ORDER NO. 26-264

ENTERED Jul 21 2026

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 2399

In the Matter of LUMEN TECHNOLOGIES, INC., Service Quality Performance Plan	ORDER

DISPOSITION: STAFF'S RECOMMENDATION ADOPTED

At its public meeting on July 21, 2026, the Public Utility Commission of Oregon adopted Staff's recommendation in this matter. The Staff Report with the recommendation is attached as Appendix A.

BY THE COMMISSION:

Alison Lackey
Chief Administrative Law Judge

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.

ITEM NO. CA7

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: July 21, 2026

REGULAR ____ **CONSENT** __X__ **EFFECTIVE DATE** __________N/A__________

DATE: July 14, 2026

TO: Public Utility Commission

FROM: Joseph Bartholomew

THROUGH: Russell Beitzel and Nolan Moser **SIGNED**

SUBJECT: OREGON PUBLIC UTILITY COMMISSION STAFF:
(Docket No. UM 2399)
Lumen Service Quality Performance Plan Update and Recommendation.

STAFF RECOMMENDATION:

Staff recommends that Oregon Public Utility Commission (Commission) extend the review period for the previously approved performance plan of Lumen Technologies Inc., dba Century Link (Lumen or Company) for an additional six months.

DISCUSSION:

Issue

Whether the Commission should extend Lumen's Performance Plan (Plan) an additional six months to bring specific retail service quality metrics into compliance.

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."

The Commission establishes minimum service quality standards to ensure safe and adequate services for all telecommunications carriers pursuant to ORS 759.450. Section (5) of this statute requires the Commission to direct a telecommunications carrier that is not meeting minimum service quality standards to submit a plan for improving performance to meet the standards. OAR 860-034-0390 provides the statutorily required service quality standards for small telecommunications utilities.

In Order No. 25-216, the Commission required Lumen to submit a service quality performance plan to meet the minimum service quality standards, which was approved in Order No. 25-372.

Analysis

Background

At the September 16, 2025 Public Meeting, the Oregon Public Utility Commission approved Lumen Technologies' Service Quality Performance Plan.[1]

According to the Company, Lumen has been experiencing challenges meeting the 48 hour Trouble Report Clearing Time (RCT) standard due to several factors. First, Lumen's Oregon ILEC customer base has dropped dramatically since the monopoly era. The Company now provides only approximately 2.36 percent of all voice subscriptions in Oregon, reducing the density of customers served per technician and substantially increasing per-repair drive times across the Company's expansive service territory. Second, a surge in copper cable theft and vandalism, which reached crisis proportions in early 2025 (with nearly as many theft incidents occurring in just January and February of 2025 as in all of 2023), created outage volumes comparable to a natural disaster. Third, ongoing workforce recruitment challenges, particularly in rural areas, constrained the Company's ability to staff repair operations at levels adequate to meet the 48-hour window with consistency.

On June 11, 2025, the Commission, acting pursuant to ORS 759.450(5), issued Order No. 25-216 directing Lumen to submit a service quality performance plan within 45 days to address its lagging RCT compliance. Lumen filed its plan on July 25, 2025, in Docket No. UM 2399. On September 18, 2025, the Commission issued Order No. 25-372, adopting Staff's recommendation to approve the plan and establishing a formal review period from October 1, 2025 through March 31, 2026, with final reporting due no later than May 15, 2026.

Summary of the Plan

Lumen's approved Plan set forth a seven-step strategy designed to drive measurable improvement in RCT compliance within six months of implementation. All seven initiatives were launched concurrently. Each initiative is briefly summarized below, followed by a description of the progress Lumen has made in implementing that

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[1] *In re Lumen Technologies, Service Quality Performance Plan,* Docket No. UM 2399, Order No. 25-372 (Sept. 18, 2025).

initiative. Lumen submitted an update to the Plan on May 15, 2026, and reported following are the results:

Step 1. Increase Efforts to Identify and Record Theft, Vandalism, and Force Majure Events:

The Plan committed Lumen to strengthening early detection of theft, vandalism, and force majeure events through advanced monitoring technology, improved incident logging in trouble ticket systems, and enhanced coordination with law enforcement. The goal was both to allocate repair resources more effectively and to enable accurate categorization of outages that are beyond the Company's control for regulatory reporting purposes.

Update:

Lumen has successfully implemented the principal elements of this step, including the installation of surveillance and intrusion-detection equipment at high-risk infrastructure sites, updated trouble ticket coding protocols to flag theft and force majeure events as distinct categories, and strengthened coordination with local law enforcement agencies. These measures have improved the Company's ability to respond rapidly to externally caused outages and to accurately report and document events that qualify for regulatory exclusion.

Step 2. Rural and Outstate Standby Technicians and Late-Day Ticket Escalation:

The Plan committed Lumen to adding five standby technicians distributed across rural Oregon by October 1, 2025, and to implementing a formal escalation protocol for trouble tickets received late in the business day in rural markets. The objective was to prevent after-hours and weekend tickets from carrying over into the next business day and exceeding the 48-hour window.

Update:

Lumen has successfully reallocated technicians through an on-call standby rotation plan in rural and outstate service areas, and the formal late-day ticket escalation protocol is operational across applicable rural markets. Supervisory review of late-arriving tickets is now standard practice, and the Company has observed meaningful reductions in overnight ticket carryover in these areas.

Step 3. Increase Staffing Levels in Large Markets:

The Plan committed Lumen to an aggressive recruitment and hiring campaign targeting the Portland, Salem, Eugene, and Medford metropolitan areas, with a goal of adding ten new field technicians through a combination of direct hiring and contractor retention. New hires were to be paired with experienced mentors and deployed to historically high-trouble-report areas.

Update:

Lumen has made progress toward this commitment. Job postings for field technician positions were live across Lumen's career platform beginning in July 2025, and the Company has successfully hired and onboarded additional technicians in the Burns, John Day, Depoe Bay, Lincoln City, and Hood River locations. Contracted technician resources were also deployed to actively clear repair tickets in areas in and around Portland.

Step 4. Six-Day Service Coverage with Saturday Shifts in Key Markets:

The Plan committed Lumen to adding Saturday work shifts in Salem, Eugene, Bend, and Medford, with 30 to 50 percent of each market's workforce deployed each Saturday on a rotating basis. The purpose was to prevent Friday trouble reports from going unaddressed until Monday and to address new outages arising over the weekend.

Update:

Saturday shifts are now fully operational in all four target markets. Rotating technician schedules have been established and are being actively managed to ensure adequate weekend coverage while respecting workforce rest and fatigue requirements. The addition of Saturday service has measurably reduced the volume of tickets that carry over the weekend, directly contributing to improved RCT compliance in these markets.

Step 5. Expanded Voluntary Overtime and Sunday Repair Crews:

The Plan committed Lumen to allow technicians to voluntarily work beyond 55 hours per week on Plain Old Telephone Service ("POTS") repair tasks, at double-time pay for hours beyond 55, and to offering optional Sunday repair shifts at time-and-a-half. Contractor resources were identified as a backstop to ensure coverage without overburdening employees.

Update:

The voluntary extended overtime and Sunday repair programs are active. A meaningful number of technicians have participated in overtime opportunities, particularly during high-volume periods and following surge events. The Company has also utilized contractor resources to fill weekend coverage gaps.

Step 6. Air-Line V1600 LTE-to-Analog Phone Adapter Deployment:

The Plan committed Lumen to piloting the Air-Line V1600 LTE-based analog phone adapter in Q3 2025 and scaling deployment through Q4 2025, with all technicians trained on installation by end of calendar year 2025. The device allows Lumen to restore analog voice service at the customer's premises using the LTE cellular network, bypassing damaged or chronically problematic copper infrastructure and enabling same-day service restoration in appropriate cases.

Update:

The Air-Line V1600 pilot launched as planned in Q3 2025, and training across Oregon's field technician workforce was completed in Q4 2025. While full-scale deployment for standard troubleshooting workflow for copper-line repair situations where cable damage, theft, or chronic infrastructure issues would otherwise prevent timely restoration is a work in progress, there are 64 current Air-Line V1600 deployments in Oregon, and that number is expected to grow. Lumen has deployed units to trouble-prone lines and has documented multiple instances in which Air-Line deployment allowed the Company to clear a trouble ticket within the 48-hour window that would otherwise have exceeded it. Lumen has partnered with AARP's Older Adults Technology Services ("OATS") program to deliver targeted outreach and training in Oregon, introducing the Air-Line V1600 to older demographic populations that have historically demonstrated reluctance to adopt new technologies. This initiative is designed to address adoption barriers, build consumer confidence, and ultimately improve take rates by facilitating a smoother transition to the new platform.

Step 7. Prioritize Service Repair over New POTS Installations:

The Plan committed Lumen to formally reprioritizing field technician workload by directing that restoration of out-of-service customers take precedence over new POTS line installations whenever jeopardy of exceeding the 48-hour window exists. Dispatch protocols were updated to reflect this priority, and some installation-focused technicians were cross-trained and temporarily shifted to the repair team.

Update:

The repair-over-installation prioritization policy is in effect Company-wide. Dispatch systems have been updated to flag tickets approaching the 48-hour threshold and to redirect available technicians from installation tasks accordingly. The policy has directly increased the Company's available technician hours for repair activity and has contributed to improved ticket clearance rates, particularly during high-volume periods.

Statewide Performance Results[2]
The following table represents Lumen's statewide RCT performance data over the course of the Performance Plan, which is from October 2025 to March 2026, which is the final month of the Commission-established six month review period:

METRIC	6 MONTH AVG	MAR-2026	FEB-2026	JAN-2026	DEC-2025	NOV-2025	OCT-2025
Statewide RCT 48	[75.4%] 5,083 / 6,740	[85.6%] 754 / 881	[82.0%] 866 / 1,056	[68.3%] 918 / 1,344	[69.5%] 924 / 1,330	[74.6%] 816 / 1,094	[77.8%] 805 / 1,035

Staff's analysis of this report is that Lumen has improved over the course of the six month Performance Plan for the RCT. They have also improved the RCT for the rolling 12-months. At the beginning of April 2025, the Company's RCT was 46.6 percent and as of March 2026, the Company's RCT is 85.6 percent, a 39-percentage point increase over the rolling 12-months and a 7.8 percentage point increase over the course of the Performance Plane, as seen in the table above.

Protected Customer Performance Result
The following table represents Lumen's Protected Customer Class RCT performance data for the March 2026 reporting month, which is the final month of the Commission-established six month review period.

METRIC	6 MONTH AVG	MAR-2026	FEB-2026	JAN-2026	DEC-2025	NOV-2025	OCT-2025
Protected Cx RCT 48	[45.9%] 39 / 85	[66.7%] 4 / 6	[66.7%] 10 / 15	[44.4%] 12 / 27	[22.2%] 2 / 9	[37.5%] 3 / 8	[40.0%] 8 / 20

Staff's analysis of this report is that Lumen has had a slight improvement over the course of the six month Performance Plan for the Protected Customer RCT. They have also slightly improved the Protected Customer RCT for the rolling 12-months. At the beginning of April 2025, the Company's RCT for Protected Customers was 45.7 percent and as of March 2026, the Company's RCT is 45.9 percent, a 0.2 percentage point

2 These results also include the protected customer class which has its own results shown below.

increase over the rolling 12-months and a 5.9 percentage points increase over the course of the Performance Plane, as seen in the table above. Although these results are not as good as the statewide RCT shown above, Staff is confident that if the Commission were to extend the performance plan for another six months, these numbers would improve by a larger margin than the current 12-month rolling average is showing.

April and May 2026 RCT Exception
Although April and May are not part of the six month Plan, Lumen has informed Staff in its compliance filing that there was a short-term operational development that may affect the RCT metrics for these two months. Lumen states in its filing "CenturyLink's field operations leadership wishes to flag a short-term operational development that may affect the Company's RCT performance results for the months of April and May 2026. At the end of April and into early May 2026, the field operations team made the difficult but necessary decision to temporarily redirect a portion of its technician workforce from individual repair ticket activity to address deferred cable maintenance projects. These infrastructure maintenance obligations had accumulated over a period of time and posed a meaningful risk of more widespread, multi-customer outages if left unaddressed. The field operations team concluded that conducting the necessary cable maintenance proactively was preferable to the alternative of allowing network conditions to deteriorate to the point of larger-scale service disruptions, which would have produced far greater RCT compliance impacts across a larger number of customers. As a result of this workforce reallocation, the individual monthly RCT results for April and May 2026 may be modestly lower than the March 2026 figures reflected in the tables above. The Company does not anticipate that any such reduction will be severe, and the field operations team reports that it expects to finish May 2026 strongly and to return to the trajectory of further improvement in June 2026 and beyond. CenturyLink will continue to monitor its performance closely and will discuss any meaningful developments with Staff and CUB during its scheduled monthly meetings.

Due to the re-allocation of the resources the Company has asked that the Commission start the six month Plan period on August 1, 2026. Staff agrees that the additional six month Plan should begin on August 1, 2026 and concluding on January 31, 2027, with updated reporting submitted on or before March 15, 2027.

<u>Conclusion</u>

Staff will continue to monitor Lumen's Service Quality Reports for improvements as the company progresses in its addition six month plan.

PROPOSED COMMISSION MOTION:

Require Lumen to continue for an additional six month Plan starting August 1, 2026, concluding January 31, 2027 and reporting their service quality metrics to the Commission on or before March 15, 2027.

CA7 - Staff update and recommendations for UM 2399.