

ORDER NO. 02-625

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**BEFORE THE PUBLIC UTILITY COMMISSION**  
**OF OREGON**

AR 324

In the Matter of the Second Phase of the )  
Investigation into the Amendment of )  
OAR 860-023-0055 and OAR 860-034- ) ORDER  
0390, Telecommunications Service )  
Standards. )

DISPOSITION: DOCKET CLOSED

This docket was opened to explore whether wholesale service quality rules are necessary in Oregon, pursuant to ORS 759.450(4), which grants the Commission discretion to adopt such rules. After conducting several workshops, the Commission suspended proceedings in AR 324 pending completion of Qwest Corporation's (Qwest) Operational Support Systems (OSS) test and to allow time for a similar rulemaking docket pending before the Federal Communications Commission (FCC) to proceed. *See* CC Docket No. 01-318.

On August 5, 2002, Commission Staff filed a motion to close this docket. Staff asserts that recent events have caused it to question the need to continue with this docket. First, the final report concerning Qwest's OSS test was released on May 28, 2002. Qwest filed a Performance Assurance Plan (PAP) on June 17, 2002, as part of its Section 271 application to the FCC. The PAP formalizes Qwest's service standards and implements self activating penalties. The Commission will also consider Qwest's PAP in Docket UM 823.

Second, Verizon Northwest, Inc. (Verizon), has a similar plan on file with the FCC. On June 16, 2000, the FCC gave final approval for the Bell Atlantic/GTE merger. The FCC placed several conditions on the new company, Verizon, with regard to how business would be conducted with its customers to ensure compliance with the Telecommunications Act of 1996. One of these conditions was the implementation of a Carrier to Carrier Performance Plan to demonstrate open market conditions. The plan contains two elements. First, Verizon must file monthly reports for each of the former Bell Atlantic/GTE states on its performance in 17 measurement categories, covering OSS functions of preordering/ordering, provisioning, maintenance, network performance (collocation and trunk blockage), and billing. This information is available on the WISE performance measures website for all Verizon states.

Second, Verizon must pay the U.S. Treasury up to \$1.164 billion over three years, based on Verizon's performance in the measurement categories. The competitive local exchange carriers (CLECs) would have to file with civil court to receive any penalties.

The FCC provided notice of a proposed rulemaking (CC Docket No. 01-318, adopted November 8, 2001) and sought comments on whether it should adopt a select group of measurements and standards for evaluating incumbent local exchange carrier (ILEC) performance in the provisioning of facilities that are used by their carrier customers to compete for end user customers. The FCC offered for comment in particular performance measurements and standards that apply to the key aspects of preordering, ordering, provisioning, and maintaining those facilities and services that are critically important to ensuring that CLECs can enter the market for local exchange services. The Commission supports the FCC efforts to establish national service quality standards for selected services offered by ILECs and CLECs that rely on their services, with the caveat that states must be able to make adjustments to those standards as needed, to take into account local circumstances. Under ORS 759.450, Staff reviewed similar "wholesale service quality rules" in Docket AR 324. The AR 324 investigation is Staff's commitment to continue high quality service to consumers. The Commission's retail rules are strong, according to Staff, and protect the end customer.

Staff believes that Qwest's Section 271 package and the Verizon FCC plan will provide the necessary oversight and penalty functions for the provision of wholesale service. The FCC's service quality rulemaking docket is still under consideration. Staff anticipates that the FCC docket will provide helpful guidance for the similar service quality issues under consideration in AR 324.

On May 3, 2002, Staff sent the active parties in AR 324 a letter asking for their input concerning the further processing of this docket. Staff was told the following parties do not oppose this motion to close the docket: AT&T Communications of the Pacific Northwest, Inc.; Integra Telecom of Oregon, Inc.; MCI-WorldCom Communications, Inc.; Monroe Telephone Company; Qwest; Sprint/United Telephone Company of the Northwest; and Verizon. No party responded in favor of continuing with the docket.

No party responded to Staff's motion and the time for response is past. We conclude that Staff's motion should be granted and the docket closed.

ORDER

IT IS ORDERED that the docket AR 324 is closed.

Made, entered, and effective \_\_\_\_\_.

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**Roy Hemmingway**  
Chairman

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**Lee Beyer**  
Commissioner

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**Joan H. Smith**  
Commissioner

A party may request rehearing or reconsideration of this order pursuant to 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 860-014-0095. A copy of any such request must also be served on each party to the proceeding as provided by OAR 860-013-0070(2). A party may appeal this order to a court pursuant to applicable law.