PUBLIC UTILITY COMMISSION OF OREGON STAFF REPORT PUBLIC MEETING DATE: December 14, 2021

REGULAR X CONSENT EFFECTIVE DATE

DATE: December 2, 2021

TO: Public Utility Commission

FROM: Joseph Bartholomew

THROUGH: Bryan Conway, John Crider, and Bruce Hellebuyck SIGNED

SUBJECT: QWEST CORPORATION dba CENTURYLINK QC:

(Docket No. UM 2206)

Request to open an investigation regarding the provision of service in

Jacksonville, Oregon and surrounding areas.

STAFF RECOMMENDATION:

Staff recommends that the Public Utility Commission of Oregon (Commission or PUC) open an investigation into the provision of telephone service in the Jacksonville area.

DISCUSSION:

<u>Issue</u>

Whether the Commission should open an investigation into the safety and reliability of telephone services provided by Qwest Corporation (CenturyLink) in the Jacksonville area.

Applicable Rule or Law

A telecommunications utility is obligated to afford safe and adequate services. Under ORS 759.506(1), a telecommunications utility with allocated territory is obligated to "[p]rovide adequate and safe service to the customers of this state."

OAR 860-023-0005 provides: "Each energy utility, large telecommunications utility, and intrastate toll service provider must have and maintain its entire plant and system in such condition that it will furnish safe, adequate, and reasonably continuous service."

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Under ORS 756.040(1), the Commission's general powers and duties include the obligation to obtain for the customer of telecommunications utility "adequate service at fair and reasonable rates." To this end, "[t]he commission is vested with power and jurisdiction to supervise and regulate every public utility and telecommunications utility in this state, and to do all things necessary and convenient in the exercise of such power and jurisdiction." ORS 756.040(2).

Under ORS 757.035(2), the Commission may require the operator a person engaged in the operation of telephone lines, plant, system, equipment or apparatus to take action that is necessary for the protection and safeguarding of the health and safety of its customers and the public.

Per ORS 756.515(1), the Commission may, on motion, and without notice, summarily investigate any matter when the Commission "believes that any rate may be unreasonable or unjustly discriminatory, or that any service is unsafe or inadequate, or is not afforded, or that an investigation of any matter relating to any public utility or telecommunications utility or other person should be made." Upon investigation, without notice or hearing, the Commission may make any findings and orders it deems justified or necessary, as provided in ORS 756.515(4).

Analysis

Background

Jacksonville is a city in Jackson County, Oregon that is located approximately five miles west of Medford. On November 21, 2021, the PUC received a complaint letter from two CenturyLink customers in the Jacksonville area regarding their unreliable telephone services. As stated in the letter (Attachment A), in 2021 to date approximately 60-80 customers have been impacted with eleven outages ranging from four to eight days before restoration is complete. The customers explain that Jacksonville is a very rural city, and the customers do not have internet or cellular service as an option at their homes. As a result, the Century Link telephone outages present a very dangerous circumstance if there were to be an emergency of any kind. For example, the customers describe that on October 24, 2021, one of the customers in this area had a lifethreatening situation that required them to call emergency services. Fortunately, this situation occurred on a day that the telephone service was operating, but the services dropped in the area the very next day. This reliability issue, coupled with the lack of cellular services in the area, requires residents to drive for approximately twelve to twenty-five minutes before they can make a call using cellular services. In summary, the letter presents serious safety and reliability issues as a result of CenturyLink's service.

Customers in this area have been experiencing these issues since at least 2014.

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In December of 2016 alone, the Consumer Services section at the PUC received 24 related customer complaints. Staff has been in contact with CenturyLink regarding potential solutions since early 2017. At that time, the Company informed Staff that they were working on a solution to permanently fix the plant issues. In Order No. 17-175, the Commission placed CenturyLink on an ORS 759.450(5) performance plan. The issues faced by customers in Jacksonville are described in the "Jacksonville Area – Case Study" section of the Staff memo attached to that order. In its related performance plan filed on June 29, 2017, CenturyLink cited a number of actions it had taken or planned to take to address issues in the Jacksonville exchange. Finally, in Order No. 18-198, the Commission approved a six-month extension of the performance plan adopted in Order No. 17-175. In the related memo, Staff noted that, at that time, Qwest had succeeded in bringing the two initial outlier wire centers, including Jacksonville, within standard for trouble reports.

Unfortunately, the solutions implemented in response to the performance plan adopted in Order No. 17-175 do not appear to have provided a durable solution to the issues present in the Jacksonville exchange. As evidenced by the information provided in the November 21, 2021 letter, unresolved issues remain. Most recently, on August 30, 2021, CenturyLink dispatched a team to try and remediate the cable plant, but the issues remain unsolved.

Given the history of CenturyLink's service issues in this area and the review of the ongoing service issues, Staff requests that the Commission summarily investigate the provision of service in the Jacksonville area. Staff notes that the Company has avenues to seek recovery of the costs associated with restoring service under its Price Plan.

Conclusion

Due to historical and ongoing safety and reliability issues from CenturyLink in the Jacksonville area, Staff recommends the Commission open an investigation into these service issues.

¹ See Docket No. UM 1836, Qwest Corporation dba CenturyLink QC Oregon Service Quality Performance Plan, Order No. 17-175, May 16, 2017, APPENDIX A at p. 5-6.

² See Docket No. UM 1836, *Qwest Corporation dba CenturyLink QC Oregon Service Quality Performance Plan*, Company Performance Plan Filing, June 29, 2017 at p. 7-8.

³ See Docket No. UM 1836, Qwest Corporation dba CenturyLink QC Oregon Service Quality Performance Plan, Order No. 18-198, May 30, 2018, APPENDIX A at p. 3.

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PROPOSED COMMISSION MOTION:

Open an investigation into the provision of telephone service in the Jacksonville area.

CenturyLink.Investigation.Docket.No.UM2206