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Douglas R. Holbrook

Ronald H. Seifert

August 6, 2010

Public Utility Commission for Oregon Attn: Filing Center PO Box 2148 Salem, OR 97308-2148

Re Docket No. UM 1484 CenturyTel/Qwest Petition to Intervene

Dear Sir/Madam:

I enclose an original and one copy of an Amened Petition to Intervene in the docket referenced above, on behalf of the City of Lincoln City, Lincoln County, and Tillamook County.

Given the status of the docket, I would ask for an expedited ruling on the Amended Petition.

Thank you for your attention and professional courtesies.

Sincerely,

Douglas R. Holbrook

Enclosure

cc: David Hawker, City Manager

Wayne Belmont William Sargent

UM 1484 Service list (see attached)

[100806 ltr to PUC re Amended Petition.wpd]

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BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM 1484

In the Matter of)	
CENTURYLINK, INC.))	AMENDED PETITION TO INTERVENE BY CITY OF
Application for merger between CenturyTel,)	LINCOLN CITY, LINCOLN COUNTY AND TILLAMOOK
Inc. and Qwest Communications International, Inc.)	COUNTY
)	

Pursuant to ORS 756.525(2) and OAR 860-012-0001, the City of Lincoln City,
Lincoln County and Tillamook County ("Joint Petitioners") respectfully petition the
commission for leave to intervene as a parties in the above-captioned proceeding. In support
of their joint petition, the Joint Petitioners state as follows:

I.

The City of Lincoln City is a municipal corporation and public safety agency. Its address is as set forth in section II, below. The governing body of the City, the City Council, all city government offices and buildings, and a majority of the city population of approximately 7,400 are served by CenturyTel. CenturyTel inherited by merger with Embarq a substantial territory in western Oregon including north Lincoln County, Tillamook County and Yamhill County. For all practical purposes, Lincoln and Tillamook Counties are on the same wireline architecture with the same security/safety deficits as described herein.

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Lincoln County is a political subdivision of the State of Oregon, and a public safety agency, and contains Lincoln City and county subscribers to the same phone system/services provided to Lincoln City. Its address is set forth Section II.

Tillamook County is a political subdivision of the State of Oregon and public safety agency and contains subscribers to the same former Embarq phone system serving north Lincoln County, including Lincoln City. Its address is stated in Section II.

II.

All correspondence in this matter should be directed to:

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doug@lawbyhs.com	Davidh@lincolncity.org

Wayne Belmont	William Sargent
Lincoln County Counsel	Tillamook County
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Newport OR 97365	Tillamook OR 97141
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wbelmont@co.lincoln.or.us	wsargent@oregoncoast.com

III.

Lincoln City and Lincoln and Tillamook Counties have a substantial interest in the proposed merger. The resulting company will control or continue to control all of the service as defined in ORS 756.010(8) within Lincoln City and indeed much of the northern Oregon coast, including the counties of Lincoln, Tillamook and other inland western counties. In the public interest, said governments seek to intervene to provide the commission information and history on the failure of CenturyTel (including the failure of its predecessor, Embarq) to provide wireline redundancy within north Lincoln County and Tillamook Counties. This

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condition has resulted in excessive failures of all telephone services, including 911 PSAP¹ service, which this merger may further harm.

Lincoln City and other communities within the area, including Lincoln and Tillamook Counties, rely upon an automatic dialing system for warning its citizens of emergencies. These emergencies include forest fire, flooding, distant tsunami, chemical accidents, terrorist or other events implicating homeland security. The City's police station contains its 911 PSAP and is located within Lincoln City. Lincoln County's PSAP is located in Newport and is available as a backup PSAP for Lincoln City only if the phone lines are working. Tillamook County's PSAP is located in the City of Tillamook, all of which experience failures when Lincoln City does. Further, the affected citizens and visitors rely upon the ability to make 911 calls to the city's PSAP 24 hours per day, seven days per week for medical emergencies and to report crimes and structure/forest fires that readily affect lives and property. Citizens in the northern portion of Lincoln County including Lincoln City and Tillamook County are similarly situated with respect to calls either to their respective PSAPs. The Joint Petitioners can establish that despite repeated requests, nothing substantial has been done on the ground to provide redundant pathways for telephone including 911 calls, even though promises of action have been made for the past two-plus years.

IV.

The Joint Petitioners seek a condition of the merger to include a requirement that infrastructure investments be made to provide redundant wireline service for affected customers in Lincoln and Tillamook Counties, including Lincoln City. These issues are financially related to the application. In Verizon Communications Inc. and Frontier Communications Corporation UM 1431 the PUC ordered as a condition significant

[&]quot;Public Safety Answering Point."

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infrastructure investments as a direct result of an intervenor's concerns based upon analogous public interest concerns under the "no harm" standard. In Verizon, because of the age of some of the infrastructure, and concerns for its reliability and costs of replacement, the PUC ordered that the companies allocate a total of \$25 million dollars for infrastructure upgrades. The cost to CenturyTel in this case would be a fraction of that to Verizon/Frontier. Also in Verizon, the commission required the applicant to file a strategic plan with data on the useful life and replacement schedules for switches in a portion of the service area with the intention of maintaining then current service standards - in addition to the upgrades.

In this case, the Joint Petitioners' interest is in protecting its citizens and visitors, for their telephone service and especially emergency services and communications related to homeland security. Indeed, the Joint Petitioners are required by law to maintain a PSAP², but its functionality requires rock-solid phone service. Embarq promised Lincoln City it would fix the system before it merged with CenturyTel. It didn't. CenturyTel has similarly promised Lincoln City it would provide the necessary fiber route diversity for the coast district but has not kept these promises and has failed to apprise the city of any future schedule for its as-yet unfulfilled promises.

City can prove, if necessary, that the experienced former Embarq technicians and managers who were knowledgeable about the switches and related equipment controlling north Lincoln County and Tillamook County were systematically fired or retired by CenturyTel making the performance of its promises ever more speculative and unlikely. In the name of post-merger cost savings, CenturyTel has enlarged its management districts with fewer managers overall, and fewer local, knowledgeable technicians, the City believes. If the pattern following the Embarq/CenturyTel merger continues with the CenturyTel/Qwest

ORS 401.720 (4)

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Attorneys at Law PO Box 2087 Newpott OR 97365 Telephone (541) 265-2080 Facsimile (541) 265-2131 doug@lawbyhs.com merger, fewer and fewer managers and technicians will be responsible for more and more territory. Further, the newly merged companies in this application will predictably devote long and focused attention to internal merger-related details for years, preventing or at the very least substantially delaying a necessary homeland security project about which the companies have so far shown little initiative for the coast district. This creates harm to all Oregon citizens within the system formerly owned by Embarq, but particularly those living in or visiting Lincoln and Tillamook Counties. Mitigating the harm requires a merger condition requiring the company to provide adequate and dependable phone/911 service via redundant fiber within a set time. CenturyTel owns or controls two fiber lines within a short distance of each other, which, if properly connected should substantially provide a redundant route.

Recent history has provided at least two instances of partial or complete loss of telephone and 911 service in Lincoln City, north Lincoln County and a similar number of instances in Tillamook County because the systems are part of the same route to the Sheridan main switch. The duration of loss of service has been from hours to days and affected tens of thousands of subscribers and visitors. The lack of action by Embarq, and now CenturyTel, tells the story not only of long-term neglect, but an apparent lack of intention to provide the required redundancy, at least without commission action.

If the commission disallows the petition to intervene, the public interest is not served, and the public harm increases with the growing and aging population and ever-increasing risk to these communities for earthquakes and tsunamis, flooding and even fires for Lincoln and Tillamook Counties, including Lincoln City. If your house is on fire, and you can't call 911 that day, what do you do? If a terrorist has planted a bomb at the local theater and you can't call 911 that day, what do you do? Embarq provided no answers. CenturyTel has only provided apparently empty promises. This commission is the only body with the power and authority to require the company charged with delivering phone/911 service to provide

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critical security infrastructure within the wireline system. The PUC has the authority and duty under ORS 746.040 to require adequate service and there is no reason not to require such service as a merger condition.

Joint Petitioners do not doubt the merged entities will have the financial resources to provide basic service at the usual intermittent level while they attend to the politics and restructuring that mergers always create within large corporations. Joint Petitioners do not currently know if the merged entities will have the money or have budgeted the financial resources to create this redundant system, but regardless, Petitioners believe the merged entities do not have the will on their own to do the work.

During the Embarq/CenturyTel merger, those merger parties objected to the City's Petition to Intervene on the basis that the City had other means to address the redundancy issues, and that the merger parties were already in discussions with the City. The City has no other effective venue in which to seek redress or to require these necessary security upgrades to the telephone systems left by Embarq.³ Only the PUC and FCC have regulatory control over Oregon telecommunications, and neither have clear rules (or governing legislation) that would allow any of the Joint Petitioners to present their concerns before any other body with jurisdiction. The merger will cause harm in preventing the new merged companies from paying attention to a small service area they seemingly want to ignore.

If granted intervenor status, the Joint Petitioners can provide useful information on these issues.

OAR 860-012-0001(2) sets other standards for a party's intervention. The Joint Petitioners meet those standards because their intervention will not unreasonably broaden the

CenturyTel and Qwest will predictably argue that the city has other venues, and claim they "are working" on the problem. There is no other venue, and no evidence of substantial work on the problem in the past two years the city has tried to prod them into action.

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record, broaden the issues, nor unreasonably delay the proceeding. The additional record necessary for the commission's understanding is very little - indeed, CenturyTel cannot deny there is no redundancy in the system, and when the single fiber path breaks to or from the central station in Sheridan, little 911 service remains in the Embarq legacy systems. The Joint Petitioners' intervention does not unreasonably broaden the issues, since the commission is charged with protecting the public interest, but also seeing that the merger does "no harm." The issue is simple: the years of neglect and relative decline of this phone system⁴ will continue after and because of the merger, doing increased harm without a commission-imposed condition. The Joint Petitioners do not seek to delay the proceedings at all and will commit to timely participate in the current proceedings schedule.

Because they will not unreasonably affect this proceeding, but has a substantial security/safety interest which this merger will harm, Lincoln City and the Counties of Lincoln and Tillamook should be allowed as a parties to present issues outlined in this petition. This petition is not made under the administrative time line, but no prejudice to the applicants is present where the schedule is preserved and record is so clear, and CenturyTel is, in fact, in full possession of all facts concerning the inadequacies of the former Embarq wireline system. It should not be forgotten that the Joint Petitioners have no other obvious venue to address its legitimate safety and security issues.

Finally, it should not disqualify Joint Petitioners from intervening just because they are asking for a condition requiring the applicant to spend money benefitting former Embarq customers served out of Sheridan. This request is not only analogous to what the commission ordered in the Frontier/Verizon matter, but the applicant's predictable argument necessarily

City understands Sprint relocated central switching capability out of Lincoln City beginning in the 1990's.

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raises the question of how many Oregonians' safety and security have to be harmed by seemingly endless corporate delays before the commission acts?

The petition should be granted and the City of Lincoln City, Lincoln County and Tillamook County be made a parties.

Dated this 5th day of August, 2010.

Douglas R. Holbrook OSB 872576 Holbrook & Seifert LLC Special Counsel to Petitioner Lincoln City

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Copy to:

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DATED this 6th day of August, 2010.

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