OREGON PUBLIC UTILITY COMMISSION INTEROFFICE CORRESPONDENCE

DATE:

May 20, 2014

TO:

File through Bruce Hellebuyck

FROM:

Stephanie Maeda & M

SUBJECT: United Telephone Company of the Northwest dba CenturyLink,

Advice No. 14-002

Establishes a new business promotion for Core Connect 2 and

Core Connect 2 LITE.

I have reviewed this filing and recommend that an acknowledgement letter be sent. The filing went into effect on April 30, 2014, and was filed on April 25, 2014. The company proposes to establish a promotion for United's Core Connect 2 and Core Connect 2 LITE packages.

During the period April 30, 2014, through July 29, 2014, business Core Connect 2 and Core Connect 2 LITE customers may be eligible for a waiver of all nonrecurring charges (excluding charges applicable for inside wiring, construction, or CPE installation) that are otherwise applicable when they order additional Core Connect 2 or Core Connect 2 LITE packages.

To be eligible, customers who are contacted by the company or who contact the company and request this promotion must subscribe to an additional Core Connect 2 or Core Connect 2 LITE package under a term discount plan. The additional line(s), up to a maximum of nine, may be at the same or different locations but must be billed under the same account. This promotional offer may not be combined with other discounts unless otherwise specified.

Core Connect 2 is an optional enrollment plan that permits business customers who subscribe to qualifying products and services to receive exchange services and additional features and services for a flat monthly rate. Core Connect 2 bundles are available under month-to-month, one-year, twoyear, or three-year plans. Core Connect 2 customers must subscribe to a qualifying long distance plan and the company's non-regulated high-speed internet service. Alternatively, customers may elect Core Connect 2 LITE, which offers the same options as Core Connect 2 for a slightly higher monthly price but does not require customers to subscribe to a long distance plan.

Core Connect 2 and Core Connect 2 LITE customers receive business one-party flat rate or key line flat rate services (including both exchange service and flat

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rate EAS), and a choice of optional features (e.g., call forwarding, three-way calling, and call waiting ID).

Telecommunications utilities are allowed to promote the use of their services, under ORS 759.267, by offering a waiver of part or all of a recurring or nonrecurring charge, a redemption coupon, or a premium with the purchase of a service. In addition, under ORS 759.182, telecommunications utilities are allowed to file promotional rate schedules with the Commission that are concurrent with the effective date for promotion, but are required to price promotional services at prices that are not below the price that the service is sold to another carrier. Large telecommunications utilities are required, under OAR 860-026-0025, not to promote any regulated service for more than 180 days in any 12-month period. This filing complies with these requirements.

The company submitted a financial analysis and cited cost studies that show the proposed rates cover the cost of service.

United.14-002.Promo.CoreConnect2