

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1150/UM 1152

In the Matters of)	
)	
BEAVER CREEK COOPERATIVE)	
TELEPHONE COMPANY)	RULING
)	
Petition to Abandon Billing and Collection)	AND
Services (UM 1150),)	
)	
and)	NOTICE OF
)	PREHEARING CONFERENCE
QWEST CORPORATION)	
)	
Petition for a Waiver of Intralata)	
Designated Toll Carrier Obligations for the)	
Beaver Creek Exchange (UM 1152).)	

DISPOSTION: MOTION TO CONSOLIDATE GRANTED

In a filing that has been docketed as UM 1152, Qwest Corporation (Qwest) seeks a waiver of its intraLATA toll carrier (DXC) obligations for the Beaver Creek telephone exchange (UM 1150). Qwest made the filing in response to an earlier filing docketed as UM 1150, in which the Beaver Creek Cooperative Telephone Company (BCT) seeks to abandon its billing and collection services for other carriers, including Qwest.

With its petition, Qwest filed a motion to consolidate the two dockets. Qwest contends that its DXC waiver petition and BCT's petition to abandon billing and collection services present interrelated issues and, therefore, the applicable time periods should be coordinated. I agree, and grant Qwest's motion.

Discussion

Qwest is declared the designated or default toll carrier (DXC) for many independent telephone companies in Oregon, including BCT. However, because Qwest does not have billing and collection capabilities for non-Qwest local exchange customers, Qwest depends on independent telephone companies like BCT to perform such services for local exchange customers that Qwest serves as the DXC. If BCT's petition to abandon its billing and collection services for other carriers is granted, Qwest would be required to contract with another provider to continue serving customers of the Beaver Creek exchange as an intraLATA toll carrier.

Qwest believes it would not be cost effective to continue to serve Beaver Creek exchange customers as the intraLATA DXC under such circumstances and, consequently, seeks a waiver of its DXC obligations for that exchange. It is concerned, however, about the timing of both petitions. It notes that BCT has asked to abandon its billing and collection services effective July 29, 2004. This date, Qwest explains, would not provide sufficient time for Qwest to similarly obtain its waiver and provide appropriate notice to customers. To avoid customer confusion and avoid Qwest from having to establish third-party billing and collection arrangements for only a month or two, Qwest seeks consolidation of the two petitions and a brief extension of the time period for BCT's petition.

BCT opposes Qwest's motion. BCT claims that Qwest's petition has potential ramifications for end-use customers that exceed the scope of BCT's petition to abandon its billing and collection services. First, BCT notes that Qwest's petition, if granted, would require customers to change carriers. This impact on customers raises numerous issues, including whether this forced migration is appropriate, as well as determining procedures for the change in carriers and potential impacts on competitive choices. Second, BCT contends that Qwest's petition presents other technical issues that would need to be fully explored, such as the type of signaling Qwest should use to deliver traffic to the Beaver Creek exchange.

Staff does not oppose Qwest's motion. Staff clarifies, however, that, at this time, it does not know whether BCT's petition should be granted, denied, or granted with conditions.

Ruling

While it is undisputed that BCT's proposed decision to abandon its billing and collection services affects Qwest, no party has addressed the fact that the opposite is also true. Qwest's decision to seek relief from its DXC obligations in the Beaver Creek exchange affects BCT's proposed action.

In reviewing a petition to abandon services under OAR 860-032-0020(7), the Commission must consider all consequences of the proposed abandonment. In BCT's petition, those consequences include Qwest's petition for a waiver of its DXC obligations in the Beaver Creek exchange. Qwest has made clear that, but for BCT's petition to abandon billing and collection services, Qwest would not have filed its request for a waiver. Thus, while perhaps unanticipated and unwanted by BCT, Qwest's petition has become intertwined with BCT's request. The Commission's deliberations on the respective petitions must be considered at the same time.

BCT acknowledges that the proposed abandonment of Qwest's DXC service has a significant impact on customers in its Beaver Creek exchange. BCT characterizes the number of Beaver Creek exchange customers served by Qwest as "substantial" and identifies numerous issues of concern.¹ BCT fails to recognize, however, that these issues arise, albeit indirectly, from its initial decision to cease provision of billing and collection services for Qwest.

BCT makes clear that its customer's interests "should be paramount" in this process.² For that reason and those addressed above, I conclude that Qwest's motion to consolidate should be granted to ensure a coordinated and orderly transition of events. In

¹ BCT Response at 2.

² Id.

making this ruling, I note that BCT has made no representation that it would be prejudiced or harmed from a necessary delay in the Commission review of its request.

Finally, in order to minimize any delays in Commission review of both requests, I give notice that a prehearing conference will be held in these consolidated dockets as follows:

DATE: Wednesday, June 23, 2004

TIME: 2:00 p.m.

LOCATION: Public Utility Commission of Oregon
550 Capitol Street NE
2ND Floor - Small Hearing Room
Salem, OR 97301

VIA DIAL-IN NUMBER: Each party is directed to call:
Telephone #: 1-877-300-8186
Participant Code #: 633526

**ADMINISTRATIVE
LAW JUDGE:** Michael Grant

The purpose of the prehearing conference is to establish a procedural schedule for these consolidated dockets.

POSTPONEMENT will be made only upon a showing of good cause. Please call the Administrative Hearings Division (503) 378-3885 if you have any questions.

Dated this 10th day of June 2004.

Michael Grant
Administrative Law Judge

**IF YOU HAVE A DISABILITY THAT WILL LIMIT YOUR ABILITY TO
PARTICIPATE IN THIS HEARING, PLEASE LET US KNOW (503) 378-3885.**