



**OREGON PUBLIC UTILITY COMMISSION
INTEROFFICE CORRESPONDENCE**

DATE: October 15, 2015

TO: File through Bruce Hellebuyck 

FROM: Jim Stanage 

SUBJECT: Citizens Telephone Company, Advice No. OR-15-05
Establishes a promotion for business customers who subscribe to the OneVoice Nationwide bundle under a term plan if they are also new or upgraded *Business broadband* customers.

I have reviewed this filing and recommend that an acknowledgement letter be sent. The filing will go into effect on October 18, 2015, and was filed on September 17, 2015. During the promotional period from October 18, 2015, and through January 15, 2016, new or upgraded *Business broadband* customers who purchase the OneVoice Nationwide bundle at \$39.99 under a one or two year term would be guaranteed that price for the OneVoice Nationwide and their broadband service *for the life of the account*. Termination fees as described in the tariff would apply if the customer cancels before the end of the term. Two year term customers would have the broadband installation fees waived. Changes to the product services after January 15, 2016, including broadband speed upgrades/downgrades *would disqualify the Price for Life guarantee*. All other terms and conditions of the services remain in effect.

Frontier OneVoice Bundled Service 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 monthly rate for the OneVoice Bundled Service is \$44.99, and the company also offers a monthly rate of \$29.99 when it is subscribed under a term agreement of one, two, or three years

This filing represents an unusual type of promotion because, at first glance, the promotion appears to offer a rate that is more than the tariffed rate for a term agreement of one or two years. However, I conclude that the promotional offer of a *permanent rate of \$39.99* per month for a one or two year term is a distinctly different offer than the tariffed rate offer of \$29.99 per month for a one or two or three year term agreement. Therefore, under the advice of counsel, I conclude that this offer does not violate Oregon law.

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

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The fact that a subscriber of this offer could be disqualified from the *Price for Life guarantee* should alert customers to the tenuous nature of this promotional offer.

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.

Citizens15-05.Promo.OneVoiceNationwide