



December 6, 2013,

PUC Filing Center
3930 Fairview Industrial Drive SE
Salem, OR 97302-1166

RE: Frontier Communications Northwest Inc. Petition for Price Plan

Dear Filing Center,

Please find enclosed a revised copy of Frontier Communications Northwest Inc. Petition for Price Plan. The Petition has been revised to remove the reference to "Exhibit A" in the opening paragraph of the Petition. Please call me at (503) 645-7909 if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Renee M. Willer". The signature is written in a cursive style.

Renee Willer
Regulatory Manager
Frontier Communications Northwest Inc.
20575 NW Von Neumann Drive
Beaverton, OR 97006
503.645.7909
renee.willer@ftr.com

Enclosures

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36

II. REQUEST FOR PRE-HEARING CONFERENCE

Frontier requests that the Commission hold a pre-hearing conference in this proceeding at the earliest possible date to establish a procedural schedule for considering Frontier’s proposal.

III. BACKGROUND

A. Summary of ORS 759.255

ORS 759.255 gives the Commission authority to approve a plan under which a telecommunications utility that provides local exchange service may charge prices that are established “without regard to return on investment of the utility.” ORS 759.255(1). This statute was intended to give the Commission flexibility to respond to the evolving competitive nature of the telecommunications market. The Commission may approve a price plan under ORS 759.255 if it finds that the plan is in the public interest. ORS 759.255(2). In making its determination, the Commission is to consider whether the plan:

- (a) Ensures prices for telecommunications services that are just and reasonable;
 - (b) Ensures high quality of existing telecommunications services and makes new services available;
 - (c) Maintains the appropriate balance between the need for regulation and competition; and
 - (d) Simplifies regulation.
- ORS 759.255(2).

In approving a plan, the Commission shall establish objectives of the plan and conditions for review of the plan during its operation, which may not consider return on investment. ORS 759.255(3). Prices charged under the plan are subject to a price floor equal to “the total service long run incremental cost, for nonessential functions, of providing the service and the charges of essential functions used in providing the service.” ORS 759.255(4).

In 2008, the Commission approved a Price Plan under 759.255 for Qwest Corporation in Docket UM 1354. At that time, the Commission granted minimal pricing flexibility and waivers from certain statutes and rules. On May 3, 2013 CenturyLink filed a petition to revise the Price Plan that was approved for the former Qwest entity and that proceeding is still pending.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33

B. OVERVIEW OF FRONTIER COMMUNICATIONS NORTHWEST INC.

Frontier Communications Northwest Inc. (Frontier) is an Incumbent Local Exchange Carrier (ILEC) that serves 58 wire centers and approximately 180,000 access lines in Oregon.¹ Frontier provides voice, broadband and video services for both residential and business customers. Frontier is still regulated by a traditional rate of return model even though the telecommunications market has transformed into a highly competitive landscape over the past 17 years since enactment of the 1996 Telecommunications Act. Frontier currently has over 400 employees in the State of Oregon that handle day-to-day operations, sales, marketing, engineering and support functions. Over the last three years, Frontier has invested over \$56.8 million on new broadband infrastructure in Oregon and has expanded availability to over 96% of households in its service territory.

C. PETITION DOES NOT IMPACT OBLIGATIONS UNDER §§ 251 AND 252 OF THE ACT, OR PUBLIC SAFETY AND LOW-INCOME PROGRAMS

This Petition does not request modification of Frontier’s wholesale obligations under sections 251 and 252 of the Telecommunications Act, nor any federal or state regulations, orders or rules relating to Frontier’s wholesale obligations. Frontier will continue to maintain its Statement of Rates that reflect the Oregon approved default rates for UNEs on its tariff and service catalog website. Additionally, Frontier will continue to fulfill obligations with respect to participation in low-income (Lifeline) and hearing impaired programs; and public safety, including E-911 and Eligible Telecommunications Carrier (ETC) status.

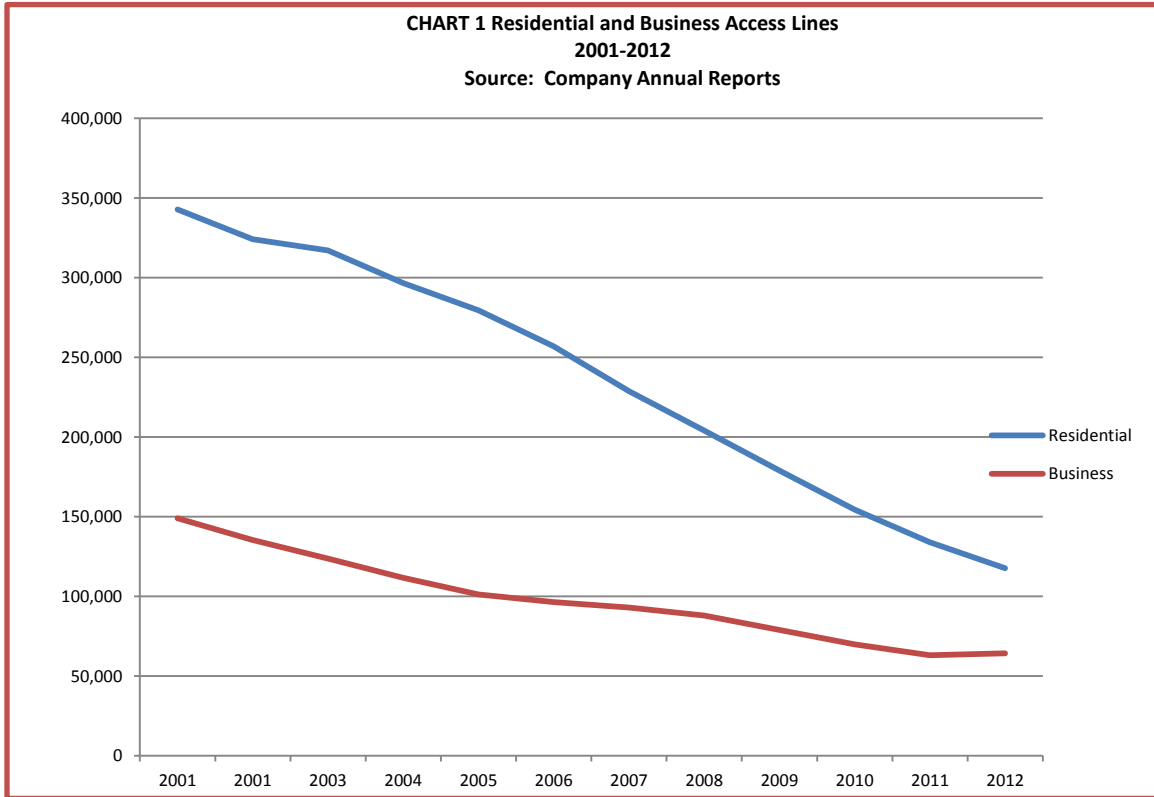
D. COMPETITION IN OREGON’S COMMUNICATIONS MARKET

Frontier faces fierce competition throughout its entire service territory in Oregon including some of the most rural parts of the state. Competitors include (but are not limited to) traditional facilities-based carriers such as Comcast, Charter, Wave, Comspan, Pacific Wave, Priority One, SCS Communications, Integra, Level 3, XO Communications, AT&T, tw telecom, and Verizon Business. In addition, intermodal competitors are providing comparable or substitutable services throughout Frontier’s service territory including wireless carriers AT&T Mobility, Verizon Wireless, Sprint, T-Mobile, US Cellular, Cricket Wireless, and VoIP providers Vonage, Ymax, Basic Talk, Ooma and Google. The continued expansion of broadband connections into the most rural parts of Oregon has made VoIP a viable alternative to wireline

¹ Frontier Communications Northwest Inc. 2012 Form O, Schedule Os-1

1 voice service. Frontier also faces competition from non-voice services such as email, and texting,
2 and social networking sites such as Skype and FaceTime. These services provide users with the
3 ability to communicate instantly across a wide variety of platforms and customer equipment.
4

5 **E. FRONTIER’S ACCESS LINE LOSS SHOWS THE MARKET IS HIGHLY**
6 **COMPETITIVE THROUGHOUT ITS ENTIRE SERVICE TERRITORY**



7
8
9
10 The fact that Frontier has experienced significant competition from CLEC, Cable, VoIP
11 and wireless alternative service providers is evidenced by the Company’s dramatic loss of
12 access lines in Oregon over the last twelve years. Between 2001 and 2012, Frontier lost over
13 two hundred thousand residential retail access lines (from 342,724 access lines to 117,604
14 access lines) in Oregon. This represents a 66% reduction in residential retail access lines
15 during a period of time where U.S. Census data shows the population in Oregon increased by
16 over 12%. Similarly, Frontier has experienced a 57% decrease in the number of business
17 access lines in the same period (from 148,986 access lines to 64,200 access lines) for a

1 combined aggregate line loss of 63%. The continuing and dramatic access line erosion during a
2 time of population growth shows that consumers are subscribing to competitive alternatives to
3 Frontier’s services to fulfill their telecommunications needs in Oregon. The evidence clearly
4 shows that Frontier does not have a captive customer base or market power for either residential
5 or business services.

6 Company lines, by wire center, as reported in the OUS3 (Oregon Universal Service Fund
7 Reports) also demonstrates that line loss has occurred not only in the more densely populated
8 areas of Frontier’s market but in 57 of 58 Frontier wire centers. See Exhibit 1 that shows line loss
9 by wire center using the company’s OUS3 reports².

10 Alternative service provider competitors offer equivalent or substitute services that are
11 comparable to Frontier’s service offerings on the basis of product design, price and availability.
12 The availability of these competitive offerings ensures that prices for telecommunications
13 services will be just and reasonable absent retail price regulation. Alternative providers have
14 captured a significant share of the market for both business and residential telecommunications
15 services. In the majority of its service territory, Frontier is no longer the largest or predominant
16 provider of telecommunications service. Data released by the Federal Communications
17 Commission (“FCC”) and reflected below in Chart 2 shows that CLECs have consistently
18 expanded their market share of subscriber lines in Oregon.³

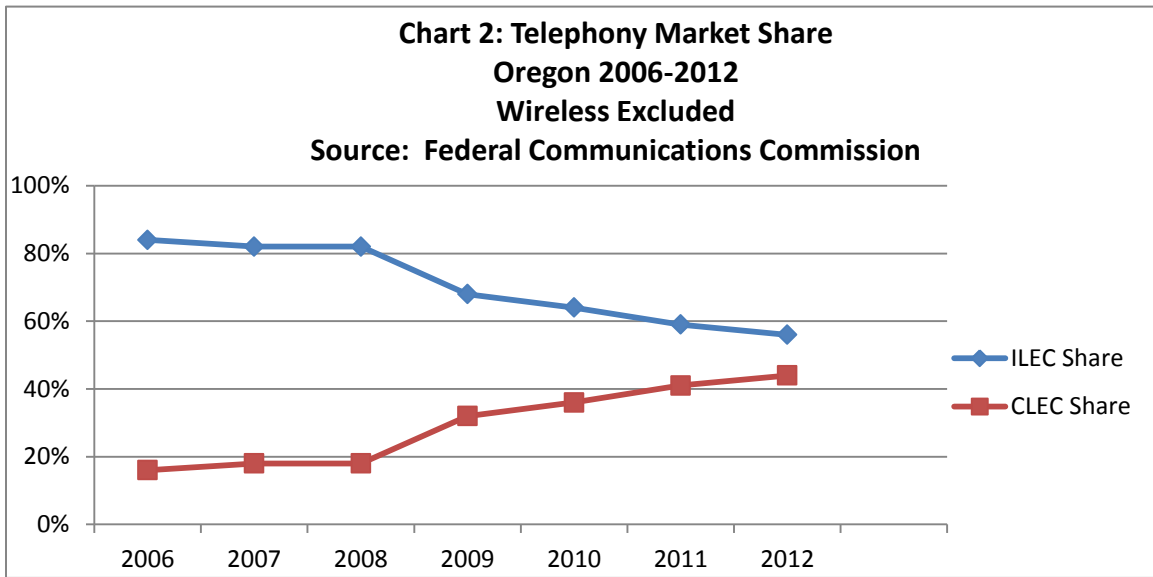
19 As of June 2012 Oregon competitive local exchange carriers in Oregon had 44% market
20 share of the traditional landline telephony service (excludes wireless market share) as compared
21 to 56% for incumbent carriers including Frontier.⁴

² All wire centers show line loss with the exception of Imnaha, the most high cost exchange in Frontier’s service territory that represents .1% of total access lines.

³ “Local Telephone Competition: Status as of June 30, 2012” Industry and Technology Division, Wireline Competition Bureau, Federal Communications Commission, June 2012, Table 9 (Page 20)

⁴ *Ibid*

1



2

3

F. MODES OF COMPETITION- WIRELINE FACILITY COMPETITORS

5

CLECs are just one category of alternative providers of business and residential telephony service in Frontier’s Oregon service area. According to the Oregon PUC 2012 Competition Survey Report, 256 CLECs were registered with the Commission as service providers. Of those 256 certified CLECs, 149 were actually providing service to customers. Many CLECs, such as Integra, Granite, Level 3, Time Warner, XO, AT&T and Verizon Business primarily focus on serving business customers; however, there are CLECs who offer residential service in Frontier’s footprint such as Priority One, Comspan, Pacific Wave and SCS Communications. Frontier has entered into interconnection agreements with 122 of these CLECs so that they may offer service and compete for customers in Frontier’s service area. The list of the 122 CLECs that have interconnection agreements with Frontier in Oregon is included in Exhibit 2.

16

G. MODES OF COMPETITION- CABLE VOICE PROVIDERS

18

The entrance of cable companies competing in the telecommunications market has had a significant impact on ILEC market share across the state. Companies such as Comcast, Charter Communications, and Wave Broadband compete with Frontier and provide voice telephone service to residential and business customers on a stand-alone basis and as part of a bundle of telephone/internet/cable using their own network infrastructure. Cable voice providers offer

22

1 service in exchanges representing 96% of Frontier’s access lines.⁵ Exhibit 3 is a list of cable
2 providers that compete in Frontier’s Oregon wire centers for voice service.

4 **H. MODES OF COMPETITION- WIRELESS CARRIERS**

5 Wireless service providers are now the predominant voice service provider in
6 Oregon, serving 3.5 million subscribers in the state as of June 2012 as compared to a combined
7 1.6 million subscribers for ILEC and non-ILEC access line providers of voice services when
8 wireless subscriber numbers are included in the calculation of the entire market. As a result, the
9 number of access lines served by ILECs as a percent share of consumers subscribing to voice
10 service has plummeted to 17.5% of the total voice service lines as of June 2012.⁶ Nearly a year
11 and a half later, the ILEC market share has undoubtedly declined even further. Wireless
12 providers such as AT&T Mobility, Verizon Wireless, T-Mobile, Sprint, Cricket, TracFone, U.S.
13 Cellular and Virgin Mobile offer stand- alone voice and bundled services of voice and
14 broadband. Some include a home phone option for as low as an additional \$20.00 per month⁷
15 *before* any lifeline discounts. Many Oregon consumers have opted to drop their landline
16 completely in favor of wireless service. On October 12, 2012, the National Center for Health
17 Services (NCHS) released a detailed analysis of its Wireless Substitution report with state
18 specific data for the January through December 2011 timeframe. For this time period, the NCHS
19 found that 38.2% of adult Oregon wireless households were “wireless only,” a significantly
20 higher percentage of cord-cutting than the national average of 34% for the same time period.⁸
21 Nearly two years later, the percentage of wireless only households has most certainly grown even
22 higher. Oregon is seventh highest in the percentage of states with wireless only households.⁹ As
23 of 2013, Oregon has certified seven wireless ETCs who accept the obligations to provide an
24 alternative low-income wireless service to serve the public interest. This is solid evidence that
25 the Commission has approved these services as a viable substitute for basic wireline phone
26 service in Oregon and assures that lifeline eligible customer base also has competitive
27 alternatives. Frontier has entered into interconnection agreements with ten wireless carriers to

⁵ Percent of access lines excluding Cove, Detroit, Enterprise, Grand Island, Imbler, Imnaha, Joseph, Lostine, Powers, Provolt, Vernonia and Wallowa with no cable competitor.

⁶ “Local Telephone Competition: Status as of June 30, 2012” Industry and Technology Division, Wireline Competition Bureau, Federal Communications Commission, June 2013, Tables 9 and 18. As of June 30, 2012 in Oregon, wireless providers served 3,463,000 subscribers (69%), ILECs served 880,000 subscribers (17%) and CLEC/VoIP providers served 688,000 subscribers (14%).

⁷ AT&T Wireless Home Phone, Verizon Wireless Home Phone Connect

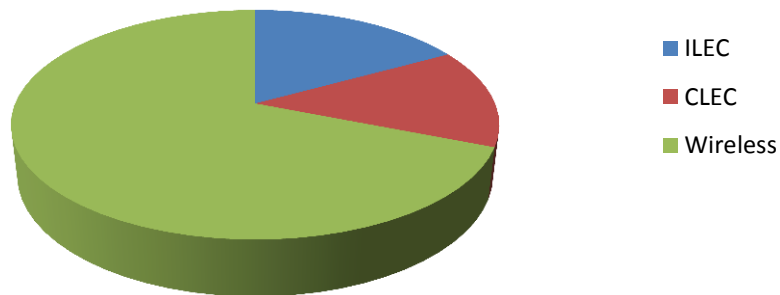
⁸ Centers for Disease Control and Prevention, National Center for Health Statistics, Wireless Substitution: Stat-level Estimates From the National Health Interview Survey, 2010-2011, released October 12, 2012, Table 1.

⁹ *Ibid*

1 exchange traffic in Oregon. The list of ten wireless carriers who have interconnection agreements
2 with Frontier are included in exhibit 4. Alternatively, wireless carriers may enter into agreements
3 with other carriers for the exchange of traffic with Frontier. Exhibit 5 is a list of alternative
4 service wireless providers who offer service in each Frontier exchange. According to this public
5 information, there is at least one wireless service provider in every Frontier exchange in the state.

6 In designating ETC status for these carriers, the Commission has already made a finding
7 that the wireless carrier provides voice grade access to the public switched network or its
8 functional equivalent and those wireless carriers' services are available throughout the wire center
9 for which the ETC designation was received. Nine wireless carriers have been granted ETC
10 status in some part of Frontier's service area. At least one wireless carrier has been designated as
11 an ETC in each of Frontier's wire centers. The Commission has granted ETC designation to at
12 least two wireless carriers in 54 of Frontier's 58 wire centers, meaning Frontier has at least two
13 ETC wireless carriers serving 99.1% of Frontier's access line base.¹⁰

**Chart 3: 2012 Telephony Switched Access Lines
ILEC, CLEC, Interconnected VoIP & Mobile
Subscribers
(source: FCC)**



14
15
16 **I. MODES OF COMPETITION - VOICE OVER INTERNET PROTOCOL (VOIP)**

17 Customer access to broadband connections has been increasing rapidly in Oregon.
18 This has drastically increased the option for and availability of VoIP-based voice services. Cable
19 companies offer “managed” VoIP-based services that are non-portable and that carry traffic over

¹⁰ Detroit with 266 lines, Imnaha with 165 lines and Joseph with 1027 lines represent .9% of Frontier's 180,000 access lines at year-end 2012 and have one ETC-designated wireless carrier.

1 private managed networks, rather than the internet. Many other companies, such as Vonage,
2 Skype, Google, Apple (via Facetime), Magic Jack and Basic Talk offer “over-the-top” VoIP
3 services that rely on a third-party broadband connection and transmit calls over the public
4 internet. VoIP service allows a customer to utilize a standard telephone set to originate and
5 receive telephone calls using the same dialing patterns that are used for standard wireline
6 telephone service. To use VoIP service, a customer must have a high speed connection such as
7 Digital Subscriber Line (“DSL”), Fiber to the Home (FTTH), a high-speed wireless connection,
8 or cable modem service. While a broadband connection is needed to enable VoIP service, when
9 customers purchase broadband service for Internet access, entertainment or other purposes, there
10 is no incremental cost for broadband when they elect to add VoIP service. As a result, the
11 absence of an incremental cost of broadband may provide an incentive for a customer already
12 subscribing to broadband to migrate to a VoIP service available from any of the many providers
13 identified, above.

14 Competitive broadband services are now widely available from multiple providers in
15 Oregon and these services have been embraced by a rapidly increasing number of customers.
16 Over the last three years, Frontier has increased its broadband footprint in Oregon increasing
17 household availability from 86% at the time of the Verizon transaction to 96%¹¹. Each broadband
18 connection represents an existing or potential VoIP subscriber. When considered in combination
19 with the availability of broadband services from other providers, VoIP is a viable service offering
20 and substitute for ILEC voice services for most consumers in Frontier’s service area.

21 In addition, explosive growth in the number of Wi-Fi hot spots are also providing
22 voice options for consumer. Wireless subscribers can also subscribe to (or use for free) nomadic
23 VoIP providers such as Skype or FaceTime so that even if subscribers lack a cellular signal, voice
24 calls can still be made using VoIP over Wi-Fi. As an example, Starbucks offers Wi-Fi for free in
25 all its company-owned stores in the U.S. Customers, including mobile phone and tablet users,
26 have unlimited access to a Wi-Fi signal with no purchase or subscription required, no password in
27 required and there are no session time limits. There are over 240 Starbucks locations in Oregon
28 alone.

29
30
31
32

¹¹ Frontier Communications Quarterly Broadband Compliance Report, Docket UM 1431

1 **J. OTHER FACTORS IMPACTING THE CRITICAL NEED FOR**
2 **REGULATORY FLEXIBILITY**

3 Frontier, unlike any of its competitors, continues to be regulated under a framework that
4 was developed decades ago when the ILEC had ubiquitous market share. This is no longer the
5 case as evidenced by the Frontier’s loss of market share throughout the Oregon market it serves.

6 Frontier receives support from the Oregon Universal Service Fund (OUSF). In return for
7 this support, Frontier is required to serve as the Carrier of Last Resort for all subscribers who
8 request service. This requires Frontier to build and maintain a voice-centric network throughout
9 the entire service area to support this obligation. It is important to remember that in turn for
10 receiving OUSF support, Frontier was required to decrease rates representing a \$17.5 million
11 reduction in annual revenue to establish revenue neutral support. Over the last year there has
12 been increasing pressure to reduce the size of the fund including pressure from competitive
13 carriers who do not have the same COLR obligations to drastically reduce or eliminate the fund
14 entirely. As a result of negotiations in Docket UM 1481, Frontier entered into a stipulated
15 agreement to reduce its support over a three year period starting in January 2014. This agreement
16 does not reduce Frontier’s COLR obligations, but significantly reduces its support to serve high
17 cost areas of the state.¹² Frontier is still obligated to build to serve customers throughout its
18 designated service area - not just the low-cost areas - with no guaranteed return on investment
19 while the competitors can target and pick profitable areas based on cost and prospective take rate.
20 Additionally, new regulations affecting ongoing municipal requirements have had a significant
21 impact on operational expenses. To date, Frontier has spent over \$6 million in order to comply
22 with the Commission’s pole attachment inspection and correction rules (Division 24), even
23 though the rulemaking statement of financial impact incorrectly indicated that there would be
24 minimal financial impact to companies. These are new and substantial costs to the business that
25 were not contemplated or included in the last earnings review that set the existing rate levels.

26 Municipal relocation projects that are a requirement of franchise obligations have also
27 increased operating expenses, particularly with the increase in stimulus projects over the past few
28 years. In 2012, Frontier incurred \$2.9 million in expense in Oregon related to obligatory
29 municipal road relocation projects. Current law prohibits Frontier from implementing a
30 surcharge to recover costs of municipal road moves until the company is under a price plan.

31
32

¹² Order 13-162 and 13-167 Adopting Stipulated Agreement in Docket UM 1481

1 **K. PORTING DATA CONFIRMS THAT COMPETITION EXISTS IN BOTH**
2 **METRO AND RURAL PARTS OF FRONTIER’S SERVICE TERRITORY**

3 The effectiveness of all these alternative service providers competing in Frontier’s
4 service territory in Oregon is further highlighted by the fact that in a 17-month period (January
5 2012 through May 2013), Frontier completed the outgoing port of more than 72,200 access lines
6 to a combination of more than 25 different competitors in Frontier’s Oregon service territory.
7 Fifty-seven of Frontier’s fifty-eight exchanges ported out numbers to competitors over a 17-
8 month period, which demonstrates the broad scope of service availability from alternative
9 providers in Frontier’s market. This represents port-outs in exchanges serving 99.9% of
10 Frontier’s access lines¹³. A listing of exchanges and the number of telephone port outs completed
11 for January 2012 through May of 2013 are included in Exhibit 6. It is noteworthy that the ported
12 out numbers do not include customers which have switched to another service provider that is
13 reselling Frontier’s service.

14 Breaking the port out data down further by provider type, over the 17-month period
15 36,819 lines were ported to a cable company, representing 51% of the total lines ported for the
16 data period. Interconnected CLECs and VoIP providers ported 26,401 lines during the data
17 period representing 37% of lines ported to various CLECs operating in Frontier’s service area.
18 Looking at the same period, 8,382 lines were ported to wireless providers representing 12% of the
19 total lines ported for that 17 month period.

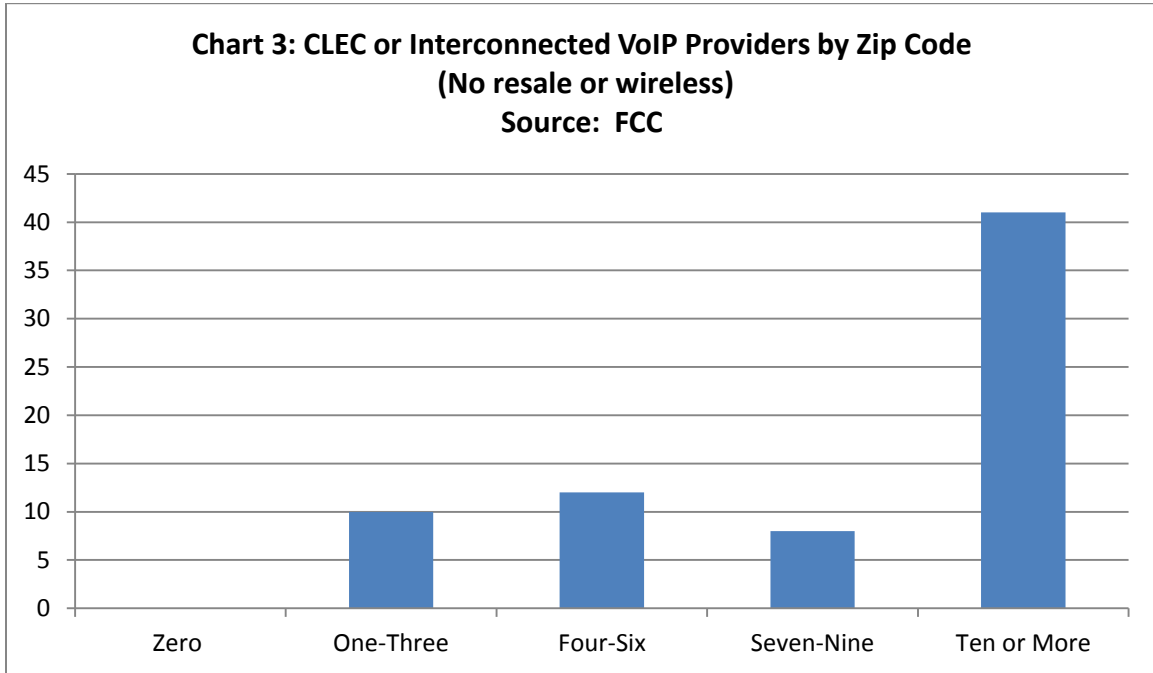
20 **L. FCC FORM 477 ZIP CODE ANALYSIS PROVIDES ADDITIONAL EVIDENCE**
21 **OF WIDESPREAD COMPETITION**

22 To further support and demonstrate the extent to which competitive voice services are
23 available in Frontier’s service area, the Company completed an analysis using FCC Form 477
24 information regarding the ZIP code location where CLECs and non-ILEC interconnected VoIP
25 providers compete in Oregon. The FCC data shows that 100% of the ZIP codes in Oregon served
26 by Frontier have at least one CLEC or non-ILEC interconnected VoIP provider operating in the
27 Frontier service area. In fact, out of the 71 ZIP codes listed in Frontier Northwest service
28 territory, 41 ZIP codes (or 58%) have more than ten alternative providers. The following chart
29 and Exhibit 7 provide a summary breakdown of the number of alternative providers (CLEC and
30 Interconnected Non-ILEC VoIP providers) in the 71 ZIP codes in which Frontier Northwest
31 operates in Oregon.¹⁴

¹³ Imnaha with 130 lines was the only wire center with zero porting activity

¹⁴ 2012 FCC Form 477

1
2



3
4

5 **M. WHOLESALE SERVICES PROVIDED BY FRONTIER ENABLE ANOTHER**
6 **FORM OF RETAIL COMPETITION**

7 In addition to use of their own facilities, alternative providers also provision business and
8 some residential services by combining Frontier’s unbundled network elements (UNEs) (i.e.
9 unbundled loops) with their own elements or those of a third party. Frontier’s rates for UNEs
10 have been established by the Commission in various cost dockets. CLECs also provision retail
11 business services solely from Frontier’s Wholesale Advantage platform, utilizing UNE-P, which
12 provides a complete retail service using Frontier unbundled network elements. As with resale,
13 using UNE-P, the alternative provider can reach every location to which Frontier has facilities
14 and provide a functionally equivalent competitive service to the retail service Frontier provides.

15 The quantity of resold lines, unbundled network elements (UNE) loop and Wholesale
16 Advantage (formerly UNE-P) services purchased by alternative providers to compete with
17 Frontier’s retail basic business and residential services provides further support for the breadth
18 and extent of competitive service offerings available to consumers in Frontier’s Oregon service
19 territory. There are currently 25 CLECs purchasing approximately 1,800 resold lines, 20,000
20 UNE loops and 7,000 UNE-P lines from Frontier in Oregon. It is important to note, however,
21 that the quantities and information regarding alternative providers purchasing resale lines, UNE

1 loops and Wholesale Advantage do not include any competitive activity in which the CLEC,
2 cable company, VoIP provider or wireless carrier is providing service utilizing its own network or
3 another third party's network other than Frontier's network to provide service.

4
5 **N. COMPETITORS' SERVICES ARE FUNCTIONALLY EQUIVALENT TO**
6 **FRONTIER'S SERVICES AND ARE AVAILABLE AT COMPETITIVE RATES, TERMS**
7 **AND CONDITIONS**

8 Alternative providers have a variety of methods available to offer services to customers.
9 Companies such as Comcast, Charter, Verizon Wireless and AT&T Mobility have built their own
10 cable, fiber, wireless and other facilities in Oregon. Frontier's basic exchange services are
11 available to resellers at a wholesale discount of 17% off the retail rate.¹⁵ By reselling Frontier's
12 retail services, CLECs have the ability to reach every single business and residential customer
13 that Frontier serves in Oregon and to provide the same retail services that Frontier provides.
14 Many alternative providers provision business and residential services by combining Frontier's
15 unbundled network elements (UNEs) with their own elements or those of a third party. Frontier's
16 rates for UNEs have been established by the Commission in various cost proceedings.
17 Competitive providers also provision retail business services solely from Frontier's Wholesale
18 Advantage offering which provides complete retail services using Frontier's unbundled network
19 elements. As with resale, using UNE-P, the alternative provider can reach every location to
20 which Frontier has facilities and provide a functionally equivalent service to the retail service that
21 Frontier provides.

22 Customers in Frontier's service territory have a wide variety of services they can
23 purchase from facilities based CLECs. An example is Integra Telecom's 2012 announcement of
24 the launch of their hosted-PX integrated voice and data service, which competes directly with
25 Frontier's traditionally regulated Centrex and PBX services. A copy of this press announcement
26 is included as exhibit 8. Integra also offers Business Essentials services for small businesses that
27 provides 2 to 10 business lines, 20 Mbps download, 2 Mbps upload, 16 features, Voicemail with
28 web interface, unlimited long distance, 10Gb online data storage and web hosting starting at \$99
29 per month for two line bundles. See Exhibit 9. Priority One, Pacific Wave and Comspan provide
30 residential and business offerings in many of Frontier's more rural exchanges. Priority One
31 provides basic telephone services for \$29.95 per month that includes extended area service, caller
32 ID, call waiting with caller ID, plus three additional features and unlimited long distance. Priority
33 One serves La Grande, Island City and Enterprise. In addition to residential phone service,

¹⁵ Order 02-821 dated November 20, 2002 in Docket UM 962

1 Priority One also provides business service including DS1 and DS3 high capacity service. In
2 2013, Priority One announced the availability of digital voice service starting at \$10 per month
3 for residential and \$20 per month for business. See Exhibit 10 for examples of Priority One
4 competitive offerings. Pacific Wave, dba Online NW, provides residential and business digital
5 phone service in McMinnville, Newberg, Dayton, Grand Island and Amity for \$24.95 per month
6 in addition to phone and internet bundles. See Exhibit 11. Comspan provides residential and
7 business service in Bandon, Coquille, Myrtle Point and Reedsport for \$21.99 per month using
8 fiber to the home or resale. Comspan also offers bundles that include high speed internet and
9 cable TV. See Exhibit 12.

10 Other examples of residential competitive voice service offerings are provided by cable
11 companies. Comcast offers phone service for \$29.99 per month on a stand-alone basis. This
12 offer is available for new XFINITY residential customers and provides 3-way calling, anonymous
13 call rejection, call forwarding, call forwarding selective, call return, call screening, call waiting,
14 caller ID, caller ID blocking per call/line, caller ID with call waiting, repeat dialing, and speed
15 dial. Additionally, the “XFINITY Voice: Home Phone Service from Comcast” provides the
16 following language in its advertisement:

17 XFINITY Voice from Comcast gives you more ways to connect and more ways to save.
18 Not only do you get reliable phone service with the best call clarity, but you also get
19 unlimited nationwide talk and text – so you can save on your wireless bill too. It’s easy
20 to switch – you can even keep you current home phone number. You’ll get the popular
21 features you expect like Call Waiting, 3-Way Calling and even voicemail, plus features
22 you might not expect like Caller ID on your TV, laptop, and smartphone. If you’re
23 looking to get a new home phone service, switch to XFINITY Voice and make Comcast
24 your home phone service provider.

25 See Exhibit 13.

26 In addition to stand-alone phone service, Comcast offers various TV/Internet/Phone
27 bundles starting at \$99 per month. These packages combine cable TV, internet, and phone
28 service, with a variety of different features including premium channels, faster download speeds,
29 high definition and DVR services. See Exhibit 14.

30 Similarly, Wave Broadband offers residential telephone service for as low as \$24.95 per
31 month. Wave Broadband phone services include local and long-distance calling, voicemail
32 including “online access to your voicemail and settings” and “15 calling features including Caller
33 ID, Call Waiting, Call Forwarding and more.” Wave Broadband also offers packages including
34 basic cable TV, high speed internet, and phone service for as low as \$114 per month. See Exhibit
35 15.

1 Charter also provides phone service to Oregon customers for \$29.99 per month. Phone
2 services can be bundled with cable TV and internet for a total of \$89.96 per month for the first
3 year and \$109.97 for year two. Charter’s bundled offering provides unlimited local and long
4 distance calling, voicemail and “13 popular features like call waiting and call forwarding,” and
5 “free 411 calls.” Bundling offers customers more features including faster internet, high
6 definition, premium channels, and On Demand. See Exhibit 16.

7 VoIP providers such as Vonage provide customers with an IP based service to make
8 voice phone calls using a broadband connection. All it requires is a subscription to the service,
9 and then an “Easy 3-Step Vonage Setup: 1. Plug your Vonage Box into your existing high-speed
10 internet connection. 2. Plug any home phone into the Vonage Box. 3. Pick up your phone and
11 start dialing.” Vonage phone service is available at a low introductory rate of \$9.99 per month
12 and “rates exclude internet service, surcharges, fees and taxes.” Most customers can transfer their
13 current home numbers to Vonage and customers can check the availability of the transfer through
14 the Vonage website. See Exhibit 17.

15 MagicJack also provides customers with a VoIP based services to make phone calls using
16 a broadband connection. The MagicJack PLUS device can be used with or without a computer.
17 By “either plugging it into your modem/router or by plugging it into a USB port on your
18 computer,” phone calls can be made over “an active Internet connection.” “MagicJack requires
19 one of the following internet connections: Broadband, High-Speed Internet, Cable Internet, DSL,
20 WiFi, Wireless, WiMax” with a required “minimum bandwidth upload speed of 128 kb/s.”
21 MagicJack also allows customers to transfer their phone number to the service for an initial fee,
22 as well as an annual fee. See Exhibit 18.

23 In addition to Vonage, MagicJack and similar consumer VoIP based services, Skype
24 provides free voice and video services to users who download the free Skype software. Users
25 need a webcam, internet connection, and “a computer or mobile device with a microphone and
26 speakers” to access the free services, which include “video and voice calls to anyone else on
27 Skype” and “instant messaging and file sharing.” Additional services available for a fee include
28 “calls to mobiles and landlines worldwide a low rates,” text messages, and group video calls.
29 Skype can even be used from a customer’s current landline by using an adapter and internet
30 connection, which allows customers “to make free Skype to Skype calls and great value calls to
31 mobiles and landlines.” Unlimited calling to landlines in the US and Canada is available for
32 \$2.99 per month and unlimited worldwide calling for landlines for only \$13.99 per month. See
33 Exhibit 19. iPhone and iPad users can make free video calls to anyone else with an Apple device
34 via the FaceTime application.

1 Basic Talk has also been advertising extensively in the Oregon market offering home
2 phone service for \$9.99 per month with “Crystal-clear quality, no annual contract, no hidden fees
3 and unlimited U.S. calling. See Exhibit 20.

4 Wireless providers offer various plans that include unlimited voice minutes for both local
5 and long distance calls. Verizon Wireless provides service with unlimited voice calling and
6 texting for \$70 per month, which also includes some data. Increased data services are available
7 for higher rates, as well as group plans. Customers can also add Home Phone Connect for as low
8 as \$9.99 per month that allows them to use their home phone on the Verizon Wireless network.
9 The Home Phone Connect device is provided free of charge and includes integrated GPS for 911
10 support. See Exhibit 21.

11 AT&T Wireless provides unlimited voice calling for as low as \$69.99 per month, which
12 includes voicemail, call forwarding, call waiting, caller ID, long distance calling and conference
13 calling. Additionally, for a fee, AT&T wireless customers have access to international calls, data
14 and internet services, and text, picture, and video messaging. AT&T also offers wireless “home
15 phone” option with unlimited minutes for as low as \$9.99 per month when bundled with a family
16 talk plan or \$20 per month in addition to basic wireless service. See Exhibit 22.

17 T-Mobile provides unlimited talk, text and 500 Mb of data for as little as \$50 per month
18 or an unlimited talk, text and data package for \$70 per month. See Exhibit 23.

19 Sprint Wireless also provides unlimited talk and text for as low as \$50 per month with
20 one device, or Sprint’s All In package for \$110 per month that includes unlimited talk, text and
21 data plus a 5GB hotspot. Other packages prices vary based on the number of devices. See
22 exhibit 24.

23 While much of the evidence mentioned above supports voice alternatives for residential
24 services, it is important to note that most of these providers also offer services to business
25 customers at comparable rates, terms and conditions. Integra Telecom was one of the first
26 business competitors to enter the Oregon market. As mentioned earlier, Integra provides hosted-
27 PX integrated voice and data service, which competes directly with Frontier’s traditionally
28 regulated Centrex and PBX services. Integra also offers Business Essentials services for small
29 businesses that provides 2 to 10 business lines, 20 Mbps download, 2 Mbps upload, 16 features,
30 Voicemail with web interface, unlimited long distance, 10Gb online data storage and web hosting
31 starting at \$99 per month for two line bundles. Over 6,000 Frontier business lines were ported to
32 Integra between January of 2012 and May of 2013.

33 In addition, Comcast has ramped up its business offerings and provides starter phone and
34 internet (1 full-featured phone line, 16/3 Mbps, Norton Internet Security Online, Starter Web

1 Hosting and 2 Microsoft email boxes) for \$89.99. Comcast also provides PRI (6 Channel to Full
2 23 Channel) as well as Metro Ethernet, SIP trunking and a full suite of voice, internet and TV
3 bundles.

4 Level 3 offers a suite of business services in Oregon including voice, data, Ethernet,
5 dedicated fiber, cloud computing. Their pricing is not available on their website; however,
6 porting information provided in Exhibit 6 shows that in the 17 month period between January
7 2012 and May 2013 Frontier ported 6,224 lines to Level 3.

8 Verizon Business still operates in Oregon selling services to larger enterprise business
9 customers offering voice, internet, cloud computing and other services that compete with
10 Frontier. Verizon Business pricing is not available on their website; however, porting
11 information provided in Exhibit 6 shows that in the 17 month period between January 2012 and
12 May 2013 Frontier ported 7,924 lines to Verizon Business. This data shows as MCI
13 Telecommunications on the porting data.

14 Exhibit 25 is a summary of other business competitive offerings compiled by Frontier
15 including AT&T, Comcast, Charter, Wave Broadband, Priority One.

17 **IV. FRONTIER'S PROPOSED PRICE PLAN UNDER ORS 759.255**

18 **A. Frontier's Proposal Achieves the Following Objectives**

19 1. Ensure the plan will operate in a way that is in the public interest.

20 Frontier's proposed price plan is in the public interest. It strikes a reasonable
21 balance between retaining essential consumer protections and permitting Frontier to realize
22 some of the benefits of reduced regulation that are currently enjoyed by its competitors. It will
23 allow Frontier to price services competitively with services offered by alternative providers,
24 including facilities-based local exchange carriers, wireless carriers, cable voice providers, VoIP
25 providers and providers offering retail services using wholesale services of Frontier and/or other
26 carriers. The additional pricing flexibility will facilitate the introduction of new
27 telecommunications services. Finally, the proposed plan will simplify and reduce the burden of
28 regulation for both Frontier and the Commission.

29 2. Produces prices for Frontier's retail telecommunications services that are just and 30 reasonable and commensurate with the competitive market in Oregon.

31 As demonstrated above, the market in which Frontier operates is highly competitive.
32 The high level of competition in Frontier's service area ensures rates will be just and reasonable
33 and commensurate with the competitive market in Oregon.

- 1 3. Ensure that the quality of existing telecommunications services will stay at or above
2 current levels.

3 Frontier’s proposed plan retains Commission oversight of service quality thereby
4 ensuring the quality of existing telecommunications services will be maintained.

- 5 4. Maintain the availability of primary line residential basic service at a statewide
6 affordable rate.

7 In addition to the market discipline imposed by the competitive market in which
8 Frontier serves customers, the plan provides an additional level of assurance by imposing a limit
9 on Frontier’s ability to increase primary line residential service rates and a requirement to
10 maintain a statewide average rate.

11 **B. Pricing and Availability of Services Under Price Plan**

12 **Initial Rates.** The rates that Frontier currently charges in its approved tariffs and price
13 lists will be its pre-plan rates. These rates are subject to adjustment as provided below.

14 **1. Price Caps**

- 15 a. Recurring charges for residential service. Primary line basic service for
16 residential customers will be subject to price caps. Monthly rates for this
17 Service may increase a maximum of \$4.00 during the period of the price plan.
18 The \$4.00 cap may be adjusted for Commission-approved exogenous
19 adjustments to recover Commission or other government imposed changes,
20 including Commission-approved changes in Oregon Universal Service Fund
21 revenues.
22 b. Rate increases may be implemented through increase to the basic service rate,
23 or through a separate surcharge established by the Company.
24 c. Adjustment of prices. Frontier is permitted to adjust recurring charges for
25 primary line residential basic service upward or downward between the price
26 caps and the applicable price floors for primary line residential basic service.
27

- 28 2. Availability. Frontier will continue to offer primary line residential basic service on
29 a stand-alone basis and at statewide average rates.
30

- 31 3. Petition to remove or adjust price caps. Frontier may petition the Commission to
32 remove or adjust the price caps for primary line residential basic service. Frontier
33 will have the burden of showing that the removal or adjustment of the price caps for
34 primary line residential basic service will result in rates that are just and reasonable.
35 The Commission may also consider whether removal or adjustment of the price caps
36 is in the public interest, considering the factors set forth in ORS 759.255(2).
37

38 C. Telephone Assistance Plans. Frontier will continue to offer current Telephone Assistance
39 Plans (OTAP, Tribal Lifeline, and Tribal Link-Up) pursuant to state and federal
40 requirements.
41

42 D. Switched Access. Rates for intrastate switched access services will be capped at current
43 rates and the Commission may adjust the price caps if required by FCC action.
44

- 1 E. EAS. Rates for extended area service (EAS) are capped at current rates but the Company
2 is permitted to combine the rate for primary line residential basic service and EAS into a
3 single rate. Frontier will not be required to establish any new or expanded EAS routes.
4
- 5 F. New Services. Any new service introduced after the effective date of the price plan will
6 be price listed and will not be subject to price caps.
7
- 8 G. Other Retail Services. All remaining residential and business services will not be subject
9 to price caps.
10
- 11 H. Packages and Bundles. Frontier may combine any regulated telecommunications service
12 with any other service(s) to offer packages and bundles of services, which may include
13 primary line residential basic service and EAS, at any price subject to the following
14 conditions.
15
- 16 1. Customers can purchase separately from the company's tariff or price list any
17 regulated telecommunications service included in the package or bundle.
18
 - 19 2. The package or bundle price is not less than the sum of the price floors (determined
20 pursuant to ORS 759.255(4) of the regulated telecommunications services included in
21 the package or bundle.
22
 - 23 3. The package or bundle price is not more than the sum of the retail prices of all
24 services available in the package or bundle.
25
 - 26 4. Terms applicable to new packages or bundles, including those that include primary
27 line residential basic service, will be established in the company's price list at least
28 one day prior to their effective date.
29
- 30 I. Notice of price changes. Frontier will provide the Commission notice of price increases
31 for services under price cap by making tariff filings at least 15 days prior to the effective
32 date of such price changes. Frontier will provide the Commission notice of price
33 decreases for services under price cap by making tariff filings at least one day prior to the
34 effective date of such price decreases.
35
- 36 Frontier will make price list changes for new services, Other Retail Services and
37 packages and bundles at least one day prior to the effective date of any price change.
38 Frontier will also provide customers at least 30 days prior notice for services they are
39 purchasing at the time of the price increase. For services on a per-call basis, Frontier will
40 give reasonable notice to the customer of the price prior to the customer's use of the
41 service.
42
- 43 J. Services exempt from regulation. Services that the Commission has already ordered to
44 be exempt from regulation will remain exempt from regulation subject to the conditions
45 of the order that exempted the service from regulation. Frontier retains the ability to
46 petition the Commission to exempt additional services from regulation under ORS
47 759.182.
48
- 49 K. Promotion. Frontier may offer promotions for primary line residential basic service and
50 other regulated services pursuant to ORS 759.182.
51

- 1 L. Service Quality. Frontier will continue to be subject to the Retail Telecommunications
2 Service Standards for Large Telecommunications Utilities identified in OAR 860-023-
3 055 with the following exceptions.
4
- 5 a. Frontier will provide reports on a quarterly basis instead of monthly.
6 b. Frontier will provide only exception information for those measures that did not
7 meet the established standard during the quarter.
8
- 9 M. Waiver of statutes, rules and UM 1431 Merger Conditions.
- 10 1. Statutes. Frontier's compliance with the following statutes, and all Commission rules
11 implementing these statutes, is waived in full, unless a partial waiver is noted:
12
 - 13 • ORS 759.120 Form and manner of accounts prescribed by Commission.
 - 14 • ORS 759.125 Records and accounts prescribed by Commission; prohibition
15 on other records or accounts; exception; blanks for reports.
 - 16 • ORS 759.130 Closing date of accounts; filing balance sheet; audit.
 - 17 • Waiver of condition 12 in Commission Order 10-067 (appendix A) in
18 Docket UM 1431 imposing as a condition of approval of the merger a
19 requirement that Frontier submit Form O and Form I.
 - 20 • ORS 759.135 Depreciation accounts; un-depreciated investment allowed in
21 rates; conditions
 - 22 • ORS 759.180 to ORS 759.200 (with the exception of ORS 759.182)
23 -759.180 Hearing on reasonableness of rates; procedures; exceptions
24 -759.185 Suspension of rates pending hearing; time limitation; refund of
25 revenue collected; interim rates.
26 -759.190 Notice of Schedule Change
27 -759.195 Price listing of services; conditions; maximum rates; essential
28 services; justification by utility of rates for price-listed services.
29 -759.200 Inclusion of amortizations in rates; deferral of certain expenses or
30 revenues; limitation on amounts; prohibited uses.
 - 31 • ORS 759.215(2) Public access to schedules.
 - 32 • ORS 759.220 Joint rates and classifications; procedure; considerations –
33 with regard to joint rates and establishment of new through services, but not
34 with regard to canceling any existing through service.
 - 35 • ORS 759.250 Contracts for special services; procedures for filing and
36 approval; subsequent review and investigations.
 - 37 • ORS 759.285 Charging rates based on cost of property not presently
38 providing service.
 - 39 • ORS 759.300 to ORS 759.393 - Issuance of Securities
40 -759.300 "stocks" defined
41 -759.305 Power to regulate issuance of telecommunications stocks
42 -759.310 When issuance of securities void.
43 -759.315 Purposes for which securities may be issued; order required;
44 Exceptions.
45 -759.320 Application of ORS 759.315
46 -759.325 Application of ORS 759.375
47 -759.330 Hearings and supplemental orders for securities issuance;
48 Joint approval for issuance by utility operating in another state
49 -759.335 Obligation of state as consequence of approval of issuance
50 -759.340 Conditional approval of issuance
-759.345 Use of proceeds from issuance; accounting

1 -759.350 Limitation on authority of utility to guarantee debt of another
2 -759.355 Issuance or use of proceeds contrary to commission order
3 -759.360 Prohibits Act regarding issuance of securities
4

5 Transactions of Utilities

6 -759.375 Approval prior to sale, mortgage or disposal of operative utility
7 property

8 -759.380 Purchase of stock or property of another utility

9 -759.385 Contracts regarding use of utility property; filing with
10 Commission; investigation

11 -759.390 Contracts with affiliated interests; procedure;
12 use in rate case proceedings

13 -759.393 Applicability of ORS 759.385 and 759.390
14

15 N. Rules. Frontier's compliance with the following Commission rules is waived in full,
16 unless a partial waiver is noted:

- 17 • OAR 860-022-0025(2) Requirements for Filing Tariffs or Schedules
18 Changing Rates.
- 19 • OAR 860-022-0030 Requirements for Filing Tariffs or Schedules Naming
20 Increased Rates.
- 21 • OAR 860-022-0035 Special Contracts
- 22 • OAR 860-022-0042 Partial waiver of Privilege Tax rule limiting pass
23 through in excess of 4%.
- 24 • OAR 860-023-0055 Retail Telecommunications Service Standards for
25 Large Telecommunications Utilities (partial as outlined in price plan)
- 26 • OAR 860-025-0055 Exemption from Carrier of Last Resort Obligations
- 27 • OAR 860-025-0060 Reinstatement of Carrier of Last Resort Obligations
- 28 • OAR 860-025-0065 Allocation of Carrier of Last Resort Reinstatement
29 Costs
- 30 • OAR 860-027-0100 Reporting of Affiliated Transactions
- 31 • OAR 860-027-0015 New Construction Budget
- 32 • OAR 860-027-0025 Applications for Authority to Sell, Lease, Assign,
33 Mortgage, Merge, Consolidate or Otherwise Dispose of or Encumber its
34 Property, or to Acquire Stock, Bonds, or Property of Another Utility.
- 35 • OAR 860-027-0050 Uniform System of Accounts for Large
36 Telecommunications Utilities
- 37 • OAR 860-027-0052 Allocation of Costs by a Large Telecommunications
38 Utility
- 39 • OAR 860-027-00070 Annual Report Requirements for Electric, Large
40 Telecommunications, Gas, and Steam Heat Utilities
- 41 • Waiver of Condition 23, Order 10-037 in Docket UM 1431 requiring
42 submission of 477 data for 5 years.
- 43 • Waiver of Condition 57, Order 10-037 in Docket UM 1431 requiring
44 submission of DSL complaints and subscriptions for 5 years.
- 45 • Waiver of Condition 2, Order 10-037 in Docket UM 1431 requiring
46 accounts receivables, payables and dividend report for 5 years.
- 47 • Acknowledgement that Condition 37, Order 10-037 regarding monitoring of
48 Frontier's post transaction service quality expired after three years on June
49 30, 2013 and issue an Order to close the docket.
50

1 O. Conditions for Review of Frontier Performance Under Plan

2
3 Three-year review. Frontier’s performance under the price plan will be reviewed by
4 the Commission every three years. Frontier will file a report regarding its performance as
5 compared to the objectives of the plan by the 90th day of the third year of operation under
6 the plan, and every three years thereafter unless and until ordered otherwise by the
7 Commission. The report will review how the objectives of the plan are being met and
8 will include the following information:
9

- 10 1. An analysis of current market conditions for the various categories of Frontier’s
11 regulated retail telecommunications services to the extent such information is
12 publically available.
13 2. Data regarding the gain or loss of access lines by wire center.
14 3. A discussion of how the pricing flexibility allows Frontier to meet the plans
15 objectives.
16 4. Identification of any new services Frontier has introduced.
17 5. Identification of any ways in which the burden of regulation for both Frontier and the
18 Commission has been simplified or reduced.
19

20 P. Evaluation of market, modifications to plan

21
22 The Commission will review the data submitted by Frontier and any other relevant
23 evidence regarding the competitiveness of the market for services that are functionally equivalent
24 or substitutable for services offered by Frontier and determine whether other modifications to the
25 plan are appropriate to provide Frontier with additional regulatory flexibility beyond that included
26 in the original price plan. The Commission will work with the Company to determine what
27 legislative changes may be necessary to allow more regulatory flexibility commensurate with
28 competitive changes in the market.
29

- 30 1. The Commission may open an investigation at any time pursuant to ORS 756.515 to
31 determine whether further adjustments to the price plan or termination of the price plan is
32 required by the public interest, according to the factors set forth in ORS 759.255(2). The
33 Commission may order further adjustments to the price plan or termination of the price
34 plan only after providing Frontier notice and an opportunity for hearing. In any such
35 investigation and proceeding, the Parties agree that the Commission should first attempt
36 to identify and require adjustments to the price plan such that the continuation of the
37 price plan is in the public interest before it orders termination of the price plan.
38 2. If the Commission orders termination of the price plan, Frontier would no longer be able
39 to increase its rates as it was permitted to do under the price plan, but Frontier would be
40 allowed to decrease its rates subject to any applicable price floor.
41 3. If the Commission orders termination of the price plan, Frontier may thereafter pursue
42 any form of price regulation or relief therefrom then permitted under Oregon law,
43 including but not limited to: exemptions from regulation pursuant to ORS 759.052; price
44 listing pursuant to ORS 759.054, 759.056, and/or 759.195; rate regulation pursuant to
45 ORS 759.175-759.190; another price plan pursuant to ORS 759.244; or price cap
46 regulation pursuant to ORS 759.405-759.410.
47
48
49
50
51

1 **V. CONCLUSION**

2
3 Multiple modes of voice communication services have created a highly competitive
4 communications market in Oregon giving customers a wide array of competitive options.
5 Frontier has lost over 225,000 residential access lines, representing a loss of 66% from 2001 to
6 2012. It has lost over 80,000 or 57% of its business access lines over this same time period. The
7 access line losses are geographically broad. Each and every Frontier wire center has experienced
8 a loss of access lines during this time period. Exchanges serving 96% of Frontier’s access lines
9 have a cable voice provider. Each and every Frontier wire center has at least one ETC-designated
10 wireless carrier. All but three of 58 Frontier wire centers have two or more. Exchanges serving
11 99.1% of Frontier’s access lines have two or more ETC-designated wireless carriers. Frontier has
12 broadband availability of 96% making VoIP another alternative service for the vast majority of
13 households and businesses in Frontier’s service area.

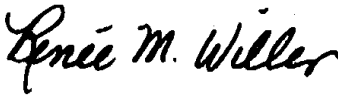
14 Frontier’s proposed Price Plan provides the benefits the Commission is required to
15 consider under ORS 759.255(2).

- 16 1. In this filing, Frontier has demonstrated that sufficient competition exists within its
17 Oregon service territory to ensure that prices for telecommunications services would
18 remain just and reasonable absent price regulation by the Commission. As an
19 additional measure of protection, Frontier’s proposed Price Plan includes a price cap
20 on the primary basic residential access line rate.
- 21 2. The proposed Price Plan offers protections to ensure that the high quality of existing
22 telecommunications services remain available. First, the proposed Price Plan ensures
23 primary residential and business service will remain available on a stand-alone basis
24 at statewide averaged rates and continues the obligation to provide lifeline and tribal
25 lifeline to eligible customers. Second, it preserves existing service quality metrics
26 while reducing the level of regulatory burden by replacing monthly reporting of all
27 metrics to quarterly exception reporting. Third, the plan preserves Frontier’s
28 wholesale obligations under the Act.
- 29 3. The proposed Price Plan maintains the appropriate balance between the need for
30 regulation and competition by giving Frontier limited pricing flexibility for primary,
31 residential basic service with greater flexibility for other services. The proposed
32 Price Plan also reduces some regulatory burdens and brings Frontier a step closer to
33 the level of regulation of its competitors through waiver of unnecessary statutes and
34 rules.

1
2
3
4
5
6
7

4. The proposed Price Plan simplifies regulation by waiver of unnecessary statutes and rules.

Respectfully submitted this 6th day of December, 2013



8
9
10
11
12

By: _____
Renee M. Willer
State Regulatory Manager
Frontier Communications Northwest Inc.