



Oregon

Kate Brown, Governor

Public Utility Commission

201 High St SE Suite 100

Salem, OR 97301-3398

Mailing Address: PO Box 1088

Salem, OR 97308-1088

503-373-7394

September 18, 2020

In the Matter of

PUBLIC UTILITY COMMISSION OF OREGON,

Investigation of the Oregon Universal Fund.

STAFF TIMELINE AND STAKEHOLDER
QUESTIONS



Greetings stakeholders:

At the first workshop in Docket UM 2040, a number of commenters inquired as to why this docket would not immediately proceed as a contested case. As noted in Commission Order No. 17-366, the Commission is in the process of establishing Division 100 rules to house a comprehensive framework for definitions, processes, and procedures with regards to the OUSF. Initial steps toward that end resulted in the administrative rules adopted in AR 605 and AR 611. As an initial step in UM 2040, Staff seeks to address the general policy questions the Commission needs to resolve to complete the program framework initiated in OAR Chapter 860, Division 100. These policies will provide reference and guidance for future implementation of the OUSF on an ongoing basis. These policies will apply to all affected by the OUSF program, not just those who may participate in this docket at this particular time. Based on feedback at the first workshop, Staff will focus on general policy considerations related to making distributions from the OUSF and the operation/accounting of the OUSF.

Accordingly, Staff intends to seek comment on the relevant issues and conduct workshops with the expectation that we will be making recommendations for new rules and any necessary changes to the existing rules. The recommendations will then be transferred to a rulemaking docket with either a brief informal phase or move straight to permanent rulemaking. Staff intends, at this time, to move forward in two phases, addressing distribution issues first, and allowing those recommendations to move forward to rulemaking while operations/accounting issues are taken up in this docket. Staff anticipates completing this first phase in the first quarter of 2021. Once the first two phases are complete, any matters concerning implementation may be taken up in this docket or separate dockets, and those issues may be contested cases.

The proposed initial timeline is as follows:

Phase	Date	Event
Phase I - Distributions	9/18/2020	Staff shares list of questions to be discussed at next workshop, requesting written comment
	10/26/2020	Stakeholder Comments on Staff Questions Requested
	11/2/2020	1 st Workshop to discuss Questions/Comments
	11/16/2020	2 nd Workshop to discuss Questions/Comments, additional issues (if needed)
	11/30/20	3 rd Workshop to discuss Questions/Comments, additional issues (if needed)
	12/14/20	Staff circulates strawman proposal on recommendations
	1/6/21	Stakeholder Comments on Staff proposal requested
	1/11/21	Workshop to discuss staff proposal
	1/26/21	Tentative – public meeting Staff presentation on recommendations
	TBD	Further Steps if needed
Phase II – Operating/Accounting	1/26/21	
	TBD	Workshop to solicit comments on issues.

/s/ Nicola Peterson

Nicola Peterson
 201 High Street SE
 Salem, OR 97301

nicola.peterson@state.or.us

Questions for Stakeholders

Staff requests written comments on the following questions. Comments may be submitted to the docket by October 26, 2020:

Distributions - Under ORS 759.425(4), the Commission provides support from the OUSF that includes the cost of providing basic telephone service [in high cost areas with no unsubsidized competition] less federal support, less the benchmark.

1. How should the Commission determine the *cost* of providing this service?
Staff seeks comment on the use of a general methodology, other methodologies and what information/reporting should be required.
2. What federal support amounts should be deducted?
3. How should the benchmark be defined and calculated?
4. How shall the Commission identify high cost areas and at what geographic level?
5. Should the Commission link support to the current high cost areas?
6. How should the Commission define competition? What information should be considered in evaluating the existence of competition? How often should an area be evaluated?
7. Are there areas that can be classified as ineligible or eliminated from consideration for eligibility because of non-subsidized competition or specific federal support?
8. Should the definition of Basic Telephone Service be changed? If so, what should this definition include? Should a new definition be used in determining the benchmark?
9. If the amount of calculated support exceeds the amount of available funds, how should the funds be allocated?

Staff requests comments on the general subject of how to determine eligibility to receive support from the OUSF.

10. Should a distribution be made directly to carriers or be passed through to individuals?
11. By what methods can the Commission encourage Broadband service availability?
12. Are there classes of companies the Commission should classify as not eligible for support?
13. Should the Commission tie eligibility to maintaining COLR obligations?