

Qwest

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Carla M. Butler Lead Paralegal

October 28, 2008

Vikie Bailey Goggins Oregon Public Utility Commission 550 Capitol St., NE, Suite 215 Salem, OR 97301-2551

Re: UM_____

Dear Ms. Bailey Goggins:

Enclosed for filing in the above entitled matter please find an original and (5) copies of Qwest Corporation's Petition to Eliminate or Modify Notification Requirements in Order No. 03-609 for Price Changes to Message Toll Services, along with a certificate of service.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Carla M. Butler

CMB:

Enclosure

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

In the Matter of

QWEST CORPORATION

Petition to Eliminate or Modify Notification Requirements in Order No. 03-609 for Price Changes to Message Toll Services QWEST'S PETITION TO ELIMINATE OR MODIFY NOTIFICATION REQUIREMENTS IN ORDER NO. 03-609 FOR PRICE CHANGES TO MESSAGE TOLL SERVICES

Pursuant to OAR 860-013-0020 and Condition 2 of Section 3 of the Stipulation approved in Order No. 03-609 in Docket UX 28, Qwest Corporation ("Qwest") hereby respectfully petitions the Commission to eliminate or modify the notification requirements in Order No. 03-609 for price changes to message toll services (MTS). The primary reasons for this petition is a result of changing market conditions that require Qwest to have additional flexibility and regulatory freedom when making price changes to MTS services.

PERTINENT BACKGROUND

A. Order No. 03-609 and the condition for notice of price changes to MTS services

On October 16, 2003, the Commission issued Order No. 03-609, in which it approved a stipulation of Qwest and Commission Staff to exempt from regulation certain Qwest intraLATA toll services and related services. See Order No. 03-609, Docket UX 28. There were several conditions in the stipulation which the Commission approved, including Section 3, which were the conditions for the exemption from regulation of Qwest's MTS services (intraLATA toll services in Oregon). One of those conditions pertained to notification of price changes to any MTS rate.

Specifically, Condition 2 provided as follows:

Notification

Qwest shall notify the Commission of any price changes to any MTS rate within thirty (30) days of any such price change. (Emphasis added.)

Qwest will provide its MTS customers with written notification, at Qwest's expense, of increases in its standard intraLATA MTS service charges at least thirty (30) days prior to implementation. The following language should be used in the notice to customers: "Qwest's local long distance rates will be raised by xx % on 'Month' xx, 200x. Alternative providers of long distance plans are available. Additional information is available at the Oregon Public Utility Commission's website, www.puc.state.or.us." Qwest may file a petition with the Commission to eliminate or modify this notification requirement in the future. (Emphasis added.)

Qwest will notify its MTS customers that the Commission has deregulated MTS. Qwest will issue the notice at its own expense.

Such notices should be displayed on page 1 of any bill or bill insert and in the same font size as the text of the bill message or bill insert.

Copies of all customer notices shall be sent to the Commission within thirty (30) days of when they are first sent to customers. Order No. 03-609, Appendix A (Stipulation), pp. 3-4 (of 6).

As shown above, the condition regarding at least 30 days' customer notification of price changes to MTS services expressly provides that "Qwest may file a petition with the Commission to eliminate or modify this notification requirement in the future." However, Qwest had not made any price changes to its MTS services in Oregon since Order No. 03-609.

B. Order No. 08-804 and the reasonable notice condition

Earlier this year, the Commission approved a stipulation of the parties in Docket UM 1354 in which the parties (Qwest, Staff, the Citizens' Utilities Board ("CUB"), the Telecommunications Ratepayers Association for Cost-based and Equitable Rates ("TRACER") and certain CLECs) stipulated to a price plan under ORS 759.220 to govern Qwest's retail prices. See Order No. 08-408 in Docket UM 1354. One of the conditions of that price plan is

that for services purchased on a per-call basis, Qwest will give reasonable notice to the customer of the price prior to the customer's use of the service." See Order No. 08-408, Exhibit A (Stipulation), p. 7 of 12, section III.Q.

C. Recent price changes to various services

Recently, Qwest made certain price changes pursuant to the authority provided in the stipulation approved in Order No. 08-408 in Docket UM 1354. Qwest provided the required customer notification for such price changes in accordance with the stipulation approved in Order No 08-408.

DISCUSSION

In light of the recent regulatory freedoms that Qwest gained in the price plan order in Order No. 08-408, and the changes in the telecommunications market in the five-plus years since Order No. 03-609, Qwest respectfully submits that there is good cause to eliminate or modify the UX 28 condition that Qwest provide at least 30 days' notice for any price changes to intraLATA MTS services in Oregon. In today's fast-moving marketplace, especially in which Qwest has only a very small share of the total Oregon intraLATA toll market, Qwest submits that 30 days' notice for a change in a price for a service that is exempt from regulation is not necessary.

Moreover, such a long customer notification requirement hampers Qwest's efforts to remain competitive on these services vis-à-vis its many competitors, who, like Qwest, provide similar unregulated services, but who, unlike Qwest, do not have customer notice requirements at all if they decide to change any MTS price.

Moreover, it is perhaps ironic that Qwest has a more stringent customer notification requirement (at least 30 days' advance notice) for an *exempted* (or *unregulated*) service (MTS) than it does for other services ("reasonable notice") that remain *regulated* (services purchased on

Qwest 421 SW Oak Street, Suite 810 Portland, OR 97204 a per-call basis) under its recent price plan. If it is in the public interest for these regulated services to have only a condition of "reasonable notice" for a price change, the same should hold true for unregulated (deregulated) services like intraLATA toll (MTS).

Accordingly, Qwest respectfully submits that the Commission eliminate the notification requirements in Order No. 03-609 for price changes to MTS. In the alternative, Qwest respectfully submits that the Commission should modify the notification requirements in Order No. 03-609 for price changes to MTS to be consistent with the "reasonable notice" requirement for customer notification set forth in the price plan stipulation for per-call services.

CONCLUSION

Accordingly, for the reasons stated above, Qwest respectfully submits the Commission should grant Qwest's petition to eliminate or modify the notification requirements in Order No. 03-609 for price changes to message toll services (MTS).

DATED: October 28, 2008

Respectfully submitted,

By:____

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Attorney for Qwest Corporation

CERTIFICATE OF SERVICE

I hereby certify that I served the foregoing QWEST'S PETITION TO ELIMINATE

OR MODIFY NOTIFICATION REQUIREMENTS IN ORDER NO. 03-609 FOR PRICE

CHANGES TO MESSAGE TOLL SERVICES by placing a copy of same in a sealed, firstclass postage-prepaid envelope deposited with the United States Postal Service at Portland,

Oregon and addressed to:

Michael Weirich, Esq. Assistant Attorney General Oregon Department of Justice Office of the General Counsel 100 Justice Building 1162 Court St. NE, Room 100 Salem, OR 97302

Mr. Bryan Conway Director, Telecommunications Services Oregon Public Utility Commission Staff P. O. Box 2148 Salem, OR 97308-2148

DATED: October 28, 2008

Respectfully submitted,

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