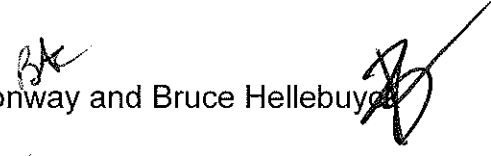



**OREGON PUBLIC UTILITY COMMISSION  
(INTEROFFICE CORRESPONDENCE)**

**DATE:** April 5, 2019

**TO:** File through Bryan Conway and Bruce Hellebuyck 

**FROM:** Stephen Hayes 

**SUBJECT:** QWEST CORPORATION: (Docket No. PL 116/Advice No. 2019-003-PL):  
Increases the rates for Business Local Exchange Service, Custom Calling Services, Premium Exchange Services and Grandfathered Packaged Services.  
Decrease the rates for PBX Trunks.

I have reviewed this filing and recommend that an acknowledgement letter be sent.

With this filing, Qwest Corporation d/b/a CenturyLink QC (Qwest or Company) proposes to increase the rates for 203 residential and business services and decrease the rates for two business services.

On September 28, 2018, the Commission issued its Order No. 18-359, in docket UM 1908, approving a Price Plan for United under ORS 759.255. Section (8)(a)(ii) of United's Price Plan requires price list changes to be filed at least one day 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. This filing was submitted on February 28, 2019, and went into effect on March 1, 2019, and therefore complies with the applicable filing requirements.

The rate changes are organized below into six tables by customer class and the specific Price Plan rate requirements. The Price Plan requirements for each table are discussed along with any concerns or special analysis that was undertaken.

*Table 1 Discussion – Residential Other Services*

Sixty-two services are proposed for rate increases in this grouping. The Price Plan classifies these services as Other Services for residential customers. These are optional ancillary services to but do not include basic services or an equivalent to basic service. Section (4)(k) of the Plan allows increases for these services up to 50 percent or \$0.50 annually, whichever is greater. The cumulative price increase for any Other Service over a four year Plan term may not exceed 200 percent for residential customers. The proposed increases comply with the terms of the Price Plan.

Table 1 - Residential Other Services

| Service                                  | Pre-plan Price | Current Price | Proposed Price | Price Change | 12-Month Percent Change |
|--|----------------|---------------|----------------|--------------|-------------------------|
| Abbreviated Access - 1 digit             | \$0.50         | \$0.50        | \$1.00         | \$0.50       | 100.00%                 |
| Abbreviated Access - 2 digit             | \$4.10         | \$4.10        | \$5.10         | \$1.00       | 24.39%                  |
| Call Curfew                              | \$3.95         | \$3.95        | \$5.00         | \$1.05       | 26.58%                  |
| Call Forward Don't Answer                | \$1.80         | \$1.80        | \$2.00         | \$0.20       | 11.11%                  |
| Call Forward Don't Answer (expanded)     | \$1.80         | \$1.80        | \$2.00         | \$0.20       | 11.11%                  |
| Call Forward Don't Answer (programmable) | \$2.60         | \$2.60        | \$3.00         | \$0.40       | 15.38%                  |
| Call Forward Busy Line (expanded)        | \$1.35         | \$1.35        | \$2.00         | \$0.65       | 48.15%                  |
| Call Forward Busy Line (overflow)        | \$1.35         | \$1.35        | \$2.00         | \$0.65       | 48.15%                  |
| Call Forward Busy Line (programmable)    | \$2.75         | \$2.75        | \$3.00         | \$0.25       | 9.09%                   |
| Call Forward BL/DA (expanded)            | \$2.05         | \$2.05        | \$3.05         | \$1.00       | 48.78%                  |
| Call Forward BL/DA (overflow)            | \$2.05         | \$2.05        | \$3.05         | \$1.00       | 48.78%                  |
| Dial Call Waiting                        | \$2.15         | \$2.15        | \$3.15         | \$1.00       | 46.51%                  |
| Dial Lock                                | \$3.95         | \$3.95        | \$5.00         | \$1.05       | 26.58%                  |
| Directed Call Pick Up                    | \$1.00         | \$1.00        | \$1.50         | \$0.50       | 50.00%                  |
| Directed Call Pick up with Barge-In      | \$1.00         | \$1.00        | \$1.50         | \$0.50       | 50.00%                  |
| Hot Line                                 | \$2.00         | \$2.00        | \$3.00         | \$1.00       | 50.00%                  |
| Distinctive Alert                        | \$1.00         | \$1.00        | \$1.50         | \$0.50       | 50.00%                  |
| Easy Access                              | \$0.98         | \$0.98        | \$1.48         | \$0.50       | 51.02%                  |
| Security Screen                          | \$2.95         | \$2.95        | \$3.95         | \$1.00       | 33.90%                  |
| Do Not Disturb                           | \$3.95         | \$3.95        | \$5.00         | \$1.05       | 26.58%                  |
| Speed Calling 30                         | \$5.00         | \$5.00        | \$6.00         | \$1.00       | 20.00%                  |
| Warm Line                                | \$3.00         | \$3.00        | \$4.00         | \$1.00       | 33.33%                  |
| Wireless Extension                       | \$4.95         | \$4.95        | \$5.00         | \$0.05       | 1.01%                   |
| Continuous Redial*                       | \$1.25         | \$1.25        | \$1.50         | \$0.25       | 20.00%                  |
| Last Call Return*                        | \$1.25         | \$1.25        | \$1.50         | \$0.25       | 20.00%                  |
| Three-Way Calling*                       | \$1.25         | \$1.25        | \$1.50         | \$0.25       | 20.00%                  |
| Intra-call                               | \$1.00         | \$1.00        | \$1.50         | \$0.50       | 50.00%                  |
| Custom Ringing 2nd Additional No.        | \$3.50         | \$3.50        | \$4.50         | \$1.00       | 28.57%                  |
| Custom Ringing 3rd Additional No.        | \$3.50         | \$3.50        | \$4.50         | \$1.00       | 28.57%                  |
| Number Forwarding                        | \$8.00         | \$8.00        | \$11.00        | \$3.00       | 37.50%                  |
| Custom Ringing Disc                      | \$2.50         | \$2.50        | \$3.50         | \$1.00       | 40.00%                  |
| Call Curfew Disc                         | \$2.00         | \$2.00        | \$3.00         | \$1.00       | 50.00%                  |
| Call Forwarding Variable Disc            | \$1.50         | \$1.50        | \$2.25         | \$0.75       | 50.00%                  |
| Call Rejection Disc                      | \$2.25         | \$2.25        | \$3.25         | \$1.00       | 44.44%                  |
| Continuous Redial Disc                   | \$1.75         | \$1.75        | \$2.50         | \$0.75       | 42.86%                  |
| Dial Lock Disc                           | \$2.00         | \$2.00        | \$3.00         | \$1.00       | 50.00%                  |
| Priority Call Disc                       | \$1.75         | \$1.75        | \$2.50         | \$0.75       | 42.86%                  |
| Remote Access Forwarding Disc            | \$2.50         | \$2.50        | \$3.50         | \$1.00       | 40.00%                  |
| Scheduled Forwarding Disc                | \$3.00         | \$3.00        | \$4.00         | \$1.00       | 33.33%                  |

Table 1 - Residential Other Services

| Service  | Pre-plan Price | Current Price | Proposed Price | Price Change | 12-Month Percent Change |
|--|----------------|---------------|----------------|--------------|-------------------------|
| Selective Call Forwarding Disc                   | \$1.75         | \$1.75        | \$2.50         | \$0.75       | 42.86%                  |
| Speed Calling 8 Disc                             | \$1.00         | \$1.00        | \$1.50         | \$0.50       | 50.00%                  |
| Three Way Calling Disc                           | \$1.75         | \$1.75        | \$2.50         | \$0.75       | 42.86%                  |
| Discounted Wireless Extension                    | \$3.95         | \$3.95        | \$5.00         | \$1.05       | 26.58%                  |
| Discounted CID w Privacy                         | \$2.95         | \$2.95        | \$3.95         | \$1.00       | 33.90%                  |
| CFB - incoming only Section 9.1.12               | \$0.50         | \$0.50        | \$1.00         | \$0.50       | 100.00%                 |
| CFB - All Calls Section 9.1.12                   | \$0.50         | \$0.50        | \$1.00         | \$0.50       | 100.00%                 |
| CS1-6 Pack, Initial Line                         | \$5.00         | \$5.00        | \$7.50         | \$2.50       | 50.00%                  |
| CS1-6 Pack, Additional Line                      | \$4.00         | \$4.00        | \$5.00         | \$1.00       | 25.00%                  |
| CS1 Speed Calling - 30 number per group          | \$2.50         | \$2.50        | \$3.00         | \$0.50       | 20.00%                  |
| Call Waiting                                     | \$3.00         | \$3.00        | \$4.00         | \$1.00       | 33.33%                  |
| Call Forward Variable                            | \$2.00         | \$2.00        | \$2.50         | \$0.50       | 25.00%                  |
| CFNA - incoming only Section 9.1.12              | \$0.50         | \$0.50        | \$1.00         | \$0.50       | 100.00%                 |
| CFNA all calls Section 9.1.12                    | \$0.50         | \$0.50        | \$1.00         | \$0.50       | 100.00%                 |
| Alternate Answering CFBNA Section 9.1.12         | \$3.00         | \$3.00        | \$3.50         | \$0.50       | 16.67%                  |
| Distinctive Ringing Section 9.1.12               | \$0.50         | \$0.50        | \$1.00         | \$0.50       | 100.00%                 |
| Call Pickup Basic Section 9.1.12                 | \$0.75         | \$0.75        | \$1.25         | \$0.50       | 66.67%                  |
| Call Pickup Directed Barge in Section 9.1.12     | \$1.00         | \$1.00        | \$1.50         | \$0.50       | 50.00%                  |
| Call Pickup Directed Non-Barge in Section 9.1.12 | \$1.00         | \$1.00        | \$1.50         | \$0.50       | 50.00%                  |
| Call Waiting - Centraflex                        | \$3.00         | \$3.00        | \$4.00         | \$1.00       | 33.33%                  |
| Call Forward Variable - Centraflex               | \$2.00         | \$2.00        | \$2.50         | \$0.50       | 25.00%                  |
| Speed Calling - 6 Number List - Centraflex       | \$2.00         | \$2.00        | \$2.50         | \$0.50       | 25.00%                  |
| Speed Calling - 30 Number List - Centraflex      | \$2.50         | \$2.50        | \$3.00         | \$0.50       | 20.00%                  |

\* Three service rate increases are residential and business applicable.

#### Table 2 Discussion – Residential Bundles and Packages

Twenty-seven residential bundles and packages are included in the proposed rate increases in this Price Plan grouping. The Price Plan sets forth requirements for Bundle and Package rates in Section (4)(r). Defined in Section 1 of the Plan “Packages and Bundles means any combination of services, which may include residential or business basic local exchange service as well as other services at a combined price. The pricing of Packages and Bundles are subject to Plan conditions: i) All regulated telecommunications services offered as part of a package or bundle shall remain separately available for purchase from CenturyLink’s Rate Schedules, and; ii) The package or bundle price shall not exceed the sum of the stand-alone retail prices of all available services in the package or bundle. The proposed increases comply with the terms of the Price Plan.

All of the bundles and packages receiving rate increases are grandfathered bundles and packages. Grandfathering of services is allowed according to Oregon

Administrative Rule (OAR) 860-032-0020(15). Staff considered whether or not the Company had previously committed to keeping rates the same for customers of grandfathered bundles and packages. Staff reviewed the Advice Letters and tariffs related to the bundles and packages in this filing. It was determined that the Company had not made commitments to retain the service at the same price as when it was grandfathered for the bundles and packages in this filing. Staff also analyzed every component of each package and bundle for compliance with the Price Plan requirements i) and ii).

Table 2 - Residential Bundles

| Service                           | Pre-plan Price | Current Price | Proposed Price | Price Change |
|-----------------------------------|----------------|---------------|----------------|--------------|
| CustomChoice, per line            | \$32.95        | \$32.95       | \$36.00        | \$3.05       |
| CustomChoice, per additional line | \$29.95        | \$29.95       | \$33.00        | \$3.05       |
| SelectPak, per line               | \$26.95        | \$26.95       | \$30.00        | \$3.05       |
| CustomChoice, per line            | \$38.99        | \$38.99       | \$42.00        | \$3.01       |
| CustomChoice, per additional line | \$35.99        | \$35.99       | \$39.00        | \$3.01       |
| SelectPak, per line               | \$32.99        | \$32.99       | \$36.00        | \$3.01       |
| 2-Line CustomChoice               | \$44.95        | \$44.95       | \$51.00        | \$6.05       |
| PopularChoice, per line           | \$38.99        | \$38.99       | \$42.00        | \$3.01       |
| PopularChoice, per line           | \$38.99        | \$38.99       | \$42.00        | \$3.01       |
| 2-line PopularChoice              | \$45.95        | \$45.95       | \$52.00        | \$6.05       |
| 2-line PopularChoice              | \$45.95        | \$45.95       | \$52.00        | \$6.05       |
| CustomChoice Complete             | \$42.99        | \$42.99       | \$46.00        | \$3.01       |
| CustomChoice Complete             | \$42.99        | \$42.99       | \$46.00        | \$3.01       |
| 2-line CustomChoice Complete      | \$55.95        | \$55.95       | \$62.00        | \$6.05       |
| 2-line CustomChoice Complete      | \$55.95        | \$55.95       | \$62.00        | \$6.05       |
| ValueChoice                       | \$32.99        | \$32.99       | \$36.00        | \$3.01       |
| 2-line ValueChoice                | \$39.99        | \$39.99       | \$46.00        | \$6.01       |
| PreferredChoice                   | \$38.99        | \$38.99       | \$42.00        | \$3.01       |
| PreferredChoice                   | \$38.99        | \$38.99       | \$42.00        | \$3.01       |
| 2-Line PreferredChoice            | \$47.99        | \$47.99       | \$54.00        | \$6.01       |
| 2-line PreferredChoice            | \$47.99        | \$47.99       | \$54.00        | \$6.01       |
| Qwest Choice Home                 | \$30.99        | \$30.99       | \$34.00        | \$3.01       |
| 2-line Qwest Choice Home          | \$38.99        | \$38.99       | \$45.00        | \$6.01       |
| CustomChoice                      | \$32.95        | \$33.99       | \$37.00        | \$3.01       |
| 2-Line CustomChoice               | \$42.99        | \$42.99       | \$49.00        | \$6.01       |
| CustomChoice Home Plus            | \$37.99        | \$37.99       | \$41.00        | \$3.01       |
| 2-Line CustomChoice Home Plus     | \$47.99        | \$47.99       | \$54.00        | \$6.01       |

*Table 3 Discussion – Business Basic Service*

The Company proposes to increase nine business rates for four Primary Line Basic Services, a Measured Service, and a Message Rate Service. The Flat rated business services have three rate groups. Price Plan Section (4)(f) provides that: i) Prices for business Primary Line Basic Service will not be subject to price caps, and ii) The rate that is charged for this service by Qwest's Oregon affiliates shall be priced no higher than the rate charged for this service by Qwest Corporation in Rate Group 2. The proposed rate group two rate will be used to determine if any subsequent rate changes to the analog service by Qwest's affiliates meets the second test. The Price Plan allows the proposed rate increases.

Table 3 - Business Basic Service

| Service                           | Pre-plan Price | Current Price | Proposed Price | Price Change |
|-----------------------------------|----------------|---------------|----------------|--------------|
| Measured Service w/o Allowance    | \$20.00        | \$20.00       | \$22.00        | \$2.00       |
| Flat Business Line - Rate Group 1 | \$28.00        | \$28.00       | \$31.00        | \$3.00       |
| Flat Business Line - Rate Group 2 | \$30.00        | \$30.00       | \$33.00        | \$3.00       |
| Flat Business Line - Rate Group 3 | \$32.00        | \$32.00       | \$35.00        | \$3.00       |
| Message Rate Service              | \$19.60        | \$19.60       | \$22.00        | \$2.40       |
| Home Business Line - Rate Group 1 | \$28.00        | \$28.00       | \$31.00        | \$3.00       |
| Home Business Line - Rate Group 2 | \$30.00        | \$30.00       | \$33.00        | \$3.00       |
| Home Business Line - Rate Group 3 | \$32.00        | \$32.00       | \$35.00        | \$3.00       |
| Utility Line                      | \$25.00        | \$25.00       | \$27.00        | \$2.00       |

*Table 4 Discussion – Business Other Service*

Qwest proposes to raise rates for eighty-six services falling under the Other Service Price Plan category. Plan Section 4(k) permits Qwest to raise this grouping of business services without regard to a cap. The Price Plan allows the proposed rate increases.

Table 4 - Business Other Service

| Service  | Pre-plan Price | Current Price | Proposed Price | Price Change |
|--|----------------|---------------|----------------|--------------|
| Stand-By Line                                      | \$19.00        | \$19.00       | \$22.00        | \$3.00       |
| Toll Access Trunks                                 | \$18.00        | \$18.00       | \$22.00        | \$4.00       |
| Two-way PBX - Rate Groups 1 and 2                  | \$30.50        | \$30.50       | \$33.00        | \$2.50       |
| Two-way PBX - Rate Group 3                         | \$32.50        | \$32.50       | \$35.00        | \$2.50       |
| One-way out only PBX - Rate Groups 1 and 2         | \$30.50        | \$30.50       | \$33.00        | \$2.50       |
| One-way out only PBX - Rate Group 3                | \$32.50        | \$32.50       | \$35.00        | \$2.50       |
| One-way in only PBX - Rate Groups 1 and 2          | \$30.50        | \$30.50       | \$33.00        | \$2.50       |
| One-way in only PBX - Rate Group 3                 | \$32.50        | \$32.50       | \$35.00        | \$2.50       |
| One-way in with hunt for DID - Rate Groups 1 and 2 | \$33.50        | \$33.50       | \$35.00        | \$1.50       |

Table 4 - Business Other Service

| Service                                     | Pre-plan Price | Current Price | Proposed Price | Price Change |
|---|----------------|---------------|----------------|--------------|
| One-way in with hunt for DID - Rate Group 3 | \$33.86        | \$33.86       | \$35.00        | \$1.14       |
| Abbreviated Access 1-dig, Each SC List      | \$20.00        | \$20.00       | \$25.00        | \$5.00       |
| Abbreviated Access 1 dig ea Ln arranged     | \$0.50         | \$0.50        | \$1.50         | \$1.00       |
| Abbreviated Access 2-dig, Each SC List      | \$30.00        | \$30.00       | \$35.00        | \$5.00       |
| Abbreviated Access 2 dig ea Ln arranged     | \$0.50         | \$0.50        | \$1.50         | \$1.00       |
| Call Forward Variable                       | \$5.50         | \$5.50        | \$6.00         | \$0.50       |
| Call Forward Don't Answer                   | \$1.50         | \$1.50        | \$2.00         | \$0.50       |
| Call Forward Don't Answer (expanded)        | \$1.50         | \$1.50        | \$2.00         | \$0.50       |
| Call Forward Don't Answer (programmable)    | \$2.60         | \$2.60        | \$3.00         | \$0.40       |
| Call Forward Busy Line (expanded)           | \$1.00         | \$1.00        | \$1.50         | \$0.50       |
| Call Forward Busy Line (external)           | \$1.00         | \$1.00        | \$1.50         | \$0.50       |
| Call Forward Busy Line (programmable)       | \$2.00         | \$2.00        | \$3.00         | \$1.00       |
| Call Forward BL/DA (expanded)               | \$1.50         | \$1.50        | \$2.25         | \$0.75       |
| Call Forward BL/DA (external)               | \$1.50         | \$1.50        | \$2.25         | \$0.75       |
| Call Forward BL/DA (overflow)               | \$3.50         | \$3.50        | \$4.50         | \$1.00       |
| Dial Call Waiting                           | \$2.15         | \$2.15        | \$3.15         | \$1.00       |
| Dial Lock                                   | \$3.95         | \$3.95        | \$5.00         | \$1.05       |
| Directed Call Pick Up                       | \$1.00         | \$1.00        | \$1.50         | \$0.50       |
| Directed Call Pick up with Barge-In         | \$1.00         | \$1.00        | \$1.50         | \$0.50       |
| Distinctive Alert                           | \$1.00         | \$1.00        | \$1.50         | \$0.50       |
| Easy Access                                 | \$0.98         | \$0.98        | \$1.48         | \$0.50       |
| Do Not Disturb                              | \$3.95         | \$3.95        | \$5.00         | \$1.05       |
| Call Rejection                              | \$3.25         | \$3.25        | \$4.25         | \$1.00       |
| Call Transfer                               | \$4.50         | \$4.50        | \$5.00         | \$0.50       |
| Call Waiting                                | \$4.50         | \$4.50        | \$5.00         | \$0.50       |
| Continuous Redial                           | \$3.25         | \$3.25        | \$4.25         | \$1.00       |
| Hot Line                                    | \$2.00         | \$2.00        | \$3.00         | \$1.00       |
| Security Screen                             | \$2.95         | \$2.95        | \$3.95         | \$1.00       |
| Last Call Return                            | \$3.25         | \$3.25        | \$4.25         | \$1.00       |
| Priority Call                               | \$3.25         | \$3.25        | \$4.25         | \$1.00       |
| Selective Call Forwarding                   | \$3.25         | \$3.25        | \$4.25         | \$1.00       |
| Selective Call Waiting                      | \$4.50         | \$4.50        | \$5.00         | \$0.50       |
| Speed Calling 8                             | \$3.25         | \$3.25        | \$4.25         | \$1.00       |
| Speed Calling 30                            | \$3.25         | \$3.25        | \$4.75         | \$1.50       |
| Wireless Extension                          | \$3.95         | \$3.95        | \$5.00         | \$1.05       |
| Warm Line                                   | \$2.50         | \$2.50        | \$3.50         | \$1.00       |
| Market Expansion Line                       | \$22.00        | \$22.00       | \$25.00        | \$3.00       |
| Market Expansion Line                       | \$22.00        | \$22.00       | \$25.00        | \$3.00       |
| Market Expansion Line                       | \$22.00        | \$22.00       | \$25.00        | \$3.00       |
| Intracall with Telechoice                   | \$1.00         | \$1.00        | \$1.50         | \$0.50       |

Table 4 - Business Other Service

| Service  | Pre-plan Price | Current Price | Proposed Price | Price Change |
|--|----------------|---------------|----------------|--------------|
| Intracall  | \$1.00         | \$1.00        | \$1.50         | \$0.50       |
| Custom Ringing 2nd Addl No.                          | \$5.25         | \$5.25        | \$6.25         | \$1.00       |
| Custom Ringing 3rd Addl No.                          | \$5.25         | \$5.25        | \$6.25         | \$1.00       |
| Message rated PBX Trunk                              | \$26.85        | \$26.85       | \$29.00        | \$2.15       |
| Discounted Obs CID-Name                              | \$4.00         | \$4.00        | \$5.00         | \$1.00       |
| Discounted Obs Remote Access Fwd                     | \$4.45         | \$4.45        | \$5.00         | \$0.55       |
| Discounted Obs Remote Access Fwd                     | \$4.00         | \$4.00        | \$5.00         | \$1.00       |
| Discounted Obs Scheduled Fwding                      | \$5.45         | \$5.45        | \$6.45         | \$1.00       |
| Discounted Wireless Extension                        | \$3.95         | \$3.95        | \$5.00         | \$1.05       |
| Call Forwarding, 3 Way Calling Disc                  | \$7.00         | \$7.00        | \$8.00         | \$1.00       |
| Call Waiting, Call Forwarding Disc                   | \$12.00        | \$12.00       | \$13.00        | \$1.00       |
| CW CF 3WC SC8 SC30 Disc                              | \$23.50        | \$23.50       | \$24.50        | \$1.00       |
| Discounted Custom Ringing                            | \$4.00         | \$4.00        | \$5.00         | \$1.00       |
| Call Waiting - Centraflex                            | \$2.00         | \$2.00        | \$4.00         | \$2.00       |
| Call Forward Variable - Centraflex                   | \$1.05         | \$1.05        | \$2.50         | \$1.45       |
| Speed Calling - 6 Number List - Centraflex           | \$1.50         | \$1.50        | \$2.50         | \$1.00       |
| Speed Calling - 30 Number List - Centraflex          | \$1.50         | \$1.50        | \$3.00         | \$1.50       |
| Call Forward Variable - CCMS                         | \$1.05         | \$1.05        | \$2.50         | \$1.45       |
| CFNA - incoming only - CCMS                          | \$0.75         | \$0.75        | \$1.50         | \$0.75       |
| CFNA all calls Section - CCMS                        | \$0.75         | \$0.75        | \$1.50         | \$0.75       |
| Call Waiting - CCMS                                  | \$2.00         | \$2.00        | \$4.00         | \$2.00       |
| Distinctive Ringing - CCMS                           | \$0.50         | \$0.50        | \$1.00         | \$0.50       |
| Call Pickup Basic - CCMS                             | \$0.75         | \$0.75        | \$1.25         | \$0.50       |
| Speed Calling - 6 Number List - CCMS                 | \$1.50         | \$1.50        | \$2.50         | \$1.00       |
| Speed Calling - 30 Number List - CCMS                | \$1.50         | \$1.50        | \$3.00         | \$1.50       |
| CS1 Speed Calling - 30 number per group - Centraflex | \$1.50         | \$1.50        | \$3.00         | \$1.50       |
| CS1 Speed Calling - 6 number list - Centraflex       | \$1.50         | \$1.50        | \$2.50         | \$1.00       |
| Call Waiting - Centraflex                            | \$2.00         | \$2.00        | \$4.00         | \$2.00       |
| Call Forward Variable - Centraflex                   | \$1.05         | \$1.05        | \$2.50         | \$1.45       |
| CFNA - incoming only - Centraflex                    | \$0.75         | \$0.75        | \$1.50         | \$0.75       |
| CFNA all calls Section - Centraflex                  | \$0.75         | \$0.75        | \$1.50         | \$0.75       |
| Alternate Answering CFBNA - Centraflex               | \$3.00         | \$3.00        | \$3.50         | \$0.50       |
| Distinctive Ringing Section - Centraflex             | \$0.50         | \$0.50        | \$1.50         | \$1.00       |
| Call Pickup Basic - Centraflex                       | \$0.75         | \$0.75        | \$1.25         | \$0.50       |
| Call Pickup Directed Barge - Centraflex              | \$1.00         | \$1.00        | \$1.50         | \$0.50       |
| Call Pickup Directed Non-Barge - Centraflex          | \$1.00         | \$1.00        | \$1.50         | \$0.50       |
| Carrier Access Code Blocking                         | \$0.10         | \$0.10        | \$25.00        | \$24.90      |

*Table 5 Discussion – Business Bundles and Packages*

Seventeen business bundles and packages are included in the proposed rate increases in this Price Plan grouping. The Price Plan sets forth requirements for Bundle and Package rates in Section (4)(r). Defined in Section 1 of the Plan “Packages and Bundles means any combination of services, which may include residential or business basic local exchange service as well as other services at a combined price. The pricing of Packages and Bundles are subject to Plan conditions: i) All regulated telecommunications services offered as part of a package or bundle shall remain separately available for purchase from CenturyLink’s Rate Schedules, and; ii) The package or bundle price shall not exceed the sum of the stand-alone retail prices of all available services in the package or bundle. The proposed increases comply with the terms of the Price Plan.

All of the bundles and packages receiving rate increases are grandfathered bundles and packages. Staff considered whether or not the Company had previously committed to keeping rates the same for customers of grandfathered bundles and packages. Grandfathering of services is allowed according to Oregon Administrative Rule (OAR) 860-032-0020(15). Staff reviewed the Advice Letters and tariffs related to the bundles and packages in this filing. It was determined that the Company had not made commitments to retain the service at the same price as when it was grandfathered for the bundles and packages in this filing.

Table 5 - Business Bundles

| Service  | Pre-plan Price | Current Price | Proposed Price | Price Change |
|--|----------------|---------------|----------------|--------------|
| CustomChoice, per line                         | \$49.95        | \$49.95       | \$53.00        | \$3.05       |
| CustomChoice, per line                         | \$54.95        | \$54.95       | \$58.00        | \$3.05       |
| CustomChoice 1 Year                            | \$47.95        | \$47.95       | \$51.00        | \$3.05       |
| CustomChoice 2 Year                            | \$45.95        | \$45.95       | \$49.00        | \$3.05       |
| CustomChoice 3 Year                            | \$43.95        | \$43.95       | \$47.00        | \$3.05       |
| Qwest Choice, per line                         | \$45.00        | \$45.00       | \$48.00        | \$3.00       |
| 2-line Qwest Choice                            | \$70.00        | \$70.00       | \$76.00        | \$6.00       |
| Business Line Plus - Rates Groups 1 and 2      | \$35.00        | \$35.00       | \$38.00        | \$3.00       |
| Business Line Plus - Rates Group 3             | \$35.08        | \$35.08       | \$38.00        | \$2.92       |
| Business Line Plus 1 Yr - Rates Groups 1 and 2 | \$30.00        | \$30.00       | \$33.00        | \$3.00       |
| Business Line Plus 1 Yr - Rates Group 3        | \$28.50        | \$28.50       | \$31.00        | \$2.50       |
| Business Line Plus 2 Yr - Rates Groups 1 and 2 | \$30.00        | \$30.00       | \$33.00        | \$3.00       |
| Business Line Plus 2 Yr - Rates Group 3        | \$27.08        | \$27.08       | \$30.00        | \$2.92       |
| Business Line Plus 3 Yr - Rates Groups 1 and 2 | \$30.00        | \$30.00       | \$33.00        | \$3.00       |
| Business Line Plus 3 Yr - Rates Group 3        | \$27.08        | \$27.08       | \$30.00        | \$2.92       |
| 24 Month Qwest Choice Business Plus            | \$40.75        | \$40.75       | \$55.00        | \$14.25      |



Table 5 - Business Bundles

| Service                             | Pre-plan Price | Current Price | Proposed Price | Price Change |
|-------------------------------------|----------------|---------------|----------------|--------------|
| 36 Month Qwest Choice Business Plus | \$32.00        | \$32.00       | \$35.00        | \$3.00       |

*Table 6 Discussion – Business PBX*

The Price Plan does not generally prevent the Company from reducing service rates. However, notwithstanding the prohibition for considering return on investment by the relevant statute allowing for and guiding the administration of Price Plans the statute sets a price floor<sup>1</sup>. Prices are not allowed to be set lower than the total service long-run incremental cost (TSLRIC) to provide the service.

Table 6 - Business PBX Decreases

| Service   | Pre-plan Price | Current Price | Proposed Price | Price Change |
|---|----------------|---------------|----------------|--------------|
| Two-way, 4-wire PBX Trunk - Rate Groups 1 and 2 | \$52.36        | \$52.36       | \$35.00        | -\$17.36     |
| Two-way, 4-wire PBX Trunk - Rate Group 3        | \$56.36        | \$56.36       | \$35.00        | -\$21.36     |

All of the proposed increases and decreases satisfy the Price Plan limits and requirements and meet relevant Statute and Commission rule requirements.

Qwest.2019-003-PL.Increase203Rates.Decrease2Rates

<sup>1</sup> Oregon Revised Statute, 759.255(4).