

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska) Application No. C-1097
Public Service Commission on)
its own motion for the)
general supervision of the)
progress of US West Commun-)
ications, Inc.'s plan to)
improve service to its)
Nebraska customers.)

In the Matter of the Nebraska) Application No. C-2483/PI-43
Public Service Commission, on)
its own motion, to re-examine) ORDER CLOSING DOCKET AND ORDER
its retail quality of service) OPENING INVESTIGATORY DOCKET
standards for all local) AND SEEKING COMMENT
exchange carriers operating)
within the state of Nebraska.) Entered: March 6, 2001

BY THE COMMISSION:

Qwest Corporation, formerly known as US West Communications, Inc. is a common carrier operating in Nebraska pursuant to Nebraska Revised Statutes Chapter 75, Article 6 and Chapter 86, Article 8. Accordingly, the operations of Qwest, including the quality of service it provides, are regulated by the Nebraska Public Service Commission (Commission). Through the telecommunication rules promulgated by the Commission in 1990, at Neb. Admin. R & Reg. tit. 291, ch. 5, section 002.02 to 002.13, the Commission imposes fixed quality of service objectives applicable to local exchange carriers.

In 1994, the Commission received a large number of complaints from customers in the US West service area regarding held orders and delayed repairs. On July 21, 1994, the Commission sent an informal letter to US West, requesting an explanation of why the Commission received an increasing number of service complaints from customers in US West exchanges. Pursuant to this request, US West provided the Commission with a detailed response outlining its objectives and internal company changes which were aimed at improving its service and repair deficiencies. On August 16, 1994, the Commission opened C-1097, to investigate and monitor the quality of service provided by US West Communications Inc. n/k/a Qwest Corporation, (Qwest) to its Nebraska customers. We ordered Qwest to file monthly reports to enable us to monitor its quality of service. Since 1994, Qwest has been filing monthly reports with the Commission. The monthly reports include data regarding Qwest's

speed-of-answer for both business and residential customers, repair speed-of-answer for business and residential customers, DA and toll speed-of-answer, service order intervals, provisioning commitments met or dispatched, out-of-service problems cleared in less than 24 hours and held orders. The Commission and Qwest representatives have met regularly to discuss improvements and shortfalls of Qwest meeting service objectives.

O P I N I O N S A N D F I N D I N G S

Docket No. C-1097 was opened in an environment where no choice for alternative local exchange telecommunications providers existed. Since the federal Telecommunications Act of 1996 (the Act), this environment has been changing. Without a doubt, a number of our retail service quality standards are still needed in the post-Act environment to ensure that all consumers are protected. However, the Commission's rules and regulations setting the quality of service standards have not been reviewed since 1990. Because of changes in the marketplace and technological advancements since then, we believe there may be some service quality standards that should be added, and that some of our current rules should be modified or deleted.

Neb. Rev. Stat. § 86-803(7) (Reissue 1999) provides that the Commission retains quality of service regulation over services provided by telecommunications carriers. The Act provides that, "nothing... shall affect the ability of a State to impose, on a competitively neutral basis...requirements necessary to...ensure the continued quality of telecommunications services, and safeguard the rights of consumers."¹

In past proceedings, we have found it appropriate to implement guidelines to protect consumers pending the opening of the local telecommunications market to competition. For example, in a 1996 progression order, we identified several issues and developed a distinct set of guidelines for carriers to follow. The first of which provided that "[c]onsumers should receive better service at competitive prices and have an increased choice of telecommunications providers..."² Likewise, other states have

¹ 47 U.S.C. § 253(b).

² In the Matter of the Application of the Nebraska Public Service Commission on its own motion to conduct an investigation into the effects of local competition on the telecommunications industry in Nebraska, PROGRESSION ORDER, Application No. C-1128, (Entered: July 2, 1996) at 2.

implemented proclamations (also referred to as a consumer bill of rights) aimed at protecting consumers against service quality deterioration.³

According to a 1998 survey published by the National Regulatory Research Institute (NRRI), approximately 26 states have proposed service quality revisions since July 1995.⁴ During the five years since the Act was adopted, a growing number of states have found it necessary to implement rules to strengthen service quality benchmarks and reporting requirements of telecommunications carriers.⁵

Although we have quality of service standards already in place, we wish to adopt a more uniform mechanism to monitor the level of service quality that customers receive from all certificated local exchange carriers. We further believe that the post-Act environment calls for statewide monitoring of retail service quality. We find it is in the public interest to ensure that our quality of service rules are 1) applicable and relevant to all incumbent local exchange carriers (ILECs) and competitive local exchange carriers (CLECs) and 2) that they establish minimum service benchmarks consistent with the needs of Nebraska consumers. Therefore, we find that our current retail service quality standards should be reviewed and where appropriate supplemented, revised or deleted pursuant to a future rule and regulation docket.

With respect to C-1097 which was opened to monitor retail service quality of Qwest, we note that Qwest, in August, 2000, began filing Nebraska-specific performance results with the Commission monthly for Section 271 purposes. The information

³ See e.g., Bob Rowe, Commissioner, Montana Public Service Commission *Telecommunications Customers' Bill of Rights, A Proposal for Discussion*, Spring 1996; See also, Vermont Department of Public Service, Investigation into Service Quality Standards Privacy Protections, and other Consumer Safeguards for Retail Telecommunications Service, Docket No. 5903, POSITION PAPER, (Entered: April 4, 1997).

⁴ National Regulatory Research Institute, *Recent Developments in Telecommunications Service Quality Regulation* (Columbus, OH: National Regulatory Research Institute, 1998). The full results of the survey are available on the NRRI's Internet site at <http://www.nrri.ohio-state.edu> under State Surveys and Information.

⁵ Id.; See also, Vermont Department of Public Service, Investigation into Service Quality Standards Privacy Protections, and other Consumer Safeguards for Retail Telecommunications Service, Docket No. 5903 (Entered: July 31, 1996).

provided in these reports includes substantially all of the service data currently required by the Commission in C-1097. Inasmuch as these Section 271 monthly Qwest performance reports are required to be submitted to the Commission, we find the monthly reporting requirement in C-1097 is duplicative and redundant. Accordingly, Qwest does not need to continue filing reports in the manner established in C-1097. However, should we find the need to request service reports from Qwest in the future, additional reporting may be required upon order of the Commission.

We conclude, therefore, that because we are opening the above-captioned investigatory docket and because Qwest is currently filing performance results which the Commission will monitor on a monthly basis, C-1097 serves no further purpose and should be closed. Concurrently with the closing of C-1097, we open the above-captioned investigatory docket to explore current service quality issues and make general findings applicable to local exchange carriers including, but not limited to, Qwest.

Initially, the Commission seeks comment from all interested parties on the following questions:

1. What quality of service standards should be amended, added or deleted from the Commission's current Telecommunication Rules and Regulations?
2. What standards, if any, need to be better defined in the Commission's rules and regulations?
3. What quality of service standards are necessary in light of today's technologically advancing and transitional telecommunications marketplace?
4. Should the Commission impose a fixed reporting requirement on all incumbent local exchange carriers (ILECs) and competitive local exchange carriers (CLECs)? If not, which carriers should be required to report to the Commission and how often? What information should be included in reports filed by LECs?
5. Should there be separate quality of service standards for ILECs and CLECs? Should there be separate quality of service standards for the larger LECs? If different standards are adopted for larger LECs, how should the standards differ?

How should we distinguish between larger versus smaller LECs? Further, if the Commission made this distinction, would there be a problem with asymmetrical treatment?

6. Should the Commission require carriers to report only when the carrier's service records indicate that one or more of the Commission's quality of service standards have not been met for a certain period of time? If so, then what should trigger this reporting requirement?
7. In cases where a subscriber's service is out for a designated period of time, should the Commission require LECs to issue different credit amounts based on the type of service offered? What about imposing different credit requirements for residential versus business service?
8. What should the responsibilities of resellers of local exchange service be? How should the standards with respect to resellers differ, if at all, from those established for facilities-based carriers?
9. The Commission desires to review billing practices followed by all carriers; therefore, the Commission solicits comments on all appropriate billing standards.
10. The Commission intends to review standards with respect to directory assistance (DA), therefore we also seek comments on appropriate DA standards.

Interested parties are invited to submit comments on any or all of the aforementioned questions and issues. Commenters are invited to propose specific rule and regulation language for consideration. Initial comments should be filed no later than April 6, 2001. More than one round of comments may be necessary.

Upon completion of this inquiry and after a hearing on these issues, we may thereafter open a rule and regulation docket if necessary to propose rule changes based on tentative findings and conclusions reached herein. We remind all carriers that our current quality of service rules and regulations remain intact until formally changed in a rule and regulation proceeding.

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Moreover, this order closing the present docket does not reflect an opinion that Qwest is satisfying all service quality standards. Rather, it merely reflects the Commission's intent to examine all standards and ensure that they apply to all local exchange carriers.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that for the reasons described herein, Docket No. C-1097 shall be, and it is hereby, closed.

IT IS FURTHER ORDERED that the above-captioned investigation docket be opened so that the Commission can re-examine its retail quality of service rules and regulations.

IT IS FURTHER ORDERED that interested parties may file comments in the above-captioned docket no later than April 6, 2001. Parties filing comments shall submit five paper copies and one electronic copy in WordPerfect format 5.0 or later.

MADE AND ENTERED at Lincoln, Nebraska this 6th day of March, 2001.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Francis Johnson

Anne C. Boyle

Paul Johnson

//s//Frank E. Landis
//s//Daniel G. Urwiller

Frank J. Sander
Chairman

ATTEST:

Shirley S. Pollen
Executive Director