



**OREGON PUBLIC UTILITY COMMISSION
INTEROFFICE CORRESPONDENCE**

DATE: June 3, 2016

TO: File through Bryan Conway and Bruce Hellebuyck 

FROM: Jim Stanage 

SUBJECT: United Telephone Company of the Northwest (Docket No. PL 43/Advice No. 16-002-PL) Increases rates for business local access flat rate service, business local access measured services, custom calling services, packaged services, directory listings, and directory assistance.

I have reviewed this filing and recommend that an acknowledgement letter be sent. The filing went into effect on June 1, 2016, and it was filed on May 27, 2016. United Telephone Company of the Northwest dba CenturyLink (United) proposes to increase the rates for business local access flat rate service, business local access measured service, PBX trunks, custom calling services, packaged services, directory listings, and directory assistance. The filing also reduces the rates for key line flat rate local access service and for hunting service.

On October 7, 2014, the Commission issued its Order No. 14-347, in docket UM 1686, approving a *Price Plan* for United under ORS 759.255. The filing was submitted on May 27, 2016, and thus, complies with United Price Plan, Section P, which requires price list changes to be filed with the Commission at least one day prior to their effective dates and that customers be provided at least 30 days prior notice of rate increases for currently subscribed services. All of the services affected by this filing are in the company's current price list. The company states that it has provided the required notice to its customers. Telecommunications utilities are required under ORS 759.175 to submit tariff filings to the Commission whenever they intend to change their rates, terms, or conditions of service.

The Price Plan, Section B.1.c., *Recurring and non-recurring charges for business primary line basic services*, states:

Rates for these services will not be subject to price caps. If CenturyTel/United increases the recurring charge by more than \$4 over the term of the plan, CenturyTel/United must provide customers 90 day notice prior to 1) making the change that causes the cumulative price increase over the term of the Price Plan to exceed \$4.00 and 2) making any subsequent price changes.

The proposed rate increases for business primary line basic services are as follows:

<u>Service</u>	<u>Pre-Plan Rate</u>	<u>Current Rate</u>	<u>Proposed Rate</u>	<u>Cumulative Change</u>
One-Party Business (Primary)	\$24.00	\$24.00	\$27.00	\$3.00
Measured Business	\$13.35	\$13.35	\$16.00	\$2.65

Section H, *Other Services*, establishes certain specific pricing restrictions and states in part:

Monthly rates for "Other Services" for business customers will not be subject to price caps. Monthly rates for residential customers may increase up to 50 percent or \$.50, annually, whichever is greater. The cumulative price increase over the term of the Price Plan is not to exceed 200 percent for residential customers.

Section O, *Packages and Bundles*, establishes certain specific pricing restrictions and states in part that:

The package or bundle price is not more than the sum of the retail prices of all services available in the package or bundle.

Staff considers all of the services that are being affected by this filing to be *Other Services* or *Packages and Bundles* as defined in the Price Plan, except for business primary line basic services.

The proposed rate increases comply with the above described requirements and the company's Price Plan. The company has filed a Price Plan Control List with the Commission's electronic filing center that shows the percentage of the proposed rate increases on both an *annual* and a *cumulative over price plan* basis.