

**OREGON PUBLIC UTILITY COMMISSION  
INTEROFFICE CORRESPONDENCE**

**DATE:** February 26, 2019

**TO:** File through Bryan Conway <sup>MC</sup> and Bruce Hellebuyck <sup>B</sup>

**FROM:** Malia Brock <sup>MB</sup>

**SUBJECT:** CITIZENS TELECOMMUNICATIONS COMPANY OF OREGON: (Docket No. PL 114/Advice No. 003PL) Increases rates for Multi-line and One-Party Business Telephone Service.

I have reviewed this filing and recommend that an acknowledgement letter be sent. With this filing, Citizens Telecommunications Company of Oregon (Citizens) proposes to increase rates for Multi-line and One-Party Business Telephone Service. The filing was submitted on February 21, 2019, and went into effect on February 24, 2019.

Applicable Rule or Law

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. Citizens is regulated under its parent company, Frontier Communication Northwest Inc.'s, Price Plan pursuant to ORS 759.255 and Order No. 18-303, issued August 17, 2018.

Other services, defined under section 1(c) of the Frontier Price Plan is defined to mean any other residential or business services contained in the Frontier's rate schedules that are not expressly listed in the Plan, excluding packages and bundles, are to subject to another cap. Section 4(k) of the Plan permits the Companies to increase rates for Other Services by the greater of 25 percent or \$.50 per year.

Section 4(f)(i) and (ii) of Frontier's Price Plan states that monthly rates for business Primary Line Basic Service are no longer subject to price caps and that rates charged by Citizens shall be priced no higher than the rate charged by Frontier NW in Rate Group 2. Section 9(a)(ii) of Frontier's Price Plan requires Frontier to submit price list changes at least one day prior to their effective dates. Section 9(b)(i) Frontier's Price Plan requires Frontier to provide advance notice to customers at least 30 days ahead of price increases for services they are purchasing.

Analysis

Citizens has implemented the following rate increases:

| <b>Service</b> | <b>Current Price List</b> | <b>New Price List</b>        | <b>Percentage of Increase:</b> |
|----------------|---------------------------|------------------------------|--------------------------------|
| Multi-Line     | \$40.75                   | \$42.00                      | 3.1%                           |
| <b>Service</b> | <b>Citizens New Rate</b>  | <b>Frontier Rate Group 2</b> |                                |
| One-Party      | \$29.00                   | \$29.00                      |                                |

Pricing flexibility for the services shown above is dictated by Sections 1, 2 and 4 of Frontier's Price Plan. The price increase shown above does not exceed Frontier's pricing for Rate Group 2 for the One-Party service and therefore complies with Frontier's Price Plan. The Multi-line service not listed in Frontier NW's tariff is defined as an Other Service, which is covered in section 4(k). Citizens 3.1 percent increase of \$1.25 for Multi-Line service falls within the Price Plan limitations of increasing rates by the greater of 25 percent or \$.50 per year.

Frontier states that customers were provided notice of the rate increases 30 days before the effective date of the increase and the filing was submitted more than one day prior to its effective date.

Conclusion

This filing complies with all applicable laws, Commission orders, and Frontier's Price Plan. The filing has already gone into effect, and an acknowledgement letter should be sent. No further action is necessary.