

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1334

In the Matter of)	
)	ORDER
OREGON TELECOMMUNICATIONS)	
ASSOCIATION)	
)	
Petition for exemption from certain service)	
quality reporting requirements.)	

DISPOSITION: PETITION GRANTED

At its Public Meeting on September 20, 2007, the Public Utility Commission of Oregon (Commission) adopted Staff's recommendation to grant Oregon Telecommunications Association's petition requesting an exemption from the monthly service quality reporting requirements (SQR) of OAR 860-034-0390(16), on behalf of its service quality reporting members: Cascade Utilities, Inc., Malheur Home Telephone, Mt. Angel Telephone, Nehalem Telecommunications, Inc., Oregon Telephone Corporation and People's Telephone, hereafter the Small Telecommunications Utilities (STU). OAR 860-034-0390(16)(d) authorizes the Commission to grant an exemption from the SQR for any STU who meets or exceeds the service quality standards for the twelve successive months immediately preceding the filing of the petition.

Staff's recommendation is attached as Appendix A and is incorporated by reference.

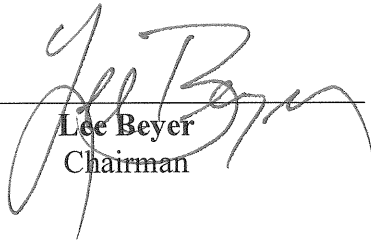
ORDER

IT IS ORDERED that:

1. Oregon Telecommunications Association's petition for exemption of service quality reporting requirements is granted.

2. The Public Utility Commission of Oregon reserves the right to revoke the exemption should a staff investigation reveal poor network performance on the part of any service quality reporting member.


Made, entered, and effective SEP 26 2007.



Lee Beyer
Chairman



John Savage
Commissioner



Ray Baum
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 by filing a petition for review with the Court of Appeals in compliance with ORS 183.480-183.484.

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: September 20, 2007

REGULAR X CONSENT _____ EFFECTIVE DATE _____ N/A _____

DATE: September 10, 2007

TO: Public Utility Commission

FROM: Rick Carter *RAC*

THROUGH: *in* Lee Sparling, *CV for* Dave Booth and Dave Sloan *MS*

SUBJECT: OREGON TELECOMMUNICATIONS ASSOCIATION:
(Docket No. UM 1334) Petition for exemption of service quality reporting requirements.

STAFF RECOMMENDATION:

Staff recommends the Commission grant the petition for exemption from certain service quality reporting requirements filed by the Oregon Telecommunications Association (OTA) on behalf of its service quality reporting members: Cascade Utilities, Inc., Malheur Home Telephone, Mt. Angel Telephone, Nehalem Telecommunications, Inc., Oregon Telephone Corporation and People's Telephone, hereafter the Small Telecommunications Utilities (STU), but expressly reserve the authority to revoke the exemption for cause as further explained in this staff memo.

DISCUSSION:

On August 3, 2007, the OTA, on behalf of the STU who submit monthly service quality reports, filed a petition pursuant to OAR 860-034-0390(16) requesting exemption from the rule's monthly service quality reporting requirement (SQR).¹ Each of the STU qualify as small telecommunications utilities under ORS 759.040.

In 2005, staff initiated Docket AR 492² to update and modify the service quality rules found in OAR 860-023-0055, 860-032-0012 and 860-034-0390, as applied to: Large Telecommunications Utilities, Competitive Telecommunications Providers, and STU, respectively.

¹ SQRs are routinely posted to the Commission's website. The website, and specific STU service quality information page, can be found at: <http://www.puc.state.or.us/PUC/telecom/squality/small/index.shtml>

² Order 05-1260 was signed 12/21/2005.

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These rules govern reporting requirements, service standards, service objective levels, and the retention of records for quality of service performance indicators. Importantly, OAR 860-034-0390(16)(d) authorizes the Commission to grant an exemption from the SQR reporting requirements for any STU who meets or exceeds the service quality standards for the twelve successive months immediately preceding the filing of the petition.

Staff notes that granting an exemption request under the rule does not vacate the STU's continuing requirement to measure service quality metrics, gather information and retain a complete record of service quality data. The STU's request, if granted, would only exempt the STU from submitting the SQR to the Commission on a monthly basis.

SERVICE QUALITY REPORTING EXEMPTION REQUIREMENTS MET:

Staff has reviewed the petition and concludes that the STU have met or exceeded the service quality objectives within the study period of July 2006 to June 2007 as required by OAR 860-034-0390(16)(d).

All STU have achieved the objective service levels found in OAR 860-034-0390(4)-(7):

- OAR 860-034-0390(4)- Provisioning, Held Orders and Held Orders over 30 days, Due to Lack of Facilities,
- OAR 860-034-0390(5)- Trouble Reports,
- OAR 860-034-0390(6)- Repair Clearing Time, and
- OAR 860-034-0390(7)- Blocked Calls.³

Additionally, staff has reviewed Consumer Services Division's complaint archive for each of the STU and found no complaints relating to service quality or any of a network performance issue nature within the study period. Staff further notes that the STU are exempt from OAR 860-034-0390(8)-"Access to Representative in the Sales (Business) Office and Repair Centers."

³ The Blocking report does not appear on the SQR posted to the OPUC website. Respondents are only required to submit data when they fail to meet the threshold of greater than 1% blocking in the final trunk group, during the normal busy hour.

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POTENTIAL REPORTING RESUMPTION CONDITIONS

In the Order granting the petition staff recommends the Commission include a statement that it may revoke the exemption if a staff investigation shows poor STU network performance.⁴ Staff, with Commission authorization, would initiate such an inquiry on the basis of, but not limited to, the following network performance concerns.

- The filing of complaints, by existing service patrons or potential subscribers, lodged with the Commission's Consumer Services Division, against a specific STU regarding:
 - Service Denial: Due to Lack of Network Facilities (Held Orders and Held Orders over 30 Days, Due to Lack of Facilities),
 - Multiple Network Trouble Reports (resulting from a single cause or equipment failure on a repetitive basis), Repeat Trouble Reports, or a significant volume of Trouble Report complaints centered in one exchange or wire center, or both, which can be analyzed and calculated to be above the service quality standard based on the wire center size and the appropriate objective service level⁵ (Trouble Report Rate),
 - Lack of Responsiveness to Service Concerns, delayed service interruption resolution (Trouble Reports Cleared within 48 hours),
 - A Company's inability to meet its Service Commitments, due to, but not limited to, a lack of workforce (Commitments Met/Provisioning).
- Complaint(s) lodged by connecting Carrier(s), alleging a Small Telecom Utility is at fault in its network management of traffic volumes resulting in intermittent or repetitive Blocking incidents, or both.

⁴ 860-034-0380, "Maintenance of Plant and Equipment by Small Telecommunications Utilities: Each small telecommunications utility shall have and maintain its entire plant and system in such condition that it will furnish safe, adequate, and reasonably continuous service. Each small telecommunications utility shall inspect its plant distribution system and facilities in such manner and with such frequency as may be needed to ensure a reasonably complete knowledge about their condition and adequacy at all times. The small telecommunications utility shall keep such records of the conditions found as the utility considers necessary to properly maintain its system, unless in special cases the Commission requires a more complete record."

⁵ OAR 860-034-0390(5)(b), Objective Service Level: A small telecommunications utility must maintain service so that the monthly trouble report rate, after approved trouble report exclusions, does not exceed: (A) For wire centers with more than 1,000 access lines: two per 100 working access lines per wire center more than three times during a sliding 12-month period... (B) For wire centers with 1,000 or less access lines: three per 100 working access lines per wire center more than three times during a sliding 12-month period.

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The examples illustrated above, or other service anomalies brought to the Commission's attention, would have to be contributing factors within reasonable control of the STU, readily identifiable, confirmed and quantified through data gathering and field analysis, as deemed appropriate. Additionally, staff recommends that the Commission not initiate any STU investigation for the purpose of resuming service quality reporting, based on billing issues or claims that an account is in arrears for non-payment, which could include a disconnection or termination of a customer's service.

PROPOSED COMMISSION MOTION:

OTA's petition, on behalf of the STU listed above, for exemption from submitting monthly service quality reporting requirements be approved with the caveat that the Commission may revoke the exemption for poor STU network performance.

OTA for the Small Telecom Utilities –Service Quality Report (SQR) Reporting Exemption