
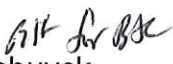



**OREGON PUBLIC UTILITY COMMISSION
INTEROFFICE CORRESPONDENCE**

DATE: March 29, 2017

TO: File through Bryan Conway  and Bruce Hellebuyck 

FROM: Stephanie Yamada 

SUBJECT: FRONTIER COMMUNICATIONS NORTHWEST INC:
(Docket No. ADV 530/Advice No. 1054) Increases the monthly rates for certain business and residential local access line services.

I have reviewed this filing and recommend that an acknowledgement letter be sent. The filing was submitted on March 9, 2017, and was later supplemented on March 9, 2017, March 14, 2017, and March 16, 2017. This filing will go into effect on April 18, 2017. With this filing, Frontier Communications Northwest Inc. (Frontier) proposes to increase the monthly rates for certain business local access line services by between \$0.23 and \$1.00 per line, and to increase certain residential local access line rates by \$1.00 to \$1.25.

On August 18, 2014, the Commission issued its Order No. 14-290, in docket UM 1677, approving a price plan for Frontier under ORS 759.255. Section B of the price plan, *Pricing and Availability of Services under Price Plan*, establishes specific pricing restrictions for certain services.

Section B.1.b of the price plan states: "Primary line basic service for residential customers will be subject to price caps. Monthly rates for this Service may increase a maximum of \$3.00 during the period of the Price Plan. Frontier may increase these rates up to a \$2.00 maximum on the Price Plan's effective date, and may increase rates up to an additional \$1.00 beginning in year 3 of the Price Plan." As the third year of Frontier's current price plan began on August 18, 2016, the current total maximum increase for residential primary line basic services is \$3.00.

Section B.1.d of the price plan states: "Frontier may increase recurring charges for business primary line basic service by up to \$4.00 on the effective date of the Price Plan."

The proposed local access line services rate increases are as follows:

Business Rate Increases

| Service | Current | Proposed | Increase | Percent |
|------------------------------------|---------|----------|----------|---------|
| One-Party Business Rate Group 1 | \$22.00 | \$23.00 | \$1.00 | 4.5% |

| | | | | |
|--------------------------|---------|---------|--------|------|
| Rate Group 2 | \$27.00 | \$28.00 | \$1.00 | 3.7% |
| Rate Group 3 | \$31.27 | \$31.50 | \$0.23 | 0.7% |
| PBX Trunk (Business) | | | | |
| Rate Group 1 | \$25.00 | \$26.00 | \$1.00 | 4.0% |
| Rate Group 2 | \$30.00 | \$31.00 | \$1.00 | 3.3% |
| Rate Group 3 | \$34.20 | \$34.50 | \$0.30 | 0.9% |
| Measured Business | \$21.00 | \$22.00 | \$1.00 | 4.8% |
| Public Access Line (PAL) | | | | |
| Rate Group 1 | \$22.00 | \$23.00 | \$1.00 | 4.5% |
| Rate Group 2 | \$27.00 | \$28.00 | \$1.00 | 3.7% |
| Rate Group 3 | \$31.27 | \$31.50 | \$0.23 | 0.7% |

Residential Rate Increases

| Service | Current | Proposed | Increase | Percent |
|-----------------------|---------|----------|----------|---------|
| Measured Residential | \$9.82 | \$10.82 | \$1.00 | 10.2% |
| One-Party Residential | \$14.34 | \$15.59 | \$1.25 | 8.7% |

Frontier previously increased rates under the current price plan with Advice No. 1042, effective October 19, 2014, and Advice No. 1046, effective October 18, 2015. The present filing complies with the above cited provisions of Section B.1 of the price plan and the rate increases do not exceed the total allowed increases of \$4.00 for business services and \$3.00 for residential services.

Section Q of Frontier's price plan requires customers to be provided at least 30 days' prior notice of price increases for services they are purchasing. Frontier states that customers were provided proper notice of the rate increases pursuant to the requirements in the price plan.

The filing was submitted on March 9, 2017, and thus complies with Section Q of the price plan, which requires tariff filings to be made at least thirty days prior to their effective dates. 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.