

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: August 19, 2014**

REGULAR _____ CONSENT X EFFECTIVE DATE _____ N/A _____

DATE: August 11, 2014

TO: Public Utility Commission

FROM: Kathy Shepherd ^{IF}

THROUGH: Jason Eisdorfer, Bryan Conway, and Kay Marinos ^{BAC KM}

SUBJECT: TDS LONG DISTANCE CORPORATION: (Docket No. CP 1520) Petition for Waiver of Notice Requirement of OAR 860-032-0020(11).

STAFF RECOMMENDATION:

The Commission should grant the petition by TDS Long Distance Corporation (TDS LD) seeking waiver of the 90-day time period for customer notification of abandonment of service under OAR 860-032-0020(11) and permit a notice period of 80 days.

BACKGROUND AND DISCUSSION:

On August 4, 2014, TDS LD filed notice with the Commission that it will be transferring its long distance (toll) service customer base in Condon to North State Telephone Company (NSTC). The transfer is in conjunction with TDS' sale of Home Telephone Company (which serves Condon) to NSTC. TDS LD, a competitive telecommunications provider in Oregon since August 28, 2000, is certificated to provide intrastate long distance services. See Docket CP 1520, Order No. 00-476. TDS LD's customer base of approximately 402 customers in Condon, Oregon, was purchased by NSTC on August 1, 2014, but will not be transferred to NSTC's long distance affiliate, MD Communications, LLC, until November 18, 2014. MD Communications, LLC, has a current certificate of authority to provide telecommunications service in Oregon. See Docket CP 1389, Order No. 07-530.

OAR 860-032-0020(11) governs the abandonment or transfer of intrastate toll customers by competitive telecommunications service providers. This rule requires the provider to give 90 days' notice to both the Commission and the affected customers prior to the abandonment of service or transfer of customers. TDS LD gave more than

90 days' notice to the Commission of their intent to abandon service. However, the company requests a waiver of the rule requiring 90 days' notice to customers.

In its notification letter to the Commission, TDS LD stated that to minimize costs and mailings to customers, the customer notice regarding long distance service changes would be included in customer bills for the August billing cycle. Because of the billing cycle timing, customer notification will be made within a period 10 days less than the 90 days required by the rule. Therefore, TDS LD also filed a petition for waiver of OAR 860-032-0020(11)(a), specifically the 90-day customer notice period. OAR 860-032-0020(16) allows the Commission to grant a petition to waive any time period or requirement of the rules for good and sufficient reason. TDS LD has complied with all other requirements of OAR 860-032-0020(11).

TDS LD states that customers will be minimally impacted and the transfer will be nearly transparent. Customers will be able to utilize the same services, at the same level of reliability, rates, and terms and conditions following the transfer. Customers also have the option of discontinuing service and selecting a different provider if they choose.

TDS LD believes the public interest will not be harmed by the grant of the waiver and allowing 80 days for customer notice. Staff agrees in this case based on the fact that the time period is so close to the 90-day requirement and a separate mailing would create extra costs that would not gain customers significantly more time to make a decision. The time period is just 10 days less than the required 90-day notice period and customers will have had ample time to make a decision regarding their telecommunications service. The requested notice period is adequate time for TDS LD and NSTC to arrange for the transfer of customers.

PROPOSED COMMISSION MOTION:

TDS Long Distance Corporation's petition for waiver of the 90-day time period for customer notification of abandonment of service under OAR 860-032-0020(11) be granted and a notice period of 80 days be permitted.