

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: February 23, 2021**

REGULAR CONSENT EFFECTIVE DATE March 3, 2021

DATE: February 11, 2021

TO: Public Utility Commission

FROM: Stephanie Yamada

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

SUBJECT: FRONTIER COMMUNICATIONS NORTHWEST, LLC:
(Docket No. ADV 1236/Advice No. 2021-02)
Revises federal Lifeline and Oregon Telephone Assistance Program
credits.

STAFF RECOMMENDATION:

Staff recommends that the Public Utility Commission of Oregon (Commission) allow the tariff sheet filed by Frontier Communications Northwest, LLC dba Ziplify Fiber (Frontier or Company) to become effective.

DISCUSSION:

Issue

Whether the Commission should allow Frontier's filed tariff sheet to become effective.

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.

Frontier is regulated under a Price Plan pursuant to ORS 759.255 and Order No. 18-303 in Docket No. UM 1895. Section 9.a.i of the Price Plan requires Frontier to file all tariff changes with the Commission at least 30 days prior to the effective date of the change.

Analysis

This filing was submitted on February 1, 2021, with a proposed effective date of March 3, 2021, in compliance with the filing requirements stated in Frontier’s Price Plan. With this filing, Frontier proposes to adjust its Lifeline credit amounts as shown below.

Credit	Current	Proposed
Federal Lifeline Credit - Voice	\$7.25	\$5.25
State OTAP Credit – July 2020 to December 2020	\$8.50	\$0.00
State OTAP Credit – Permanent	\$3.50	\$7.00
State OTAP Credit – February 2021 to June 2021	None	\$5.00

The Federal Communications Commission’s Lifeline program and the Oregon Telephone Assistance Program (OTAP) provide support to reduce the cost of phone or broadband service for qualifying low-income households. The OTAP provides state Lifeline support from the Residential Service Protection Fund in addition to the support available from the federal Universal Service Fund. Support is provided in the form of rate credits that reduce the amount the customer pays for service.

Effective July 1, 2020, the Commission approved temporary rules in Division 33, which increased the amount of the monthly OTAP credit by \$8.50, from \$3.50 to \$12.00.¹ On December 29, 2020, the Commission adopted permanent rules with regard to state Lifeline support, and the monthly OTAP credit was set to \$7.00.² Subsequently, the Commission again adopted temporary rules in Division 33, which increased the monthly OTAP credit by \$5.00, from \$7.00 to \$12.00.³ The temporary rules are effective from February 1, 2021, through June 30, 2021. Additionally, federal Lifeline support for voice-only service declined from \$7.25 per month to \$5.25 per month, effective December 1, 2020.⁴

With this filing, Frontier adjusts its tariff to reflect the currently-effective federal and state Lifeline credit amounts described previously. The monthly OTAP credit is set to \$7.00, as reflected in the permanent rules adopted with Order No. 20-492. The previous temporary OTAP credit increase of \$8.50 is removed, and the current temporary credit increase of \$5.00 is added. The tariff is structured such that upon expiration of the current temporary rules in June of 2021, the temporary credit increase of \$5.00 will no longer be effective, but the permanent OTAP credit of \$7.00 will remain.

¹ See Order No. 20-204 in Docket No. AR 634.

² See Order No. 20-492 in Docket No. AR 635.

³ See Order No. 21-022 in Docket No. AR 642.

⁴ See 47 C.F.R. § 54.403(a)(2)(iii).

At Staff's request, the Company submitted a supplemental filing on February 11, 2021, to change the placement of a footnote on the filed tariff sheet. The purpose of that change was to clarify the credits for which minimum service standards may apply.

Conclusion

This filing complies with applicable laws and Commission orders, and should be approved.

PROPOSED COMMISSION MOTION:

Allow Frontier's filed tariff sheet to become effective.