# OREGON PUBLIC UTILITY COMMISSION INTEROFFICE CORRESPONDENCE

**DATE:** April 8, 2021

**TO:** File through Michael Dougherty and Bruce Hellebuyck

**FROM:** Stephanie Yamada

**SUBJECT:** <u>UNITED TELEPHONE COMPANY OF THE NORTHWEST:</u>

(Docket No. ADV 1240/Advice No. 21-01) Changes rates for Residential Basic Service, Extended Area Service, and Unlisted Numbers, and

deletes Farm Line Service.

I have reviewed this filing and recommend that an acknowledgement letter be sent. With this filing, United Telephone Company of the Northwest dba CenturyLink (United or Company) proposes to adjust certain rates in compliance with its Price Plan, and delete Farm Line Service.

## <u>Issue</u>

Whether the tariff changes proposed by United should be allowed to become effective for service rendered on and after April 9, 2021.

## Applicable Rule or Law

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.

United is regulated under a Price Plan pursuant to ORS 759.255 and Order No. 18-359 in Docket No. UM 1908. Section 8.a.i of the Price Plan requires United to file all tariff changes with the Commission at least 30 days prior to the effective date of the change. Section 8.b of the Price Plan requires United to provide customers with 30-day notice of price changes.

Pursuant to Section 4.e.i of the Price Plan, monthly rates for flat rate residential Primary Line Basic Service may not increase by more than \$3.00 annually and may not increase by more than \$10.00 over any four-year Plan term. Pursuant to Section 4.e.ii of the Price Plan, monthly rates for the line component of residential measured service may not exceed 80 percent of United's monthly flat rate for residential Primary Line Basic Service.

Pursuant to Section 4.g of the Price Plan, rates for existing mandatory Extended Area Service (EAS) are capped at pre-Plan rates.

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Pursuant to Section 4.j of the Price Plan, residential Unlisted Numbers are capped at pre-Plan rates. Business Unlisted Numbers may not increase by more than \$1.00 in any Plan year and may not increase by more than \$3.00 in any four-year Plan term. Rates for Non-Published Numbers may not increase by more than \$1.00 in any Plan year and may not increase by more than \$3.00 cumulatively over any four-year Plan term.

Pursuant to OAR 860-032-0020, a telecommunications utility may request to abandon a regulated service for which there are no current customers by filing a tariff change which deletes the regulated service.

### Analysis

This filing was initially submitted on February 16, 2021, with a proposed effective date of March 26, 2021, in compliance with the filing requirements stated in the Company's Price Plan. On April 8, 2021, the Company submitted an amendment to revise the effective date from March 26, 2021, to April 9, 2021, citing implementation delays. The Company states that customers were notified of the rate changes proposed with this filing, as required by the Price Plan. The proposed rate changes are summarized below.

#### Residential Basic Service - Flat Rate

United proposes to increase its flat rate residential Primary Line Basic Service rate to \$24.00, as shown below.

				Current	4-Year
	Pre-Plan	Current	Proposed	Year	Plan
Service	Rate	Rate	Rate	Change	Change
Residence One-Party Flat Rate	\$16.43	\$21.43	\$24.00	\$2.57	\$7.57

United most recently increased this rate with Advice No. OR 20-02, which became effective on March 15, 2020. The increase proposed with the present filing does not exceed \$3.00 in the present year or \$10.00 in the current Plan term, and therefore complies with the provisions of United's Price Plan.

#### Residential Basic Service – Measured

United proposes the following change to its rate for the line component of residential measured service.

	Pre- Plan	Current	Proposed	Current Year	4-Year Plan	% of Flat
Service	Rate	Rate	Rate	Change	Change	Rate
Res One-Party Measured	\$10.07	\$15.07	\$18.07	\$3.00	\$8.00	75.3%

As shown previously, United proposes to increase its residential Primary Line Basic Service flat rate to \$24.00. The proposed monthly rate for the line component of residential measured service does not exceed 80 percent of that amount, in compliance with the provisions of the Price Plan.

## **Extended Area Service**

United proposes to decrease certain EAS rates, as summarized below.

Class	EAS Level	Pre-Plan Rate	Current Rate	Proposed Rate	Current Year Change	4-Year Plan Change
Residence	2	\$4.04	\$3.00	\$2.00	(\$1.00)	(\$2.04)
Business	2	\$6.00	\$3.00	\$2.00	(\$1.00)	(\$4.00)
Business	3	\$11.00	\$6.00	\$3.00	(\$3.00)	(\$8.00)

The proposed rates do not exceed pre-Plan rates, and therefore comply with the terms of United's Price Plan.

## **Unlisted and Non-Published Numbers**

United's proposed rate changes for Unlisted and Non-Published Numbers are summarized below.

Class	Service	Pre- Plan Rate	Current Rate	Proposed Rate	Current Year Change	4-Year Plan Change
Business	Non-Listed Number	\$1.00	\$3.00	\$4.00	\$1.00	\$3.00
Res & Bus	Non-Published Number	\$1.00	\$3.00	\$4.00	\$1.00	\$3.00

United most recently increased these rates with Advice No. OR 20-02, which became effective on March 15, 2020. The proposed increases do not exceed \$1.00 in the present year or \$3.00 in the current Plan term, and therefore comply with the provisions of United's Price Plan.

#### **Farm Line Service**

This service was previously grandfathered. With the present filing, United proposes to delete the service from its tariff "as there is no longer any demand for this grandfathered

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service." OAR 860-032-0020 allows telecommunications utilities to abandon regulated services for which there are no current customers.

## Conclusion

This filing complies with applicable laws, rules, and the provisions of United's Price Plan. The filed tariff sheets should be allowed to become effective, and an acknowledgement letter should be sent.

United.21-01.Basic\_Service.EAS.Unlist.FarmLine.File

<sup>&</sup>lt;sup>1</sup> Advice Letter.