

Idaho Telecommunications

Telephone company serving Salmon area elects to deregulate

Case No. CEN-T-13-02
May 22, 2013

CenturyTel of Idaho notified the Idaho Public Utilities Commission that it intended to remove its telecommunications services from price regulation effective July 2.

CenturyTel's filing does not immediately impact rates for the company's approximate 2,960 customers in Salmon, Leadore and North Fork.

In 2005, the Idaho Legislature amended the Telecommunications Act of 1988 to allow telephone corporations to elect to set their own rates rather than have them established by the commission. CenturyTel is part of CenturyLink (formerly Qwest), the large telecommunications company that advocated price deregulation in 2005, arguing that increased competition in the telecommunications field made it no longer necessary for the commission to set customer rates.

However, the commission retains authority to regulate customer service issues such as service quality standards, customer notice and customer relations rules and billing practices. CenturyTel's price lists must still be filed with the commission even though the commission will not set rates.

CenturyLink, then Qwest, initially sought price deregulation from the Idaho commission in 2003, but the commission denied the company's petition, ruling that cell phone service did not yet provide effective competition to landline telephone service. In 2004, Qwest asked the Idaho Legislature to amend the statute to allow price deregulation. The company's 2004 attempt failed, but an amended version passed the House in 2005 by a 48-22 vote. In the Senate, HB 224 ended in a tie vote with the Senate president, then Lt. Gov. Jim Risch, breaking the tie in favor of the bill.

Shortly thereafter, Qwest elected to price deregulate in both its northern and southern Idaho regions as did Verizon Northwest (now Frontier Communications).

There are nine rural telephone companies in Idaho that are still price regulated. Eight of those still receive Universal Service Fund (USF) disbursements. That fund helps rural companies provide service in areas where greater distances and fewer customers make providing service more costly than in urban areas. If those rural companies elected to price deregulate they would no longer receive USF disbursements.

Low-income surcharge decreases while fund for hearing, speech impaired stays the same

Case Nos. GNR-T-13-03, Order No. 32787
Case No. GNR-T-13-02, Order No. 32768
May 22, 2013

A surcharge that helps to ensure low-income Idahoans, including many senior citizens, have access to local dial-tone service for medical and other emergencies, decreased from 7 cents per month to 3 cents for each business, residential and wireless phone line in Idaho effective June 1, 2013.

The commission agreed to decrease the surcharge for the **Idaho Telecommunications Service Assistance Program (ITSAP)** due to decreased participation and a reduction in the state portion of the credit qualifying customers get from \$3.50 per month to \$2.50.

Those customers who live on non-tribal lands who qualify for ITSAP receive a combined federal and state monthly discount of \$12.75 from their telephone bills, though that will decrease to \$11.75 on July 1.

Program eligibility is determined by the state Department of Health and Welfare and the Idaho Public Utilities Commission establishes the amount of surcharge necessary to fund the program.

During 2012, an average of 23,434 Idahoans per month received ITSAP assistance, down 7 percent from the average of 25,310 in 2011. The number of wireline access lines

continues to decline, with a 4 percent drop during 2012 while wireless (cellular) lines increased by 13 percent. The average number of wireline access lines was 491,572 in Idaho during 2012, compared to 512,672 in 2011. Wireless access lines increased from 1,132,234 in 2011 to 1,276,830 in 2012.

The new 3-cent per line charge is effective June 1. The surcharge has been as high as 12 cents per line per month in past years.

In a related case, the commission decided to leave at current levels the funding for the **Idaho Telecommunications Relay Service (TRS)**, which assists hearing and speech impaired telecommunications users.

The TRS allows hearing and speech impaired citizens to use telephones via a relay center that converts oral conversation to text-type and vice versa. The service is funded by an assessment on residential and business lines of 2 cents per month and a charge of two-tenths of 1 cent per minute on intrastate long distance calls.

Use of the service is declining due to advancing technology in Internet-based services and cell phone texting.

During 2012, the relay center handled 48,685 minutes of traffic compared to 70,995 during 2011, a 19 percent decrease. Although the number of captioned telephone service sets increased by 10 percent, usage decreased by 22 percent.

Telecommunication Utilities Under PUC Jurisdiction

Albion Telephone Corp (ATC) , P.O. Box 98, Albion, Idaho 83311-0098 **208-673-5335**
Cambridge Telephone Co. P.O.Box 88, Cambridge, Idaho 83610-0086 **208-257-3314**
***CenturyLink, (formerly Qwest Communications)** North and South Idaho, Box 7888 (83723) or 999 Main Street, Boise, Idaho 83702 **800-339-3929**
***CenturyTel of Idaho, Inc.**, dba CenturyLink, 250 Bell Plaza, Room 1601, Salt Lake City, UT, 84010, **801-238-0240**.
***CenturyTel of the Gem State**, dba CenturyLink, 250 Bell Plaza, Room 1601, Salt Lake City, UT, 84010, **801-238-0240**.
***Frontier Communications Northwest, Inc.** (formerly Verizon Northwest, Inc.), 20575 NW Von Neuman Dr. Ste. 150, Beaverton, OR, 97006, **503-629-2459**
Direct Communications Rockland, Inc., Box 269, 150 S. Main St. Rockland, ID 83271 **208-548-2345**
Inland Telephone Co., 103 South Second Street, Box 171, Roslyn, WA 98941 **509-649-2211**
Fremont Telecom, Inc., dba Fremont Communications, 1221 N. Russell St., Missoula, MT, 59808, **406-541-5454**
Midvale Telephone Company, Box 7, Midvale, Idaho 83645, **208-355-2211**
***Citizens Telecommunications Company of Idaho**, dba as Frontier Communications of Idaho, 20575 NW Von Neuman Dr. Ste. 150, Beaverton, OR, 97006, **503-629-2459**
Oregon-Idaho Utilities, Inc., 3645 Grand Ave., Ste. 205A, Oakland, CA 94610 **510/338-4621**
Local: 1023 N. Horton St., Nampa, Idaho 83653 **208-461-7802**
Pine Telephone System, Inc., Box 706, Halfway, OR 97834 **541-742-2201**
Potlatch Telephone Company, dba/ TDS Telecom, Box 138, 702 E. Main St. Kendrick, Idaho 83537, **208-835-2211**
Rural Telephone Company, 829 W. Madison Avenue, Glens Ferry, Idaho 83623-2372 **208/366-2614**
Silver Star Communications, Box 226, Freedom, WY 83120 **307-883-6690**
Silver Star Communication, dba Teton Telecom, Box 226, Freedom, WY, 83210, **307-883-6690**

**These companies, which represent more than 90 percent of Idaho customers, are no longer rate regulated. However, they are still regulated for customer service.*