

ORDER NO. 11 325

ENTERED AUG 25 2011

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1517

In the Matter of

UNITED TELEPHONE COMPANY OF
THE NORTHWEST fka EMBARQ dba
CENTURYLINK

ORDER

Request for Waiver of OAR 860-033-0006.

DISPOSITION: APPLICATION APPROVED

On March 23, 2011, United Telephone Company of the Northwest, fka Embarq, dba CenturyLink (CenturyLink), filed a request with the Public Utility Commission of Oregon (Commission) to waive the assessed late report fee, the late penalty, and the interest on the unpaid surcharge fees for Residential Service Protection Fund (RSPF) surcharge reports and remittances submitted to the Commission after the deadlines in 2009 and 2010. A full description of the filing, its procedural history, and Staff's recommendation are contained in the Staff Report, attached as Appendix A and incorporated by reference.

At its Public Meeting on August 23, 2011, the Commission adopted Staff's recommendations to waive the late reporting fees, late payment penalties, and interest charges in the amount of \$2,909.08 that were assessed for Century Link's remaining violations after the first incident of delinquency.

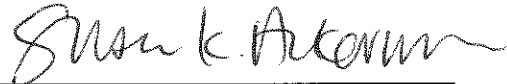
ORDER

IT IS ORDERED that United Telephone Company of the Northwest fka Embarq dba CenturyLink's request for waiver of RSPF late reporting fees, late payment penalties and interest charges assessed in the amount of \$2,909.08 for its violations after the first incident of delinquency is allowed effective August 23, 2011.

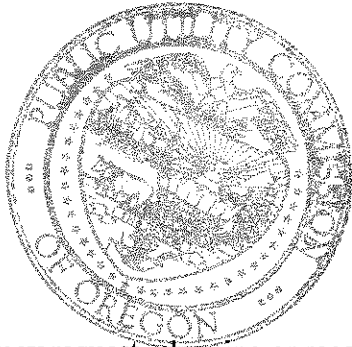
Made, entered, and effective AUG 25 2011.



John Savage
Commissioner



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.

ITEM NO. CA6

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: August 23, 2011**

REGULAR _____ CONSENT X EFFECTIVE DATE August 23, 2011

DATE: July 27, 2011

TO: Public Utility Commission

FROM: Jon Cray

THROUGH: Rick Willis  and David Poston 

SUBJECT: RESIDENTIAL SERVICE PROTECTION FUND (RSPF):
(Docket No. UM 1517) United Telephone Company of the Northwest f.k.a. Embarq d.b.a. CenturyLink Request for Waiver of Oregon Administrative Rule (OAR) 860-033-0006(6), 860-033-0006(7) and 860-033-0006(8).

STAFF RECOMMENDATION:

Staff recommends the Commission, as authorized by OAR 860-033-0006(9), waive the assessed RSPF late report fee, the late payment penalty and the interest on the unpaid surcharge fees to United Telephone Company of the Northwest, effective August 23, 2011.¹

DISCUSSION:

¹ The 2009-2011 and 2011-2013 Legislature approved funding for the Commission to create a Compliance Specialist position to ensure that all telecommunications providers and all cellular, wireless and other radio common carriers accurately collect, report and remit all RSPF surcharges to which the State is entitled pursuant to chapter 290, Oregon Laws 1987. Since the position was filled in December 2009, the Compliance Specialist, in accordance with OAR 860-033-0008, conducted an extensive audit of all telecommunications providers' and all cellular, wireless and other radio common carriers' RSPF surcharge remittance reports that were submitted no later than three years after the due date. In addition, the Compliance Specialist monitors all companies' ongoing compliance. United Telephone Company of the Northwest is one of five companies that filed a waiver request in response to the Compliance Specialist's findings. See RESIDENTIAL SERVICE PROTECTION FUND (RSPF): (Docket No. UM 1517) Ztar Mobile, Inc. Request for Waiver of Oregon Administrative Rule (OAR) 860-033-0006(6), 860-033-0006(7) and 860-033-0006(8), RESIDENTIAL SERVICE PROTECTION FUND (RSPF): (Docket No. UM 1517) Thomson Reuters Request for Waiver of Oregon Administrative Rule (OAR) 860-033-0006(6), 860-033-0006(7) and 860-033-0006(8) on behalf of Allied Wireless Communications Corporation, RESIDENTIAL SERVICE PROTECTION FUND (RSPF): (Docket No. UM 1517) ATL Communications, Inc. Request for Waiver of Oregon Administrative Rule (OAR) 860-033-0006(6), 860-033-0006(7) and 860-033-0006(8), RESIDENTIAL SERVICE PROTECTION FUND (RSPF): (Docket No. UM 1517) American Fiber Network, Inc. Request for Waiver of Oregon Administrative Rule (OAR) 860-033-0006(6), 860-033-0006(7) and 860-033-0006(8). Therefore, for consistency purposes, Staff adopted the approach of accepting payment for the first infraction if the telecommunications provider or cellular, wireless or radio common carrier provided evidence showing that it submitted the RSPF Remittance Report and surcharge fees late due to circumstances beyond its control.

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On March 17, 2011, Staff issued a letter requesting payment from United Telephone Company of the Northwest for noncompliance with OAR 860-033-0006(4), which states that "Each telecommunications provider must submit to the Commission the RSPF Remittance Report and surcharge fees on or before the 21st calendar day after the close of each month or quarter..." Staff assessed a late report fee, late payment penalty and an interest charge for a total of \$3,447.43 to United Telephone Company of the Northwest in accordance with OAR 860-001-0050. Specific amounts for each assessed charge are not included in order to protect the confidentiality of United Telephone Company of the Northwest's business trade secrets. United Telephone Company of the Northwest was delinquent in filing the RSPF Remittance Report and corresponding surcharges for the following periods in 2009 and 2010:

<u>Remittance Period</u>	<u>Deadline</u>	<u>Date Received</u>
March 2009	April 21, 2009	May 6, 2009
April 2009	May 21, 2009	June 1, 2009
September 2009	October 21, 2009	March 2, 2010
November 2009	December 21, 2009	March 2, 2010
December 2009	January 21, 2010	February 2, 2010
January 2010	February 21, 2010	March 29, 2010

Pursuant to OAR 860-033-0006(9), "...The Commission may waive the late report fee, the late payment penalty and the interest on the unpaid surcharge fees, or any combination thereof, if the telecommunications provider files a written waiver request and provides evidence showing that the telecommunications provider submitted the Remittance Report and surcharge fees late due to circumstances beyond its control." United Telephone Company of the Northwest mailed a letter to the Commission on March 23, 2011, seeking abatement of the assessed charges. United Telephone Company of the Northwest attributes its late RSPF filings and payments to accounting system conversion issues that transpired as a result of acquiring Embarq. Specifically, United Telephone Company of the Northwest explains that it mailed the RSPF Remittance Reports and surcharge fees promptly, but the vendor number they had assigned for the Commission listed an Austin, Texas address, which contributed to the arrival delay. In addition, it asks the Commission to consider its impeccable record for three other accounts (i.e. CenturyTel of Oregon, CenturyTel of Eastern Oregon and CenturyTel Long Distance) for which it files the RSPF Remittance Report and surcharge fees. See Attachment A.

As a testament to their commitment in maintaining a compliant status with the Commission, United Telephone Company of the Northwest tendered payment in the amount of \$538.35 for its delinquent March 2009 filing. Staff supports United Telephone Company of the Northwest's waiver request because it immediately rectified

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the erroneous address of the Commission in their account and has since maintained consistent compliance for filing the RSPF Remittance Report and surcharge fees. Staff also verified that the other three accounts that United Telephone Company of the Northwest administers are in good standing.

PROPOSED COMMISSION MOTION:

The Commission, in accordance with OAR 860-033-0006(9), waive the remaining RSPF late reporting fees, the late payment penalties and the interest charges that were assessed to United Telephone Company of the Northwest in the amount of \$2,909.08, effective August 23, 2011.

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CenturyLink™

P O Box 4065
Monroe, LA 71211-4065
Tel: 318.388.9000

Attachment A

March 23, 2011

Late Payments

Oregon Public Utility Commission
RSPF
550 Capital St NE STE 215
PO Box 2153
Salem, OR 97308-2153

To Whom it may Concern:

We are in receipt of your letter for United Telephone of the Northwest (Company ID OR25) stating penalties and interest owed due to late filings/payments. Due our recent merger with Embarq we have had a few issues. In this specific case, the vendor number we have set up for you had an Austin, Texas address. The checks were issued and mailed with the remittance on time, however, they were sent to the wrong address, and therefore caused the delay to get to the Oregon Public Utility Commission.

We respectfully request a waiver of penalties due. Our account has been up to date since the address issue was resolved, and our other three accounts (CenturyTel of Oregon, CenturyTel of Eastern Oregon, and CenturyTel Long Distance) have been in compliance for years. Enclosed is a check for the interest due to show our good faith effort to stay compliant.

Thank you in advance for your time and consideration. If you have any questions I can be reached at 318-330-6215 or heather.gilbreath@centurylink.com.

Sincerely,

Heather F Gilbreath
Senior Accountant
Transaction Tax Compliance
CenturyLink

Enclosure (1)