

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

CP 348

In the Matter of

INTEGRA TELECOM OF OREGON, INC.

Petition for Waiver of Notice Requirement
of OAR 860-032-0020.

ORDER

DISPOSITION: PETITION GRANTED

On December 7, 2009, Integra Telecom of Oregon, Inc. (Integra or Company) filed a petition with the Public Utility Commission of Oregon (Commission), requesting a waiver of the 90-day period for Commission notification of abandonment of service under OAR 860-032-0020(11)(a), and permission to notify its customers no less than 30 days before abandoning telecommunications service in Oregon.

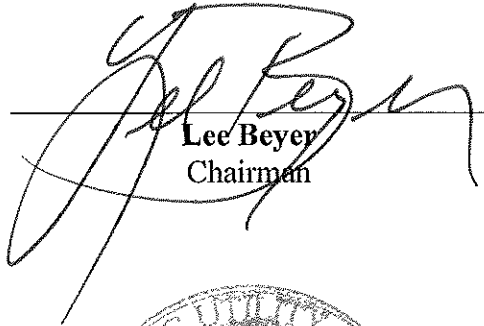
OAR 860-032-0020(11) requires a competitive provider that intends to abandon any or all services in Oregon to notify customers of its intent at least 90 days before abandoning the services. OAR 860-032-0020(11) also requires the abandoning provider to file notice with the Commission at the same time it mails notices to its customers. If the Commission grants Integra's petition for waiver of the 90-day notice requirement and permits a notice period of no less than 30 days, the Company will have met all applicable Commission notice requirements. A description of the filing is contained in the Staff Report, attached as Appendix A, and incorporated by reference.

At its Public Meeting on January 5, 2010, the Commission adopted Staff's Recommendation and granted Integra's petition for waiver of the notice requirement.

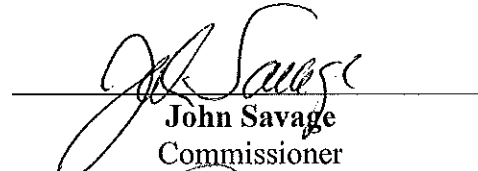
ORDER

IT IS ORDERED that Integra Telecom of Oregon, Inc.'s petition to waive the 90-day period for Commission notification of abandonment of services under OAR 860-032-0020(11) is granted, and a notice period of no less than 30 days is permitted.

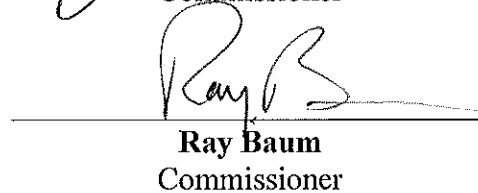
Made, entered, and effective JAN 19 2010



Lee Beyer
Chairman



John Savage
Commissioner



Ray Baum
Commissioner



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 by filing a petition for review with the Court of Appeals in compliance with ORS 183.480-183.484.

ITEM NO. CA7

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: January 5, 2010**

REGULAR _____ CONSENT _____ EFFECTIVE DATE _____ NA _____

DATE: December 28, 2009

TO: Public Utility Commission

FROM: Celeste Hari *CH*

THROUGH: *W* Lee Sparling, *BAC* Bryan Conway and *QKW* Kay Marinos

SUBJECT: INTEGRA TELECOM OF OREGON, INC.: (Docket No. CP 348) Petition for Waiver of Notice Requirement of OAR 860-032-0020(11)(a).

STAFF RECOMMENDATION:

The Commission should grant the petition by Integra Telecom of Oregon, Inc. (Integra) seeking waiver of the 90-day time period for Commission and customer notification of abandonment of service under OAR 860-032-0020(11)(a) and permit a notice period of not less than 60 days.

DISCUSSION:

The Commission's abandonment of service rule for competitive telecommunications service providers is OAR 860-032-0020. On December 8, 2009, Integra filed a notice of abandonment and a request for waiver of OAR 860-032-0020(11), specifically the 90-day notice period under part (a) of the rule. The customer notification of abandonment was not mailed until December 15, 2009. The notice indicates that abandonment is scheduled to be effective January 22, 2009, but may be modified upon Commission ruling on the request for waiver.

OAR 860-032-0020(11) requires a competitive provider that intends to abandon any or all services in Oregon, to notify customers and the Public Utility Commission of Oregon, of its intent to abandon at least 90 days prior to the actual abandonment. OAR 860-032-0020(16) allows the Commission to grant a petition to waive any time period or requirement of the rules for good and sufficient reason.

Integra Petition for Waiver
December 28, 2009
Page 2

Integra has been a competitive telecommunications provider in Oregon since October 1, 1997. See docket CP 348, Order No. 97-385. Integra entered into an agreement with Eastern Oregon Telecom, LLC (Eastern) whereby the customers located in the cities of Pendleton and Hermiston, Oregon will be acquired by Eastern. Integra intends to continue service to customers in other areas in the state. Eastern has a current certificate of authority to provide telecommunications service in Oregon. See docket CP 711, Order No. 99-773. It should be noted that Eastern has had its certificate canceled twice in the past for noncompliance with Commission rules. In both instances, Eastern brought the company into compliance and the cancellation was rescinded. The last cancellation and subsequent rescission was in 2006.

Integra currently has approximately 463 customers in Pendleton and Hermiston. This is a significant number of customers impacted by the abandonment. Integra states that it is abandoning these customers to whom service is provided by resold facilities, in order to more effectively serve customers located more central to its facilities-based service areas.

Integra states that customers will be minimally impacted and the transfer will be nearly transparent. Customers will be able to utilize the same services, at the same level of reliability, rates, terms and conditions following the transfer. Customers also have the option of discontinuing service and selecting a different provider than Eastern if they choose.

Integra believes the public interest will not be harmed by the grant of the waiver and allowing 39 days for customer notice. Staff disagrees. Customers have a right to choose a carrier and originally they did not choose Eastern. They should be given ample time to find a new carrier should they still not want to obtain service with Eastern. Staff believes 39 days is not enough time for customers to research alternatives and make an informed decision. The underlying carrier also needs time to arrange for the transfer of customers.

Waivers should not be granted routinely. Integra did not attempt to comply with the 90-day notice rule. The company negotiated and closed a transaction, then almost immediately filed for a waiver of the rule. The purpose of the rule is to protect the customers and give them ample opportunity to make a choice. It is also in place to allow adequate time for the carriers, including any underlying carriers, to make arrangements for the transfer. Waivers in the past were granted due to special and individual circumstances surrounding each case. Integra's request for waiver did not state any special circumstances or unique reasons for granting a waiver.

Integra Petition for Waiver
December 28, 2009
Page 3

Staff does not believe Integra presented "good and sufficient reason" to grant a waiver to reduce the notice period to 39 days. Integra initially requested a waiver of the 90-day notice period down to a 30-day notice period. Even with the notice not being mailed to customers until December 15, more than 30 days notice was given to customers. The 30-day request is moot and the minimum waiver that could be granted is 39 days. After discussion, Staff and Integra agreed upon the 60-day notice period recommended in this memo.

Staff believes that a 60-day notice period allows sufficient time for customers to make a decision. This is a compromise of notice time that still allows customers reasonable time to research the appropriate action for them as individuals. Staff believes that 60 days is also adequate time for all carriers involved to make transfer arrangements. By granting a 60-day notice period, customers have until February 12, 2010, to take action. Integra has complied with all other parts of OAR 860-032-0020.

PROPOSED COMMISSION MOTION:

Integra Telecom of Oregon, Inc.'s petition for waiver of the 90-day time period for Commission and customer notification of abandonment of service under OAR 860-032-0020(11) be granted and a notice period of not less than 60 days be permitted.

Integra Petition for Waiver