

ITEM NO. CA3


PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: July 11, 2017

REGULAR \_\_\_\_\_ CONSENT X EFFECTIVE DATE July 15, 2017

DATE: June 21, 2017

TO: Public Utility Commission

FROM: Stephen Hayes 

THROUGH: Jason Eisdorfer, Bryan Conway, and Bruce Hellebuyck 

SUBJECT: QWEST CORPORATION (d/b/a CENTURYLINK): (ADV 582/Advice No. 2139) Establishes the Home Phone Extra Package and Unlimited Nationwide Calling Bundle for residential customers.

**STAFF RECOMMENDATION:**

I recommend that the tariff sheets filed in Advice Letter No. 2139 be allowed to go into effect.

**DISCUSSION:**

Issue

Whether the Commission should allow the proposed tariff sheets establishing a new bundle and package to go into effect.

Applicable Rule or Law

This filing was made pursuant to the Price Plan established according to Oregon Revised Statute (ORS) 759.255. The Commission approved the Price Plan in Order No. 14-346, effective October 3, 2014. Under the Price Plan, Qwest Corporation (Qwest) is required to file tariff changes with the Commission at least 30 days prior to a filing's effective date. This filing was made on June 9, 2017, and is effective on July 15, 2017.

### Analysis

With this filing, Qwest proposes to establish the Unlimited Nationwide Calling Bundle (Bundle) and the Home Phone Extra Package (Package), optional bundle and packaged services available to residential customers. The proposed monthly rate for the Bundle is \$35.00 per Bundle. The proposed monthly rate for the Package is \$50.00 per individual flat rate residence line/package.

The Bundle includes unlimited expanded local calling (where available). Customers must subscribe to specified services: 1) Home Phone Extra Package; 2) Unlimited Nationwide Calling long distance plan provided by CenturyLink Communications, LLC for each Unlimited Nationwide Calling Bundle; and 3) CenturyLink's non-regulated 1.5 Mbps or greater High-Speed Internet (HIS)<sup>1</sup>. The Bundle rate of \$35.00 does not include the fees for HIS and Unlimited Nationwide calling are not included.

The Package includes a flat rate one-party residence line, flat rate Extended Area Service (EAS) where applicable, and eighteen services and features including: Caller ID; Call Forwarding; and Voice Messaging Service (an unregulated service). If a new residence line is installed in conjunction with the Package non-recurring charges normally associated with line installation will be waived.

### Conclusion

Staff has reviewed the filing and determined that each of the regulated items in this package may be purchased separately. The price of the package, which includes both regulated and unregulated services, does not exceed the tariff rates for the regulated services and the retail price for the unregulated services. The company submitted financial analyses showing that the price of the package is not less than the sum of the long run incremental costs of the individual items in the package.

### **PROPOSED COMMISSION MOTION:**

Allow the Qwest tariff proposed in Advice No. 2139 to go into effect.

QwestOR2139.Unlimited.Nationwide.Calling.Bundle.Home.Phone.Extra.Package

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<sup>1</sup> Where 1.5 Mbps is not available customers may alternatively subscribe to non-regulated 512 or 768 Kbps HIS.