

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT**

PUBLIC MEETING DATE: August 8, 2023

REGULAR _____ **CONSENT** **X** **EFFECTIVE DATE** _____ **N/A** _____

DATE: July 24, 2023

TO: Public Utility Commission

FROM: Kathy Shepherd

THROUGH: Bryan Conway and Marc Hellman **SIGNED**

SUBJECT: ORIGIN NETWORKS, LLC, and HUNTER COMMUNICATIONS AND TECHNOLOGIES, LLC:
(Docket Nos. CP 1552 and CP 1461)
Petition for Waiver of Notice Requirement of OAR 860-032-0020(11).

STAFF RECOMMENDATION:

Staff recommends the Commission grant the petition by Origin Networks, LLC, d/b/a Infostructure (Infostructure) and Hunter Communications and Technologies, LLC (Hunter) (collectively, Petitioners) seeking waiver of the 90-day time period for customer and Commission notification of abandonment of service under OAR 860-032-0020(11) and permit a notice period of approximately 60 days.

DISCUSSION:

Petitioners are both competitive telecommunications providers certificated to provide intra-exchange and interexchange services in Oregon. Infostructure was granted a certificate of authority on July 16, 2013. See Docket No. CP 1552, Order No. 13-273. Hunter was granted a certificate of authority on March 30, 2001, with additional services authorized on November 7, 2009. See Docket Nos. CP 907, Order No. 01-261, and CP 1461, Order No. 09-446.

On July 19, 2023, Petitioners filed notice with the Commission of a transaction that will result in Hunter’s acquisition of Infostructure’s assets and customer base. Pursuant to an Asset Purchase Agreement dated July 5, 2023, Hunter will purchase various rights, property, and assets (including all customer contracts and customer relationships) used in or necessary for Infostructure’s provision of resold voice and IP-based data services. Following the transaction, which is scheduled to occur by approximately

September 18, 2023, Hunter will become the telecommunications service provider for Infostructure's California, Oregon, and Washington customers. Infostructure will then no longer provide telecommunications services in Oregon or any other state.

OAR 860-032-0020(11) governs abandonment of service by competitive telecommunications service providers. This rule requires the provider to give 90 days' notice to both the affected customers and the Commission prior to the abandonment of service. Petitioners request a waiver of the rule requiring 90 days' notice.

In its joint Petition for Exemption from OAR 860-032-0020(11), Petitioners state that the sale of Infostructure's customers to Hunter is planned for September 2023, in compliance with FCC notification requirements. Customers were notified of the transaction on July 19, 2023, approximately 60 days prior to the planned transfer. Therefore, Petitioners filed their request for waiver of OAR 860-032-0020(11), specifically the 90-day notification period for customers and the Commission. OAR 860-032-0020(16) allows the Commission to grant a petition to waive any time period or requirement of the rules for good and sufficient reason.

Petitioners state that the transfer will be transparent to customers and will not affect the services available to customers or result in a change to the rates, terms, and conditions of their service. Customers also have the option of discontinuing service and selecting a different provider if they choose.

Because the transfer is planned to occur in September 2023, compliance with the 90-day notice requirement would unnecessarily delay the transfer, which will be within FCC notification requirements. The public interest will not be harmed by granting the waiver and allowing approximately 60 days for customer notice. Staff supports granting the waiver based on the transfer's minimal impact on customers and the ample time for customers to make a decision regarding their telecommunications service.

PROPOSED COMMISSION MOTION:

Grant Origin Networks, LLC and Hunter Communications and Technologies, LLC's request for waiver of the 90-day notice period for customer and Commission notification of abandonment of service under OAR 860-032-0020(11) and permit a notice period of approximately 60 days.