



April 30, 2014

PUC Filing Center  
PO Box 1088  
Salem, OR 97308-1088

RE: UM 1677 Frontier Petition for Price Plan

Dear Filing Center,

Enclosed for filing in the above mentioned docket please find an original and five copies of the following:

- 1) Joint Testimony
- 2) Witness Qualification Statements for Jack Phillips (Frontier), Bob Jenks (CUB) and Bruce Hellebuyck (PUC)
- 3) Stipulation with Price Plan as Exhibit A.

Please contact me at (503) 645-7909 if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Renee M. Willer".

Renee Willer  
Regulatory Manager  
Frontier Communications Northwest Inc.  
[renee.willer@ftr.com](mailto:renee.willer@ftr.com)  
c: Service List

1 **BEFORE THE PUBLIC UTILITY COMMISSION**

2 **OF OREGON**

3 **UM 1677**

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5  
6 In the Matter of the Petition of | STIPULATION  
7 Frontier Communications Northwest Inc. |  
8 For Approval of Price Plan Pursuant to |  
9 ORS 759.255 |  
10 \_\_\_\_\_

11 This Stipulation is entered into for the purpose of resolving all issues in this proceeding  
12 by and among the parties as set forth below.

13 **PARTIES**

14 1. The parties to this Stipulation (the “Stipulation”) are Frontier Communications  
15 Northwest Inc. (“Frontier”), Public Utility Commission of Oregon Staff (“Staff”), Citizens’  
16 Utilities Board of Oregon (“CUB”), Integra Telecom of Oregon, Inc. and its affiliates  
17 (“Integra”), and PriorityOne Telecommunications, Inc. (“PriorityOne”). The parties may be  
18 referred to hereafter collectively as the “Joint Parties” or individually as a “Party.” This  
19 Stipulation will be made available to other parties to this docket, who may participate by signing  
20 and filing a copy of this Stipulation.

21 2. The Joint Parties agree, or do not object, that approval of the stipulated price plan  
22 attached hereto as Exhibit A (the “Price Plan”) and this Stipulation satisfies the public interest  
23 standard in ORS 759.255 and that the Public Utility Commission of Oregon (the “Commission”)  
24 should issue an order approving this Stipulation and the Price Plan. A Party may not have taken a  
25 position on each issue in the Price Plan. To the extent that a party did not take a position on an  
26 individual issue, the Party does not object to that issue in the Price Plan.

## BACKGROUND

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2           3.       On November 27, 2013, Frontier filed a petition to be regulated under a price plan  
3 pursuant to ORS 759.255, and filed an amended petition on December 6, 2013. Subsequent to  
4 that petition, CUB filed its notice of intervention; Integra and PriorityOne each filed unopposed  
5 petitions to intervene, which were granted.

6           4.       Representatives of Frontier, Commission Staff, CUB, Integra, and PriorityOne  
7 participated in a prehearing conference on December 30, 2013. tw telecom also attended the  
8 prehearing conference, but has not filed a petition to intervene. ALJ Kirkpatrick presided over  
9 the prehearing conference and issued a procedural schedule the same day which included two  
10 workshops for the purpose of exploring the possibility of settlement of the issues in the case and  
11 the potential for filing of a stipulation among the Joint Parties.

12           5.       In accordance with the procedural schedule, the Joint Parties held publicly noticed  
13 workshops/settlement conferences on January 13<sup>th</sup> and January 29<sup>th</sup>, 2014. These workshops  
14 were open to all parties to the docket.

15           6.       The Oregon League of Cities (“League”) filed the standard petition to intervene  
16 on January 28, 2014, and was granted intervention on February 12, 2014.

17           7.       The Joint Parties and the League participated in a second scheduled prehearing  
18 conference on February 12, 2014, at which time the Joint Parties announced that they had  
19 reached an agreement in principle on all disputed issues in the docket and wished to have time to  
20 work together to memorialize the agreement in writing. The League did not object. The Joint  
21 Parties agreed to submit, by March 14, 2014, either a stipulation with supporting documentation  
22 or a status report.

1 **AGREEMENT**

2 8. Exhibit A sets forth the terms and conditions of the Price Plan the Joint Parties  
3 agree the Commission should approve. By executing this Stipulation, Frontier agrees to abide by  
4 and perform all terms of this Stipulation and the Price Plan. The Price Plan contains agreements  
5 of the Joint Parties that are additional to those set forth in this Stipulation (the term “Joint  
6 Parties” in the Price Plan has the same meaning as in this Stipulation). By executing this  
7 Stipulation, the Joint Parties agree to abide by and perform all agreements set forth in this  
8 Stipulation.

9 9. Frontier acknowledges and agrees that no rate, tax, term or condition in any  
10 interconnection agreement will change as a result of Frontier’s Petition and any subsequent  
11 Stipulation in this docket. Any change to a rate, tax, term or condition in any interconnection  
12 agreement must be effectuated pursuant to the terms of such interconnection agreement and  
13 subject to 47 U.S.C. Sections 251-252 and the approval of the Commission; provided, however,  
14 that Frontier may seek Commission approval of changes to any such rates in a generic cost  
15 docket. Frontier further acknowledges that Commission approval of its Petition and subsequent  
16 Settlement Agreement in this docket shall not in any way impact its continuing obligations under  
17 existing interconnection agreements and shall not in any way impact its continuing obligations  
18 under Sections 251 and 252 of the Telecommunications Act of 1996, 47 U.S.C. 251-252, nor any  
19 federal or state regulations, orders or rules promulgated under such statutes, nor any federal rules  
20 or orders promulgated under any section of the Federal Communications Act of 1934 (the  
21 “Communications Act”), as amended.

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10. The Joint Parties agree, or do not object, that the Price Plan will be effective immediately following the Commission’s approval of this Stipulation and the Price Plan.

11. The Joint Parties agree, or do not object, that the terms of this Stipulation and Price Plan satisfy the public interest standard set forth in ORS 759.255 for approval of this Price Plan.

12. The Joint Parties agree not to oppose this Stipulation and the Price Plan and will make no effort to undermine Commission approval. This Stipulation will be offered into the record of this proceeding as evidence pursuant to OAR 860-001-0350(7). The Joint Parties may provide either witnesses to sponsor testimony or legal representatives with respect to this Stipulation. The Joint Parties will recommend the Commission issue an order adopting the agreements contained herein and approving this Stipulation and the Price Plan.

13. Frontier requests the Commission enter an order approving this Stipulation and the Price Plan as soon as possible and not later than May 30, 2014. The Joint Parties support this request.

14. The Joint Parties have negotiated this Stipulation as an integrated document. If the Commission rejects all or any material part of this Stipulation or the Price Plan, or imposes additional material conditions in approving the Stipulation and the Price Plan, any Party shall have the right, upon written notice to the Commission and all other Parties within 15 business days of the Commission’s order, to withdraw from this Stipulation or seek reconsideration or appeal of the Commission’s order, or both. However, prior to withdrawal, the Party shall engage

1 in good faith negotiation with the other Joint Parties. No Party withdrawing from this Stipulation  
2 shall be bound to any position, commitment, or condition of this Stipulation.

3 15. The Joint Parties agree that this Stipulation represents compromises in the  
4 positions of the individual Parties. As such, conduct, statements, and documents disclosed in the  
5 negotiation of this Stipulation shall not be admissible as evidence in this or any other proceeding.  
6 By entering into this Stipulation, no Party will be deemed to have approved, admitted, or  
7 consented to the facts, principles, methods, or theories employed by any other Party in arriving at  
8 the terms of this Stipulation, other than as specifically identified in this Stipulation. No Party  
9 shall be deemed to have agreed that any provision of this Stipulation is appropriate for resolving  
10 issues in any other proceeding, except as expressly identified in this Stipulation.

11 16. The effective date of this Stipulation as to each Party will be the date of that  
12 Party's signature to the Stipulation.

13 17. This Stipulation may be executed in counterparts and each signed counterpart will  
14 constitute an original document.

15 This Stipulation is entered into by each Party as of the date(s) entered below:  
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17 FRONTIER COMMUNICATIONS

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19  
20 By: George Baker Thomson  
21 Its: Associate General Counsel  
22 Dated: April 30, 2014  
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STAFF OF THE PUBLIC UTILITY  
COMMISSION OF OREGON



By: Jason Jones  
Its: Attorney  
Dated: 4/29/14

CITIZENS' UTILITY BOARD OF  
OREGON

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By:  
Its:  
Dated:

INTEGRA TELECOM OF  
OREGON, INC.

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By:  
Its:  
Dated:

PRIORITYONE  
TELECOMMUNICATIONS

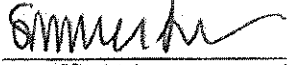
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STAFF OF THE PUBLIC UTILITY  
COMMISSION OF OREGON

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By:  
Its:  
Dated:

CITIZENS' UTILITY BOARD OF  
OREGON

  
\_\_\_\_\_  
By: Sommer Temple  
Its: Staff Attorney  
Dated: 4/29/14

INTEGRA TELECOM OF  
OREGON, INC.

\_\_\_\_\_  
By:  
Its:  
Dated:

PRIORITYONE  
TELECOMMUNICATIONS

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STAFF OF THE PUBLIC UTILITY  
COMMISSION OF OREGON

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By:  
Its:  
Dated:

CITIZEN'S UTILITY BOARD OF  
OREGON

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By:  
Its:  
Dated:

INTEGRA TELECOM OF  
OREGON, INC. AND ITS  
AFFILIATES



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By: Douglas Denney  
Its: Vice President, Costs & Policy  
Dated: April 30, 2014

PRIORITYONE  
TELECOMMUNICATIONS

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By:  
Its:  
Dated:

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STAFF OF THE PUBLIC UTILITY  
COMMISSION OF OREGON

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Its:  
Dated:

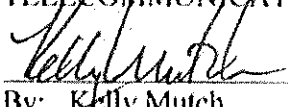
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OREGON

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By:  
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INTEGRA TELECOM OF  
OREGON, INC.

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By:  
Its:  
Dated:

PRIORITYONE  
TELECOMMUNICATIONS

  
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By: Kelly Mutch  
Its: President  
Dated: April 30, 2014

**FRONTIER'S PRICE PLAN UNDER ORS 759.255**

DEFINITIONS:

1. "New service" means a retail telecommunications service that is offered in Oregon for the first time following the effective date of this price plan. A service is not a new service if it merely renames, repackages, or is a variation of an existing service, or if it is reintroduced in substantially the same form after having been provided for free, withdrawn or abandoned.
2. "pre-Plan rates" means the rates charged by Frontier in Oregon pursuant to its tariffs or price list that were effective on April 22, 2014, or Frontier's original introductory price for any new service introduced after April 22, 2014, but before the effective date of this price plan..
3. "Primary line basic service" means the first line only of basic local exchange service for an individual residential or business customer account at a single location that is not sold as part of a package. For purposes of this definition, "basic local exchange service" means residential single party flat rate local exchange service; residential single party measured local exchange service, including local exchange usage; business single party flat rate local exchange service in Rate Groups 1, 2, and 3; and business single party measured local exchange service, including local exchange usage in Rate Groups 1, 2, and 3. These rates are set forth in Frontier's P.U. C. Oregon No. 18 Local Exchange Tariff, Section 4, Sheets 5-7 and Sheet 11-12.
4. "Other Services" means any other residential or business services contained in Frontier's intrastate retail tariffs that are not expressly listed in the Price Plan. "Other Services" does not include Packages and Bundles.
5. "Packages and Bundles" means any combination of services which may include primary line residential or primary line business service as well as other services at a combined price.

**A. General Objectives. Frontier's Price Plan, as amended and agreed to through the associated stipulation, ("Price Plan" or "Plan") will achieve the following objectives;**

1. Ensure the Plan is operating in a way that is in the public interest.
2. Produce prices for Frontier's retail telecommunications services that are just and reasonable.
3. Ensure that the quality of existing telecommunications services will stay at or above current levels.
4. Maintain the appropriate balance between the need for regulation and competition.
5. Simplify and reduce the burden of regulation for both Frontier and the Commission.
6. Maintain the availability of primary line basic service at affordable rates throughout the state.
7. Increase Frontier's pricing flexibility to meet changing market conditions.
8. Make new telecommunications services available.

**B. Pricing and Availability of Services under Price Plan Initial Rates.** The rates that Frontier currently charges in its approved tariffs and price lists will be its pre-Plan rates. These rates are subject to adjustment as provided below.

**1. Price Caps**

- a. Non-recurring charges for residential and business primary line basic service. Charges remain at pre-Plan rates.
- b. Recurring charges for residential service. Primary line basic service for residential customers will be subject to price caps. Monthly rates for this Service may increase a maximum of \$3.00 during the period of the Price Plan. Frontier may increase these rates up to a \$2.00 maximum on the Price Plan's effective date, and may increase rates up to an additional \$1.00 beginning in year 3 of the Price Plan.

- c. Adjustment of prices. Frontier is permitted to adjust recurring charges for primary line residential basic service upward or downward between the price caps and the applicable price floors for primary line residential basic service.
  - d. Recurring charges for business services. Frontier may increase recurring charges for business primary line basic service by up to \$4.00 on the effective date of the Price Plan.
  - e. Rate averaging. For residential primary line basic service, statewide averaging will remain in effect. For business primary line basic service, Frontier will not further deaverage beyond the three existing (pre-Plan) rate groups. Existing dollar differences between rate groups will not increase. For all other services, Frontier will maintain the statewide average rates.
- 2. Availability. Frontier will continue to offer primary line residential and business basic service on a stand-alone basis.
  - 3. Petition to remove or adjust price caps. Frontier may petition the Commission to remove or adjust the price caps for primary line residential basic service. Frontier will have the burden of showing that the removal or adjustment of the price caps for primary line residential basic service will result in rates that are just and reasonable. The Commission may also consider whether removal or adjustment of the price caps is in the public interest, considering the factors set forth in ORS 759.255(2). There is no presumption as part of this Price Plan that the Joint Parties would support such a petition.
- C. Telephone Assistance Plans. Frontier will continue to offer current Telephone Assistance Plans (OTAP, Tribal Lifeline, and Tribal Link-Up) pursuant to state and federal requirements.
  - D. Switched Access. Rates for intrastate switched access services will be capped at current rates and the Commission may adjust the price caps if required by FCC action.
  - E. EAS. Rates for extended area service (EAS) are capped at current rates but, for billing purposes, the Company is permitted to combine the rate for primary line residential basic service and EAS into a

single rate. Frontier will continue to offer customers all existing options, including measured EAS service combined with monthly flat rate service. Frontier will not be required to establish any new or expanded EAS routes as long as it operates under the Price Plan.

- F.** DS-1 and ISDN-PRI Services. Rates for DS-1 and ISDN-PRI services may increase up to 10% annually.
- G.** E911 Services (including PS/ALI). Rates, terms and conditions remain at pre-Plan status.
- H.** Other Services. Monthly rates may increase up to 25% or \$.50, annually, whichever is greater. Within 60 days of receiving notice of price increase to “Other Services,” Customers who request removal of any service contained in “Other Services” will not incur a non-recurring charge for the removal of the service.
- I.** New Services. Any new service introduced after the effective date of the Price Plan will not be subject to price caps. (Definition of New Services not to include repackaging of existing services.)
- J.** Toll Restriction/Call Trace/Unlisted Numbers. These three services are capped at pre-Plan rates.
- K.** Directory Listings. The first listing is included with primary line telephone service, including those within Packages and Bundles. The second and any other additional listings will be subject to the “Other Services” rate cap above.
- L.** Exogenous change adjustments. Frontier may petition the Commission for adjustments to the price cap for any service provided under the Price Plan to reflect factors outside Frontier’s control, which will have a material impact on the Company (e.g., changes in law, rule, or tax structure as a result of legislative, judicial, or administrative agency action). For example, the Company may request consideration of changes in Universal Service Support, FCC imposed price floors, etc. if those items are beyond its control and have a material impact on the Company. There is no presumption as part of this Price Plan that the Joint Parties would support such a petition, and not all parties agree that the specific examples set forth in this paragraph constitute an appropriate reason for the Company to make such a filing under this provision of the Price Plan.

- M. Intrastate Special Access.** Nothing in this Price Plan affects existing intrastate special access services. Frontier may petition the Commission separately for any proposed rate changes to intrastate special access services
- N. Separate Billing Line Item for 4% Privilege Tax.** Frontier may, with 30 days notice to customers and the Commission, remove the 4% privilege tax from the basic local service rates and show that tax as a separate line item on customer bills. If Frontier elects to make such a change, there will be a reduction to the cap in the amount of 4% of the charge for the service prior to removal of the 4% privilege tax. As an example, the initial cap for primary line basic residential service would be reduced by \$0.50 ( $\$12.59 \times 4\%$ ) from \$2.00 to \$1.50.
- O. Separate Billing Line Item for .25% PUC Fee.** Frontier may, with 30 days' notice to customers and the Commission, remove the .25% PUC fee from the basic local service rates and show that fee as a separate line item on customers' bills. If Frontier elects to make such a change, there will be a reduction to the cap by an amount equal to the amount of the fee shown on the customer bill.
- P. Packages and Bundles.** Frontier may combine any regulated telecommunications service with any other service(s) to offer packages and bundles of services, which may include primary line residential basic service and EAS, at any price subject to the following conditions:
1. Customers can purchase separately from the company's tariff or price list any regulated telecommunications service included in the package or bundle.
  2. The package or bundle price is not more than the sum of the retail prices of all services available in the package or bundle.

Terms applicable to new packages or bundles, including those that include primary line residential basic service, will be established in the Company's price list at least one day prior to their effective date.

- Q. Notice of tariff changes.** Frontier will provide the Commission notice of price increases or other changes to terms and conditions for services under price cap by making tariff filings at least 30 days prior to the effective date of such price changes. Frontier will provide the Commission notice of price decreases for services under price cap by making tariff filings at least one day prior to the effective date of such price decreases.

Frontier will make price list changes for New Services, Other Services, and Packages and Bundles at least one day prior to the effective date of any price change. Frontier will also provide customers at least 30 days prior notice for services they are purchasing at the time of the price increase. For services on a per-call basis, Frontier will give reasonable notice to the customer of the price prior to the customer's use of the service.

- R. Services exempt from regulation.** Services that the Commission has already ordered to be exempt from regulation will remain exempt from regulation, subject to the conditions of the order that exempted the service from regulation. Frontier retains the ability to petition the Commission to exempt additional services from regulation under ORS 759.052.

- S. Promotions.** Frontier may offer promotions for primary line residential basic service and other regulated services pursuant to ORS 759.182 and 759.267.

- T. Service Quality.** Frontier will continue to be subject to the Retail Telecommunications Service Standards for Large Telecommunications Utilities identified in OAR 860-023-0055.

- U. Specific Commitments:**



1. Service Performance Guarantees. Frontier will retain the service guarantees in its existing tariff. Frontier commits to provide refresher training to all call center representatives to reinforce the policy of offering customers with missed installation and repair commitments the tariffed service performance guarantee within 60 days of the Commission's approval of the Price Plan.
  2. Network and Other Investments. Frontier commits during the term of the Price Plan to public benefit commitments totaling \$400,000.
  3. Complete the South Coast Diversity project at an estimated cost of \$300,000, providing a public safety benefit for customers in that region<sup>1</sup>. If CenturyLink has not participated in building the new meet point in Eugene by the end of 2015, Frontier agrees to spend the \$300,000 on a different project, mutually agreed to by the Company, Staff and CUB by the end of 2017.
  4. Frontier will additionally replace the existing DCM-24 equipment at Swedetown, Clatskanie at an estimated cost of \$50,000.
  5. Frontier will also provide \$50,000 to CUB Connects, which provides a public benefit by helping consumers to navigate the competitive marketplace for telecommunications services.
- V. Waiver of statutes, rules, and UM 1431 Merger Conditions.
1. Statutes. Frontier's compliance with the following statutes, and all Commission rules implementing these statutes, is waived in full, unless a partial waiver is noted:
    - ORS 759.120 Form and manner of accounts prescribed by Commission. Partial waiver per Order 10-067, Condition #12.

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<sup>1</sup> This project is dependent on CenturyLink's participation in building a new meet point in Eugene, OR.

- ORS 759.125 Records and accounts prescribed by Commission; prohibition on other records or accounts; exception; blanks for reports. Partial waiver per Order 10-067, Condition #12.
- ORS 759.135 Depreciation accounts; un-depreciated investment allowed in rates; conditions. Full waiver. (Waiver of this rule should not be understood to impact the requirement to report plant depreciation as requested in the Form O.)
- ORS 759.180 to ORS 759.200 (with the exception of ORS 759.182). Full waiver of statutes listed below:
  - 759.180 Hearing on reasonableness of rates; procedures; exceptions
  - 759.185 Suspension of rates pending hearing; time limitation; refund of revenue collected; interim rates.
  - 759.190 Notice of Schedule Change
  - 759.195 Price listing of services; conditions; maximum rates; essential services; justification by utility of rates for price-listed services.
  - 759.200 Inclusion of amortizations in rates; deferral of certain expenses or revenues; limitation on amounts; prohibited uses.
- ORS 759.215(2) Public access to schedules. Full waiver.
- ORS 759.220 Joint rates and classifications; procedure; considerations – Partial waiver with regard to joint rates and establishment of new through services, but not with regard to canceling any existing through service.
- ORS 759.285 Charging rates based on cost of property not presently providing service. Full waiver.
- ORS 759.300 to ORS 759.360 – Issuance of Securities. Full waiver.

2. Rules. Frontier's compliance with the following Commission rules is waived in full, unless a

partial waiver is noted:

- OAR 860-022-0025(2)(b) and (c) Requirements for Filing Tariffs or Schedules Changing Rates.
- OAR 860-022-0030 Requirements for Filing Tariffs or Schedules Naming Increased Rates. OAR 860-022-0042 Partial waiver of Privilege Tax rule limiting pass through in excess of 4%.
- OAR 860-027-0015 New Construction Budget
- OAR 860-027-0050 Uniform System of Accounts for Large Telecommunications Utilities, partial waiver per Order 10-067, condition #12.
- OAR 860-027-0052 Allocation of Costs by a Large Telecommunications Utility

### 3. Other

- Partial waiver of Condition #12 in Commission Order 10-067 (appendix A) in Docket UM 1431 imposing as a condition of approval of the merger a requirement that Frontier submit Form O and Form I. Frontier will submit Form I every three years (next report due 2016). No waiver of requirement for Form O.
- Waiver of Condition 57, Order 10-037 in Docket UM 1431 requiring submission of DSL complaints and subscriptions for 5 years.
- Waiver of Condition 2, Order 10-037 in Docket UM 1431 requiring accounts receivables, payables and dividend report for 5 years, partial waiver, retain quarterly reports.

### W. Term and Conditions for Review of Frontier Performance Under Price Plan.

Term: The Price Plan will extend for three years, with an option for Frontier to extend the Price Plan by an additional (fourth) year. No later than the end of the second year of the Price Plan, Frontier will notify the Commission of its intent to extend the Plan for a fourth year or

petition the Commission seeking 1) a new price plan; 2) modification to the existing Price Plan; or 3) any other form of regulation that may be applicable. If Frontier elects to extend the Price Plan for a fourth year, it will be required to petition the Commission for a new form of regulation no later than the end of the third year of the Price Plan. Should Frontier provide notice that it intends to extend the Price Plan for the fourth year, rates will remain at the negotiated cap(s) for basic residential and business service unless Frontier has not exercised the full dollar amount of the cap(s).

Three-year review: Frontier's performance under the Price Plan will be reviewed by the Commission every three years. Frontier will file a report regarding its performance as compared to the objectives of the plan by the 90<sup>th</sup> day of the third year of operation under the plan. The report will review how the objectives of the plan are being met and will include the following information:

1. An analysis of current market conditions for the various categories of Frontier's regulated retail telecommunications services to the extent such information is publically available.
2. Data regarding the gain or loss of access lines by wire center.
3. A discussion of how the pricing flexibility allowed Frontier to meet the plans objectives.
4. Identification of any new services Frontier has introduced.
5. Identification of any ways in which the burden of regulation for both Frontier and the Commission has been simplified or reduced.

**X.** Evaluation of market, modifications to Plan.

The Commission will review the data submitted by Frontier and any other relevant evidence regarding the competitiveness of the market for services that are functionally equivalent or substitutable for services offered by Frontier, as well as any other relevant factors, and

determine whether other modifications to the Plan are appropriate to provide Frontier with additional regulatory flexibility beyond that included in the original Price Plan.

The Commission may open an investigation at any time pursuant to ORS 756.515 to determine whether further adjustments to the price plan or termination of the Price Plan is required by the public interest, according to the factors set forth in ORS 759.255(2). The Commission may order further adjustments to the Price Plan or termination of the Price Plan only after providing Frontier notice and an opportunity for hearing. In any such investigation and proceeding, the Joint Parties agree that the Commission should first attempt to identify and require adjustments to the price plan such that the continuation of the Price Plan is in the public interest before it orders termination of the Price Plan.

1. If the Commission orders termination of the Price Plan, Frontier would no longer be able to increase its rates as it was permitted to do under the Price Plan, but Frontier would be allowed to decrease its rates subject to any applicable price floor.
2. If the Commission orders termination of the Price Plan, Frontier may thereafter pursue any form of price regulation or relief therefrom then permitted under Oregon law, including but not limited to: exemptions from regulation pursuant to ORS 759.052; price listing pursuant to ORS 759.054, 759.056, and/or 759.195; rate regulation pursuant to ORS 759.175-759.190; another price plan pursuant to ORS 759.255; or price cap regulation pursuant to ORS 759.405-759.410.
3. If the Commission orders early termination of the Price Plan, the Parties agree the Commission may also, in the same proceeding, adjust Frontier's rates to ensure that Frontier's rates are just and reasonable, and the Parties agree not to advocate for rates that are lower than pre-Plan rates. Frontier would no longer be able increase its rates as it was permitted to do under the Price Plan, but Frontier would be allowed to decrease its rates subject to any applicable price floor.

CERTIFICATE OF SERVICE  
UM 1677

I certify that on this 30th day of April, 2014, I served the foregoing Stipulation, Joint Testimony and Price Plan Exhibit A to the PUC Filing Center by electronic and U.S. Mail and to the Parties by electronic mail.

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Respectfully submitted this 30<sup>th</sup> day of April, 2014

Renee Willer – State Regulatory Manager