

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

IN THE MATTER OF CenturyLink QC's) REGULATORY DIVISION
Service and Its Response to Notice of)
Commission Action in Docket N2014.3.38,)
Including Petition for Waiver of Admin. R.) DOCKET NO. D2014.11.91
Mont. 38.5.3371(7)(b))
)

RESPONSES TO DATA REQUESTS CTL-010 THROUGH CTL-016 OF
QWEST CORPORATION d/b/a CENTURYLINK QC
TO THE MISSOURI RIVER RESIDENTS FOR IMPROVED TELECOMMUNICATIONS
SERVICE

For purposes of the following questions "MRRITS" refers to the Missouri River Residents for Improved Telecommunications Services who are:

- Adrienne and John Kernaghan, 2808 Old US Highway 91;
- Virginia Jamruszka-Misner, 4810 Craig Frontage Road;
- Kathleen and James Ahrens, 4860 Craig Frontage Road; and
- Susan Maclin (Whitmire), 3260 Old US Highway 91).

CTL-010

At page 4 of Ms. Jamruszka-Misner's prefiled testimony, she asserts: "We pay top dollar for our CenturyLink landline service..."

a. Define "top dollar" as Ms. Jamruszka-Misner uses the term.

Answer: "Top dollar" refers to the highest rate being charged by CTL for similar service to similarly-situated customers.

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- b. Upon what facts does Ms. Jamruszka-Misner rely to assert that the amount MRRITS pay for CenturyLink landline service is “top dollar?”

Answer: The fact our rates were recently raised suggests these are the highest rates since it’s our understanding that CTL is not allowed to deaverage its rates in the State of Montana.

- c. When Ms. Jamruszka-Misner wrote “We pay top dollar for our CenturyLink landline service...” was she aware of CenturyLink QC’s rates for voice service charged to:

1. MRRITS and, separately,
2. All the other residential customers in Montana?

Answer: See answers to CTL-010 (a) and (b).

- d. Is Ms. Jamruszka-Misner aware of what customers of other Incumbent Local Exchange Carriers pay for telephone service in rural areas of:

1. Montana and, separately,
2. Other states in the United States?

Answer: We have not done that study.

CTL-011

At page 4 of Ms. Jamruszka-Misner’s prefiled testimony, she asserts: “We pay top dollar for our CenturyLink landline service...”

- a. Is Ms. Jamruszka-Misner aware of how CenturyLink QC’s rates for voice service available to the named MRRITS compare with the voice service rates paid by voice service customers of urban areas of the United States?

Answer: No.

- b. When Ms. Jamruszka-Misner wrote “We pay top dollar for our CenturyLink landline service...” was she aware of the extent to which CenturyLink QC’s rates for voice service in rural areas of Montana have decreased over the past 25 years?

Answer: No, the reference was to current rates.

- c. Does Ms. Jamruszka-Misner know for a fact whether the revenues CenturyLink QC generates from the MRRITS exceed the cost of providing the MRRITS the voice service they receive from CenturyLink?

Answer: No, we have not performed that kind of analysis, nor are we qualified to do so. We are aware that the service was installed decades ago and are not aware of any significant investments since it was installed. From a layperson's perspective, it seems reasonable that the plant is substantially depreciated. Additionally, it seems the FCC has contributed significant funds for the support of that rural service.

- d. If the facts were that the revenues CenturyLink QC generates from the MRRITS in the upper Missouri River valley of Montana are substantially less than CenturyLink QC's cost of providing the MRRITS voice would Ms. Jamruszka-Misner still maintain that "We pay top dollar for our CenturyLink landline service...?"

Answer: We have no reason to believe that the costs exceed revenues, particularly given the substantial federal funding CTL continues to receive. In general, see answers to CTL-010 (a) and (b).

CTL-012

At page 4 of Ms. Jamruszka-Misner's prefiled testimony, she asserts: "Our hands are tied – We have to pay for dismal service because there is no other telephone service option."

- a. Does Ms. Jamruszka-Misner have any factual reason to believe that commercial satellite voice service is unavailable for purchase by any of the MRRITS?

Answer: Our experience with satellite service indicates that it is not an acceptable alternative to landline telecommunications service. Nor is it a public utility service with an obligation to provide adequate service at reasonable rates. We do have a satellite phone, but use it sparingly because of the service limitations (need to use it outdoors) and because of the cost (\$1 per minute).

- b. If so, why is commercial satellite voice service unavailable for purchase by any of the MRRITS?

Answer: See answer to CTL-012 (a).

- c. Is commercial satellite voice service unavailable for purchase by Ms. Jamruszka-Misner?

Answer: See answer to CTL-012(a).

- d. If the answer to "c" is "yes," why does Ms. Jamruszka-Misner not buy commercial satellite voice service instead of voice service from Centurylink QC?

Answer: Because of the high cost, we prefer to seek relief from the proper authorities in order to require CTL to perform its legal obligations.

- e. What price would Ms. Jamruszka-Misner be charged for commercial satellite voice service?

Answer: See answer to CTL-012(a).

CTL-013

At page 4 of Ms. Jamruszka-Misner's prefiled testimony, she asserts: "Our hands are tied – We have to pay for dismal service because there is no other telephone service option." To the extent Ms. Jamruszka-Misner knows, for each named MRRITS please provide the following information:

- a. Does the named MRRITS currently obtain telecommunications services (including but not limited to voice and/or internet service) through a satellite in orbit around the earth?

Answer: Yes.

- b. If so,

1. Please describe the service or services the named MRRITS obtains through a satellite in orbit around the earth.

Answer: Hughesnet Satellite Internet Service.

2. Please state the amount the MRRITS is billed for the service or services.

Answer: \$60.73 per month.

3. For Ms. Jamruszka-Misner only, please provide copies of the most recent 12 months of bills for such service or services.

Answer: We don't retain copies of those bills.

- c. Does Ms. Jamruszka-Misner understand why no provider except CenturyLink QC and commercial satellite companies offers voice service in the areas where the MRRITS reside in the upper Missouri River valley of Montana? If so, please explain Ms. Jamruszka-Misner's understanding of the reason why no provider except CenturyLink QC and commercial satellite companies offers voice service where the MRRITS reside.

Answer: None of us is an expert in telecommunications economics and regulation. We assume that CTL has a substantial advantage, at the present time, over other providers in terms of the funding made available to it by the FCC for the support of telecommunications service in rural areas such as the Missouri River Canyon. We also assume that CTL could have attempted to sell its assets in that area, as it did in many areas of Montana in the 1990's, if such a transaction had been beneficial to CTL.

CTL-014

At page 5 of Ms. Jamruszka-Misner's prefiled testimony, she asserts: "CenturyLink has to upgrade the telephone system and equipment to provide reliable telephone service to its customers."

- a. Would Ms. Jamruszka-Misner be willing to pay CenturyLink QC as a contribution in aid of construction her proportionate share of the full cost of the telephone equipment and system?

Answer: The ability and willingness of the Residents to contribute to the cost of installing improved service is not an issue in this case, as the Residents understand the issues. Rather the issue is whether CTL should be required to perform its legal obligations.

1. If not, why not?

Answer: See the answer to CTL-014(a).

2. If not, how does Ms. JamruszkaMisner propose that CenturyLink QC recover her proportionate share of the full cost, including financing, of the telephone equipment and system?

Answer: See the answer to CTL-014(a).

- b. To the extent Ms. Jamruskza-Misner knows, would the other customers served by the upgraded system and equipment be willing to pay CenturyLink QC as a contribution in aid of construction their proportionate share of the full cost of the equipment and system?

Answer: See the answer to CTL-014(a).

1. If not, why not?

Answer: See the answer to CTL-014(a).

2. If not, how does Ms. JamruszkaMisner expect CenturyLink QC to recover the full cost of the telephone equipment and system including the cost of financing?

Answer: See the answer to CTL-014(a).

CTL-015

At page 5 of Ms. Jamruszka-Misner's prefiled testimony, she asserts: "If CenturyLink continues to refuse to take meaningful steps to improve rural service, we urge the Commission to stop their flow of Universal Service Funds."

- a. At the time she wrote this testimony were the "Universal Service Funds" to which Ms. Jamruszka-Misner was referring Connect America Fund Phase I Frozen High Cost Support?

Answer: We are not experts in these complex FCC programs. We understand that the FCC funds are collected from customers and made available for the support of rural services. It is our understanding that rural service in much of CTL's service area in Montana is, like that in the Missouri River Canyon, sub-standard at best. Given that, it is not clear why any public servant should treat a business like a charity and give it unfettered access to public funds.

- b. If not, to what was Ms. Jamruszka-Misner referring when she spoke of "their flow of Universal Service Funds."?

Answer: See answer to CTL-015.

- c. What is Ms. Jamruszka-Misner's understanding of how CenturyLink QC's is obligated to use Connect America Fund Phase I Frozen High Cost Support (hereinafter "FHCS")?

Answer: Answer: See the answer to CTL-014(a).

- d. When she wrote this testimony was Ms. Jamruszka-Misner aware of a memo dated May 11, 2015 from PSC Staffer Gary Duncan to the PSC Commissioners and others in which Mr. Duncan concluded: "After examining the information submitted by CenturyLink regarding its use of FHCS, staff concludes they have probably complied with the FCC's rule regarding use of FHCS."

Answer: No.

CTL-016

At page 5 of Ms. Jamruszka-Misner's prefiled testimony, she asserts: "If CenturyLink continues to refuse to take meaningful steps to improve rural service, we urge the Commission to stop their flow of Universal Service Funds."

- a. Does Ms. Jamruszka-Misner contend that CenturyLink QC is not in compliance with the FCC's rules regarding the use of FHCS?

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Answer: See answer to CTL-015.

- b. If so, what rule or rules does Ms. Jamruszka-Misner contend CenturyLink QC is violating and on what facts does Ms. Jamruszka-Misner rely for that contention?

Answer: We are not experts in telecommunications regulation. However, we have reviewed the Montana PSC's rules on Eligible Telecommunications Carriers and understand that those rules require an applicant for ETC status to comply with the PSC's service quality rules. To the best of our knowledge, the information CTL has produced in this proceeding demonstrates that it does not meet at least one standard.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the foregoing were served on July 31, 2015, electronically and by US mail, addressed as follows:

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