

Colorado

Public Utilities Commission



For Your Information

T-12

UNDERSTANDING REGULATION OF QWEST'S LOCAL TELEPHONE SERVICES

The Colorado Public Utilities Commission (PUC) approved in June 2005 a plan that eased regulation of many Qwest telephone services, with the exception of primary residential lines, lines for small businesses and some “public interest” calling features. The new regulatory plan provided Qwest with pricing freedom for some telecommunications services where consumers have competitive choices.

In making the changes, the PUC recognized the reality of competition in today’s telecommunications market – that most consumers have a choice of wireline, cable, wireless and Internet modes of communication.

After reading this information, you should have a better understanding of which Qwest services remain under full PUC regulation and which services fall under a new “market regulation” category, and what that means.

SERVICES REMAINING UNDER EXISTING REGULATION

The PUC still has full regulatory control over the first line at a residence and basic service to businesses with five lines or less across the state.

Additional residential lines outside of “zones of competition” also remain under full PUC oversight, as do “public interest features and services” in all geographic areas. Those services include **per-call blocking, per-line blocking, call trace, busy line verification, busy line interrupt, non-listed** and **non-published** services.

The following Qwest exchanges are considered “zones of competition”: Denver Metro, Longmont, Lafayette, Louisville, Broomfield, Erie Parker and Colorado Springs, except for Black Forest, Manitou, Green Mountain Falls and Woodland Park wire centers in the Colorado Springs exchange.

That means some services, like additional residential lines, could be priced differently, depending on whether you live in a “zone of competition.”

To reach PUC Consumer Affairs:

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SERVICES UNDER MARKET REGULATION

Additional residential lines inside the “zones of competition,” and service to businesses with six or more lines regardless of geographic area now fall under “market regulation.” So do advanced features or services provided on business lines, packages and bundled service offerings, non-optional operator services, and private line services with a capacity of less than 24 voice-grade circuits (such as burglar alarms and traffic signals).

Market regulation means that Qwest can change its prices, terms and conditions on these services without PUC approval by providing 14 days’ notice to customers.

The PUC could re-impose traditional regulation on services under market regulation if problems arise.

OTHER REGULATORY CHANGES

The new regulatory plan deregulated all in-state long distance service for Qwest and allowed other toll providers to apply for deregulation of their long-distance services within Colorado as well.

The plan retained some automatic remedies for service quality failures, including the customer specific credit equal to the monthly rate if the company fails to repair service within 24 hours of an outage.

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