

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, OCTOBER 23, 2015

REGISTRY CLERK'S OFFICE
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2015 OCT 23 P 12: 21

APPLICATION OF

CENTRAL TELEPHONE COMPANY OF VIRGINIA
d/b/a CENTURLINK

CASE NO. PUC-2015-00047

To expand the competitive determination
for certain residential retail services
throughout its incumbent territory

ORDER FOR NOTICE AND COMMENT

On October 2, 2015, Central Telephone Company of Virginia d/b/a CenturyLink ("Central" or "Company") filed an application with the State Corporation Commission ("Commission") requesting that the Commission, pursuant to § 56-235.5 I of the Code of Virginia ("Code"), expand the competitive determination for certain retail services to all of Central's incumbent territory in the Commonwealth of Virginia and apply the same regulatory treatment adopted in Case No. PUC-2014-00034¹ throughout its remaining exchanges ("Application"). In its Application, the Company lists the exchanges in Central's incumbent service territory that have been determined to be competitive pursuant to the competitive test and administrative process adopted by the Commission in Case No. PUC-2014-00034.²

Central states in its Application that pursuant to § 56-235.5 I of the Code, if the Commission determines pursuant to subsections E and F of § 56-235.5 of the Code that 75% or more of residential households in Central's incumbent territory are in areas that have been determined by the Commission to be competitive for a certain telephone service, then the

¹ *Application of Central Telephone Company of Virginia d/b/a CenturyLink and United Telephone Southeast LLC d/b/a CenturyLink, To establish a competitive test*, Case No. PUC-2014-00034, 2014 S.C.C. Ann. Rept. 229, Final Order (Nov. 13, 2014) ("Competitive Test Order").

² Application at 2-3.

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Commission shall expand the competitive determination for that telephone service to the remainder of the Company's incumbent territory.³ In its Application, the Company asserts that currently 77.6% of residential households in its incumbent territory fall within areas that have been determined to be competitive for certain retail services and that, consequently, such a determination should be expanded to treat all of Central's Virginia incumbent territory as competitive for those residential retail services.⁴

Central notes in its Application that in the Competitive Test Order, the Commission established safeguards for those Central residential customers whose services were deemed to be competitive by capping price increases for residential basic local exchange telephone services ("BLETS") at two dollars per year for a three-year period.⁵ Accordingly, Central may not increase the price of residential BLETS by more than two dollars per year through January 28, 2018.⁶

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that Central's Application should be docketed; that Central should provide notice to the public of its Application; that interested persons should be given an opportunity to comment and request a hearing on Central's Application; and that the Staff of the Commission ("Staff") should analyze Central's Application and present its findings and recommendations to the Commission.

³ *Id.* at 1.

⁴ *Id.* at 3.

⁵ Competitive Test Order, 2014 S.C.C. Ann. Rept. at 231 ("A consumer safeguard capping residential price increases at two dollars per year for three years hereby is adopted. This safeguard shall be in effect through the latter of: (i) December 31, 2017, or (ii) three years from the first time a [Central] exchange is determined through the administrative process to be competitive for residential BLETS.").

⁶ On January 28, 2015, the first exchange of Central was determined through the administrative process to be competitive for residential BLETS. *See* Application at 2.

Accordingly, IT IS ORDERED THAT:

(1) This matter is docketed and assigned Case No. PUC-2015-00047.

(2) As provided by 5 VAC 5-20-120 of the Commission's Rules of Practice and Procedure ("Rules of Practice"), 5 VAC 5-20-10 *et seq.*, a Hearing Examiner shall be appointed to rule on any discovery matters that may arise during the course of this proceeding.

(3) On or before November 20, 2015, Central shall complete publication of the following notice to be published on one (1) occasion as display advertising in newspapers having general circulation throughout the exchanges in Central's service territory within the Commonwealth of Virginia:

NOTICE TO THE PUBLIC OF THE APPLICATION OF
CENTRAL TELEPHONE COMPANY OF VIRGINIA
D/B/A CENTURYLINK TO EXPAND THE COMPETITIVE
DETERMINATION FOR CERTAIN RESIDENTIAL RETAIL
SERVICES THROUGHOUT ITS INCUMBENT TERRITORY
CASE NO. PUC-2015-00047

On October 2, 2015, Central Telephone Company of Virginia d/b/a CenturyLink ("Central" or "Company") filed an application with the State Corporation Commission ("Commission") requesting that the Commission, pursuant to § 56-235.5 I of the Code of Virginia ("Code"), expand the competitive determination for certain retail services to all of Central's incumbent territory in the Commonwealth of Virginia and apply the same regulatory treatment adopted in Case No. PUC-2014-00034 throughout its remaining exchanges ("Application"). In its Application, the Company lists the exchanges in Central's incumbent service territory that have been determined to be competitive pursuant to the competitive test and administrative process adopted by the Commission in Case No. PUC-2014-00034.

Central states in its Application that pursuant to § 56-235.5 I of the Code, if the Commission determines pursuant to subsections E and F of § 56-235.5 of the Code that 75% or more of residential households in Central's incumbent territory are in areas that have been determined by the Commission to be competitive for a certain telephone service, then the Commission

shall expand the competitive determination for that telephone service to the remainder of the Company's incumbent territory. In its Application, the Company asserts that currently 77.6% of residential households in its incumbent territory fall within areas that have been determined to be competitive for certain retail services and that, consequently, such a determination should be expanded to treat all of Central's Virginia incumbent territory as competitive for those residential retail services.

Copies of Central's Application are available for public inspection between the hours of 8:15 a.m. and 5 p.m., Monday through Friday, excluding holidays, in the Commission's Document Control Center located on the first floor of the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219. Copies of the Application also may be downloaded from the Commission's website: <http://www.scc.virginia.gov/case>, or may be obtained from Central's counsel, Jeanne W. Stockman, Senior Corporate Counsel, CenturyLink, 14111 Capital Boulevard, Mailstop NCWKFR0313, Wake Forest, North Carolina 27587.

On or before December 16, 2015, any person desiring to comment on Central's Application may do so by directing such comments in writing to Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. Interested persons desiring to submit comments electronically may do so by following the instructions found on the Commission's website: <http://www.scc.virginia.gov/case>. All such comments shall refer to Case No. PUC-2015-00047.

On or before December 16, 2015, any person may request that the Commission convene a hearing on Central's Application by filing a request for hearing. If not filed electronically, an original and fifteen (15) copies of a request for hearing shall be filed with the Clerk of the Commission at the address set forth above. Requests for hearing shall refer to Case No. PUC-2015-00047 and include: (i) a precise statement of the filing party's interest in the proceeding; (ii) a statement of the specific action sought to the extent then known; (iii) a statement of the factual and legal basis for such action; and (iv) a precise statement why a hearing should be conducted in this matter.

Any interested person may participate in this proceeding as a respondent by filing on or before December 16, 2015, a notice of participation in accordance with 5 VAC 5-20-80 of the Commission's Rules of Practice and Procedure. If not filed

electronically, an original and fifteen (15) copies of a notice of participation shall be filed with the Clerk of the Commission at the address set forth above. Notices of participation shall reference Case No. PUC-2015-00047 and include: (i) a precise statement of the interest of the filing party; (ii) a statement of the specific action sought to the extent then known; and (iii) a statement of the factual and legal basis for such action. Persons filing a notice of participation shall serve a copy upon Central's counsel at the address set forth above.

CENTRAL TELEPHONE COMPANY OF VIRGINIA
D/B/A CENTURYLINK

(4) On or before November 20, 2015, Central shall serve a copy of this Order for Notice and Comment by personal delivery or by first class mail, postage prepaid, to the chairman of the board of supervisors and county attorney of each county and upon the mayor or manager of every city and town (or upon equivalent officials in counties, towns, and cities having alternate forms of government) in which Central provides service in the Commonwealth of Virginia. Service shall be made by first class mail to the customary place of business or residence of the person served.

(5) On or before December 16, 2015, the Company shall file with the Commission proof of notice and service as required by Ordering Paragraphs (3) and (4), including the name, title, and address of each official served.

(6) Central shall respond promptly to requests from interested persons for copies of the Application and shall provide one copy free of charge. Copies are also available for public inspection between the hours of 8:15 a.m. and 5 p.m., Monday through Friday, excluding holidays, in the Commission's Document Control Center located on the first floor of the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, or may be downloaded from the Commission's website: <http://www.scc.virginia.gov/case>.

(7) Any person desiring to comment on Central's Application may do so by directing such comments in writing on or before December 16, 2015, to Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218. Interested persons desiring to submit comments electronically may do so by following the instructions found on the Commission's website: <http://www.scc.virginia.gov/case>. All comments shall refer to Case No. PUC-2015-00047.

(8) On or before December 16, 2015, any person may request that the Commission convene a hearing on Central's Application. If not filed electronically, an original and fifteen (15) copies of the request for hearing shall be filed with the Clerk of the Commission at the address set forth in Ordering Paragraph (7). Requests for hearing shall refer to Case No. PUC-2015-00047 and include: (i) a precise statement of the interest of the filing party; (ii) a statement of the specific action sought to the extent then known; (iii) a statement of the factual and legal basis for such action; and (iv) a precise statement why a hearing should be conducted in this matter. A copy of any request for hearing also shall be served on Central's counsel, Jeanne W. Stockman, Senior Corporate Counsel, CenturyLink, 14111 Capital Boulevard, Mailstop NCWKFR0313, Wake Forest, North Carolina 27587.

(9) Any interested person may participate as a respondent in this proceeding by filing on or before December 16, 2015, a notice of participation in accordance with 5 VAC 5-20-80 of the Commission's Rules of Practice. If not filed electronically, an original and fifteen (15) copies of the notice of participation shall be submitted to the Clerk of the Commission at the address set forth in Ordering Paragraph (7). A copy of the notice of participation also shall be served on counsel to the Company at the address set forth in Ordering Paragraph (8). A notice of participation shall set forth: (i) a precise statement of the interest of the respondent; (ii) a

statement of the specific action sought to the extent then known; and (iii) the factual and legal basis for the action. All notices of participation shall refer to Case No. PUC-2015-00047.

(10) Within five (5) business days of receipt of a notice of participation as a respondent, Central shall serve upon the respondent a copy of this Order for Notice and Comment and a copy of the Application, unless these materials have already been provided to the respondent.

(11) The Staff shall analyze the Company's Application and present its findings and recommendations to the Commission in a filing with the Clerk of the Commission on or before January 13, 2016.

(12) On or before January 27, 2016, Central shall file any responses to the Staff's filing or any written comments or requests for hearing filed in this proceeding. If not filed electronically, an original and fifteen (15) copies of any responses by Central shall be filed with the Clerk of the Commission at the address set forth in Ordering Paragraph (7).

(13) Central shall respond to written interrogatories or data requests within seven (7) business days after the receipt of the same. Except as so modified, discovery shall be in accordance with Part IV of the Commission's Rules of Practice, 5 VAC 5-20-240 *et seq.*

(14) This matter is continued generally.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to: Jeanne W. Stockman, Senior Corporate Counsel, CenturyLink, 14111 Capital Boulevard, Mailstop NCWKFR0313, Wake Forest, North Carolina 27587; and C. Meade Browder, Jr., Senior Assistant Attorney General, Division of Consumer Counsel, Office of the Attorney General, 900 East Main Street, 2nd Floor, Richmond, Virginia 23219. A copy also shall be delivered to the Commission's Office of General Counsel and Division of Communications.