

**OREGON PUBLIC UTILITY COMMISSION  
INTEROFFICE CORRESPONDENCE**

**DATE:** February 13, 2023

**TO:** File through Bryan Conway and Marc Hellman

**FROM:** Steph Yamada

**SUBJECT:** ZIPLY FIBER NORTHWEST, LLC:  
(Docket Nos. PL 214/Advice No. 2022-10; PL 216/Advice No. 2023-01)  
Increases monthly rates for Business Primary Line Basic Service and certain Packages and Bundles and deletes certain services.

I have reviewed these filings and recommend that an acknowledgement letter be sent. With these filings, Ziplly Fiber Northwest, LLC (Ziplly NW or Company) proposes to increase rates for business Primary Line Basic Service (PLBS) and certain Packages and Bundles and deletes certain services. Advice No. 2022-10 was submitted on December 16, 2022, with an effective date of January 15, 2023. Advice No. 2023-01 was submitted on February 9, 2023, with an effective date of February 15, 2023.

Applicable Rule or Law

Telecommunications utilities are required under ORS 759.175 to submit filings to the Commission whenever they intend to change their rates, terms, or conditions of service. Ziplly NW is also regulated under a Price Plan pursuant to ORS 759.255.<sup>1</sup>

Pursuant to Section 4.f.i of the Price Plan, business PLBS rates for Ziplly NW are not subject to price caps.

Pursuant to Section 4.q. of the Price Plan, the Company may combine any regulated telecommunications service with any other service(s) to offer Packages and Bundles, which may include PLBS and Extended Area Service (EAS). All regulated telecommunications services offered as part of a package or bundle must remain separately available for purchase, and the package or bundle price may not exceed the sum of the stand-alone retail prices of the included services.

Section 4.r.ii of the Price Plan prohibits the Company from increasing the existing dollar differences between rate groups for business PLBS rates.

Section 9.b of the Price Plan requires Ziplly NW to provide 30-day notice of price increases to customers subscribing to the service. Retail customer notices may be made by bill message, including notice to customers receiving electronic bills. Section

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<sup>1</sup> See Order Nos. 18-303 and 19-038 in Docket No. UM 1895.

9.a also requires price list changes to be filed with the Commission at least one day prior to the effective date of the change.

Pursuant to OAR 860-032-0020(8), a telecommunications utility may request to abandon a regulated service for which there are no current customers by filing a tariff change which deletes the regulated service.

### Analysis

#### **Background**

The Business PLBS and Package and Bundle rate increases discussed here were previously submitted with Advice No. 2022-10 in Docket No. PL 214, which became effective on January 15, 2023. As a result of discussions with Staff, the Company determined that several Packages and Bundles proposed to be increased with that filing do not have any current subscribers and should instead be deleted from the price list. While ZiPLY NW intended to file those deletions as an amendment to Advice No. 2022-10, the Company did not submit the amendment before that filing became effective. On February 9, 2023, the Company withdrew Advice No. 2022-10 and submitted Advice No. 2023-01, which implements the same rate changes previously made with Advice No. 2022-10 and additionally deletes the Packages and Bundles that have no subscribership.

A filing cannot be withdrawn after it has become effective—despite the Company's attempt to withdraw Advice No. 2022-10 on February 9, 2023, that filing had already become effective on January 15, 2023. Consequently, rate increases for the Packages and Bundles slated for deletion were briefly effective during that period. As those services were subsequently deleted with Advice No. 2023-01, the associated rate increases are not discussed in this report. Because those services have no subscribers, no customers were affected by the briefly effective rate increase. As discussed below, the other rate increases implemented with Advice No. 2022-10 comply with the terms of the Price Plan.

#### **Business PLBS**

ZiPLY NW proposes the following business PLBS rate increases.

<b>Service</b>	<b>Old Rate</b>	<b>New Rate</b>	<b>Incr. (\$)</b>	<b>Incr. (%)</b>
<b>Basic Calling Service</b>				
Trunk – Zone 1	\$27.00	\$30.00	\$3.00	11.11%
Trunk – Zone 2	\$27.00	\$30.00	\$3.00	11.11%
Trunk – Zone 3	\$27.00	\$30.00	\$3.00	11.11%
One-Party – Zone 1	\$27.00	\$30.00	\$3.00	11.11%
One-Party – Zone 2	\$27.00	\$30.00	\$3.00	11.11%
One-Party – Zone 3	\$27.00	\$30.00	\$3.00	11.11%
<b>Community Calling Service</b>				
Trunk – Zone 1	\$31.00	\$34.00	\$3.00	9.68%
Trunk – Zone 2	\$35.00	\$38.00	\$3.00	8.57%
Trunk – Zone 3	\$38.00	\$41.00	\$3.00	7.89%
One-Party – Zone 1	\$28.00	\$31.00	\$3.00	10.71%
One-Party – Zone 2	\$32.00	\$35.00	\$3.00	9.38%
One-Party – Zone 3	\$35.00	\$38.00	\$3.00	8.57%
<b>Premium Calling Service</b>				
Trunk – Zone 1	\$31.00	\$34.00	\$3.00	9.68%
Trunk – Zone 2	\$35.00	\$38.00	\$3.00	8.57%
Trunk – Zone 3	\$39.00	\$42.00	\$3.00	7.69%
Central Office Located Trunk – Zone 1	\$22.87	\$25.87	\$3.00	13.12%
Central Office Located Trunk – Zone 2	\$22.87	\$25.87	\$3.00	13.12%
Central Office Located Trunk – Zone 3	\$22.87	\$25.87	\$3.00	13.12%
One-Party – Zone 1	\$28.00	\$31.00	\$3.00	10.71%
One-Party – Zone 2	\$32.00	\$35.00	\$3.00	9.38%
One-Party – Zone 3	\$35.00	\$38.00	\$3.00	8.57%

These changes comply with the terms of the Price Plan, under which business PLBS rates are not subject to price caps.

**Packages and Bundles**

ZiPLY NW proposes the following changes to Package and Bundle rates.

<b>Service</b>	<b>Old Rate</b>	<b>New Rate</b>	<b>Incr. (\$)</b>	<b>Incr. (%)</b>
Regional Calling Value	\$35.04	\$38.04	\$3.00	8.56%
Regional Essentials	\$37.04	\$40.04	\$3.00	8.10%
Single Line Business Pack – 3 Year	\$51.00	\$56.00	\$5.00	9.80%
Single Line Business Pack – 1 Year	\$51.00	\$55.00	\$4.00	7.84%
Digital Phone Essentials	\$26.99	\$29.99	\$3.00	11.12%
Digital Phone Unlimited	\$36.99	\$39.99	\$3.00	8.11%
Digital Phone Unlimited (Challenger)	\$26.99	\$29.99	\$3.00	11.12%
Digital Phone Unlimited Plus (Challenger)	\$26.99	\$29.99	\$3.00	11.12%
OneVoice – Basic Bundle	\$47.99	\$52.99	\$5.00	10.42%
OneVoice – Term Price	\$32.99	\$37.99	\$5.00	15.16%
Digital Phone Essentials 3-2010	\$24.99	\$27.99	\$3.00	12.00%
Digital Phone State Unlimited with Essentials 3-2010	\$26.99	\$29.99	\$3.00	11.12%
Digital Phone Nationwide Unlimited with Essentials 3-2010	\$32.99	\$35.99	\$3.00	9.09%
Digital Phone Nationwide Unlimited Plus with Essentials 3-2010	\$32.99	\$35.99	\$3.00	9.09%

Zipty is also implementing the following rate changes to Packages and Bundles of features.

<b>Service</b>	<b>Old Rate</b>	<b>New Rate</b>	<b>Incr. (\$)</b>	<b>Incr. (%)</b>
Features Plan - Business A - 1 Year	\$9.97	\$11.97	\$2.00	20.06%
Features Plan - Business A - 2 Year	\$9.14	\$11.14	\$2.00	21.88%
Features Plan - Business A - 3 Year	\$8.31	\$10.31	\$2.00	24.07%
Features Plan - Business B - 1 Year	\$12.37	\$14.37	\$2.00	16.17%
Features Plan - Business B - 2 Year	\$11.34	\$13.34	\$2.00	17.64%
Features Plan - Business B - 3 Year	\$10.31	\$12.31	\$2.00	19.40%
Features Plan - Business Complete - 1 Year	\$9.37	\$11.37	\$2.00	21.34%
Features Plan - Business Complete - 2 Year	\$8.59	\$10.59	\$2.00	23.28%
Features Plan - Business Complete - 3 Year	\$7.81	\$9.81	\$2.00	25.61%
Features Plan - Business Deluxe - 1 Year	\$12.94	\$14.94	\$2.00	15.46%
Features Plan - Business Deluxe - 2 Year	\$11.86	\$13.86	\$2.00	16.86%
Features Plan - Business Deluxe - 3 Year	\$10.79	\$12.79	\$2.00	18.54%
Feature Package One	\$9.00	\$11.00	\$2.00	22.22%
Feature Package Two	\$15.00	\$17.00	\$2.00	13.33%
Feature Package Three	\$18.00	\$20.00	\$2.00	11.11%
Feature Package – Digital Phone Essentials	\$4.99	\$6.99	\$2.00	40.08%
Premium Feature Package	\$9.99	\$11.99	\$2.00	20.02%

The Company provided analyses demonstrating that the proposed rates do not exceed the sum of the stand-alone retail prices of the included services for each affected Package and Bundle. The included services remain separately available for purchase on a standalone basis.

**Deletion of Services**

As discussed previously, following the submission of Advice No. 2022-10, the Company determined that several Packages and Bundles included in that filing do not have any current subscribers. Consequently, with Advice No. 2023-01, the Company deleted those services from the price list. The deleted services are listed below.

<b>Deleted Services with No Customers</b>
Unlimited Dial Tone Package for Business
Custom Line Telephone Service for Business
Simply Unlimited Service-Leader
Simply Unlimited Service-Challenger
Business Nationwide Unlimited Service II
Business Local Unlimited II
Commercial Voice Unlimited

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The deletion of these services is allowed under OAR 860-032-0020(8).

The filings were submitted at least one day prior to the effective date of the change, in compliance with the requirements of the Price Plan. The Company states that customers received notification of the rate increases via bill message beginning on November 15, 2022, and will continue to receive messages through February 2023.

### Conclusion

This filing complies with applicable laws and Commission orders. The filing should be allowed to become effective, and an acknowledgement letter should be sent. No further action is necessary.

ZiPLY NW.PL 214 & PL 216.Bus & Package Increase & Deletion.MTF