ITEM NO. CA2_3_4

PUBLIC UTILITY COMMISSION OF OREGON STAFF REPORT PUBLIC MEETING DATE: June 7, 2016

REGULAR CONSENT X EFFECTIVE DATE July 1, 2016

DATE: May 19, 2016

TO: Public Utility Commission

FROM: Armando Fimbres

THROUGH: Jason Eisdorfer, Bryan Conway, and Roger White

SUBJECT: <u>QWEST CORPORATION</u>: (Docket No. ADV 299/Advice No. 2128) Revises tariff language and rates for Intrastate Access Service as required by FCC Order No. 11-161 and subsequent orders. The company is also changing tariff language to allow customers to report PIU/PVU factors by state rather than LATA and updating obsolete billing language.

> <u>UNITED TELEPHONE COMPANY OF THE NORTHWEST</u>: (Docket No. ADV 300/Advice No. OR16-02A) Revises tariff language and rates for Intrastate Access Service as required by FCC Order No. 11-161 and subsequent orders. The company is also updating obsolete billing language.

<u>CENTURYTEL OF OREGON INC</u>: (Docket No. ADV 301/Advice No. OR16-03A) Revises tariff language and rates for Intrastate Access Service as required by FCC Order No. 11-161 and subsequent orders. The company is also updating obsolete billing language.

STAFF RECOMMENDATION:

Staff recommends that the Commission allow the May 18, 2016, filings by Qwest Corporation dba CenturyLink QC (Docket No. ADV 299/Advice No. 2128), United Telephone Company of the Northwest (Docket No. ADV 300/Advice No. OR16-02A), and CenturyTel of Oregon, Inc. (Docket No. ADV 301/Advice No. OR16-03A), which revises their intrastate tariff language and access rates, and updates obsolete billing language, effective July 1, 2016, to go into effect. Qwest Corporation Docket No. ADV 299/Advice No. 2128 United Docket No. ADV 300/Advice No. OR16-02A CenturyTel Docket No. ADV 301/Advice No. OR16-03A May 19, 2016 Page 2

DISCUSSION:

Background

On May 18, 2016, CenturyLink filed advices for its companies' access tariffs¹ to be effective July 1, 2016.

The intrastate access tariffs to be revised are the following:

Qwest Corporation: (Docket No. ADV 299/Advice No. 2128) Tariff P.U.C. Oregon No. 32.

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United Telephone Company of the Northwest: (Docket No. ADV 300/Advice No. OR16-02A) Tariff PUC OR. No. 6.

CenturyTel of Oregon Inc.: (Docket No. ADV 301/Advice No. OR16-03A) Tariff Oregon P.U.C. AC4.

These filings revise the tariffs' language and rates as required by FCC Order No. 11-161, and subsequent orders, and update obsolete filling language. The FCC Order specifies a multiyear program to revamp the nationwide intercarrier compensation (ICC) system. This filing is the fifth step in implementing the FCC's program, and requires that terminating intrastate switched end-office rates be set at \$0.0007 as required by 47 C.F.R. §51.907.

Staff has reviewed the revised tariff sheets and supporting data. The submissions conform to the methodology specified by the FCC.

<u>Impact on Rates</u> As required by the FCC, intrastate rates will more closely resemble a company's interstate rates.

¹ Access charges are imposed by a local exchange carrier (LEC) on calls to or from an interexchange carrier (IXC) to compensate the local carrier for the use of its facilities. Access charges recover a portion of the cost of the local loop (from the end user to the Central Office), a portion of the cost of the switching equipment in the Central Office, and the company's portion of the facilities used to transport the call from the end-user's central office to the central office located in the state where the call is terminated. These costs are assigned to the intrastate jurisdiction as defined in Federal Communications Commission (FCC) Separation Rules (47 CFR Part 36) and adopted by the PUC.

Qwest Corporation Docket No. ADV 299/Advice No. 2128 United Docket No. ADV 300/Advice No. OR16-02A CenturyTel Docket No. ADV 301/Advice No. OR16-03A May 19, 2016 Page 3

PROPOSED COMMISSION MOTION:

Qwest's Docket No. ADV 299/Advice No. 2128, United's Docket No. ADV 300/Advice No. OR16-02A, and CenturyTel's Docket No. ADV 301/Advice No. OR16-03A, revising intrastate access tariff language and rates, and updating obsolete billing language, be allowed to go into effect July 1, 2016.

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