

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: January 6, 2009**

REGULAR X **CONSENT** **EFFECTIVE DATE** January 7, 2009

DATE: December 24, 2008

TO: Public Utility Commission

FROM: Suzanne Smith

THROUGH: Lee Sparling through Bryan Conway and Roger White

SUBJECT: QWEST CORPORATION: (Advice No. 2075) Establishes a Percent Interstate Usage (PIU) floor for unidentified Feature Group D (FGD) terminating traffic.

STAFF RECOMMENDATION:

Staff recommends that the Commission suspend Qwest Corporation's proposed tariff revisions of the PIU floor in Advice No. 2075.

DISCUSSION:

On November 25, 2008, Qwest Corporation (Qwest) filed Advice No. 2075 in PUC OR No. 32 with an effective date of January 1, 2009. On December 15, 2008, Qwest filed an extension of the effective date to January 7, 2009. This extension was filed in response to an objection to the proposed tariff changes by MCI Communications Services, Inc. d/b/a Verizon Business Services (Verizon Business). In this filing, Qwest proposes to establish a PIU floor for unidentified FGD¹ terminating traffic.

The Verizon Business objection states that Qwest's proposed revisions would result in a higher percentage of traffic being billed at intrastate rates, which it says are higher than the interstate access rates and thereby would increase the amounts billed to Verizon Business and other access purchasers.

¹ Feature Group D (FGD) traffic is a class of service associated with equal access arrangements. Interexchange carriers (IXCs) and larger carriers pay extra for FGD traffic terminations, which is a trunk side connection provided by an ILEC (Incumbent Local Exchange Carrier). FGD is what makes it possible for a customer to dial a long distance 1+ number using a preselected long distance carrier. Without this, the customer must dial a 7 or 10 digit number, a calling card number and PIN and then the desired number.

Qwest Advice No. 2075
December 24, 2008
Page 2

ORS 759.185 allows the Commission to suspend rates pending hearing. Staff recommends that the Commission suspend the filing for investigation. Suspending the tariff will allow the Commission time to review and address Verizon Business's objection.

PROPOSED COMMISSION MOTION:

Qwest's revised Advice No. 2075, which establishes a PIU floor for unidentified FGD terminating traffic, be suspended for further investigation.