

# Oregon Telephone Company

## Mergers Since 2009

Since 2009, the Oregon landscape for plain old telephone service as some call it has changed considerably. The state now has two large, dominant “landline carriers” providing service. They are Frontier Communications and CenturyLink who have approximately 750,000 lines.

The information displayed below explains when the merger requests were filed with the Commission and when a decision was reached. The Commission does not have authority over mergers of cellular companies. That job falls to the Federal



Communications Commission.

### **Century Tel Inc. buys Embarq Corporation UM 1416**

**2009**

The Oregon Public Utility Commission (OPUC) approved the merger of Century Tel Inc. and Embarq Corporation in May, 2009 through Order No. [09-169](#). In reviewing telecommunications mergers, the commission applies a standard that requires the merger is “in the public interest” and “does no harm” to ratepayers. To ensure that standard is met, the Commission approval requires access to financial information, the ability to review the reasonableness of the transaction for rate setting purposes, and other requirements.

The post-merger parent company, **Century Tel Inc.**, controls three Incumbent Local Exchange Carriers (ILECs) – 1) United Telephone Company of the Northwest, 2) Century Tel of Oregon, and 3) Century Tel of Eastern Oregon. These three ILECs provide local telephone service to a geographically diverse and wide spread section of Oregon.



### **Frontier Communications Buys Verizon Northwest Property UM 1431 2010**

The Oregon Public Utility Commission (OPUC) approved the transfer of property from Verizon Northwest Inc. to Frontier Communications Corporation in February, 2010 through Order No. [10-067](#). In reviewing telecommunications transactions, the commission applies a standard that requires that the acquisition is “in the public interest” and “does no harm” to ratepayers. To ensure that standard is met, the Commission applied conditions related to investments in broadband, service quality, access to financial information, and other requirements.

Before the merger, Verizon Northwest provided local telephone services to approximately 310,000 access lines in Oregon and Frontier Oregon provided local access service to approximately 12,000 access lines in Oregon. The combined company operates under the name **Frontier Northwest** and provides telephone service to a geographically diverse and wide spread section of Oregon.



### **CenturyLink, Inc. buys Qwest Communications, Inc. UM 1484 2011**

In May of 2010, CenturyLink, Inc. applied to the Commission for approval to purchase Qwest Communications International, Inc. The Commission approved that application in March, 2011 through Order No. [11-095](#). In reviewing telecommunications acquisitions, the Commission applies a standard that requires the merger is “in the public interest” and “does no harm” to ratepayers. To ensure that standard is met, the approval includes Commission-imposed requirements related to access to financial information, the ability to review the reasonableness of the transaction for rate setting purposes, specific post-merger commitments and responsibilities, and other requirements.

Before the acquisition, **CenturyLink** was the parent company of three Incumbent Local Exchange Carriers (ILECs) in Oregon – 1) CenturyTel of Oregon, 2) CenturyTel of Eastern Oregon, and 3) United Telephone Company of the Northwest d/b/a CenturyLink. Those three ILECs served approximately 109,000 access lines in Oregon. Prior to the merger, Qwest served approximately 802,000 access lines in Oregon. Since the merger, customers of the three CenturyLink ILECs are receiving service from their pre-merger providers. Customers of Qwest prior to the merger are now receiving service from the same ILEC doing business under the name **CenturyLink QC**.