

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Investigation by the )

DOCKET NO. 97-049-06

PUBLIC SERVICE COMMISSION to )

Establish Service Standards for U S WEST )

ORDER CLOSING DOCKET

COMMUNICATIONS, INC., for 1997. )

ISSUED: September 3, 1998

By the Commission:

This matter came on for hearing on August 27, 1998, pursuant to a notice issued by the Commission on August 7, 1998. The notice stated that the Commission desired to close the docket with no further action and requested the parties to file position statements by August 17, 1998, stating whether further proceedings were needed and, if so, outlining a proposed schedule. The Division of Public Utilities ("Division") and U S WEST Communications, Inc. ("U S WEST") filed position statements and appeared at the hearing.

On February 27, 1998, the Division filed a report on the held order results for the fourth quarter of 1997. The report acknowledged that U S WEST had missed held order targets in certain categories, but recommended that the Commission waive penalties based upon U S WEST's continuing effort to reduce held orders. The report also acknowledged the U S WEST cellular telephone programs and U S WEST's 52 percent reduction in non-primary held orders during the fourth quarter of 1997. On August 17, 1998, the Division filed a position statement affirming this report.

On August 14, 1998, U S WEST submitted its position statement. U S WEST recommended that the docket be concluded with no further action, including an order that no fines or penalties would be assessed based upon failure to meet all held order targets in 1997. U S WEST noted that there were 205 total held orders at the end of 1997, compared with 404 at the end of the first quarter of 1997, and over 1,500 at the peak in 1995. U S WEST also noted that it had expended substantial amounts on its cellular telephone programs in 1997, to provide customers experiencing held orders with cellular telephone service until wire facilities could be installed.

At the hearing, the Division and U S WEST reaffirmed their recommendations.

Based upon the held order reports filed by U S WEST on November 21, 1997, and February 27, 1998, the Division's report and the position statements of the Division and U S WEST, it is apparent that U S WEST continues to make progress in reducing the level of held orders and has incurred substantial expense to provide loaner cellular telephones or to provide a cellular telephone allowance for customers with held orders until wire facilities can be installed.

The Commission finds, based on the record, that U S WEST has made substantial progress toward the Commission's goal of solving the held order problem in its service areas in Utah. For this reason, the Commission concludes that no fines or penalties should be assessed against U S WEST for failure to meet all 1997 held order targets as set forth in the July 30, 1997, Report and Order in this docket and that this docket should be closed. The Commission remains concerned about held orders and will continue to monitor them in Docket No. 98-049-09.

Based on the foregoing, the Commission makes the following

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED that:

1. No fines or penalties will be assessed against U S WEST based on the Company's performance under the Report and Order of July 30, 1997, in this docket.
2. This docket is closed.

Any person aggrieved by this Order may file a Petition for Review or Rehearing with the Commission within 20 days as provided in Utah Admin. Code R746-100-11(F). If the petition for review or rehearing is denied, or deemed denied as a result of no action by the Commission within 20 days of filing, the party may appeal this order to the Supreme Court of Utah within 30 days of the date the petition for review or rehearing is denied or deemed denied.

DATED at Salt Lake City, Utah, this 3rd day of September, 1998.

/s/ Stephen F. Mecham, Chairman

(SEAL) /s/ Constance B. White, Commissioner

/s/ Clark D. Jones, Commissioner

Attest:

/s/ Julie Orchard

Commission Secretary