

DECISION MEMORANDUM

TO: COMMISSIONER KJELLANDER
COMMISSIONER SMITH
COMMISSIONER HANSEN
COMMISSION SECRETARY
LEGAL
WORKING FILE

FROM: CAROLEE HALL

DATE: JANUARY 9, 2006

RE: OREGON-IDAHO UTILITIES COMPLIANCE FILING FOR THE
PRIMARY INTEREXCHANGE CARRIER (“PIC”) CHARGES IN
COMPLIANCE WITH COMMISSION ORDER NO. 29916;
CASE NO. GNR-T-05-1.

BACKGROUND

On December 30, 2005, Oregon-Idaho Utilities, Inc., filed Tariff Advice No. 5 in compliance with Commission Order 29916 issued in Case No. GNR-T-05-1.

DISCUSSION

On November 23, 2005, the Commission issued Order No. 29916 in Case No. GNR-T-05-1, wherein it adopted the intrastate/intraLATA primary interexchange carrier (LPIC) change charge. The Commission stated that the LPIC change charges “shall coincide with the FCC’s PIC change charge safe harbor pricing structure”.

The FCC issued a Report and Order (47 C.F.R. Chapter I, CC Docket No. 02-53, FCC 05-32) revising its PIC charge policies. PIC change charges are federally tariffed charges imposed by Incumbent Local Exchange Carriers (“ILECs”) on end-user subscribers when these subscribers change their long distance carriers. The Report and Order requires ILECs to create separate PIC change charges based on the method used to process the request. Based on cost information submitted in the record of the proceeding, the Report and Order adopts safe harbors below which PIC change charges will be considered reasonable. These safe harbors are \$1.25 for electronically processed PIC changes and \$5.50 for manually processed PIC changes. Additionally, ILECs must also revise their federal tariffs to reflect a rate that is equal to 50

percent of the full PIC change charge rate when a customer requests a PIC change in conjunction with an LPIC change.

STAFF ANALYSIS AND RECOMMENDATION

The Company is requesting an effective date of January 1, 2006. Because this is a compliance filing as a result of the Commission's Order, Staff recommends approval.

COMMISSION DECISION

Does the Commission agree?

Carolee Hall

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