

# Centrex and Business Line Services

Last updated 10-30-23

WaTech's central office-based analog telephone services, Centrex and Business Lines, include free calling within the local calling area, access to the local operator and emergency services. Voice messaging is available at reduced [rates](#).

Currently this service is used primarily for service lines, such as fax, alarm systems or elevator phones. There are alternative services available in most cases. WaTech offers an eFax service that replaces the need for analog lines and fax machines. WaTech also offers network-based (VoIP) phone service at a lower cost as a replacement for small-office phone service. Customers are encouraged to migrate to these alternative services as the opportunity presents.

There has been a slow but steady decline in Centrex subscribership, from 6,500 telephone lines in 2018 to 4,500 in 2023. Of these lines, there are approximately 660 Centrex lines identified as being used for faxing. Customers are strongly encouraged to convert these to use WaTech's eFax service.

## Options available with this service

Many Business class features are available with this service. Please visit our service pages for details [Centrex Services | Washington Technology Solutions](#).

## Intended customers

Currently there are over 140 publicly funded entities using this service including state agencies, school districts, a variety of boards, commissions, local governments, utilities and higher education.

## Customer engagement

- Semi-annual customer Town Hall with all Network Services teams providing updates and gathering customer feedback.
- Monthly Technology Management Council (TMC) and Business Management Council (BMC) meetings for agency CIOs and IT leaders to inform and sponsor enterprise strategy, policy and investments.
- Regularly scheduled meetings between customers and Business Relationship Managers (BRM) to connect, advise, address concerns and provide solutions.
- Weekly group calls for state CIOs and CISOs to provide updates on important and immediate issues and actions.
- Regular outreach to solicit feedback, provide updates and inform agencies on emerging projects, initiatives, and services.
- Requests for new consultations and modifications to existing applications.

## Action plan

### Current activity

Multi-year contracts are in place with both service providers, however, the contract with CenturyLink expires in Q1 2024. CenturyLink is unwilling to commit to a long-term agreement and has requested an exit clause with a six month window should they win the eventual RFQ. WaTech expects the providers of these circuits will press to retire, raise prices, or restrict the offering of these

## Helpful information

### Service category

Communications & Collaboration

### Service availability

24/7/365

### Planned maintenance

Performed as required during non-peak hours.

### Related services

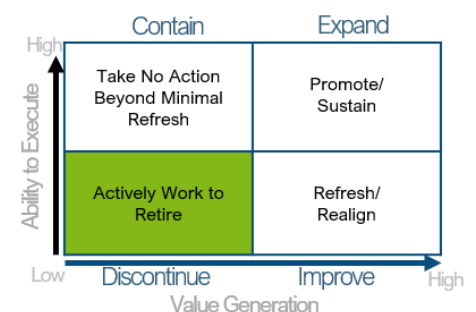
- [Switched Long Distance \(SLD\)](#)
- [eFax Service](#)
- [Private Branch Exchange \(PBX\)](#)
- [Teams Telephony](#)

### How to request service

Submit a request for service through our [Customer Portal](#).

### Service owner

Eric Talberg



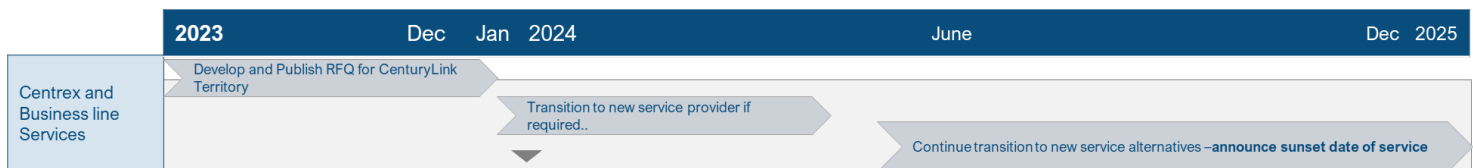
services as they move customers to more modern alternatives. Faced with these circumstances, WaTech will be forced to follow suit, or discontinue the service offering.

**One- to two-year goals**

An FCC ruling that went into effect recently has removed regulated pricing on copper-based services such as analog telephone lines. WaTech has contracts in place with guaranteed pricing for the next six months with CenturyLink and four years with Granite Communication in the Zippy service territory. However, once these contracts expire it is almost certain that prices will go up or the service will be discontinued. The contract for CenturyLink service needs to be replaced in early 2024. We have been warned by the current contract holder that this product does not have a long-term future and could be discontinued with a six month notification. We will be actively contacting customers to deliver this message and try to find more modern alternatives that will be supported in the longer term. Our goal is that any services that can be migrated, will be identified and if possible migrated. The new agreement for analog business lines will include an alternative (non-copper based) form of analog service for special applications such as elevator and alarm lines.

**Three- to five-year goals**

Continue to prepare customers for the end of this service and encourage them to adopt alternative services, such as eFax service and a network-based phone service as a replacement for small-office phone service. When we hear of policy or price changes from our providers we will pass these notifications to customers in a timely manner, so they can plan and react to these changes. WaTech plans to discontinue its service offering by June 30, 2027. Any remaining services will be transitioned to a directly purchased item from the service providers.



**Service review and fully loaded service budget projection**

**Revenue source:**

The Centrex service operates on a pay-per-use rate structure. Revenue received from this rate structure goes directly against the cost incurred to provide the service.

**Profit/loss over time:**

WaTech expects to see Centrex/Analog service revenue decline as customers migrate to more modern services. Current expenses will also decline due to a new contract, and reduced demand for the product.

