

ORDER NO. 11 279

ENTERED JUL 29 2011

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UM 1354

In the Matter of

PUBLIC UTILITY COMMISSION OF  
OREGON

Qwest Corporation Price Plan – Oregon  
Telecommunications Consumer  
Information Center.

ORDER

**DISPOSITION: RECOMMENDATION APPROVED**

At its July 26, 2011 Public Meeting, the Staff of the Public Utility Commission of Oregon (Commission) presented a recommendation to acknowledge the CUB Connects status report, filed in compliance with the Framework Agreement adopted in Docket UM 1354 by Order No. 10-215, thereby releasing the remaining \$600,000 to the CUB Connects operating account.

The details of the filings and Staff's recommendation are described in Staff's Report, attached as Appendix A, and incorporated by reference.<sup>1</sup>

The Commission finds the Staff recommendation reasonable and in the public interest.


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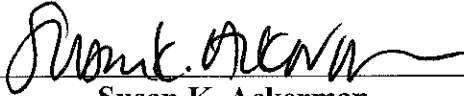
<sup>1</sup> Staff's report contains a typographical error. The date of the report should read July 18, 2011.

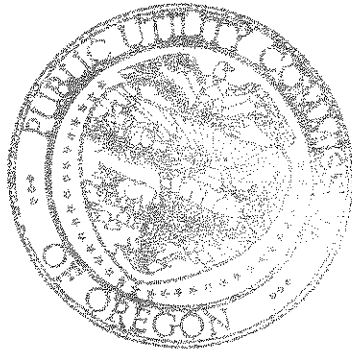
**ORDER**

IT IS ORDERED that the status report filed by the Citizens' Utility Board of Oregon regarding CUB Connects, filed in compliance with the Framework Agreement adopted in Docket UM 1354 by Order No. 10-215, is acknowledged, thereby releasing the remaining \$600,000 to be transferred to the CUB Connects operating account.

Made, entered, and effective JUL 29 2011.

  
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**John Savage**  
Commissioner

  
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**Susan K. Ackerman**  
Commissioner



A party may request rehearing or reconsideration of this order under 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 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Court of Appeals in compliance with ORS 183.480 through 183.484.



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July 18, 2011  
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CUB submitted supporting documents required by the Framework Agreement. Staff reviewed those submissions and finds no issues with the data presented in them. In addition, no complaints regarding the project have been raised for the Commission to arbitrate. The project is running according to the Framework Agreement and there are no reasons to delay transfer of the remaining funds to the project's operating account.

**PROPOSED COMMISSION MOTION:**

The status report filed by the Citizens' Utility Board regarding CUB Connects, filed in compliance with the Framework Agreement adopted in Docket UM 1354 by Order No. 10-215, be acknowledged, thereby releasing the remaining \$600,000 to be transferred to the CUB Connects operating account.

CUB Connects First Report July 26, 2011

ORDER NO. 11 279

## STATUS REPORT OF THE CUB CONNECTS PROJECT

Submitted to the Oregon Public Utility Commission  
by the CITIZENS' UTILITY BOARD OF OREGON  
in compliance with the Framework Agreement for the Oregon  
Telecommunications Consumer Information Center

June 1<sup>st</sup>, 2011



This CUB Connects Report is intended to comply with Section 4(A) of the Framework Agreement for the Oregon Telecommunications Consumer Information Center, which was acknowledged by the OPUC in Order No. 10-215. May 31<sup>st</sup>, 2011 marked the completion of year one of the project and this report aims to outline the activities and accomplishments of the first year as well as outline how the funding associated with this project was allocated. The Oregon Telecommunications Consumer Information Center operated as CUB Connects as of September 2010.

#### ***Section 4(A)***

Section 4(A) of the Framework Agreement dictates that CUB, as the project manager of CUB Connects, is required to periodically report budget documents to the OPUC for updating and acknowledgment purposes. Such documents will include budget reports detailing how monies are spent, reports detailing CUB Connects' staff time allocations, copies of consultant invoices, and a copy of the annual independent audit of the supervising organization<sup>1</sup>. According to the Budget Process/Transfer of Funds section of the Framework Agreement after one year, CUB will report to the OPUC and the other parties on the progress of the project and, assuming the project is operating as set forth in this Framework Agreement and there is no complaint raised for the OPUC to arbitrate, the remainder of the \$1 million will be transferred to the OTCIC operating account." This report marks the completion of the first year of the CUB Connects project.

#### ***CUB Connects Phase 1***

The initiation of CUB Connects began in June 2010 with the first round of funding provided by Qwest based on the Framework Agreement.

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<sup>1</sup> CUB's independent audit of 2010 is not finished and will be submitted after it is completed.

First, CUB staff designed a Request for Proposal (RFP) for programming a data model and designing a website. The RFP was reviewed by Rick Bennett of AARP, Dave Rosenfeld of OSPIRG, and OPUC Telecom Staff Celeste Hari and Consumer Service Staff Phil Boyle. CUB made appropriate changes to the RFP based on the feedback and released the RFP. CUB received 8 proposals. After reviewing these proposals CUB interviewed Delaris LLC, Oak Tree Digital, and Extanto. Upon final review Delaris LLC was selected to develop the CUB Connects website. Delaris offered the lowest bid meeting the greatest number of requirements from the RFP and is a local Portland, OR company; in-person collaboration was a key component of the company's suitability. Please note that Line 8 of Table 2 indicates the total amount of \$44,903.95 that was spent on website development.

Second, CUB hired To The Point to design a branding scheme for CUB Connects, including the name, tagline, logo and color scheme. Please note that Line 10 of Table 2 shows a total amount of \$3350.00 which includes the funds paid to To The Point.

Third, CUB publicly announced the position of a Project Manager for CUB Connects. CUB staff reviewed the applications received, interviewed the qualified candidates and chose Andrea Crosby as the new Project Manager. CUB staff was quite impressed by another candidate, Ghassan Ammar, and upon further review offered him the position of Project Support Coordinator to work alongside the Andrea for the design, development and implementation of CUB Connects in advance of the scheduled hiring date for that position. Phase 1 ended in October 2010 with the hiring of the two CUB

Connects staff. Please note that Line 16 of Table 2 indicates the total amount of \$115,192.93 spent on payroll.

### ***CUB Connects Phase 2***

With staff and a website contractor in place, the website and data model aspects of the CUB Connects project were the major part of Phase 2.

First, CUB Connects staff outlined the data required to provide consumers with a true apples-to-apples comparison of phone and internet service plans and then began the data collection process. After the initial data collection, staff worked with Delaris to begin development of the data model. While Delaris worked to complete and fine-tune the data model, staff contacted all of the service providers asking for their collaboration and continued the data collection process.

Second, staff worked with Delaris to design the layout of the website and the search tool that allows consumers to search, filter and compare service plans. In addition to these features, an interactive glossary, consumer tips and additional resources were added to the website. Ghassan Ammar developed a blog for the website that continues to provide consumers with up-to-date information and news about communications issues both locally and nationally. After an initial launch of the website, CUB Connects presented to the OPUC on January 25<sup>th</sup>, 2011 and made the site available to the public. CUB Connects staff requested feedback from OPUC Staff, AARP, OSPIRG, the League of Oregon Cities, various telecommunications Service Providers and the Oregon Telecommunications Association (OTA).

After reviewing the feedback, CUB Connects staff and Delaris worked to fine tune the website by adding unique access for service providers to update their plan



information. On March 22, 2011 KOIN TV aired a special about CUB Connects on their evening news and on their website. The evening that the segment launched there were over 500 visits to the website. Since then the site is averaging 30-80 visits a day; 81% of these are first-timer viewers of the site. Since the site launched there have been 4800 visits to the site.

In addition to the completion of the website, CUB Connects established a toll-free helpline that allows consumers who may not have access to computers or the Internet to review the information that CUB Connects offers. During Phase 2, CUB Connects staff did not work to promote the website but rather establish the number and a methodology for responding to consumers.

Phase 2 of the project was closed on April 20<sup>th</sup>, 2011.

### ***CUB Connects Phase 3***

The major focus for Phase 3 was promoting the website and helpline to make them available to consumers throughout Oregon. In order to assist the outreach efforts CUB hired marketing professional Andrew Kyrza as a part-time outreach consultant. Line 10 of Table 2 includes the amount paid to Mr. Kyrza as a promotion and marketing consultant. Andy compiled databases of media and community contacts and worked with the CUB Connects staff to develop a press release and outreach materials. The outreach materials were designed by To The Point and will be produced in June 2011. As part of this outreach program, CUB Connects staff is developing community workshops which will be made available to community groups in June 2011.

The CUB Connects staff has been reaching out to other groups and organizations to aid the outreach program and have presented to the Oregon Broadband Advisory

Council, the Association of Oregon Counties (AOC) and State Legislative Staff. In the coming months, CUB Connects staff will present at the NARUC Summer Conference, the OTA Fall Conference and to district meetings with the AOC. Ideally, these outreach efforts will help Oregonians have access to the tools they need to make informed decisions about telecommunication services.

Phase 3 closes with this final report and the CUB Connects staff looks forward to promoting the project throughout the state, working with service providers to keep information on the site up-to-date and finding new avenues for reaching and educating consumers.

### *CUB Connects Budget Review*

Finally, the following table shows the summary of the distribution of funding from June 1<sup>st</sup> 2010 – May 31<sup>st</sup>, 2011. The funding is divided into program and administrative costs. Please note the percentage of the total budget used for each category in the third column. The amount of funding associated with the programmatic side of CUB Connects was 89%, with only 11% of the funding going towards administrative costs.

In accordance with the Framework Agreement, after the “first fiscal year, any unused portion of the first year budget for the OTCIC project will be rolled over to the next annual fiscal cycle”. The proposed budget in the Framework Agreement for the initial start up of CUB Connects and the general operating budget for the first year was \$349,600, and the total funds spent were \$196,468.22. See Table 2 attached for a detailed budget of CUB Connects operations and Table 3 for a detailed comparison of projected funds and actual funds spent from June 1<sup>st</sup>, 2010 – May 31<sup>st</sup>, 2011.

**Table 1: Distribution of CUB Connects Funding (June 1<sup>st</sup> 2010 – May 31<sup>st</sup>, 2011)**

Category	Actual Funds Spent	Percent of Total Spent
Program	\$175,536.82	89%
Administrative	\$20,931.40	11%
Total	\$196,468.22	-

***Evaluation***

As of June 1<sup>st</sup>, 2011 the CUB Connects project includes an online searchable database, additional online resources and a toll-free helpline. It took more time than expected to develop the website and database and the website deployment was delayed until February 2011. The database was a complex and challenging undertaking by CUB, and developing a model that was searchable by geographic area proved difficult. The complexity of the database required greater resources than anticipated to host the website and its component parts. Additionally, collaboration with service providers was a challenge, and CUB worked with Delaris to develop unique access features for service providers to update their own information. CUB will be presenting to the OTA's fall

marketing conference on how to update provider information and is looking for other avenues to collaborate with service providers.

In the last month CUB has primarily focused on the promotion and marketing of CUB Connects. The plan is to expand and grow these efforts over the next year. CUB is in the process of developing ways to promote CUB Connects online, on the radio and on local television. Furthermore, the CUB Connects staff has designed informational brochures to distribute throughout Oregon in the coming months. Furthermore, with a working data model and toll-free helpline available, providing community workshops and outreach is a major priority over the next year. CUB is dedicated to helping consumers in the state and is eager to share the CUB Connects project with the greater Oregon community.

### ***Conclusion***

Section 4(A) of the Framework Agreement entered into by the Oregon Public Utility Commission Staff, Qwest and CUB requires that this report be submitted to the OPUC after the first year of CUB Connects operation. CUB is willing to supply additional information upon request and answer questions that the OPUC staff may have about this report.

Respectfully Submitted,  
June 1, 2011

Andrea Crosby  
Project Manager  
CUB Connects

cc. Diane Davis, Bryan Conway, Celeste Hari, Phil Boyle and Ron Trullinger and Mark Reynolds, Qwest/Centurylink

Table 2: CUB Connects Detailed Budget (June 1, 2010 – May 31<sup>st</sup>, 2011)

		Administrative	Program	Total
<b>Expense Description</b>				400,000.00
<b>1</b>	Rent Expense	5,699.28	9,974.46	15,673.74
<b>2</b>	Consulting Fee Expense	4,540.00	0.00	4,540.00
<b>3</b>	Special Projects Expense	0.00	612.50	612.50
<b>4</b>	Insurance Expense	0.00	262.00	262.00
<b>5</b>	Bookkeeping Expense	0.00	408.75	408.75
<b>6</b>	Telephone & Internet Expense	0.00	1,249.27	1,249.27
<b>7</b>	Office Supplies Expense	0.00	823.95	823.95
<b>8</b>	Website/Online Expense	71.92	44,832.03	44,903.95
<b>9</b>	License & Permit Expenses	35.00	1,120.00	1,155.00
<b>10</b>	Promotion & Marketing Expense	0.00	3,550.00	3,550.00
<b>11</b>	Conference Expense	0.00	1,036.80	1,036.80
<b>12</b>	IT Consulting Expense	125.00	2,832.25	2,957.25
<b>13</b>	Equipment Expense	901.48	2,452.73	3,354.21
<b>14</b>	Hiring Expense	0.00	397.00	397.00
<b>15</b>	Reimbursement Expenses	0.00	350.87	350.87
<b>16</b>	Payroll Expenses	9,558.72	105,634.21	115,192.93
<b>Total Expense</b>		<b>\$20,931.40</b>	<b>\$175,536.82</b>	<b>\$196,468.22</b>

**Table 3: CUB Connects Projected v Actual Budget Comparison (June 1, 2010 – May 31<sup>st</sup>, 2011)\***

Expense Description	Projected Funds	Actual Funds Spent	Difference
Website Development/Maintenance	\$55,000.00	\$47,861.20	\$7,138.80
Promotion/Marketing	\$75,000.00	\$8,702.50	\$66,297.50
Hiring Expense	\$500.00	\$397.00	\$103.00
Telecom Equipment	\$500.00	\$823.95	-\$323.95
Office Equipment	\$4,000.00	\$3,354.21	\$645.79
Printing and Reproduction	\$5,500.00	\$0.00	\$5,500.00
Insurance	\$500.00	\$262.00	\$238.00
Rent	\$8,000.00	\$15,673.74	-\$7,673.74
Telecommunications Services	\$3,000.00	\$1,249.27	\$1,750.73
Travel Expenses	\$2,500.00	\$1,387.67	\$1,112.33
Licenses and Permits	\$100.00	\$1,155.00	-\$1,055.00
Postage/Mailing	\$500.00	\$0.00	\$500.00
Other*	\$4,500.00	\$408.75	\$4,091.25
Payroll Expenses	\$190,000.00	\$115,192.93	\$74,807.07
<b>Total</b>	<b>\$349,600.00</b>	<b>\$196,468.22</b>	<b>\$153,131.78</b>

\*Book Keeping Expenses from Table 2 are included here

\*Please note that the comparison budget in Table 3 uses the budget categories outlined in the Framework Agreement. For the detailed chart of actual funds spent, please see Table 2.

ORDER NO.

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