

ORDER NO. 19-038

ENTERED Feb 14 2019

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UM 1895

In the Matter of

FRONTIER COMMUNICATIONS  
NORTHWEST, INC., and CITIZENS  
TELECOMMUNICATIONS COMPANY OF  
OREGON,

Joint Petition for Approval of Price Plan  
Pursuant to ORS 759.255.

ORDER

DISPOSITION: ORDER NO. 18-303 AMENDED

In Order No. 18-303, we adopted the stipulation among Frontier Communications Northwest Inc. (Frontier NW) and Citizen's Telecommunications Company of Oregon (Citizens) (collectively Frontier), Commission Staff, and the Oregon Citizens' Utility Board (CUB) to resolve all issues related to Frontier's price plan, which was attached as Attachment A to the stipulation. In so doing, we approved a new price plan for Frontier, replacing the price plan that we approved for Frontier NW in Order No. 14-290.

On January 10, 2019, Staff filed a motion to amend Order No. 18-303. Staff represented that the motion was unopposed, and no other party has filed an objection. The requested amendment relates to Section 4 of the new Frontier price plan, which provides that any "new service" introduced by Frontier after the August 17, 2018 effective date of the new price plan, will not be subject to price caps. The new plan defines a new service as "a retail telecommunications service that is offered by Frontier in Oregon for the first time, following the effective date of this price plan."<sup>1</sup> This definition of new service excludes any service "if it merely renames, repackages, or is a variation of an existing service, or if it is reintroduced in substantially the same form after having been grandfathered, withdrawn, or abandoned."<sup>2</sup>

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<sup>1</sup> Amended Stipulation, Exhibit A (1.b.) at 1 (May 10, 2018).

<sup>2</sup> Staff's Unopposed Motion to Amend Commission Order, at 2 (Jan 10, 2019), quoting Amended Stipulation, Exhibit A (1.b.) at 1 (May 10, 2018).

Section 4.p. of the new Frontier price plan replaced Section I. of the prior Frontier NW price plan, adopted in Order No. 14-290, which similarly provided that any “new service” introduced by Frontier NW after the effective date of that price plan, August 18, 2014, was not subject to price caps. The definitions of a new service and exclusions in the two plans are equivalent.

As a result of the timing of the two provisions, however, services introduced as “new” after August 18, 2014, but before August 17, 2018, do not qualify as “new services” under Order No. 18-303. Consequently, Frontier had more pricing flexibility for such services under the previous plan than it now does under its new plan. Citizens also had more pricing flexibility for such services prior to the effective date of the new price plan as a result of Order No. 15-383, in which the Commission subjected Citizens to the same price caps specified in Frontier NW's prior price plan.

This unintended limitation to Frontier’s pricing flexibility recently arose when it proposed to increase the price of its Convenience Fee Charge, which is charged when customers make a payment using a company representative. Frontier NW and Citizens initially introduced this as a new tariffed service in 2017, during the pendency of the prior plan. Frontier seeks to increase the rate for this service from \$4.50 to \$10.00 per occurrence, an amount that is more than the 25 percent or \$0.50 per year increase permitted by Order No. 18-303.

After discussions with the parties in this docket, Staff agreed to file this motion to amend Order No. 18-303 to remove price caps for services introduced as “new” after August 18, 2014, but before August 17, 2018. No party opposes the motion.

Staff’s motion to amend Order No. 18-303 is granted.

**ORDER**

IT IS ORDERED that Order No. 18-303 is amended so that the Frontier price plan approved therein removes price caps on services introduced as “new” after August 18, 2014, but before August 17, 2018. The remainder of the order is unchanged.

Made, entered, and effective Feb 14 2019.



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**Megan W. Decker**  
Chair



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**Stephen M. Bloom**  
Commissioner



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**Letha Tawney**  
Commissioner



A party may request rehearing or reconsideration of this order under ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Court of Appeals in compliance with ORS 183.480 through 183.484.