

# NEW MEXICO PUBLIC REGULATION COMMISSION

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**NEWS RELEASE**

## PRC Determines CenturyLink Qualifies as a Mid-Size Carrier

**SANTA FE** – In its open meeting held today, the New Mexico Public Regulation Commission determined that CenturyLink QC qualifies as a mid-size carrier under New Mexico law.

By definition, a mid-size carrier serves fewer than 375,000 access lines in the state.

As a mid-size carrier, CenturyLink QC will be subject to the same level of regulation as Windstream, the next largest provider in the state. This level of regulation is less stringent than CenturyLink's QC's current regulation, which requires a commission case to be decided every few years.

Under mid-size carrier regulation, CenturyLink QC will be subject to rules to ensure service quality, consumer protection, and pricing flexibility up to a cap. The commission expects that a new rulemaking will commence in the weeks ahead.

Mid-size carrier regulation is designed to minimize regulatory costs and establish a level of regulation between that which applies between rural carriers on one hand and large carriers on the other.

The commission determined that CenturyLink QC serves 347,354 access lines in the state by counting the dial tone lines it provides to its retail customers, thus falling well below the 375,000 ceiling.

"I want to help reduce costs to consumers and help promote economic development here in New Mexico," stated Commission Chairwoman Karen Montoya (District 1). "I feel this decision today will do that."

District 3 Commissioner Valerie Espinoza, the lone dissenter today, stated, "Relevant information and crucial numbers, such as wholesale and leased lines, were not included in the calculation of this determination. The law was left open for interpretation, per say, by the presiding attorney, Sandra Skogen, and supporters of CenturyLink took advantage, and their recommendation of the interpretation was granted. The Commission should be protecting consumers, not enabling a utility to have the ability to design their own rate, and issue no further penalty credits. We are not only compromising the quality of service, but reliability, as well, and much needed investment in rural areas. My vote against relaxed regulation stems from my grave concern for our ability to regulate the quality of service and costs. CenturyLink was, unfortunately, successful in no longer having to produce monthly performance measures, and limited their requirement to only once per year versus once a month. The Attorney General, the Department of Defense, the City of Albuquerque all intervened against giving CenturyLink the status of mid-size carrier."

"In the last eight years, CenturyLink's presence in New Mexico has diminished from 850,000 to 350,000 customers," said District 5 Commissioner Sandy Jones. "Today's decision was aimed at protecting CenturyLink's ability to continue to provide landline telephone service, especially to those in rural New Mexico. Under their previous regulatory scheme, CenturyLink was unable to compete with like services, while being under an obligation to serve all customers in their

certificated territory. Designating them as a mid-size carrier as we did today provides adequate consumer protection while allowing CenturyLink to compete. CenturyLink joins other New Mexico telecoms as a mid-size carrier.”

### **About the NMPRC**

The NMPRC regulates public utilities, telecommunications companies and motor carriers operating in the State of New Mexico. It also administers the State Fire Marshal’s Office, the New Mexico Firefighters Training Academy in Socorro, N.M., and the Pipeline Safety Bureau.

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