PUBLIC UTILITY COMMISSION OF OREGON STAFF REPORT PUBLIC MEETING DATE: September 23, 2008

REGULAR CONSENT X EFFECTIVE DATE October 1, 2008

DATE: September 9, 2008

TO: Public Utility Commission

FROM: John Reynolds

THROUGH: Lee Sparling, Bryan Conway and Cynthia Van Landuyt

SUBJECT: OREGON EXCHANGE CARRIER ASSOCIATION (OECA):

(Advice No. 104) Revises special access rates for Stayton Cooperative

Telephone Company.

STAFF RECOMMENDATION:

Staff recommends the Commission allow the June 16, 2008, revised filing, effective October 1, 2008, to go into effect.

DISCUSSION:

On August 27, 2008, the Oregon Exchange Carrier Association (OECA) filed Advice No. 104 in its Intrastate Access Tariff, revising special access rates for Stayton Cooperative Telephone Company, to be effective October 1, 2008. The filing was made under ORS 759.220, *Joint rates and classifications; procedure; considerations* and ORS 759.225, *Applications of ORS 759.220 to unincorporated associations and cooperative corporations*. The filing revises Stayton's Intrastate Access Pool Special Access rates to reflect 2008 cost and demand.

At the June 25, 2008, Public Meeting, the Commission approved OECA's Advice No. 102, revising the Access Charge pool Common Carrier Line (CCL) rates, effective July 1, 2008. Effective July 1, 2008, Stayton Cooperative Telephone Company rejoined the Optional Pool, adopting the pool CCL rates. Also at the June 25, 2008, Public Meeting the Commission approved OECA's Advice No. 103, revising rates for the Special Access pool and for the Billing and Collection pool. Stayton, however, did not rejoin the Special Access pool or the Billing and Collection pool. Instead, it retains its own company-specific rates for special access and for billing and collection.¹

¹ The Commission does not require annual filings to update cost and demand for special access rates.

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The Tariff revision reflects a general reduction of Stayton's rates for special access services including Voice Grade circuits (2-wire and 4-wire), Digital Data Service (2.4 Kbps to 56.0 Kbps), and High Capacity Service (64 Kbps to 274.176 Mbps). In addition, the new rates proposed by Stayton are generally below the OECA Special Access Pool rates approved at the June 25, 2008, Public Meeting.

In accordance with ORS 759.220(2), *Joint rates and classifications; procedure; considerations,* the Commission could suspend this filing for further investigation. However, since Staff has reviewed Stayton's supporting financial records filed with its 2008 Access Filing for the Optional Pool, Staff recommends the Commission accept the OECA revised special access rates for Stayton.

PROPOSED COMMISSION MOTION:

OECA's Advice 104, revising special access rates for Stayton Cooperative Telephone Company be allowed to go into effect October 1, 2008.