

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

**IN THE MATTER OF CENTURYLINK QC'S STATUS)
AS A MID-SIZE CARRIER)**

Case No. 14-00068-UT

NOTICE TO CUSTOMERS

The New Mexico Public Regulation Commission (NMPRC) gives Notice that:

1. Currently, Qwest Corporation d/b/a CenturyLink QC (CenturyLink) is regulated under an alternative form of regulation (AFOR) plan. More specifically, CenturyLink currently is regulated under the AFOR 3 plan that was approved by the NMPRC in Case No. 09-00094-UT.

2. In August 2012, the NMPRC commenced Case No. 12-00224-UT to develop an AFOR 4 plan for CenturyLink, and extended the term of the AFOR 3 plan until an AFOR 4 plan is implemented.

3. In March 2014, CenturyLink filed a Motion to Declare AFOR Case Moot Because CenturyLink Is a Mid-Size Carrier. In its Motion, CenturyLink stated that it has more than 50,000 but less than 375,000 access lines in the State of New Mexico and therefore is a "mid-size carrier" as defined by state law. Because mid-size carriers are exempt from AFOR plans, CenturyLink requested that the AFOR case be dismissed.

4. On March 19, 2014, the NMPRC opened this case "to address CenturyLink QC's claimed status as a mid-size carrier." The NMPRC also stayed Case No. 12-00224-UT pending the outcome of this case and appointed the undersigned as Hearing Examiner to preside over this case.

5. Some of the key differences between the regulation currently applicable to CenturyLink QC under the AFOR 3 plan and the NMPRC's rules regulating mid-size carriers are summarized in the following table:

Category	AFOR 3	Mid-Size Carrier Rules
<i>Basic Residential and Business Telephone Service Pricing</i>	Allowed annual increases of up to \$1.00 during 2010-2012 term. Rates frozen since end of 2012 term.	Allows annual increases in prices up to a price ceiling. Price ceiling changes corresponding to the percentage change in the national average price.
<i>Discounts, Promotions, and Price Decreases</i>	Must cover costs and must file 10 days in advance.	Must cover statewide average costs and must be filed 3 days in advance.
<i>Pricing for Services Other Than Basic Residential and Business Telephone Services</i>	Allowed annual increases of 4% during 2010-2012 term, or total increase of 12% during 3-year term. Rates frozen since end of 2012 term.	Annual increases of up to 5% allowed without commission approval.
<i>Pricing for Custom Calling Features</i>	Allowed annual increases of 4% during 2010-2012 term, or total increase of 12% during 3-year term. Rates frozen since end of 2012 term.	Allows increases up to 20% annually without Commission approval.
<i>Discontinuance of a Service</i>	Must file notice 30 days in advance, takes effect unless commission acts.	Must file notice 10 days in advance, takes effect unless commission acts.
<i>Service Quality</i>	Reports submitted quarterly, performance measured monthly, penalty credits to be paid if performance is worse than allowed standard.	Reports submitted annually, performance measured annually, performance standards similar but no automatic penalty credits.
<i>Consumer Protection</i>	Comprehensive rules regarding payments, disconnections, billing disputes, and other issues.	Similarly comprehensive rules.

6. The scope of this case, including prefiled testimony, is limited to:

a. Whether CenturyLink is a mid-size carrier as defined by NMSA 1978, § 63-9A-3(J); and

b. If the NMPRC finds that CenturyLink is a mid-size carrier and is to be regulated as a mid-size carrier, what procedural steps should be taken to effectuate termination of regulation of CenturyLink under AFOR 3 regulation and regulation of CenturyLink as a mid-size carrier.

The scope of this case, including prefiled testimony, unless modified by the NMPRC, shall not exceed these parameters and does not include, among other matters: (i) whether, if CenturyLink is found to be a mid-size carrier, it is in the public interest to regulate CenturyLink as a mid-size carrier; and (ii) whether it is appropriate to regulate CenturyLink as a mid-size carrier absent a finding of effective competition.

7. Any person desiring to submit evidence for the NMPRC to consider in this case must file a motion for leave to intervene, file prefiled testimony and submit to cross examination at the hearing. However, any person may appear at the hearing and make written or oral comment without becoming an intervenor. Any person may also send written comments, which shall reference Case No. 14-00068-UT, to the NMPRC at P.O. Box 1269, Santa Fe, NM 87504-1269. Such comments will not be considered as evidence in this case.

8. The following procedural schedule has been adopted in this case:

Date	Event
March 24, 2014	Direct Testimony already filed by CenturyLink QC
May 7, 2014	Supplemental Direct Testimony from CenturyLink QC
June 30, 2014	Intervention Deadline
July 7, 2014	Staff and Intervenor Answer Testimony Due
July 25, 2014	Rebuttal/Cross-Answer Testimony Due
August 6-12, 2014	Hearing

9. The procedural dates and requirements set out in this Order are subject to change by further Order of the NMPRC or Hearing Examiner. Interested persons should contact the NMPRC at 1-888-427-5772 to confirm the hearing date, time and place.

10. The NMPRC's Utility Division Procedures, 1.2.2 NMAC, shall apply to this case except as modified by Order of the NMPRC or Hearing Examiner.

11. Any person with a disability requiring special assistance to participate in this case should contact the Hearing Examiner at least 24 hours before the hearing.

12. Any person filing pleadings shall serve copies through U.S. mail and e-mail to all persons listed on the Amended Official Service List in Case No. 12-00224-UT and to any additional persons who file motions for leave to intervene in this case and via e-mail to the Hearing Examiner at carolyn.glick@state.nm.us

ISSUED at Santa Fe, New Mexico on April 16, 2014.

NEW MEXICO PUBLIC REGULATION COMMISSION

Carolyn R. Glick
Hearing Examiner