

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Investigation by the)	<u>DOCKET NO. 98-049-09</u>
PUBLIC SERVICE COMMISSION to)	
Establish Service Standards for U.S. WEST)	<u>ORDER CLOSING DOCKET WITHOUT</u>
COMMUNICATIONS, INC. (now QWEST)	<u>IMPOSITION OF FINES OR PENALTIES</u>
CORPORATION), for 1998)	

ISSUED: December 12, 2000

By The Commission:

Following a hearing in this matter on April 13, 1998, the Commission issued its Report and Order on June 29, 1998, setting held order targets for the third and fourth quarters of 1998. U.S. West Communications, Inc., now known as Qwest Corporation ("Qwest"), filed a petition for review, rehearing and reconsideration on July 17, 1998, which was deemed denied because the Commission did not grant it within 20 days (Utah Code Ann. § 54-7-15(2)(c)). Qwest sought review of the Report and Order in the Utah Supreme Court by petition dated August 31, 1998. As had been the case in prior years, the parties stipulated that the Court should stay the review until either (1) any penalty is imposed on Qwest based upon the held order targets, or (2) it becomes clear that no penalty may be imposed based upon the held order targets.

On October 30, 1998, Qwest filed its held order report for the third quarter of 1998. This report indicated that despite a work stoppage during the third quarter, the Company met four of the five held order targets and had reduced total held orders from 375 at the end of the third quarter in 1997 to 246 at the end of the third quarter in 1998. In addition, the Company had paid over \$413,000 to cellular providers for air-time usage under the cellular loaner program for the first three quarters of 1998. On January 27, 1999, Qwest filed its held order report for the fourth quarter of 1998. Although Qwest met only two of the targets, its report demonstrated the lowest level of total held orders since the Commission first started establishing held order targets in 1995. In 1995 there were 421 held orders at the end of the year. This number declined to 202 in 1996, rose slightly to 205 in 1997 and declined to 169 in 1998. In addition, Qwest paid over \$542,000 to cellular providers for air-time usage under the cellular loaner program during 1998.

On November 28, 2000, Qwest filed a motion requesting the Commission to enter an order determining not to impose penalties based on the held order targets for the third and fourth quarters of 1998 and closing the docket.

Based upon the held order reports filed by Qwest on October 30, 1998, and January 27, 1999, it is apparent that Qwest has continued to make progress in reducing the level of held orders in Utah. In addition, Qwest incurred substantial expense in 1998 under its cellular loaner program to allow customers subject to held orders to have a means of communication while waiting for installation of their wireline telephone.

The Commission finds, based on the record, that Qwest 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 Qwest for failure to meet all 1998 held order targets set forth in the June 29, 1998 Report and Order in this docket and that this docket should be closed.

Based on the foregoing, the Commission makes the following order.

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED, that:

No fines or penalties will be assessed against Qwest based on the Company's performance under the Report and Order of June 29, 1998, in this docket.

- 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 12th day of December, 2000.

/s/ Stephen F. Mecham, Chairman

/s/ Constance B. White, Commissioner

/s/ Clark D. Jones, Commissioner

Attest:

/s/ Julie Orchard

Commission Secretary