# OREGON PUBLIC UTILITY COMMISSION INTEROFFICE CORRESPONDENCE

- **DATE:** May 11, 2021
- **TO:** File through Michael Dougherty and Bruce Hellebuyck
- **FROM:** Russ Beitzel
- **SUBJECT:** <u>CenturyTel of Oregon and CenturyTel of Eastern Oregon</u>: (Docket No. PL166/Advice No. 21-003). Increases various base rates and grandfathers various services.

I have reviewed this filing and recommend that an acknowledgement letter be sent. With this filing, CenturyTel of Oregon and CenturyTel of Eastern Oregon dba CenturyLink (CenturyTel or Company) proposes to increase various base rates and grandfather various services.

## <u>Issue</u>

Whether the rate changes proposed by CenturyTel 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.

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

Pursuant to Section 4.f of the Price Plan, monthly rates for various Business Basic Services, including Flat Rate Basic and Local Measured Service, are not subject to price caps.

Pursuant to Section 4.h of the Price Plan, monthly rates for Directory Listings, including, Additional, Alternate, Cross Reference, Foreign and Lines of Information listings, may increase 25 percent annually.

Pursuant to Section 4.k of the Price Plan, monthly rates for residential Other Services, including Call Forwarding, Call Forward Busy, Speed Call 8, 3-Way Calling, Call

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Waiting, Distinctive Ring, Intercom Calling, and various Discounted services, may increase by the greater of 50 percent or \$.50 annually, but may not increase by more than 200 percent over any four-year Plan term. Monthly rates for 'Other Services' for business customers, including Remote Call Forwarding, will not be subject to price caps.

Pursuant to Section 4.r.ii of the Price Plan, 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.

Pursuant to <u>OAR 860-032-0020(15)(a)</u>, grandfathering a service without a sunset date is not considered abandonment of service. <u>OAR 860-032-0020(15)(b)</u> allows a telecommunications utility to grandfather a regulated service, without a sunset date, by filing a tariff which designates the service as grandfathered. Normal tariff filing and review requirements apply to Staff's consideration of such filings, including review for whether the filing is consistent with an applicable Price Plan and relevant PUC orders.

## Analysis

This filing was submitted on April 6, 2021, with a proposed effective date of April 9, 2021, in compliance with the filing requirements stated in CenturyTel's Price Plan. The rate changes proposed with the present filing are summarized below.

#### Rate Increases

CenturyTel's proposed changes to various rates that have increase caps are summarized in the table below.

	Pre- Plan	Current	Proposed	Current Year \$	Current Year %	Cumulative Plan %
Service	Rate	Rate	Rate	Change	Change	Change
Additional Listing <sup>1</sup>	\$2.25	\$3.50	\$4.00	\$.50	14.29%	NA
Alternate Listing <sup>1</sup>	\$2.25	\$3.50	\$4.00	\$.50	14.29%	NA
Cross Ref Listing <sup>1</sup>	\$2.25	\$3.50	\$4.00	\$.50	14.29%	NA
Foreign Listing <sup>1</sup>	\$2.25	\$3.50	\$4.00	\$.50	14.29%	NA
Lines of Info Listing <sup>1</sup>	\$2.25	\$3.50	\$4.00	\$.50	14.29%	NA
Call Forward <sup>2</sup>	\$1.75	\$3.25	\$4.75	\$1.50	46.15%	171.43%
Call Forward No Ans <sup>2</sup>	\$2.50	\$5.00	\$6.00	\$1.00	20.00%	140.00%
Speed Call 8 <sup>2</sup>	\$2.25	\$4.75	\$5.00	\$.25	5.26%	122.22%
3-Way Call <sup>2</sup>	\$2.25	\$4.75	\$5.00	\$.25	5.26%	122.22%
Call Waiting <sup>2</sup>	\$2.25	\$4.75	\$6.75	\$2.00	42.11%	200.00%
Call Wait w/ Cancel <sup>2</sup>	\$3.00	\$6.00	\$7.00	\$1.00	16.67%	133.33%
Distinctive Ring <sup>2</sup>	\$4.50	\$5.00	\$6.00	\$1.00	20.00%	33.33%

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Intercom Calling <sup>2</sup>	\$1.50	\$3.25	\$4.50	\$1.25	38.46%	200.00%
Disc Anon. Reject <sup>2</sup>	\$2.00	\$4.50	\$5.00	\$.50	11.11%	150.00%
Disc Busy Redial <sup>2</sup>	\$2.00	\$4.50	\$5.00	\$.50	11.11%	150.00%
Disc Call Return <sup>2</sup>	\$2.00	\$4.50	\$5.00	\$.50	11.11%	150.00%
Disc Caller ID <sup>2</sup>	\$5.00	\$9.00	\$10.00	\$1.00	11.11%	100.00%
Disc Personal Ring <sup>2</sup>	\$2.00	\$4.50	\$6.00	\$1.50	33.33%	200.00%
Disc VIP Alert <sup>2</sup>	\$2.00	\$4.50	\$5.00	\$.50	11.11%	150.00%
Disc Sel Call Accept <sup>2</sup>	\$2.00	\$4.50	\$5.00	\$.50	11.11%	150.00%
Disc Sel Call Fwd <sup>2</sup>	\$2.00	\$4.50	\$5.00	\$.50	11.11%	150.00%
Disc Sel Call Reject <sup>2</sup>	\$2.00	\$4.50	\$5.00	\$.50	11.11%	150.00%

<sup>1</sup>The increases proposed with the present filing do not exceed 25 percent annually, and therefore comply with the provisions of CenturyTel's Price Plan.

<sup>2</sup>The increases proposed with the present filing do not exceed the greater of \$.50 or 50 percent in the present year or 200 percent in the current Plan term, and therefore comply with the provisions of CenturyTel's Price Plan.

For Bundled and Packaged services the Company provided evidence that the proposed rates are less than the sum of the stand-alone retail prices.

The Company states that customers were notified of the proposed rate changes.

#### Grandfathered Services

The services to be grandfathered with the present filing are summarized in the table below.

Туре	Service		
Custom Calling	Speed Call 30		
Custom Calling	Call Waiting		
Custom Calling	Intercom Calling		
Custom Calling II	Call Waiting Deluxe		

The grandfathered services, with no sunset date, will no longer be available to new customers but will continue to be available to current subscribers.

The Company states that customers were notified of the proposed rate changes.

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## **Conclusion**

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

PL 166 MTF CenturyTel