

**OREGON PUBLIC UTILITY COMMISSION
INTEROFFICE CORRESPONDENCE**

DATE: May 30, 2023

TO: File through Bryan Conway

FROM: Joseph Bartholomew

SUBJECT: ZIPLY FIBER NORTHWEST, LLC dba ZIPLY FIBER: (Docket No. ADV 1388/Advice No. 2022-1) Price increase for Residential Access Line/Grandfather of Service/New Bundle Package.

I have reviewed this filing and recommend that an acknowledgement letter be sent.

Applicable Rule or Law

Telecommunications utilities are required by ORS 759.175 to submit tariff filings to the Commission whenever they intend to change their rates, terms, or conditions of service. Ziplly Fiber Northwest, LLC Ziplly Fiber (Ziplly) operates under a price plan pursuant to ORS 759.255, under which the Commission regulates prices without regard to the return on investment of the utilities. The Ziplly Price Plan was approved in Docket No. UM 1895 with Order No. 18-303, and became effective on August 17, 2018.

Among its numerous provisions, the Ziplly Price Plan contains price rules (most often in the form of price caps) and availability requirements for various services, including Primary Line Basic Service (PLBS). Section 1(g) of the Price Plan defines PLBS as the first line only of basic local exchange service for an individual residential or business customer that is not sold as part of a package. Under Section 4(e)(i) of the Price Plan, the Companies may increase monthly flat rates for residential PLBS services by a maximum of \$3.00 per Price Plan year, with a maximum increase of \$10.00 over the four-year term of the Price Plan. Section 4(e)(i) of the Price Plan also limits the line component of the residential measured service rate to 70 percent of the flat residential PLBS rate.

Section (9) of the Price Plan requires tariff changes to be filed with the Commission at least 30 days prior to the effective date of the change and requires the Companies to provide customers subscribing to affected service 30 days' notice of any increases.

Analysis

On April 12, 2022, Ziplly submitted ADV 1388/Advice No. 2022-1. The purpose of the filing is to increase the Residence Access Line monthly rate. Certain package prices have also been updated to reflect the Residence Access Line increase. Customers

began receiving notifications on April 5, 2022, and will continue to receive notifications via bill message until May 5, 2022, with an effective date of May 15, 2022.

During analysis, Staff found numerous clerical errors and one possible Price Plan violation. The possible violation found is the customer notification. Per the advice filing, the last customer notification was sent on May 5, 2022, with the effective date of May 15, 2022, leaving only 10 days from notification to effective date. Per section (9) of the price plan, Ziplly is required to give at least a 30 day notification to all customers. Staff sent numerous emails in regard to the clerical errors, as well as the possible Price Plan violation starting on May 3, 2022, and the last email was sent on June 29, 2022. All clerical issues were resolved during this time, but the question of whether or not all customers received at least 30 days' notice was not answered. The last email Staff received from Ziplly was on July 6, 2022, which stated they are still researching the question and will get back to Staff. Staff sent a follow up email again on July 12, 2022, and received no response.

The following changes have been made to the OPUC No. 18 Tariff as well as the Oregon Price List No. 2:

ADV 1388 Tariff No 18						
Name	Section	Sheet	Revised/Original Sheet	Original P	New Price	Increase
Network Access Charge One-Party	IV	3	Revised	\$11.70	\$13.82	\$2.12
Residential Service One-Party Line	IV	4	Revised	\$16.35	\$19.35	\$3.00
Residential Service One-Party Line	IV	5	Revised	\$16.75	\$19.75	\$3.00
ADV 1388 Price List No 2						
Regional Calling Value	2	2	Revised	\$30.04	\$33.04	\$3.00
Regional Essentials	2	2	Revised	\$32.04	\$35.04	\$3.00
Regional Calling Extra	2	10	Revised	\$49.95	\$52.95	\$3.00
Regional Calling Plan	2	10	Revised	\$44.95	\$47.95	\$3.00
Local Calling Plan Plus	2	10	Revised	\$32.95	\$35.95	\$3.00
Local Calling Plan	2	10	Revised	\$29.95	\$32.95	\$3.00
Digital Phones Essentials	2	28	Revised	\$21.99	\$24.99	\$3.00
Digital Phone Unlimited	2	29	Revised	Grandfather in Error, changed sheet		
Digital Phone Unlimited	2	31	Revised	\$31.99	\$34.99	\$3.00
Digital Phone Unlimited (Challenger)	2	33	Revised	\$21.99	\$24.99	\$3.00
Digital Phone Unlimited Plus (Challenger)	2	35	Revised	\$21.99	\$24.99	\$3.00
Digital Phone Essentials 3-2010 Package	16	70	Revised	\$21.99	\$24.99	\$3.00
Digital Phone State Unlimited with Essential	16	72	Original	\$23.99	\$26.99	\$3.00
Digital Phone State Unlimited with Essential	16	73	Original	\$29.99	\$32.99	\$3.00
Digital Phone Nationwide Unlimited Plus wi	16	75	Original	\$29.99	\$32.99	\$3.00

Staff finds it appropriate to approve the Tariff No. 18/Oregon Price List No. 2 changes effective May 15, 2022.

Conclusion

Staff discussed with PUC counsel in regard to approving the advice filing since the effective date has passed and all customers have been notified at this point. PUC counsel advised Staff that due to statute of limitations, it is OK to process. Staff recommends PUC counsel discuss with Ziplly Counsel the timeliness and responsiveness of Ziplly to Price Plan violations. Other than the customer notification issue, Staff finds that the filing complies with Oregon statutes, applicable Price Plan requirements, and the requirements of ORS 759.175, and therefore should be allowed to go into effect.