## OREGON PUBLIC UTILITY COMMISSION INTEROFFICE CORRESPONDENCE

- **DATE:** May 19, 2022
- **TO:** File through Marc Hellman and Bruce Hellebuyck
- **FROM:** Steph Yamada
- SUBJECT: <u>QWEST CORPORATION</u>: (Docket No. PL 203/Advice No. 2022-004) Increases rates for Business Primary Line Basic Service, Packages and Bundles, Other Services, and Directory Listings; grandfathers certain services; and deletes obsolete services.

I have reviewed this filing and recommend that an acknowledgement letter be sent. With this filing, Qwest Corporation d/b/a CenturyLink QC (Company or Qwest) increases monthly rates for certain services, grandfathers services, and deletes certain obsolete services.

#### 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.

Qwest 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 Qwest to file notice of all price list changes with the Commission at least one day prior to the effective date of the change.

Section 1.g of the Price Plan defines "Primary Line Basic Service" as "the first line only of basic local exchange service for an individual residential or business customer account at a single location that is not sold as part of a package." Pursuant to Section 4.f of the Price Plan, recurring charges for business Primary Line Basic Service will not be subject to price caps.

Section 1.d of the Price Plan defines "Packages and Bundles" as "any combination of services, which may include residential or business basic local exchange service as well as other services at a combined price." Pursuant to Section 4.r of the Price Plan, the Company may offer Packages and Bundles, subject to the below 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.

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.

Section 1.c of the Price Plan defines "Other Services" as "any other residential or business services contained in CenturyLink's Rate Schedules that are not specifically addressed in this Price Plan." Pursuant to Section 4.k of the Price Plan, monthly rates for Other Services for business customers will not be subject to price caps. Monthly rates for Other Services for residential customers may increase up to 50 percent or \$.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.

Pursuant to Section 4.h of the Price Plan, Qwest will provide at no additional charge the first Directory Listing included with Primary Line Basic Service, including those within Packages and Bundles. Additional listings beyond the initial listing are price capped with increases limited to not more than 25 percent per Plan year.

Section 8.b of the Price Plan requires the Company to provide 30-day notice of price increases to affected customers.

Pursuant to OAR 860-032-0020(15)(a), grandfathering a service without a sunset date is not considered abandonment of service. OAR 860-032-0020(15)(b) 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.

Pursuant to OAR 860-032-0020(8), 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 along with a cover letter or advice letter which clearly and explicitly discloses which regulated service the telecommunications utility proposes to abandon.

### <u>Analysis</u>

The filing was submitted on April 13, 2022, with a proposed effective date of April 15, 2022, in compliance with the filing requirements stated in the Price Plan. The Company states that customers were notified of the price changes implemented with this filing, as required by the Price Plan.

#### Business Primary Line Basic Service

The proposed changes to business Primary Line Basic Service rates are summarized in Table 1 below.

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	Current	Proposed	Price
Service	Price	Price	Change
Message Rate Service	\$26.00	\$30.00	\$4.00
Measured Service w/o Allowance	\$26.00	\$30.00	\$4.00
Flat Business Line - Rate Group 1	\$38.00	\$42.00	\$4.00
Flat Business Line - Rate Group 2	\$39.00	\$42.00	\$3.00
Flat Business Line - Rate Group 3	\$40.00	\$42.00	\$2.00

#### Table 1: Business Primary Line Basic Service

These rate increases comply with the requirements of the Price Plan, under which Primary Line Basic Service rates for business customers are uncapped. The Company does not propose changes to Primary Line Basic Service rates for residential customers with this filing.

#### Packages and Bundles

The proposed rate changes to residential and business packages and bundles are summarized in Tables 2 and 3.

	Current	Proposed	Price
Service	Price	Price	Change
CustomChoice, per line	\$41.00	\$44.00	\$3.00
CustomChoice, per additional line	\$38.00	\$41.00	\$3.00
SelectPak, per line	\$35.00	\$38.00	\$3.00
CustomChoice, per line	\$47.00	\$50.00	\$3.00
CustomChoice, per line	\$44.00	\$47.00	\$3.00
SelectPak, per line	\$41.00	\$44.00	\$3.00
2-Line CustomChoice	\$61.00	\$67.00	\$6.00
PopularChoice, per line	\$47.00	\$50.00	\$3.00
PopularChoice, per line	\$47.00	\$50.00	\$3.00
2-line PopularChoice	\$62.00	\$68.00	\$6.00
2-line PopularChoice	\$62.00	\$68.00	\$6.00
CustomChoice Complete	\$51.00	\$54.00	\$3.00
CustomChoice Complete	\$51.00	\$54.00	\$3.00
2-line CustomChoice Complete	\$72.00	\$78.00	\$6.00
2-line CustomChoice Complete	\$72.00	\$78.00	\$6.00
ValueChoice	\$41.00	\$44.00	\$3.00
Optional Privacy Pak	\$5.00	\$6.00	\$1.00
2-line ValueChoice	\$56.00	\$62.00	\$6.00
Optional Privacy Pak	\$5.00	\$6.00	\$1.00
PreferredChoice	\$47.00	\$50.00	\$3.00
PreferredChoice	\$47.00	\$50.00	\$3.00
Optional Privacy Pak	\$5.00	\$6.00	\$1.00
2-line PreferredChoice w/VM	\$64.00	\$70.00	\$6.00
2-line PreferredChoice w/o VM	\$64.00	\$70.00	\$6.00
Optional Privacy Pak	\$5.00	\$6.00	\$1.00
Qwest Choice Home (USOC: PGORA)	\$39.00	\$42.00	\$3.00
2-line Qwest Choice Home	\$55.00	\$61.00	\$6.00
Qwest Choice Home (USOC: PGO1H)	\$42.00	\$45.00	\$3.00
2-Line CustomChoice	\$59.00	\$65.00	\$6.00
Custom Choice Home Plus	\$46.00	\$49.00	\$3.00
2-Line Custom Choice Home Plus	\$64.00	\$70.00	\$6.00

# Table 2: Residential Packages & Bundles

Service	Current Price	Proposed Price	Price Change
Qwest Choice Business	\$50.00	\$54.00	\$4.00
Qwest Choice Business	\$57.00	\$61.00	\$4.00
Qwest Choice Business Add-A-Line	\$40.00	\$44.00	\$4.00
Qwest Choice Business Prime	\$44.00	\$48.00	\$4.00
Core Connect	\$54.00	\$50.00	(\$4.00)
Unlimited Business Voice Line	\$29.00	\$25.00	(\$4.00)
CustomChoice, per line	\$57.00	\$61.00	\$4.00
CustomChoice, per line	\$62.00	\$66.00	\$4.00
CustomChoice 1 Year	\$55.00	\$59.00	\$4.00
CustomChoice 2 Year	\$53.00	\$57.00	\$4.00
CustomChoice 3 Year	\$51.00	\$55.00	\$4.00
Choice, per line	\$52.00	\$56.00	\$4.00
2-line Choice	\$84.00	\$92.00	\$8.00
Business Line Plus - Rates Groups 1 and 2	\$43.00	\$47.00	\$4.00
Business Line Plus - Rates Group 3	\$43.00	\$47.00	\$4.00
Business Line Plus 1 Yr - Rates Groups 1 and 2	\$38.00	\$42.00	\$4.00
Business Line Plus 1 Yr - Rates Group 3	\$38.00	\$42.00	\$4.00
Business Line Plus 2 Yr - Rates Groups 1 and 2	\$38.00	\$42.00	\$4.00
Business Line Plus 2 Yr - Rates Group 3	\$38.00	\$42.00	\$4.00
Business Line Plus 3 Yr - Rates Groups 1 and 2	\$38.00	\$42.00	\$4.00
Business Line Plus 3 Yr - Rates Group 3	\$38.00	\$42.00	\$4.00
Core Connect Professional - Unlimited Business Voice Line	\$29.00	\$25.00	(\$4.00)

## Table 3: Business Packages & Bundles

All regulated services offered as part of these packages and bundles remain separately available for purchase from the Company's rate schedules. The Company provided an analysis demonstrating that the new rate for each package or bundle does not exceed the sum of the stand-alone retail prices of the included services. Staff finds that the proposed rates comply with the requirements of the Price Plan.

#### **Other Services**

The proposed changes to Other Services rates are summarized in Tables 4 and 5.

				12-	
				Month	Cumulative
	Current	Proposed	Price	Percent	Percent
Service	Price	Price	Change	Change	Change
Continuous Redial	\$5.00	\$6.00	\$1.00	20.00%	20.00%
Dial Lock	\$5.00	\$6.00	\$1.00	20.00%	51.90%
Do Not Disturb	\$5.00	\$6.00	\$1.00	20.00%	51.90%
Hot Line	\$5.00	\$6.00	\$1.00	20.00%	200.00%
Last Call Return	\$5.50	\$6.00	\$0.50	9.09%	9.09%
Priority Call	\$5.00	\$6.00	\$1.00	20.00%	20.00%
Security Screen	\$5.00	\$6.00	\$1.00	20.00%	103.39%
Selective Call Forwarding	\$5.50	\$6.00	\$0.50	9.09%	9.09%
Speed Calling 8	\$5.00	\$6.00	\$1.00	20.00%	20.00%
Speed Calling 30	\$6.00	\$7.00	\$1.00	16.67%	40.00%
Number Forwarding	\$16.00	\$18.00	\$2.00	12.50%	125.00%
Priority Call Discounted	\$3.75	\$5.00	\$1.25	33.33%	185.71%
Three Way Calling Disc	\$5.00	\$5.25	\$0.25	5.00%	200.00%
Directory Assistance	\$5.49	\$6.49	\$1.00	18.21%	93.15%

# Table 4: Residential Other Services

The proposed increases to these residential Other Services rates do not exceed the greater of 50 percent or \$0.50 annually, nor do they exceed 200 percent in the current Plan term. These increases comply with the terms of the Price Plan.

	Current	Proposed	Price
Service	Price	Price	Change
Stand-By Line	\$28.00	\$32.00	\$4.00
Home Business Line - Rate Group 1	\$38.00	\$42.00	\$4.00
Home Business Line - Rate Group 2	\$39.00	\$42.00	\$3.00
Home Business Line - Rate Group 3	\$40.00	\$42.00	\$2.00
Toll Access Trunks	\$27.00	\$31.00	\$4.00
Two-way, 4-wire PBX Trunk - Rate Group 1	\$40.00	\$43.00	\$3.00
Two-way, 4-wire PBX Trunk - Rate Group 2	\$40.00	\$43.00	\$3.00
Two-way, 4-wire PBX Trunk - Rate Group 3	\$40.00	\$43.00	\$3.00
In -only Analog DID Provisioned for DID Call	\$56.36	\$52.36	(\$4.00)
Transfer	¢20.00	¢42.00	¢4.00
Two-way PBX - Rate Groups 1 and 2	\$39.00 \$40.00	\$43.00	\$4.00 \$3.00
Two-way PBX - Rate Group 3	\$40.00	\$43.00	-
One-way out only PBX - Rate Groups 1 and 2		\$43.00	\$4.00
One-way out only PBX - Rate Group 3	\$40.00	\$43.00	\$3.00
One-way in only PBX - Rate Groups 1 and 2	\$39.00	\$43.00	\$4.00
One-way in only PBX - Rate Group 3 One-way in with hunt for DID - Rate Groups 1 and 2	\$40.00 \$40.00	\$43.00	\$3.00 \$3.00
	\$40.00	\$43.00	-
One-way in with hunt for DID - Rate Group 3 Continous Redial	•	\$43.00	\$3.00
Dial Lock	\$5.00	\$6.00 \$6.00	\$1.00 \$1.00
Do Not Disturb	\$5.00 \$5.00	· ·	\$1.00
Hot Line	\$5.00 \$5.00	\$6.00 \$6.00	\$1.00
Last Call Return	\$5.00 \$5.50	\$6.00	\$1.00
	\$5.00	-	\$0.50
Priority Call Security Screen		\$6.00 \$6.00	\$1.00
· · · · · · · · · · · · · · · · · · ·	\$5.00 \$5.00	\$6.00 \$6.00	-
Selective Call Forwarding	\$5.50	\$6.00 \$6.00	\$0.50 \$1.00
Speed Calling 8	\$5.00		\$1.00 \$1.00
Speed Calling 30	\$6.00	\$7.00	\$1.00
Market Expansion Line	\$27.00	\$31.00	\$4.00
Utility Line	\$32.00	\$36.00	\$4.00
Message rated PBX Trunk	\$34.00	\$38.00	\$4.00
Joint User Service	\$5.00	\$6.00	\$1.00
Directory Assistance	\$5.49	\$6.49	\$1.00

# Table 5: Business Other Services

The proposed increases to business Other Services rates comply with the terms of the Price Plan, under which the rates for these services are uncapped.

**Directory Listings** 

The proposed changes to Directory Listings rates are summarized in Table 6.

		Current	Proposed	Price	12- Month Percent
Туре	Service	Price	Price	Change	Change
Residential	Additional Listings	\$3.27	\$4.08	\$0.81	24.77%
Residential	Foreign Listing	\$3.27	\$4.08	\$0.81	24.77%
Residential	Reference Listings	\$3.27	\$4.09	\$0.82	25.08%
Residential	Information Listings	\$4.81	\$6.00	\$1.19	24.74%
Residential	Custom Solutions Additional/Reference Listings	\$1.16	\$1.45	\$0.29	25.00%

# Table 6: Directory Listings

Other than the rate for Residential Reference Listings, these rate increases do not exceed 25 percent in the current Plan year and therefore comply with the requirements of the Price Plan. The filed rate of \$4.09 for Residential Reference Listings represents a typographical error; the Company corrected the rate to \$4.08 with a separate filing, Docket No. PL 206/Advice No. 2022-005, effective April 28, 2022. The revised rate complies with the terms of the Price Plan.

#### Grandfathered Services

The services to be grandfathered with the present filing are summarized in Table 7.

Table 7: Grandfathered Services			
Home Business Line Service			
Caller Identification-Number			
Alpha Listing			

The grandfathered services will no longer be available to new customers but will continue to be available to current subscribers. The grandfatherings comply with the requirements of OAR 860-032-0020.

#### **Deleted Services**

The services to be deleted with the present filing are summarized in Table 8.

Table 8: Deleted Services			
Residential	Residential		
or Business	Service		
Residential	Warm Line		
Both	Abbreviated Access		
Business	Discounted Caller Identification name and Number		
Business	Discounted Remote Access Forwarding		
Business	Discounted Custom Ringing First Additional Number		

The Company states that there are currently no subscribers to these services. The deletions comply with the requirements of OAR 860-032-0020.

#### **Conclusion**

This filing complies with all applicable laws and Commission orders. The filing has already gone into effect and an acknowledgment letter should be sent. No further action is necessary.

Qwest.2022-004 [PL 203] File - Rate Increases