



**OREGON PUBLIC UTILITY COMMISSION
INTEROFFICE CORRESPONDENCE**

DATE: May 9, 2016

TO: File through Bryan Conway and Bruce Hellebuyck 

FROM: Jim Stanage 

SUBJECT: Qwest Corporation (Docket No. ADV 287/Advice No. 2127) Increases Residential access line rates by \$1.00 and reduces certain Residential and Business EAS rates.

I have reviewed this filing and recommend that an acknowledgement letter be sent. The filing will go into effect on June 1, 2016, and it was filed on April 29, 2016. Qwest Corporation d/b/a CenturyLink QC (Qwest) proposes to increase the monthly rates for residential local access line services by \$1.00 per line and make compensatory adjustments to the related Tribal Lifeline credits under the Telephone Assistance Program.

On October 3, 2014, the Commission issued its Order No. 14-346, in docket UM 1354, approving a *Price Plan* for Qwest under ORS 759.255. The filing was submitted on April 29, 2016, and thus, complies with Qwest Price Plan, Section P, which requires tariff rate increases to be filed with the Commission at least thirty days prior to their effective dates. 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.

Section B, *Pricing and Availability of Services under Price Plan*, establishes certain specific pricing restrictions and is most pertinent to this filing. Section B.1.b of the *Price Plan* states:

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. CenturyLink QC [Qwest] 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 2 of the Price Plan.

The proposed local access line services and EAS rate changes are as follows:

<u>Service</u>	<u>Pre-Plan Rate</u>	<u>Current Rate</u>	<u>Proposed Rate</u>	<u>Cumulative Change</u>
Measured Residential	\$6.37	\$8.37	\$9.37	\$3.00
One-Party Residential (Primary)				
Rate Group 1	\$12.80	\$14.80	\$15.80	\$3.00
Rate Group 2	\$13.80	\$15.80	\$16.80	\$3.00
Rate Group 3	\$14.80	\$16.80	\$17.80	\$3.00
One-Party Residential (Non-Primary)				
Rate Group 1	\$12.80	\$14.80	\$15.80	\$3.00
Rate Group 2	\$13.80	\$15.80	\$16.80	\$3.00
Rate Group 3	\$14.80	\$16.80	\$17.80	\$3.00

Therefore, the proposed residential rate increases do not violate the rate increase limit of \$3.00 through "year 2" established in the Price Plan.

The proposed adjustments to the related Tribal Lifeline credits under the Telephone Assistance Program are as follows:

<u>Exchange</u>	<u>Pre-Plan Credit</u>	<u>Current Credit</u>	<u>Proposed Credit</u>	<u>Cumulative Change</u>
Athena	\$12.33	\$14.33	\$15.33	\$3.00
Camp Sherman	\$13.25	\$15.25	\$16.25	\$3.00
Culver	\$12.25	\$14.25	\$15.25	\$3.00
Klamath Falls	\$10.33	\$12.33	\$13.33	\$3.00
Pendleton	\$10.33	\$12.33	\$13.33	\$3.00
Siletz	\$12.78	\$14.78	\$15.78	\$3.00
Warm Springs	\$13.25	\$15.25	\$16.25	\$3.00