# OREGON PUBLIC UTILITY COMMISSION INTEROFFICE CORRESPONDENCE

**DATE:** May 19, 2022

**TO:** File through Marc Hellman and Bruce Hellebuyck

FROM: Steph Yamada

**SUBJECT:** CENTURYTEL OF OREGON, INC. AND CENTURYTEL OF EASTERN

OREGON, INC.:

(Docket No. PL 204/Advice No. 22-003) Increases rates for business Flat

Rate Access Service and Local Measured Service, Packages and

Bundles, Other Services, and Directory Listings; grandfathers Anonymous

Call Reject \*77; and deletes obsolete services.

I have reviewed this filing and recommend that an acknowledgement letter be sent. With this filing, CenturyTel of Oregon, Inc. and CenturyTel of Eastern Oregon, Inc. d/b/a CenturyLink (Company or CenturyTel) implements various rate increases.

## 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 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. However, CenturyTel's rate for this service is limited to the rate charged by Qwest Corporation in Rate Group 2.

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, CenturyTel 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 not 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.

#### Analysis

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.

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

	Current	Proposed	Price
Service	Price	Price	Change
Flat Rate Basic Service - Rate Group I	\$33.00	\$37.00	\$4.00
Flat Rate Basic Service - Rate Group II	\$33.00	\$37.00	\$4.00
Local Measured Service - Rate Group I	\$25.00	\$29.00	\$4.00
Local Measured Service - Rate Group II	\$25.00	\$29.00	\$4.00

These rate increases comply with the requirements of the Price Plan, under which Primary Line Basic Service rates for business customers are uncapped. The proposed rates do not exceed the rates charged by Qwest Corporation in Rate Group 2. 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.

**Table 2: Residential Packages & Bundles** 

	Current	Proposed	Price
Service	Price	Price	Change
Simple Choice 1 Res RG I	\$37.00	\$40.00	\$3.00
Simple Choice 1 Res RG II	\$37.00	\$40.00	\$3.00
Simple Choice RG I	\$38.00	\$41.00	\$3.00
Simple Choice RG II	\$38.00	\$41.00	\$3.00
Simple Choice Unlimited	\$32.95	\$35.95	\$3.00
Economy Pack	\$36.95	\$39.95	\$3.00

Table 3: Business Packages & Bundles

Service	Current Price	Proposed Price	Price Change
Bus Assist Adv RG I	\$53.00	\$57.00	\$4.00
Bus Assist Adv RG II	\$53.00	\$57.00	\$4.00
Business Unlimited	\$47.00	\$51.00	\$4.00

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 analyses demonstrating that the new rate for each package or bundle does not exceed the sum of the stand-alone retail prices of all available services in the package or bundle. The proposed rate changes comply with the requirements of the Price Plan.

#### Other Services

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

**Table 4: Residential Other Services** 

				12-	
				Month	Cumulative
	Current	Proposed	Price	Percent	Percent
Service	Price	Price	Change	Change	Change
Call Forwarding	\$4.75	\$5.00	\$0.25	5.26%	185.71%

The proposed rate increase to Other Services for residential customers does not exceed the greater of 50 percent or \$0.50 annually. The cumulative rate increases from the start of the Plan term do not exceed 200 percent. These rate increases comply with the requirements of the Price Plan.

**Table 5: Business Other Services** 

Service	Current Price	Proposed Price	Price Change
Call Forwarding	\$4.75	\$5.00	\$0.25
Remote Call Forwarding	\$23.00	\$26.00	\$3.00

These rate increases comply with the requirements of the Price Plan, under which Other Services rates for business customers are uncapped.

#### Directory Listings

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

**Table 6: Directory Listings** 

Residential or Business	Service	Current Price	Proposed Price	Price Change	12- Month Percent Change
Both	Additional Listings	\$4.00	\$5.00	\$1.00	25.00%
Both	Alternate Listing	\$4.00	\$5.00	\$1.00	25.00%
Both	Cross Reference Listings	\$4.00	\$5.00	\$1.00	25.00%
Both	Foreign Listing	\$4.00	\$5.00	\$1.00	25.00%
Both	Lines of Information Listing	\$4.00	\$5.00	\$1.00	25.00%

The rate increases do not exceed 25 percent in the current Plan year and therefore comply with the requirements of the Price Plan.

## Grandfathered Services

The Company proposes to grandfather Anonymous Call Reject \*77. The service will continue to be available to existing customers, in compliance with OAR 860-032-0020(15)(a)

#### Deleted Services

This filing also deletes Simple Choice One for Business and Simple Choice Two for Residence from the Company's Price List. The Company states that there are no current customers for these services. The deletion complies with OAR 860-032-0020(8).

## 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.

CenturyTel.22-003 [PL 204] File - Rate Increases