

ORDER NO. 15 286

ENTERED SEP 22 2015

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UM 940

In the Matter of the

Imposition of Annual Regulatory Fees Upon  
Telecommunications Utilities and  
Competitive Telecommunications Providers  
Operating Within the State of Oregon.

ORDER

**DISPOSITION: STAFF'S RECOMMENDATION ADOPTED**

At its public meeting on September 22, 2015, the Public Utility Commission of Oregon adopted Staff's recommendation in this matter. The Staff Report with the recommendation is attached as Appendix A.

BY THE COMMISSION:



*Becky L. Beier*

**Becky L. Beier**  
Commission Secretary

A party may request rehearing or reconsideration of this order under ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Circuit Court for Marion County in compliance with ORS 183.484.

ITEM NO. CA11

PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: September 22, 2015

REGULAR \_\_\_\_\_ CONSENT X EFFECTIVE DATE November 1, 2015

DATE: September 14, 2015

TO: Public Utility Commission

FROM: Laurel Anderson *LA*THROUGH: *I* Jason Eisdorfer, Michael Dougherty, Bryan Conway, and Roger White *MA* *DW*

SUBJECT: OREGON PUBLIC UTILITY COMMISSION STAFF: (Docket No. UM 940)  
Establishes the gross revenue fee level for telecommunications providers  
for 2016.

**STAFF RECOMMENDATION:**

By November 1, 2015, the Commission issue an order to set the annual PUC fee at 0.275 percent as the percentage rate for annual fees due from telecommunications providers on April 1, 2017, in accordance with ORS 756.310.

**DISCUSSION:**

ORS 756.310(6) requires each telecommunications provider<sup>1</sup> to pay up to 3 tenths of one percent (0.3 percent) of its gross retail intrastate Oregon revenue or \$100, whichever is more, to the Commission. The Commission opened Docket No. UM 940 in 1999 to set the annual fee levels for telecommunications providers. Until 2015, the statutory maximum rate was 0.25 percent. In 2015, Senate Bill 329 increased the statutory maximum to 0.3 percent.

The Commission collected \$1.9 million in annual fees from telecommunications providers in 2013, \$1.7 million in 2014, and \$1.6 million in 2015. Staff is projecting collections of \$1.5 million in 2016 based on the prior three-year period. During that

<sup>1</sup> Telecommunications provider means "a telecommunications utility or a competitive telecommunications provider as defined in ORS 759.005" (ORS 756.310(8)(c)). This definition excludes radio common carriers and telecommunications cooperatives with certificates issued only under ORS 759.025.

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forecasting the continuing decline in Oregon gross retail intrastate revenues due to continuing line losses. Therefore, for revenues recorded in 2016, the Commission should assess the annual fee at 0.275 percent. That would allow an incremental increase to the statutory maximum level of 0.3 percent in 2017. I estimate this assessment rate will provide annual fees of \$1.5 million from telecommunications providers for 2017.

The Commission must issue an order to establish the percentage rate for the annual fee "not less than 60 days prior to the calendar year upon which the fee is based" (ORS 756.310(6)(a)). For revenues recorded during 2016, this provision means the fee level order must be issued by November 1, 2015.

**PROPOSED COMMISSION MOTION:**

The annual gross revenue fee for telecommunications providers be set at 0.275 percent for calendar year 2016.

UM940 PM Establish 2017 Telecom Annual Fee Rate.doc