

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: May 16, 2017

REGULAR _____ CONSENT X EFFECTIVE DATE May 22, 2017

DATE: April 18, 2017

TO: Public Utility Commission

FROM: Malia Brock *MB*

THROUGH: Jason Eisdorfer, Bryan Conway, and Bruce Hellebuyck
JEC *BH by BX*

SUBJECT: FRONTIER COMMUNICATIONS NORTHWEST INC:
(Docket No. ADV 538/Advice No. 1055) Establishes new bundled service for business customers.

STAFF RECOMMENDATION:

Staff recommends that the filed tariff be allowed to go into effect.

DISCUSSION:

Issue

Whether to allow Frontier Communications Northwest Inc. (Frontier) to establish a new bundled service for business customers, Frontier Commercial Voice Unlimited.

Applicable Law

Frontier Price Plan, Section Q, requires tariff filings to be made at least thirty days prior to their effective dates. The Price Plan was established by the Commission in its Order No. 14-290 (Docket UM 1677) as allowed by ORS 759.255. 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. Under ORS 759.255(4) the rates for regulated services offered through price plans must cover the cost of service.

Analysis

The filing was submitted on March 30, 2017, with a supplemental filing on April 12, 2017. The filing becomes effective May 22, 2017, and thus, complies with Oregon Revised Statutes (ORS) 759.190, which requires tariff filings to be made at least thirty days prior to their effective dates.

The proposed bundled services include one flat rate business access line, a group of standard custom calling features, hunting and flat rate Extended Area Service (EAS).¹ The package also includes the End User Common Line Charge and the Access Recovery Charge that are found in the company's federal tariff in each package's rate.²

The proposed monthly rate for the Frontier Commercial Voice Unlimited service package is \$33.00 per month for the basic bundle. Frontier also proposes a monthly rate for the Commercial Voice Unlimited service of \$28.00 when it is subscribed under a term agreement.

Staff has reviewed the filing and determined that each of the component services in this bundle may be purchased separately in the company's tariff. The price of the bundle does not exceed the sum of the tariff rates for the bundle's component services, which complies with the Commission's policy on packages and bundles.

The company submitted an analysis that shows the proposed rates cover their respective costs of service and that this filing would have a negligible effect on annual revenues.

Conclusion

Staff finds that the filing complies with the requirements of the Frontier Price Plan and the related Oregon statutes, and therefore, should be allowed to go into effect.

PROPOSED COMMISSION MOTION:

Allow Frontier Advice No. 1055 to go into effect for service rendered on and after May 22, 2017.

¹ The monthly business flat rate EAS charges range from \$6.74 to \$24.08.

² The monthly End User Common Line Charge (i.e., subscriber line charge/SLC) is \$6.50 and the Access Recovery Charge is \$0.50.