitted a joint petition for authority to abandon their BV/BI services (Petition) on February 27, 2018, in compliance with the 90-day requirement of OAR 860-032-0020(7)(a). Pursuant to OAR 860-032-0020(7)(a), if the Commission does not deny the petition or set it for hearing by May 28, 2018, the petition will be deemed approved.

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Staff investigated the nature of the service that Frontier intends to abandon, the manner and form of notice issued to Frontier's customers, and whether the services should be considered necessary such that they should not be abandoned.

Description of the Services

BV and BI are both operator services that are charged on a per-use basis. BV service enables customers to determine if a called line is in use. To use BV, the calling party dials "0" for the operator and requests BV service. The operator determines if the called party's line is clear or in use, and reports the status of the line back to the calling party. If the operator determines that the called party's line is in use, the calling party may request to use BI service. BI service enables the operator to interrupt the called party's conversation to inform the user that another caller is attempting to contact them. If the interrupted party at the called line is willing to hang up, they do so. BI service does not enable the operator to connect the interrupted party with the party requesting interruption.

The Company states that the BV and BI services are being abandoned because existing technology capable of providing these services via Frontier's Traffic Operator Position System (TOPS) will no longer be supported by Frontier's service vendor. Frontier's Petition proposes an effective date for the abandonment of June 1, 2018. Frontier has since indicated to Staff that the services may actually be operational for a few days after the initially proposed June 1 effective date.

Frontier states that during the eight-month period from June 2017 to January 2018, BV and BI were used a total of six times by two different customers. BV was used four times and BI was used twice, resulting in total revenues of \$15.00 attributable to these services over the eight-month period.

As the BV and BI services are provided on a per-use rather than subscription basis, Frontier notified all retail residential and business customers of the planned discontinuance. Frontier also provided notice to three wholesale customers as well as Oregon Public Safety Answering Points (PSAPs). Frontier included a copy of each type of notice along with its petition, as required by OAR 860-036-0020(7)(c).

Notice Requirements

Frontier states that it provided notice of the proposed abandonment to its retail customers via a bill message included in customers' bills during the months of January and February, and provided another, more detailed, bill message during the months of March, April, and May 2018. Frontier's Petition states that Frontier also provided notice to PSAPs and wholesale customers via email in April 2018. Frontier sent paper notices via U.S. Postal Service to the two retail customers who used the BV/BI services during

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the eight-month period discussed above as well as the three wholesale customers.¹ Frontier also published the wholesale notice on its external website for wholesale customers.

While OAR 860-032-0020(7)(b) requires the abandoning telecommunications utility to "mail a notification to each affected customer and to each telecommunication provider affected by the proposed abandonment," notifications to PSAPs were provided via email rather than U.S. Mail. Furthermore, many notifications to retail customers were provided electronically along with customers' bills. Staff understands that e-mail is the standard method by which Frontier distributes information to PSAPs, and finds that notification of PSAPs via e-mail, as opposed to U.S. mail, to be sufficient for the purposes of this petition to adequately notify PSAPs of the intended abandonment of these services. Staff also finds that electronic notification to retail customers who normally receive their bills electronically is sufficient to adequately notify them in the context of this Petition, particularly in light of the fact that Frontier also sent notice via U.S. mail to the customers who actually used these services during the period discussed above. As such, to the extent that Frontier's use of e-mail or electronically delivered bill messages of the proposed abandonment does not fully comply with the mailing requirement of OAR 860-032-0020(7)(b), Staff recommends that the Commission waive that requirement pursuant to OAR 860-032-0000.

OAR 860-032-0020(7)(b) also requires the abandoning utility to send applicable notifications "at the same time it files the petition with the Commission" (i.e., at least 90 days prior to the proposed effective date of the abandonment). While retail customers began receiving notifications with their bills as early as January, based on the information provided by Frontier, PSAPs and wholesale customers were not notified until April 2018. However, the usage information provided by Frontier shows that the BV and BI services are used very infrequently, and do not appear to be necessary to any group of customers. Furthermore, Frontier has provided multiple notices in multiple formats to retail and wholesale customers as well as to PSAPs; for the purpose of this petition, Staff finds that the provided notices are sufficient. No persons have contacted Staff to express concern over the proposed abandonment. To the extent that any particular notifications were not sent "at the same time" the petition was filed with the Commission as required by OAR 860-0020(7)(b), Staff recommends that the Commission waive that requirement pursuant to OAR 860-032-0000.

All affected customers received notices which appropriately include all required elements of OAR 860-032-0020(5) as well as the required statement described in OAR 860-032-0020(7)(b).²

¹ See Attachment 1, Frontier's Response to Staff Information Request 1.

² See Attachment 2, Frontier's Response to Staff Information Requests 3 and 4.

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Necessary Services

Frontier asserts that the proposed abandonment will not deprive the public of necessary communications services because customers increasingly use other, more modern technologies that inform them when someone is trying to call them and that allow users to communicate even when their telephone line is in use. Call waiting and voicemail, for instance, are widely-used services which can be used to inform customers that another caller is trying to reach them. Text messaging, email, and social media applications are also commonly-used forms of communication that can be utilized regardless of whether a telephone line is in use or not. Furthermore, those alternative services may actually be more effective than BV/BI in today's technological landscape, given that BV/BI services do not work on fax or data lines, on wireless phones, VOIP lines, and, in some cases, on ported numbers.

Frontier also asserts that the extremely low customer demand is evidence that customers do not consider these services to be necessary. Frontier's customers are likely already using other options to determine whether a telephone line is in use, and therefore, the discontinuation of BV/BI services will not deprive the public of necessary communications services.

Staff agrees that the extremely low usage, combined with the abundance of alternative services currently available to customers, represent a strong indication that the public does not consider BV and BI services to be necessary.

Frontier also states that previous discontinuances of the same services by other ILECs demonstrate that the public was not deprived of necessary communications services when the services were discontinued. For example, Verizon and AT&T have both obtained FCC approval to discontinue BV/BI services. Furthermore, the Oregon Commission previously granted the CenturyLink companies (Qwest Corporation dba CenturyLink QC, CenturyTel of Oregon, CenturyTel of Eastern Oregon, and United Telephone Company of the Northwest) approval to abandon the same services with Order No. 16-363 in Docket No. UM 1786. Staff is not aware of any customers having contacted the Commission regarding CenturyLink's abandonment of the BV and BI services, which further supports the conclusion that these services are not necessary to customers.

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Conclusion

Staff concludes that:

1. Frontier has provided adequate notice to customers of the proposed abandonment,
2. Other telecommunications providers would be unaffected or minimally affected by the proposed abandonment,
3. The abandonment would not deprive the public of necessary telecommunications services.

PROPOSED COMMISSION MOTION:

Approve Frontier and Citizen's petition to abandon the Busy Verification and Busy Interrupt services, as well as any necessary partial waivers of OAR 860-032-0020(7)(b), and direct Frontier and Citizens to make the necessary tariff and price list filings to designate the services as abandoned.

Frontier,Citizens.UM.1935.BV&BI.Abandon

OPUC Information Request 1

1. OAR 860-032-0020(7)(b) requires the exiting provider to "mail a notification to each affected customer and to each telecommunication provider affected by the proposed abandonment at the same time it files the petition with the Commission" (emphasis added). However, Frontier's Petition indicates that the Wholesale and PSAP notices were e-mailed rather than mailed. Regarding the requirement to mail notifications to customers,

- a. Please confirm Staff's understanding that retail customers who receive bills electronically would have received the required notification electronically, rather than through the mail.
- b. To the extent that it has emailed instead of mailing notice, does Frontier intend to request a partial waiver of OAR 860-032-0020(7)(b)?

Response to OPUC Information Request 1

- a. Frontier customers that receive bills electronically also receive the bill messages as part of their e-bills. The two customers that had previously used the Busy Verification and Busy Interrupt Service have received a letter from Frontier as well as multiple bill messages with information regarding the elimination of the service. Frontier has exceeded the Oregon noticing requirements to ensure our customers have ample information regarding Frontier services.
- b. Per OAR 860-03200020 (7) (b) Frontier has provided notice to each affected customer and telecommunications provider by US Postal Service of the abandonment of the Busy Verification and Busy Interrupt Services.

OPUC Information Request 3

3. OAR 860-032-0020(7)(b) requires customer notifications to include a statement that upon request from affected customers or providers the Commission may, but is not required to, deny the petition or set it for hearing. While the Retail and PSAP notices provided in Exhibits C and D of Frontier's Petition include this required statement, the Wholesale notice provided in Exhibit E does not. Regarding the requirement to include this statement in the customer notice, please confirm whether (a) Frontier has mailed a revised notice that includes the required statement to the three wholesale customers shown in Exhibit B of Frontier's Petition or (b) Frontier is requesting a partial waiver of OAR 860-032-0020(7)(b) with respect to these three wholesale customers.

Response to OPUC Information Request 3

Please see the attached notice that has gone out to the three wholesale customers.



21 West Avenue, Spencerport, NY 14559
www.frontier.com

April 15, 2018

Notice #:

CCBFTR01xxx

Audience:

Carrier, IXC, Wireless, CLEC, Reseller, ISP

Subject:

Busy Verification (BV) and Busy Interrupt (BI) Discontinued

Date Effective:

June 1, 2018

Frontier Communications is providing notification of its plan to discontinue operator service features Busy Verification (BV) and Busy Interrupt (BI). The BV and BI features allow customers to obtain assistance in determining if a called line is in use (verification) or in interrupting a communication in progress (interrupt) by calling the "0" operator.

New technologies, new products and services, and changing customer demand have rendered BV and BI features unreliable and obsolete. BV and BI do not work on fax or data lines, wireless, VoIP, and in some cases, ported numbers.

Frontier has filed a petition March 1, 2018 with the Oregon Public Utility Commission to discontinue offering these services. Upon request from affected customers, the Commission may, but is not required to, deny the petition or set it for hearing. You may contact the Commission at 1-800-522-2404. Subject to approval from the Oregon Public Utility Commission, Frontier plans to discontinue Busy Verification and Busy Interrupt effective June 1, 2018.

Once the BV and BI features are discontinued, these features will no longer be available to the ILECs, CLECs and IXCs that utilize Frontier's trunking services enabling BV/BI.

Please note that this discontinuance is for the BV and BI features only and does not include all operator services.

If you have questions regarding the information provided in this notice, please contact your Frontier Account Manager or Frontier customer service at 1-800-FRONTIER.

Thank you,

A handwritten signature in black ink, appearing to read "Leslie Zink".

Leslie Zink
Sr. Pricing and Tariff Manager
Frontier Communications



21 West Avenue, Spencerport, NY 14559
www.frontier.com

April 15, 2018

Dear Frontier Customer:

At Frontier, our goal is to provide you with great quality and value while still remaining competitive. Changing market conditions require that we continually evaluate our prices, product offerings and infrastructure.

Occasionally our evaluation directs us to make changes to some products; therefore, we are writing to inform you of Frontier's plan to discontinue operator service features Busy Verification (BV) and Busy Interrupt (BI). Please note that this discontinuance is for the BV and BI features only and does not include all operator services.

New technologies, new products and services, and changing customer demand have rendered Busy Verification services unreliable and obsolete. Busy Verification and Busy Interrupt do not work on fax or data lines, wireless, VoIP, and in some cases, ported numbers.

Frontier will file a petition on March 1, 2018 with the Oregon Public Utility Commission to discontinue offering these services. Upon request from affected customers, the Commission may, but is not required to, deny the petition or set it for hearing. You may contact the Commission at 1-800-522-2404. Subject to approval from the Oregon Public Utility Commission, Frontier plans to discontinue Busy Verification and Busy Interrupt effective June 1, 2018. If you have any questions, please contact Customer Service at the 1-800-FRONTIER.

Thank you,

A handwritten signature in black ink, appearing to read "Leslie Zink", written over a horizontal line.

Leslie Zink

Sr Manager Pricing and Tariffs

OPUC Information Request 4

4. Pursuant to OAR 860-032-0020(5)(b), notices required by this rule must include the "address and telephone number where the public, customers, Commission staff, and affected telecommunications providers may contact the exiting provider for information regarding the abandonment." Please confirm whether (a) all notices sent to PSAPs, Wholesale, and Retail customers in accordance with this rule included this required information or (b) Frontier is requesting a partial waiver of OAR 860-032-0020(5)(b) with respect to any of these customers.

Response to OPUC Information Request 4

All required notices sent to customers included both the telephone number and address of Frontier.