

ORIGINAL

NEW APPLICATION



0000166960

BEFORE THE ARIZONA CORPORATION COMMISSION

RECEIVED

2015 NOV 17 P 4: 01

SUSAN BITTER SMITH

Chairman

BOB STUMP

Commissioner

BOB BURNS

Commissioner

DOUG LITTLE

Commissioner

TOM FORESE

Commissioner

Arizona Corporation Commission

DOCKETED

AZ CORP COMMISSION
DOCKET CONTROL

NOV 17 2015

DOCKETED BY

T-01051B-15-0391

T-03214A-15-0391

IN THE MATTER OF THE JOINT
APPLICATION OF QWEST CORPORATION
D/B/A CENTURYLINK QC AND CITIZENS
TELECOMMUNICATIONS COMPANY OF THE
WHITE MOUNTAINS, INC. D/B/A FRONTIER
COMMUNICATIONS OF THE WHITE
MOUNTAINS FOR CENTURYLINK TO
DISCONTINUE INTRALATA TOLL SERVICE
TO THE LOCAL EXCHANGE CUSTOMERS OF
FRONTIER COMMUNICATIONS OF THE
WHITE MOUNTAINS

DOCKET NOS. T-01051B-15-
T-03214A-15-

APPLICATION, REQUEST FOR
WAIVER OF PUBLICATION
REQUIREMENT, AND REQUEST FOR
WAIVER OF A.A.C. R-14-2-1901 ET SEQ.

Application

1. Qwest Corporation d/b/a CenturyLink QC ("CenturyLink") and Citizens
Telecommunications of the White Mountains, Inc. d/b/a Frontier Communications of the White
Mountains ("Frontier") jointly file this Application under Arizona Administrative Code R14-2-1107
("Rule 1107") to authorize CenturyLink to discontinue intraLATA interexchange toll service (also
referred to herein as "local long distance service") to local exchange service end users of Frontier in
Arizona, to the extent the Arizona Corporation Commission ("Commission") may determine that
Rule 1107 applies to the circumstances described below. This Application is specifically limited to the
aforementioned category of end users. CenturyLink does not intend to abandon its authorization to
provide local exchange or local long distance telecommunications services in the State of Arizona.

1 2. CenturyLink has provided telecommunications services in Arizona since before
2 statehood, by and through its predecessors in interest. Those predecessors were part of the American
3 Telephone and Telegraph (AT&T) family of companies until the break-up of AT&T in 1984.
4 Throughout most of the twentieth century, local exchange carriers such as Frontier (then known as
5 “independent LECs”) did not offer long distance service. End users in the service area of the
6 independents were connected to AT&T for long distance calls, and to CenturyLink for intrastate long
7 distance calls, by default. Eventually, however, independent LECs established their own interexchange
8 services, and under equal access rules promulgated by the Commission, other long distance providers
9 began to provide service to customers of the independent LECs. Some end users selected Frontier’s
10 long distance company or some other company for all interLATA 1+/0+ toll calls, but did not change
11 their designation of CenturyLink as the provider of intraLATA 1+/0+ toll calls. Currently, there are 309
12 Frontier end users for whom CenturyLink is designated as the local long distance provider.

13 3. The aforementioned Frontier end users are the only remaining non-CenturyLink local
14 exchange customers in Arizona for whom the Applicant is designated as the local long distance
15 provider. The other independent LECs whose customers defaulted to CenturyLink for local long
16 distance arranged to discontinue the default designation long ago.¹

17 4. In support of its Application under Rule 1107, the Applicants state:

18 A. While the default designation of CenturyLink for local long distance service was once
19 necessary, practical, and in the public interest given the monopoly environment of the time, now it is
20 anachronistic and not necessary to promote the public interest.

21
22
23 ¹ Prior to the Amended Final Rulemaking in 2004, the Rule 1107 requirement for a carrier to file an
24 application for authorization to discontinue service applied only to local exchange service.
25 Discontinuation of interexchange service was added in the final rule. The last time CenturyLink exited
as the local long distance provider with Arizona independent LECs was with Midvale, Copper Valley
and Table Top Telephone Companies in 2000.

1 B. CenturyLink's local long distance service is accomplished by a switched access
2 arrangement with Frontier which has become less common, and which requires more manual work
3 involved in reconciling the access charges, toll charges, billing and collection charges, and cross
4 remittances, for a decreasing number of defaulted customers. Both CenturyLink and Frontier will
5 experience improved efficiencies by CenturyLink's exit from this small segment of the interexchange
6 market.

7 C. CenturyLink does not hold any customer deposits from these intraLATA toll customers,
8 who are Frontier's end user customers.

9 D. The Commission's website shows that there are 25 interexchange carriers certificated to
10 provide service in Arizona; that list of carriers is incorporated herein by reference. Those entities are
11 capable of providing interexchange service to Frontier end users.

12 E. CenturyLink and Frontier propose that all affected end user customers shall be notified of
13 the proposed discontinuance of service by means of a letter from Frontier, the carrier which sends the
14 end users the bills for the local long distance service provided by CenturyLink. That letter will also
15 explain that the affected customers will have access to alternative interexchange service providers. A
16 copy of the form of letter proposed to be sent is attached, marked as Exhibit A.

17 5. The Applicants respectfully request that the Commission determine that Rule 1107 does
18 not pertain to these unique circumstances, because CenturyLink does not ask to discontinue providing
19 local long distance service to its local exchange customers, or to alter any of its services beyond the very
20 limited withdrawal from providing local long distance service to a small number of end users, as
21 described above. In the alternative, the Applicants ask the Commission to issue its order granting the
22 applicant authorization to discontinue local long distance service to its remaining Frontier end users.

23
24
25

1 **Request For Waiver Of Publication Requirement**

2 6. Should the Commission determine that A.A.C. R-14-2-1107 applies to the Applicants'
3 request to discontinue CenturyLink's local long distance service to a small number of end users of
4 Frontier local exchange service, the Applicants respectfully request a waiver of Rule 1107(B)
5 requirement that an applicant "shall publish legal notice of the application in all counties affected by the
6 application, describing with particularity the substance of the application."

7 7. There is good cause to waive the legal notice publication. There are a limited number of
8 customers affected, each of whom will directly receive a letter describing the substance of the
9 application. A draft of the letter proposed is attached, marked as Exhibit A to the Application. Direct
10 communication actually accomplishes notice more effectively and more economically than does legal
11 publication in newspapers of general circulation.

12
13 **Request For Determination That The "Slamming" Rules Do Not Apply, Or In The**

14 **Alternative, A Waiver Of The "Slamming" Rules**

15 8. Frontier proposes to inform affected end users of their options to select a replacement
16 carrier to provide local long distance service, from among the list of Commission-certificated providers.
17 Further, Frontier proposes to tell customers that in the event no alternative selection is made, Frontier
18 will assign the other long distance provider on the customer's account (the interLATA primary
19 interexchange carrier or "PIC" used for calling Tucson or out-of-state) as the local long distance
20 provider. The Applicants respectfully request that the Commission determine that the rule regarding
21 "Consumer Protection For Unauthorized Carrier Changes," R14-2-1901 et seq. (the "Slamming Rule"),
22 does not pertain to these unique circumstances, because the affected customers will be afforded the
23 opportunity to select the carrier to replace CenturyLink. In the alternative, the Applicants ask the
24 Commission to issue its order waiving the Slamming Rule to allow Frontier to process the transition of
25 end users from CenturyLink local long distance to an alternative provider if a new one is not selected by

1 the customer. Frontier notes that it will be necessary to temporarily lift any customer-requested carrier
2 designation freeze ("PIC freeze") for that limited, one-time purpose.

3 9. A determination that the Slamming Rule does not apply or shall be waived in these
4 circumstances is reasonable and in the public interest. First, Frontier is not forcing the end users to
5 become its customers for that type of calling. The end users are first given the opportunity to select
6 from among all certificated carriers. Second, should the end users neglect to make a selection within the
7 prescribed timeframe, Frontier's proposal would assign the same long distance carrier which the
8 customer has already selected for interLATA / interstate calling. The customers will be provided with a
9 toll-free number to call Frontier with their selection, and the normal tariffed charge for changing long
10 distance carriers will be waived for this project.²

11 10. Under this plan, if a customer is inattentive to the need to make a new carrier selection
12 for local long distance calling, Frontier's proposed automatic assignment of customers to their
13 interLATA PIC will enable the customer to continue to make local long distance calls.³

14 CONCLUSION

15 The Applicants request that the Commission approve CenturyLink's Application to discontinue
16 intraLATA interexchange toll service to local exchange service end users of Frontier in Arizona, and
17 Frontier's plan to process the transition of end users of CenturyLink to an alternative provider if a new
18 carrier is not selected by the customer, as described above. The public interest is served by this request,
19 and Rule 1107 including the publication of notice requirement should therefore be declared inapplicable
20
21

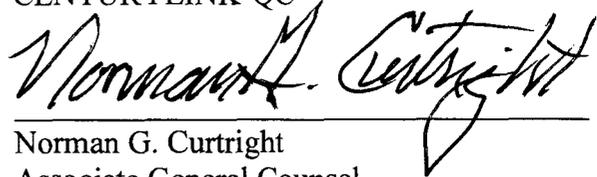
22 ² In lieu of charging end user customers for the PIC change, CenturyLink has agreed to pay Frontier
23 \$7.50 per customer to cover the costs it will incur for customer notification, PIC changes, and Customer
24 Service Representative time to receive and process orders.

25 ³ However, if a customer currently has blocked toll calling because no interLATA PIC has been
selected, Frontier will assign the same no PIC option for local long distance. In that circumstance the
customer will be required to contact Frontier and make a carrier selection before they can make local
long distance calls.

1 or the requirements thereof waived; and the "Slamming" rule should likewise be declared inapplicable
2 or the requirements thereof waived.

3 RESPECTFULLY SUBMITTED this 17th day of November, 2015.

4 QWEST CORPORATION d/b/a
5 CENTURYLINK-QC

6 

7 Norman G. Curtright
8 Associate General Counsel
9 20 E. Thomas Road, 1st Floor
10 Phoenix, Arizona 85012
11 Telephone: (602) 630-2187

12 CITIZENS TELECOMMUNICATIONS
13 COMPANY OF THE WHITE MOUNTAINS,
14 INC., d/b/a FRONTIER COMMUNICATIONS OF
15 THE WHITE MOUNTAINS

16 

17 R. Kirk Lee
18 Manager – Govt. & External Affairs
19 Frontier Communications
20 1800 41st Street, Suite N-100
21 Everett, WA 98203
22 (425) 261-5855
23 kirk.lee@ftr.com

24 ORIGINAL and thirteen (13) copies of the foregoing
25 filed this 17th day of November, 2015, with:

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

1 **COPIES** of the foregoing hand-delivered
this same day to:

2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Janice Alward
Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Thomas M. Broderick, Director
Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Lyn Farmer
Hearing Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Recd Return

EXHIBIT A

<Bill Name Line 1>
<Bill Address Line 1>
<Bill City>, < Bill State> < Bill Zip>

Re: Notice of CenturyLink's Intent to Discontinue Offering Local Long Distance Service

Dear Valued Customer:

This letter is being sent to you because we have been informed that your current local long distance carrier, Qwest Corporation, d/b/a CenturyLink QC, will be withdrawing as a local long distance provider for Frontier Communications of the White Mountains' local service customers, effective **DATE2**, 2016. Therefore, you must select another local long distance provider by **DATE1**, 2016.

CenturyLink is currently your selected provider of local long distance service which includes non-local calls from, for instance, your home or business to Phoenix or Flagstaff. Effective **DATE2**, CenturyLink will no longer be a service provider for local long distance calling.

This change does not affect your Local Service provided by Frontier, or your selected long distance carrier that provides calling to southeastern localities within Arizona (for example, calls to Tucson), or out-of-state calls. If you have questions or concerns regarding CenturyLink's decision, please contact the Arizona Corporation Commission, Utilities Division, and refer to Docket No. T-101051B-15-XXXX.

A list of local long distance providers from among which you may choose can be found on the Arizona Corporation Commission's website at <http://www.azcc.gov/divisions/utilities/telecom.asp>. Once you have selected a new local long distance provider, **please contact us at 800-921-8101 with your choice. There will be no charge to transfer your service.**

If we do not receive your selection of a new local long distance provider by **DATE1**, 2016, we will assign the other long distance provider on your account (the one used for calling Tucson or out-of-state) as your local long distance provider¹. Rates and service terms of that provider shall be applied.

If you do not have another long distance provider selected on your account, you will not be assigned a new local long distance provider and you will not be able to make local long distance calls until you select a new provider.

Please be aware that after you select a new local long distance provider you may continue to get calls billed from Centurylink for up to two billing cycles.

¹ If you have a preferred carrier freeze (PIC freeze) on your account, it will be removed for this one change and then will be reinstated. A PIC freeze is a request that would have been made by you previously, to ensure that your long distance provider was never changed without your authorization.

If you have any questions about this letter or the selection process, please contact us at **800-921-8101**.

Sincerely,

Frontier Communications of the White Mountains