PUBLIC UTILITY COMMISSION OF OREGON STAFF REPORT PUBLIC MEETING DATE: November 21, 2019

REGULAR ____ CONSENT X EFFECTIVE DATE ___ December 1, 2019

DATE: November 7, 2019

TO: Public Utility Commission

FROM: Malia Brock

THROUGH: Michael Dougherty, Bryan Conway, and Bruce Hellebuyck SIGNED

SUBJECT: QWEST CORPORATION:

(Docket No. ADV 1025/Advice No. 2151)

Federal Lifeline and Oregon Telephone Assistance Program Revisions.

STAFF RECOMMENDATION:

Staff recommends that the filed tariff be allowed to go into effect on Less than Statutory Notice (LSN) with service on and after December 1, 2019.

DISCUSSION:

<u>Issue</u>

Whether to allow the revised tariff filed by Qwest Corporation dba CenturyLink QC (Qwest) to go into effect with service on and after December 1, 2019 on LSN.

Applicable 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. On September 28, 2018, with Order No. 18-359, the Commission approved a Price Plan applicable to Qwest and its affiliates, as allowed by ORS 759.255.

All CenturyLink affiliates, United Telecommunications of the Northwest, and the two CenturyTel entities, also utilize the Qwest Price Plan as well as its tariff and price lists. Therefore, Qwest terms apply to all affiliates as the rates, terms, and conditions are identical; affiliates operate under the same Price Plan.

Section M of the Price Plan allows Qwest to petition the Commission for adjustments to the Price Plan to reflect material changes outside Qwest's control that would have an overall material effect on Qwest, such as a decrease in FCC support. Per ORS 759.190, 30 days'

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notice to the Commission is required before a schedule change may take effect. Section (8)(a)(i) of Qwest's Price Plan requires tariff changes to be filed at least thirty days prior to their effective dates. Furthermore, 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.

Utilities must file an application for less than statutory notice per OAR 860-022-0020 when a schedule change will take effect less than 30 days from the date of filing. ORS 759.190 provides that the Commission may find good cause exists to allow changes to take effect on LSN.

Analysis

Qwest originally filed on October 18, 2019, and a supplemental filing on October 31, 2019, to propose revisions to Section 5, Sheets 52, 53, 54, 55 and 58.1 of its Exchange and Network Services Tariff, P.U.C. OR. No. 33, to conform to FCC regulations in which the federal Lifeline support amount for voice telephone service will decline to \$7.25 per month effective December 1, 2019, and to \$5.25 per month effective December 1, 2020. Using an annual phase down schedule, the FCC's objective is to modernize the Lifeline program by transitioning the support to broadband internet access service before eliminating it for voice telephone service.

Qwest's last supplemental amendment was received on November 4, 2019, to incorporate a revision to Section 5, Sheet 57 of its Exchange and Network Services Tariff, P.U.C. OR. No. 33. This filing amends the Oregon Telephone Assistance Program (OTAP) amount of \$3.50 to be available for qualified voice or broadband internet access service, effective January 1, 2020. Prior to the enactment of Senate Bill 69 in 2019, the OTAP subsidy was limited to voice telephone service.

As Qwest's second amendment filing was filed on November 4, 2019 and advice is effective on December 1, 2019, Qwest also filed an application for less than statutory notice. Given the need to address federal requirements and the benefit to consumers presented by these changes, Staff finds good cause for the LSN.

Conclusion

Staff finds that the filing, with approval of the LSN, complies with applicable FCC regulations, the requirements of the Qwest Price Plan and Oregon statutes.

¹ 47 C.F.R. Section 54.403(a)(2)(ii).

² FCC Lifeline Modernization Order, WC Docket No.11-42, issued April 27, 2016.

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PROPOSED COMMISSION MOTION:

Allow Qwest Advice No. 2151 to go into effect for service rendered on and after December 1, 2019 on less than statutory notice.

Qwest.2151.Lifeline