OREGON PUBLIC UTILITY COMMISSION (INTEROFFICE CORRESPONDENCE)

DATE:

August 25, 2014

TO:

File through Bruce Hellebuyck

FROM:

Stephanie Yamada

SUBJECT: Owest Corporation, Transmittal No. 2014-003-PL

Increases the effective rate of packages/bundles that include

Voicemail or a Wire Maintenance plan by \$0.44.

I have reviewed this filing and recommend that an acknowledgement letter be sent. The filing went into effect August 15, 2014, and was filed August 13, 2014. The purpose of this filing by Owest Corporation d/b/a CenturyLink QC (Qwest) is to increase the Non-Telecom Service Surcharge by \$0.44, from \$1.55 to \$1.99, thereby increasing the effective rate of affected packages/bundles. The increases are related directly to the company's Voicemail and Wire Maintenance services, which are deregulated services.

The company shows the Non-Telecom Service Surcharge in the price list as an additional charge for each of the affected packages rather than simply increasing the price of each package by \$1.99. While it may seem that it would be more straight-forward to have added the \$1.99 to each respective package rate, the use of Voicemail and Wire Maintenance is optional in all of the packages, and therefore, a customer could opt out of the service along with the additional charge. Therefore, allowing the additional \$1.99 charge to appear in the footnotes is more appropriate.

The filing complies with Oregon Revised Statutes (ORS) 759.175, which requires telecommunications utilities to submit tariff filings to the Commission whenever a telecommunications utility intends to change its rates, terms, or conditions of service. Under ORS 759.054, the Commission may authorize a telecommunications utility to price list services if the services are "subject to competition" or not "essential services." Rate increases, such as the ones proposed here, are not prohibited by the statute. Price list filings can become effective upon filing with the Commission.

The proposed rates are less than the sum of the tariffed prices of the individual services/features, and therefore, comply with the Commission's policy concerning the maximum rates for packages of services.