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BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UI 229

In the Matter of)	
)	ORDER
CENTURYTEL OF OREGON, INC., AND)	
CENTURYTEL OF EASTERN OREGON, INC.)	
)	
Joint Applicants' Service Contract Agreement)	
with CenturyTel Affiliated Entities.)	

DISPOSITION: APPLICATION APPROVED WITH CONDITIONS

On April 6, 2004, CenturyTel of Oregon, Inc. and CenturyTel of Eastern Oregon, Inc. (Companies) filed an application with the Public Utility Commission of Oregon (Commission) pursuant to ORS 759.390 and OAR 860-027-0040, requesting approval of a service agreement with various CenturyTel affiliated entities. A description of the agreement is contained in the Staff Report, attached as Appendix A and incorporated by reference.

Based on a review of the application and the Commission's records, the Commission finds that the application satisfies applicable statutes and administrative rules. At its Public Meeting on October 5, 2004, the Commission adopted Staff's recommendation.

OPINION

Jurisdiction

ORS 759.005 defines a "telecommunications utility" and the Companies are telecommunications utilities subject to the Commission's jurisdiction.

Affiliation

An affiliated interest relationship exists under ORS 759.010.

Applicable Law

ORS 759.390 requires a telecommunications utility to seek approval of contracts with affiliated interests within 90 days after execution of the contract.

ORS 759.390(3) requires the Commission to approve the contract if the Commission finds that the contract is fair and reasonable and not contrary to the public interest. However, the Commission need not determine the reasonableness of all the financial aspects of the contract for ratemaking purposes. The Commission may reserve that issue for a subsequent proceeding.

CONCLUSIONS

1. The Companies are telecommunications utilities subject to the jurisdiction of the Commission.
2. An affiliated interest relationship exists.
3. The agreement is fair, reasonable, and not contrary to the public interest.
4. The application should be approved, with certain conditions.

ORDER

IT IS ORDERED that the application of CenturyTel of Oregon, Inc. and CenturyTel of Eastern Oregon, Inc. to enter into a service agreement with CenturyTel affiliated entities is approved, subject to certain conditions, as further stated in Appendix A.

Made, entered, and effective _____.

BY THE COMMISSION:

Becky L. Beier
Commission Secretary

A party may request rehearing or reconsideration of this order pursuant to ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-014-0095. A copy of any such request must also be served on each party to the proceeding as provided by OAR 860-013-0070(2). A party may appeal this order to a court pursuant to applicable law.