

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: May 16, 2017

REGULAR _____ CONSENT X EFFECTIVE DATE May 22, 2017

DATE: May 4, 2017

TO: Public Utility Commission

FROM: Stephanie Yamada *SY*

THROUGH: Jason Eisdorfer *E*, Bryan Conway *BC*, and Bruce Hellebuyck *BH*

SUBJECT: FRONTIER COMMUNICATIONS NORTHWEST INC.:
(Docket No. ADV 549/Advice No. 1056) Consolidates language related to Lifeline credits.

STAFF RECOMMENDATION:

Staff recommends that the Commission allow Frontier Communications Northwest Inc.'s (Frontier or Company) Advice No. 1056, which proposes modifications to the Company's filed Tariff P.U.C. OR. No. 18 (Tariff), to go into effect for service rendered on and after May 22, 2017.

DISCUSSION:

Issue

Whether to allow Frontier to modify the presentation of rates relating to Lifeline service in its Tariff.

Applicable Law

On August 18, 2014, the Commission issued its Order No. 14-290, in Docket UM 1677, approving a price plan for Frontier under ORS 759.255. Section Q of Frontier's price plan requires tariff filings to be made at least 30 days prior to their effective dates. Section C of the price plan requires Frontier to continue offering Telephone Assistance Plans pursuant to state and federal requirements. Telecommunications utilities are required under ORS 759.175 to submit tariff filings to the Commission whenever they intend to change their rates, terms, or conditions of service.

Analysis

This filing proposes to remove Lifeline-specific rates from Section IV, Sheets 5, 6, and 7 of Frontier's current tariff, P.U.C. OR. No. 18. The proposed changes are largely administrative in nature and do not affect the rates, terms, or conditions of service to Lifeline customers.

The Oregon Telephone Assistance Program (OTAP) provides Lifeline discounts to qualified low-income customers who subscribe to basic local exchange service offerings. The service offering can be in stand-alone form (without any other services), or as part of a bundle which includes other types of services. Discounts are applied monthly as credits on customers' bills. Currently, Frontier's Tariff shows specific Lifeline rates for some local exchange service offerings, in addition to the standard tariffed rates for those services. The listing of those specific Lifeline rates is confusing and unnecessary as there is another portion of the Tariff that specifically addresses Lifeline service and identifies the associated credits and their application. The current filing proposes to remove the Lifeline-specific rates from the Tariff and leave the part of the Tariff that describes the Lifeline credits and program.

As the application of Lifeline credits is a straightforward matter, Staff supports eliminating the service-specific Lifeline rates from the Tariff. Staff believes that the proposed changes will reduce confusion and simplify the administration of future changes to Frontier's basic local service rates by eliminating the need to adjust the service-specific Lifeline rates in accordance with the standard tariffed rates. Other telecommunications utilities operating in Oregon, including Qwest Corporation dba CenturyLink QC, already display tariffed Lifeline credits in a similar manner to that which Frontier proposes with this filing.

The filing was submitted on April 13, 2017, with a requested effective date of May 22, 2017, and therefore complies with the applicable 30-day filing requirements.

Conclusion

Staff finds that the filing complies with the requirements of the Frontier Price Plan and the related Oregon statutes, and is reasonable. For these reasons, Staff concludes that the Tariff should be allowed to go into effect.

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PROPOSED COMMISSION MOTION:

Allow Frontier Advice No. 1056 to go into effect for service rendered on and after May 22, 2017.

Frontier.1056.Lifeline