

**OREGON PUBLIC UTILITY COMMISSION
INTEROFFICE CORRESPONDENCE**

DATE: February 25, 2026

TO: File through Russell Beitzel

FROM: Joseph Bartholomew

SUBJECT: CENTURYTEL OF OREGON AND CENTURYTEL OF EASTERN OREGON
dba CENTURYLINK:
(Docket No. ADV 1828/Advice No. 383) Increases Residential Basic
Exchange Access Service flat monthly rates and local measured
monthly rates in OR PUC No. 6 Tariff.

I have reviewed this filing and recommend that an acknowledgement letter be sent. With this filing, CenturyTel of Oregon and CenturyTel of Eastern Oregon, CenturyLink (CenturyTel or Company) proposes to adjust certain rates in compliance with its Price Plan.

Issue

Whether the tariff changes proposed by CenturyTel should be allowed to become effective for service rendered on and after March 1, 2026.

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. 24-113 in Docket No. UM 1908. Section 8.a.i of the Price Plan requires CenturyTel to file all tariff changes with the Commission at least 30 days prior to the effective date of the change. Section 8.b.i of the Price Plan requires CenturyTel to provide customers with 30-day notice of monthly recurring price changes.

Pursuant to Section 4.e.i of the Price Plan, monthly rates for flat rate residential Primary Line Basic Service may not increase by more than \$3.00 annually and may not increase by more than \$12.00 over any four-year Plan term, subject to service quality metrics as described in 4.e.ii and 4.e.iii.

Analysis

This filing was submitted on January 14, 2026, with a proposed effective date of March 1, 2026, in compliance with the filing requirements stated in the Company's Price Plan. The Company states that customers were notified of the rate changes proposed

with this filing, as required by the Price Plan.

The proposed changes to Flat Rate Service (Rate Group 1) Flat Rate Service (Rate Group 2) and Local Measured Service (Rate Group 1 and 2) are shown in the table below:

Location	Sheet	Service	Current Price	Proposed Price	Current Year Rate Change
Section 5.2.C.1	8	Flat Rate Service (Rate Group 1)	\$26.98	\$27.98	\$1.00
Section 5.2.C.1	8	Flat Rate Service (Rate Group 2)	\$28.50	\$29.50	\$1.00
Section 5.2.C.1	8	Local Measured Service (Rate Groups 1 and 2)	\$21.50	\$22.50	\$1.00

Section (4)(e)(iii) in the Price Plan states:

iii) Beginning the year after the Price Plan becomes effective, the company may potentially (depending on RCT and TT/100 performance) increase rates on or around the anniversary of the prior rate increase. Such price increases (beginning year 2) will be based on the 3 components identified below. Interim 12-month rolling average calculations will not require/allow the company to decrease or increase rates between annual rate increases. For clarity, the Company may utilize these 3 components for year 2 of the Price Plan as alternative to the 2 components described in 4(e)(ii)(1) and (2).

Based on the criteria mentioned above, the Company qualifies to increase prices in sections (4)(e)(iii)(1) & (2). The previous increase for these services was requested on January 14, 2025 then approved on January 24, 2025 with an effective date of March 1, 2025. The previous increase was only based on the approved two metrics of RCT and TT/100 for all customers and Protected Customers, without inclusion of the pole safety metric. The Company qualified for \$1.50 out of the available \$3.00 based on the using those metrics as guidelines.

Related to this proposed increase, Staff considered the following information.

Section (4)(e)(iii)(1) states:

- (1) Component 1: Company statewide performance under RCT and TT/100 metrics.
 - (a) RCT and TT/100 statistics shall be calculated on the basis of a statewide 12-month average using all 167 wire centers.
 - (b) The TT/100 metric will be measured by the percentage of its 167 wire centers that are compliant per month over a rolling 12-month period.
 - (c) The Company may increase Primary Basic Line Service, no more than \$1.00, by the amount found at the intersection of its RCT and TT/100 rates performances below for all Oregon customers.

The following table shows the Company’s ability to increase prices based on the statewide customer RCT within 48 hours and TT/100 customers’ performance outlined above. Based on analysis of the Company Service Quality Reports, they qualify for the increase highlighted in the table below for this metric:

	TT/100 Performance Below 70% compliant	TT/100 Performance 70%-79% compliant	TT/100 Performance 80%-89% compliant	TT/100 Performance 90%+ compliant
RCT 90%+	\$0.50	\$0.67	\$0.83	\$1.00
RCT 80%-89%	\$0.33	\$0.50	\$0.67	\$0.83
RCT 70%-79%	\$0.17	\$0.33	\$0.50	\$0.67
RCT < 70%	\$0.00	\$0.17	\$0.33	\$0.50

Section (4)(e)(iii)(2) states:

- (2) Component 2: Company performance under RCT and TT/100 metrics for Protected Customers.
 - (a) RCT and TT/100 statistics shall be calculated on the basis of a 12-month, rolling average for Protected Customer
 - (b) The TT/100 metric will be measured by the percent compliance the company achieves for Protected Customers (calculated as a single group) per month over a rolling 12-month period.
 - (c) The Company may increase Primary Basic Line Service, no more than \$1.00, by the amount found at the intersection of its RCT and TT/100 rates for all Protected Customers.

The following table shows the Company’s ability to increase prices based on the statewide

Protected Customers RCT withing 48 hours and TT/100 Protected Customers performance outlined above. Based on analysis of the Company Service Quality Reports, they qualify for the increase highlighted in the table below for this metric:

	TT/100 Performance Below 70% compliant	TT/100 Performance 70%-79% compliant	TT/100 Performance 80%-89% compliant	TT/100 Performance 90%+ compliant
RCT 90%+	\$0.50	\$0.67	\$0.83	\$1.00
RCT 80%-89%	\$0.33	\$0.50	\$0.67	\$0.83
RCT 70%-79%	\$0.17	\$0.33	\$0.50	\$0.67
RCT < 70%	\$0.00	\$0.17	\$0.33	\$0.50

Section (4)(e)(iii)(3) states:

- (3) Component 3: Company’s compliance with fire and safety inspections referenced below under section 11 Service Quality and Safety.
 - (a) This component will be evaluated as a snapshot in time (as opposed to a 12-month rolling average) as of the date the Company proposes to exercise upwards pricing flexibility in each year of the Plan.
 - (b) The Parties recognize that completion of National Electrical Safety Code (NESC) violation projects can be delayed by matters beyond the Company’s control. Those include most notably delays in obtaining municipal permits and/or delays caused by other pole attachers or pole owners. In the event any NESC violation project is delayed by matters beyond the Company’s control, the Company may seek from the Public Utility Commission Staff an adjustment to the relevant deadline; such adjustments will not be unreasonably denied, conditioned, or delayed.
 - (c) The Company may increase its Primary Basic Line Service by up to the amount permitted in the table below for the weighted average age of outstanding NESC violation reports.

The ability for the Company to increase its pricing in this metric is shown in the table below, however the Company did not meet any of the objectives; therefore, is not able to increase any prices via this metric:

Outstanding OPUC NESC Compliance Report/Violations	Weighted average report violation age > 180 days	Weighted average report violation age < 180 and > 120 days	Weighted average report violation age < 120 and > 60 days	Weighted average report violation age < 60 days
	\$0.00	\$0.50	\$0.75	\$1.00

The Company partially will apply two of the three metrics to the requested increases allowing them to increase each service by \$1.00 for this term year. With this increase the Company will have increased these products by \$2.50 since the approval of the Price Plan, which remains within the \$6.00 available to them thus far into the plan and is still below the cap of \$12.00 for the full price plan period.

Conclusion

This filing complies with applicable laws, rules, and the provisions of CenturyTel’s Price Plan. The filed tariff sheets should be allowed to become effective, and an acknowledgement letter should be sent.