



April 17, 2018

Ms. Lisa Hardie, Chair
Mr. Stephen Bloom, Commissioner
Ms. Megan Decker, Commissioner
Public Utility Commission of Oregon
PO Box 1088
Salem, OR 97308-1088

Re: Funding Sources for Oregon Universal Service Fund – AR 615

Dear Commissioners:

I am writing to you on behalf of the Oregon Telecommunications Association (OTA) to ask that you consider evaluating whether there are funding sources available for the Oregon Universal Service Fund (OUSF) in addition to traditional revenue.

The OTA represents the primary providers of voice and data communications in Oregon. Our members include local exchange telecommunications companies, video providers, internet service providers and other service providers. Some of our members utilize Voice over Internet Protocol (VoIP) to provide their customers with voice service.

The OTA understands the Commission Staff is requesting to open a rulemaking to review other possible funding sources for the OUSF, including intrastate revenue from interconnected VoIP services. OTA encourages and supports that review.

OTA has long taken the position that intrastate revenue from interconnected VoIP services should be included as a funding source for the OUSF. Intrastate interconnected VoIP utilizes the same network currently supported by the OUSF today. Intrastate revenue from VoIP can either be determined by traffic studies or using the Federal Communications Commission's safe harbor approach. In any event, those intrastate revenues should support the goals of universal service as set out in the OUSF. Some members of the OTA currently pay into the OUSF on both traditional landline and VoIP revenue and all of the incumbent local exchange carriers pay into the OUSF today.

OTA understands and appreciates the fact that at least one non-OTA member VoIP

provider is contributing to the OUSF today on a voluntary basis. That contribution shows good citizenship in accomplishing the policies inherent in the OUSF program. OTA supports a review as to whether such contributions should become mandatory for all VoIP providers.

Thank you for your consideration of these matters.

Sincerely,

/s/

Brant Wolf
Executive Vice President