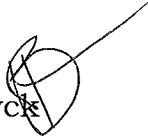


**OREGON PUBLIC UTILITY COMMISSION
INTEROFFICE CORRESPONDENCE**

DATE: August 29, 2014

TO: File through Bruce Hellebuyck 

FROM: Jim Stanager 

SUBJECT: Frontier Communications Northwest Inc., Advice No. 1039
Establishes a promotion for the optional Feature Package for a Digital Phone residential package.

I have reviewed this filing and recommend that an acknowledgement letter be sent. The filing went into effect on August 25, 2014, and was filed on August 18, 2014. During the promotional period from August 25, 2014, through November 21, 2014, residential customers that subscribe to a Frontier Digital Phone bundle/package will be given a \$2.99 monthly credit for three months for the optional Feature Package. Customer must call to cancel the Feature Package service to avoid \$2.99 monthly charge after the promotional period.

The Digital Phone residential package includes one flat rate residential access line, the customer's choice from a group of standard (Basic) custom calling features and services, flat rate Extended Area Service (EAS) ,¹ and a group of optional features. The monthly rate for a Frontier Digital Phone bundle/package ranges from \$21.99 to \$31.99. The monthly rate for the optional Feature Package for Digital Phone is \$2.99, which is the same amount as the promotional credit.

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 estimates that this filing would have a negligible effect on annual net revenues.

Frontier.1039. Promo.DigPh.FeaturePak\$2.99

¹ The monthly residential flat rate EAS charges range from \$1.19 to \$8.19.