


**OREGON PUBLIC UTILITY COMMISSION
INTEROFFICE CORRESPONDENCE**

DATE: August 28, 2014

TO: File through Bruce Hellebuyck 

FROM: Jim Stanage 48

SUBJECT: Citizens Telephone Company, Advice No. OR-14-06
Establishes a promotion for business customers who subscribe to the Simply Unlimited Service-Leader bundle under a term plan.

I have reviewed this filing and recommend that an acknowledgement letter be sent. The filing went into effect on August 25, 2014, and was filed on August 18, 2014. During the promotional period from August 25, 2014, through November 25, 2014, new and current business customers that subscribe to Citizens' Simply Unlimited Service-Leader bundle under a one, two, or three-year term contract would be eligible to purchase their first line for \$29.99 per month and any additional lines for \$24.99 per month. The discounted monthly rates would remain in effect during the term of the customer's contract. All other terms and conditions would remain in effect. To be eligible for the promotional rates, Customer must subscribe to the Frontier Simply Unlimited Long Distance plan through Frontier Communications of America as well as Broadband. This promotion offer is subject to the applicable termination liability for the individual products as listed in this tariff.

Simply Unlimited Service-Leader includes one flat rate business access line, a group of standard custom calling features, Voice-mail, flat rate Extended Area Service (EAS),¹ and a group of optional add-on features. The package's rate also includes the End User Common Line Charge and the Access Recovery Charge that are found in the company's federal tariff.² The proposed package allows customers to use eight of the optional add-on features. The package is available to Business customers that subscribe to a maximum of twelve Single Party Business Lines per customer location.

The monthly rates for the Simply Unlimited Service-Leader package are \$48.99 for each of the first three lines and \$33.99 for the fourth through the twelfth lines.

¹ The monthly business flat rate EAS charges range from \$6.74 to \$24.08.

² The monthly End User Common Line Charge (i.e., subscriber line charge/SLC) is \$6.50 and the Access Recovery Charge is \$0.50.

Therefore, promotional customers would pay \$28.99 monthly for their first Simply Unlimited Service package instead of \$48.99 as they would under the regularly tariffed rates. In addition, promotional customers would pay \$23.99 monthly for their 2nd and 3rd Simply Unlimited Service packages instead of \$48.99 as they would under the regularly tariffed rates. Also, promotional customers would pay \$23.99 monthly for their fourth through their twelfth packages instead of \$38.99 as they would under the regularly tariffed rates.

Telecommunications utilities are allowed to promote the use of their services, under ORS 759.267, by offering a waiver of part or all of a recurring or nonrecurring charge, a redemption coupon, or a premium with the purchase of a service. In addition, under ORS 759.182, telecommunications utilities are allowed to file promotional rate schedules with the Commission that are concurrent with the effective date for promotion, but are required to price promotional services at prices that are not below the price that the service is sold to another carrier. This filing complies with these requirements.

The company estimates that this filing would have a negligible effect on annual net revenues.