OREGON PUBLIC UTILITY COMMISSION (INTEROFFICE CORRESPONDENCE)

DATE: May 25, 2016

TO: File through Bryan Conway and Bruce Hellebuy

FROM: Jim Stanage 48

SUBJECT: Nehalem Telecommunications, Inc. d/b/a RTI-Nehalem Telecom, Docket No. 259/Advice No. 8, Increases rates for residential and business access line service.

I have reviewed this filing and recommend that an acknowledgement letter be sent. The filing will go into effect on June 1, 2016. It was filed on March 28, 2016. The filing proposes to increase access line service rates for residential and business customers. The filing would affect 1,800 residential and 493 business local access lines. The proposed rate increases are listed below.

Service	Current	New	Amount of	Percent
	<u>Charge</u>	<u>Charge</u>	<u>Increase</u>	<u>Increase</u>
Residential One Party	\$14.80	\$16.80	\$2.00	12.2%
Business One Party	\$16.80	\$32.00	\$15.20	90.5%

The filing complies with Oregon Revised Statutes (ORS) 759.175, which requires telecommunications utilities to submit tariff filings to the Commission whenever a telecommunications utility intends to change its rates, terms, or conditions of service. Under ORS 759.040, the company is required to provide notice to its customers at least 45 days prior to the effective date of any rate increases. The Commission requires that a copy of the customer notice be filed at the same time that customers are sent notice, under OAR 860-034-0310.

The company states that it has notified its customers in compliance with the statute and has filed a copy of the customer notification letter with the Commission. The Commission received 7 petitions in opposition to the rate increases. The Commission would have had to have received petitions from approximately 200 customers to have triggered a rate investigation under the statute.

The company estimates that this filing will increase annual gross revenues by approximately \$131,000.

Nehalem8.RateIncrs.ResBus