

## Via Fax

June 27, 2016

The Honorable Tom Wheeler Chairman Federal Communications Commission 445 Twelfth Street, SW Washington, DC 20554

## Dear Chairman Wheeler:

The Communications Workers of America (CWA) has been an enthusiastic supporter of the Connect America Fund (CAF) program to bring broadband access to millions of rural households and businesses across the United States.

As the Commission developed the CAF program, CWA urged the Commission to adopt rules that would encourage participation by incumbent carriers -- employers of CWA members. "These companies," we wrote, "employ thousands of skilled, career employees with the expertise, deep knowledge, and strong commitment of quality service for rural America. Carefully balancing the CAF rules to encourage participation by the price cap carriers will support quality, career jobs in rural America and ensure that there is a qualified workforce immediately available to build, maintain, and service CAF supported broadband networks."

Last August, the Commission announced that ten companies had accepted the offer of \$9 billion in CAF-Phase II funding to deploy broadband to 7.3 million rural locations over the next six years. CenturyLink received the largest CAF-II support: \$505.7 million annually – or a total of \$3 billion over six years – to serve 1.1 million locations in 33 states.

CWA represents 16,000 CenturyLink employees in 27 states, including employees in the 14-state "legacy Qwest" footprint and employees in 13 other states where CenturyLink is the incumbent local exchange carrier. CWA members currently perform the work associated with CenturyLink's broadband installation, activation, and testing.

Imagine our shock when CenturyLink sent a letter dated May 16, 2016 to CWA District 7, which represents the CenturyLink employees in the 14-state legacy Qwest footprint, informing the union that CenturyLink had already inked contracts to outsource the majority of the installation, activation, test, turn-up, and enablement work, and loop makeup and cutover migration functions associated with the CAF-II

<sup>&</sup>lt;sup>1</sup> Letter from CWA President Larry Cohen to Chairman Tom Wheeler, WC Docket No. 10-90, Oct. 31, 2014



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project. The CenturyLink letter indicated that the work began that month (May 2016) and would continue through 2021. In the same letter, CenturyLink acknowledged that this work is currently performed by CWA-represented CenturyLink employees. (A copy of the CenturyLink "Contracting of Work – CAF-II Project" letter is attached.)

CWA subsequently confirmed with CenturyLink that the CAF-II new construction work in the other states where CWA represents CenturyLink employees will likely be done by contractors.

CWA-represented CenturyLink technicians have years of experience installing, activating, and testing broadband equipment and networks. They know the state of the current network and are already on-site to do the work. Moreover, it is CWA's experience that the work of outside contractors is frequently riddled with problems that our members must then fix, adding cost and delay to network construction projects. These rural communities have already waited too long for access to broadband.

CenturyLink never reached out to CWA to discuss ways in which CenturyLink could meet its CAF-II deployment obligations by using its own union-represented employees.

We look to your office to assist CWA in making sure that federal CAF-II funds are not used to undermine good, middle-class jobs in rural and urban communities.

I have asked Debbie Goldman, CWA Telecommunications Policy Director, to reach out to your office for assistance in this important matter. Thank you.

Sincerely,

Christopher M. Shelton

President

Attachment

c: Commissioner Jessica Rosenworcel Commissioner Mignon Clyburn Commissioner Ajit Pai Commissioner Michael O'Rielly CenturyLink 1600 7<sup>th</sup> Avenue Seattle, Washington 98191

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Stephanie E. Miles Manager – Labor Relations Human Resources

May 16, 2016

Mr. Jay T. Boyle Assistant to the Vice President Communications Workers of America, District 7 8085 East Prentice Avenue Greenwood Village, Colorado 80111-2745

RE: CONTRACTING OF WORK ~ CONNECT AMERICA FUND PHASE II (CAF-II) PROJECT

Dear Mr. Boyle:

This is to notify you of contracting of work that will occur relative to the Connect America Fund – Phase II (CAF-II) project. CAF-II will involve installation, activation, test and turn-up and enablement of new network and network devices to provide additional, higher capacity services in primarily rural areas around the country. CenturyLink has been awarded CAF-II work in thirty-three (33) states, including the states within the legacy Qwest footprint. It is estimated that the project will involve installation, activation and enablement of approximately 14,000 DSLAM devices over the next six (6) years through 2021.

Century Link \*\*

Due to the high volume and time-bound commitments for this work, the Company has signed agreements with AdTran, Fujitsu and Calix to provide the DSLAMs and related equipment for CAF-II, and also to perform the majority of the DSLAM installation, local and remote activation, test and turn-up and enablement work (Optical Network Activation -- ONA), as well as structure load loop make-up (LMU) and cutover migration functions for the new equipment.

For the legacy Qwest footprint, the installation and on-site test and turn-up of DSLAMs and other associated equipment is generally performed by Network Technicians and/or Customer Data Technicians in the Local Planning, Engineering and Construction (LPEC) organization under Senior Vice President Tim Walden. The remote activation, test and turn-up and enablement of new equipment is generally performed by Customer Service Specialists in the Network Operations Organization reporting to Senior Vice President Matt Rotter and located in Minneapolis, Minnesota. The remote LMU and cutover and customer migration functions described above are generally performed by Facilities Specialists in the structure load group, who are part of the Customer Provisioning and Implementation Organization reporting to Vice President Teresa Kesselring and located in Denver, Colorado, St. Paul, Minnesota and Salt Lake City, Utah.

The CAF-II installation, activation, test and turn-up work is beginning this month and will continue through 2021. The CAF-II contracting will be limited to the CAF-II project installations and will have no impact on the day-to-day activities of Network Technicians or Customer Data Technicians in LPEC, Customer Service Specialists in the NROC or Facilities Specialists in the COO. The contracting of work will be reviewed with the impacted local unions and will be included as part of the quarterly reporting to the Executive Work Council, in accordance with the Letter of Agreement on Contracting of Work.

Please let me know if you have any questions.

Sincerely,

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