

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

DOCKET NO. UM 2040

In the Matter of

PUBLIC UTILITY COMMISSION OF
OREGON,

Investigation of the Oregon Universal Service
Fund.

OCTA INITIAL COMMENTS
REGARDING OUSF
DISBURSEMENT
CALCULATION
METHODOLOGY

Pursuant to Administrative Law Judge Spruce’s December 27, 2022 Scheduling Memorandum, the Oregon Cable Telecommunications Association (“OCTA”) respectfully submits its initial comments regarding the proper methodological framework for calculating Oregon Universal Service Fund (“OUSF”) disbursements for 2024.¹ On October 14, 2022, OCTA submitted to the Commission a letter detailing its concerns with the manner in which Commission Staff had calculated OUSF disbursement amounts for 2023.² For the Commission’s convenience, a copy of that letter is included as Attachment A and incorporated herein by reference.

¹ Pursuant to OAR 860-100-0300(3), the OUSF disbursement amounts adopted for 2024 will remain in place for five years.

² Staff’s disbursement calculation methodology for its 2023 OUSF disbursement recommendations is detailed in the Staff Report, dated October 3, 2022, filed in UM 2040 on October 7, 2022, for the Commission’s October 18, 2022, Public Meeting (2022 Staff Report”).

As discussed in Attachment A and as supplemented below, OCTA's recommends the following with respect to properly calculating OUSF disbursements for 2024:

- (1) limit support to lines actually served by eligible carriers;
- (2) isolate support to basic telephone service by using a cost allocation factor based on the relative bandwidth needed to provide voice service over the hypothetical broadband network simulated by the CostQuest model;
- (3) eliminate support to census blocks served by unsubsidized competitors;
- (4) subtract from OUSF disbursement calculations all appropriate federal support amounts received by eligible telecommunications carrier, including the End-User Common Line Charge (also known as the Subscriber Line Charge) and Intercarrier Compensation Support; and
- (5) set the benchmark at two standard deviations above the weighted average costs derived by the CostQuest model.

II. RELEVANT STATUTES AND RULES

a. ORS 759.425

The Commission's undertaking in this proceeding is to establish the explicit OUSF support for each eligible telecommunications carrier for 2024 pursuant to the formula set forth in ORS 759.425(3)(a),³ which states:

The commission shall establish a benchmark for basic telephone service as necessary for the administration and distribution of the universal service fund. The universal service fund shall provide explicit support to an eligible

³ Formerly ORS 759.425(4)(a). This section was renumbered pursuant to Senate Bill 1603 (80th Oregon Legislative Assembly – 2020 Special Session).

telecommunications carrier that is equal to the difference between the cost of providing basic telephone service and the benchmark, less any explicit compensation received by the telecommunications carrier from federal sources specifically used to recover local loop costs and less any explicit support received by the telecommunications carrier from a federal universal service program.

ORS 759.425(3)(b) further requires that the Commission periodically review the benchmark established under subsection (a), as follows:

The commission shall periodically review the benchmark established under paragraph (a) of this subsection and adjust the benchmark as necessary to reflect:

- (A) Changes in competition in the telecommunications industry;
- (B) Changes in federal universal service support; and
- (C) Other relevant factors as determined by the commission.

Finally, in calculating OUSF disbursements, the Commission is also required to ensure that the OUSF remains *competitively neutral* and *nondiscriminatory*, consistent with ORS 759.425(1)(a), which states:

The Public Utility Commission shall establish and implement a competitively neutral and nondiscriminatory universal service fund.

b. OAR 860-100-0300

The Commission recently adopted rules in docket AR 649, effective July 27, 2022, that further define how the Commission will calculate OUSF distributions. OAR 86-100-0300, entitled “OUS Fund Disbursement Calculations,” applies to the calculation of disbursements made on or after January 1, 2023.⁴ In calculating the total required amount of OUSF support, the rule provides as follows:

(2) The Commission uses the Cost Quest model, or a similar model approved by the Commission to calculate total support amounts. The model will be used to assist in setting a benchmark for basic telephone service, calculate the cost of providing basic telephone service, and to calculate the difference between the cost and the benchmark, minus the explicit compensation and support identified in ORS 759.425. When the cost, after subtracting the explicit compensation and support identified in ORS 759.425, as applicable, exceeds the applicable benchmark in a

⁴ OAR 860-100-300(1).

particular geographic support area, the Commission may designate the support area as one requiring support from the OUS Fund.

(a) For purposes of this rule, "support area" may mean a census block or a wire center.

(b) The Commission may establish a different benchmark for a support area, based on the following considerations:

(A) changes in competition in the telecommunications industry;

(B) changes in federal universal service support; or

(C) other relevant factors as determined by the commission, including but not limited to whether it contains tribal lands, as defined in 47 C.F.R. 54.5.

Once the total amount of OUSF support available is determined, the rule further provides that the OUSF will be split into two categories, for purposes of allocating the required support at the support area level, as follows:

(a) The available amount to be disbursed from the fund will be split into two categories for purposes of allocating the required support at the support area level between:

(A) Category one: The large company pool, which consists of support for support areas served by a telecommunications provider or affiliated group of telecommunications providers that serves 50,000 or more access lines in Oregon.

(B) Category two: The small company pool, which consists of support for support areas served by a telecommunications provider or affiliated group of telecommunications providers that serves fewer than 50,000 access lines in Oregon.

(b) The size of the Category one and Category two pools will be proportionally reduced to reflect the amount available to be disbursed from the fund when the amount available from the fund, given statutory limits, is less than the required support amount in a given year.

(c) The support amount for an individual telecommunications provider is based on an allocation of the applicable category pool. Each pool will be allocated among eligible telecommunications providers as follows:

(A) Category one: The large company pool will be allocated using the Cost Quest or a similar model approved by the Commission, with annual updates, as necessary.

(B) Category two: The small company pool will be allocated using the historic embedded cost model as described in Commission Order No. 03-082. The Commission will use historic cost data submitted by a provider on Form I to the Commission.

This rule essentially divides the total available OUSF support between the two largest incumbent local exchange companies ("ILECs") in the State, Lumen and Zply, on the one hand ("Large Company Pool"), and all the rural ILECs ("RLECs"), on the other ("Small Company Pool"). Total

available OUSF support for the Large Company Pool is allocated based on the amounts available per support area (*i.e.*, per census block, or ILEC wire center) as calculated using the CostQuest model. Total available support in the Small Company Pool is allocated per RLEC based on each RLEC's embedded costs.

III. REMAINING METHODOLOGY ISSUES

While the relevant statute and rules provide the overarching framework for the calculation of OUSF disbursements, there are several methodological issues that the Commission must resolve in order to properly calculate OUSF distributions. These include:

- (1) ensuring that OUSF support is provided to eligible telecommunications carriers for only the locations they actually serve, and not to provide companies with support for locations served by other (*e.g.*, competitive carriers), or for locations that are not served at all. This can be achieved by limiting support to lines actually served by eligible carriers;
- (2) allocating costs derived using the CostQuest model, which calculates the forward-looking economic costs of providing not only basic telephone service, but also *broadband service* to every potential service location in the State, in order to isolate the cost of providing *basic telephone service*, as required by statute and Commission rule. This can be achieved by using a cost allocation factor based on the relative bandwidth needed to provide voice service over the hypothetical broadband network simulated by the CostQuest model;
- (3) ensuring that OUSF does not support ILECs in census blocks that are served by unsubsidized competitors. This can be achieved by setting the benchmark equal to cost in those census blocks;
- (4) appropriately subtracting from OUSF disbursement calculations federal explicit compensation and support amounts received by eligible telecommunications carriers,

including the End-User Common Line Charge (also known as the Subscriber Line Charge) and Intercarrier Compensation Support; and

- (5) establishing an appropriate benchmark. This can be achieved by setting the benchmark at two standard deviations above the weighted average costs derived by the CostQuest model.

Issues (1) through (4) are each addressed in Attachment A. Establishing an appropriate benchmark is discussed below.

IV. ESTABLISHING AN APPROPRIATE BENCHMARK

ORS 759.425(3)(a) does not specify a particular method for the Commission to use in establishing the initial benchmark to be used for calculating OUSF disbursements. However, ORS 759.425(3)(b) requires the Commission to periodically review and adjust the benchmark to reflect: (1) changes in competition in the telecommunications industry; (2) changes in federal universal service support; or (3) other relevant factors.

In initially establishing the OUSF, the Commission adopted Staff's recommendation to base the benchmark on "the composite forward-looking economic cost produced by the [Federal Communications Commission's Synthesis Model] for USWC and GTE."⁵ In adopting a cost-based approach, the Commission reasoned that

[s]upport is needed in wire centers with costs higher than average to encourage the development of competition. Competition to provide service in high cost areas will develop only if potential competitors think it is profitable to serve those areas. Providing universal service support to the high cost areas will help supply the needed incentives. The support will be portable and available to all eligible telecommunications carriers.

⁵ Order No. 00-312 (entered June 6, 2000, in docket UM 731, Phase IV) at 21. The Commission rejected arguments in support of basing the benchmark on ILEC rates or revenues because doing so would not provide a "stable platform" for calculating OUSF support. *Id.*

A cost-based benchmark to size the fund will be a more stable platform than would a revenue- or rate-based benchmark. Customer rates and company revenues are dynamic and subject to change in short periods of time. Costs to provide service also change over time, but are less likely to change quickly as the result of increased competition and changes in the industry.⁶

The drawback to this approach is that it classifies too many geographic areas as “in need of support” and funnels support to many areas that are just barely above the average cost. From a public policy perspective, when allocating limited funds, the priority in funding should be given to wire centers that are considerably above the average in terms of cost. This approach—which would essentially funnel support to half of all the ILECs’ customers for basic voice service—is at odds with the narrow statutory purpose of the OUSF. All companies in all industries experience variations in costs when serving customers in which, by definition, half the customers are below average cost customers, and the other half are above average cost customers. In fact, all of the ILECs’ competitors experience such cost variations. Such cost variations do not warrant OUSF support for ILECs in all areas that are above average cost. In fact, such an asymmetric approach would impede the further development of competition. Instead, when allocating limited funds, OUSF’s purpose is far better promoted when the priority in funding is given to geographic areas that are considerably above the average in terms of cost.

A well-known technique for focusing funding on geographic areas (census blocks or wire centers) that are “clearly above” the average is the standard deviation analysis. It was adopted by the Federal Communications Commission (“FCC”) in 2003 for the calculation of High-Cost Model

⁶ *Id.* The Commission’s assumption that providing OUSF support in areas with higher-than-average costs would provide a strong incentive for competitive providers to seek OUSF support was misplaced. Instead, competition has come from unsubsidized competitors, primarily cable companies and wireless carriers that have never sought OUSF support. If, in fact, these providers had sought OUSF support, demand on the OUSF would have increased dramatically.

support for price cap LECs, such as Lumen and Zply.⁷ The FCC justified this technique as follows:

Standard deviation analysis is a commonly used statistical analysis that measures dispersion of data points from the mean of those data points. Both the Commission and state commissions have employed standard deviation analysis to measure the dispersion of statewide average costs per line, as estimated by the cost model, in order to identify states with significantly higher costs than the national average.⁸

The FCC is currently using two standard deviations above a survey-determined average monthly rate for voice service in urban areas as a benchmark for reasonably comparable voice service rates in high-cost areas.⁹

OCTA recommends that the Commission set the benchmark at two standard deviations above the weighted average cost of CostQuest generated census block cost estimates. This is consistent with the approach taken by the FCC. Adopting the FCC's "two-standard-deviations" method for determining the benchmark is consistent with the directive in ORS 759.425(3)(b)(B) that the Commission periodically adjust the benchmark to reflect "changes in federal universal service support, or other factors." Using this approach targets OUSF support to truly high-cost areas and would eliminate support to areas that are just barely above average cost, consistent with the goals of the OUSF.

⁷ See *In the Matter of Federal-State Joint Board on Universal Service*, Order on Remand, Further Notice of Proposed Rulemaking, and Memorandum Opinion and Order, adopted on October 16, 2003, in CC Docket 96-45.

⁸ *Id.* at ¶ 62.

⁹ See, e.g., FCC WC Docket No. 10-90, Public Notice DA 22-1338 released December 16, 2022 (announcing results of the 2021 Urban Rate Survey for fixed voice and broadband services: "Based on the survey results, the 2023 urban average monthly rate is \$36.73. Therefore, the reasonable comparability benchmark for voice services, two standard deviations above the urban average, is \$59.62)."

V. CONCLUSION

For the reasons set forth above, and in Attachment A, OCTA respectfully requests that the Commission issue an order directing Staff to calculate OUSF disbursements for 2024 consistent with OCTA's recommendations, including:

- (1) limiting support to lines actually served by eligible carriers;
- (2) isolating support to basic telephone service by using a cost allocation factor based on the relative bandwidth needed to provide voice service over the hypothetical broadband network simulated by the CostQuest model;
- (3) eliminating support to census blocks served by unsubsidized competitors;
- (4) subtracting from OUSF disbursement calculations all appropriate federal support amounts received by eligible telecommunications carrier, including the End-User Common Line Charge (also known as the Subscriber Line Charge) and Intercarrier Compensation Support; and
- (5) setting the benchmark at two standard deviations above the weighted average costs derived by the CostQuest model.

Respectfully Submitted this 13th day of January, 2023.

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Re: October 18, 2022, Public Meeting Item RA2
UM 2040: Disbursements from the Oregon Universal Service Fund for 2023

Dear Commissioners:

This letter, submitted on behalf of the Oregon Cable Telecommunications Association (“OCTA”), addresses the Commission Staff’s Report in docket UM 2040 setting forth the calculation of disbursements from the Oregon Universal Service Fund (“OUSF”) for 2023. OCTA appreciates this opportunity to comment on the Staff’s recommendation. However, given Staff’s desire to have disbursements for 2023 “in place by mid-October,”¹ OCTA is concerned that the Commission has not been provided adequate time to consider stakeholder input and to revise Staff’s disbursement calculation recommendations should it desire to do so. Instead, the Staff Report states:

Staff notes that the resulting disbursement amounts are more or less in line with the current disbursements in calendar year 2022. However, this calculation does not set a precedent for future calculations, as Staff is required to make a recommendation by October 31 of 2024, based on the circumstances at the time of its report. Staff intends to engage further with stakeholders before preparing the Staff report for 2024, soliciting further comment on the areas of contention listed above, and refining its analysis.

Staff Report at 5.

¹ Staff Report at 3.

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While OCTA appreciates that the calculation methodology in the Staff Report will have no precedential effect, and that significant policy issues will be taken up in the context of determining disbursements for 2024,² OCTA is disappointed that these issues will likely not be resolved by the Commission for the 2023 disbursements. The opening of UM 2040 in December 2019 was intended to provide sufficient time for the Commission to resolve any disputed issues in time for the 2022 disbursements.³ Nevertheless, many of these issues remain unresolved to date.

Despite Staff's assertion that 2023 disbursements must "be in place by mid-October," OCTA urges the Commission to take the time needed to consider OCTA's concerns with the calculation methodology reflected in the Staff Report and to make any revisions it deems appropriate. OCTA's concerns with the Staff's calculation methodology, which were shared with Staff on September 23, 2022, are detailed below.

In the alternative, in order to provide the Commission adequate time to resolve any disputed issues for the 2024 disbursements, OCTA recommends that the Commission open a contested case proceeding immediately to allow Staff and stakeholders to develop an evidentiary record and to fully brief the Commission on disputed issues well in advance of the October 31, 2023, deadline for the Staff Report.⁴ The schedule in the docket should allow the parties to submit disputed issues to the Commission no later than second quarter 2023. This would allow the Commission to issue a decision and for Staff to file its Report in advance of the October 31st deadline.

OCTA Concerns Regarding Staff's Disbursement Calculation Methodology

1. Disbursements Should be Based on Recipient Line Counts.

Staff's calculation method would provide OUSF support to eligible carriers for all locations, whether actually served by the eligible carrier or not. The model shows approximately 1.56 million voice locations in the State, while ILECs serve only approximately 360,000 lines total statewide. The Staff's methodology is a significant change from the Commission's past practice. The Commission established the OUSF to support only lines actually served by eligible carriers (*i.e.*, incumbent local exchange carriers ("ILECs") and eligible competitive providers ("CETCs")). This is reflected in the OUSF rules and in Commission Orders dating back to 1998.⁵

² The 2024 disbursement amounts will be held constant for a five-year period and will not be updated until 2029. OAR 860-100-300(3)

³ The Commission extended by rule the 2021 disbursement amounts set forth in the UM 1481 stipulation for use in calendar year 2022.

⁴ As Staff notes in its Report, "UM 2040 was from the beginning viewed as policy development with the results being transferred to a permanent rulemaking." Staff Report at 2-3. This was done over the objection of multiple stakeholders, who urged Staff to conduct UM 2040 as a contested case, with the opportunity for discovery, pre-filed testimony, a hearing if needed, and briefing to the Commission.

⁵ See OAR 860-100-0250(1) (support for ILECs in 2022 based on "customer lines served by ILECs.") *see also*, OAR 860-100-0125 (per line support for competitive providers based on per line support for ILECs); *see also* Order No. 00-312 at 17, 20 (entered June 16, 2000, in Docket UM 731, Phase IV)(OUS should support all residential and business local exchange lines. OUS Administrator will be able to verify line counts by wire center without undue difficulty).

While line counts were dispensed with for purposes of the stipulations adopted in UM 1481 Phase II and Phase III, disbursements for 2023 and beyond will not be based on stipulated total amounts for each carrier or class of carrier. Instead, on a going-forward basis, OUSF disbursements should be calculated based on sound methodology and should support only residential and business basic service lines actually served by ILECs (and CETCs) in high-cost areas.

Support disbursements should not be calculated to provide carriers with support for locations served by another carrier or not served at all. Doing so would be contrary to the Commission's long-standing approach to OUSF and would unduly inflate the size of the OUSF, resulting in perverse market signals and incentives for disbursement recipients. For example, under the Staff proposed disbursements, a rational OUSF recipient would have the incentive to try to shed as many high-cost lines as possible to save on Operating Expense while collecting OUSF for those locations—which is an incentive that is precisely contrary to the OUSF's intended goal. Furthermore, Staff's error would promote an anti-competitive dynamic in that disbursement recipients would receive OUSF support for locations served by unsubsidized competitors.

2. **The End-User Common Line Charge (“EUCL”) Should Be Deducted From Support.**

Staff's proposal omits the EUCL (also referred to as Subscriber Line Charge, or SLC)⁶ from federal support that should be subtracted from support amounts. This is an error. The EUCL is clearly included within the statutory provision that requires deducting from disbursement amounts “any explicit compensation received by the telecommunications carrier from federal sources specifically used to recover local loop costs.” ORS 759.425(3)(a). It has traditionally been deducted from support amounts in the past. (The OUSF formula adopted in UM 731 included a subtraction of EUCL, and it was the formula proposed by Staff. See Order No. 00-312 pp. 22-23.) Nothing about the use of the CostQuest model should impact the need to subtract the EUCL.

3. **Intercarrier Compensation Support (“ICC”) Should Be Deducted From Support.**

Staff's proposal omits Intercarrier Compensation support (one of Federal Universal Service (“FUSF”) High Cost Support mechanisms) from federal support that should be subtracted from support amounts. However, ICC is clearly included within the statutory provision that requires deducting from disbursement amounts “any explicit support received by the telecommunications carrier from a federal universal service program.” ORS 759.425(3)(a). Nothing about the use of the CostQuest model should impact the need to subtract ICC support. The only reason the ICC has not been addressed in previous Commission orders is that the ICC was not implemented at the

⁶ See FCC WC Docket No. 20-71, In the Matter of Eliminating Ex Ante Pricing Regulation and Tariffing of Telephone Access Charges, Notice of Proposed Rulemaking, adopted March 31, 2020 (FCC 20-40), ft. 102: “the Subscriber Line Charge (also called the End User Common Line charge)...”

federal level until after the last time the Commission calculated disbursements outside the context of a stipulation.

4. **OUSF Should Not Support Lines In Census Blocks Served By Unsubsidized Competitors.**

Staff's proposal would continue to provide support in areas with unsubsidized competitors. At the last workshop, Staff indicated that this issue has not been adequately examined and should be presented to the Commission in 2023 for the 2024 distribution calculations. OCTA disagrees. This issue was first raised with the Commission in UM 1481 as early as 2010 and was expressly included within the scope of both Phase II and Phase III of UM 1481.⁷ Based on the Phase II and Phase III stipulations, the parties agreed to postpone the issue to this proceeding. It is now ripe for consideration and should not be further postponed. Further, the concept of excluding support to census blocks with unsubsidized competitors has similarly been adopted by the FCC with respect to FUSF, and the FCC makes publicly available census-block level data sufficient to implement this approach. Finally, including areas with unsubsidized competitors distorts the competitive landscape. Contributions to the OUSF by unsubsidized competitors advances a direct subsidy transfer to their ILEC competitors. This is anticompetitive. To correct for the anticompetitive impact of OUSF, OCTA has previously provided the calculation methodology and impacts of removing from the OUSF distribution calculations those census blocks served by unsubsidized competitors. OCTA urges the Commission to amend Staff's disbursement calculations accordingly.

5. **Staff's Proposed Cost Allocation between Broadband and Voice Services is Unsupported and Inconsistent with the CostQuest Model and Industry Trends.**

As the Commission is well aware, cost allocation is a critical part of any costing exercise in public utility regulation, be it in the telecommunications, electric or gas industries. Cost allocation is also often a point of contention, as it is here (see Staff Report, page 4), given its significant impact on cost estimates.

Staff's proposal uses a 70%/30% split in the allocation of cost between broadband and voice services. That is, 30 percent of the network costs calculated by CostQuest are allocated to basic voice services for the determination of the OUSF. This cost allocation is demonstrably incorrect and should be readjusted for several reasons.

First, contrary to the Commission's instructions that cost results should be methodologically sound and principled, there is no substantive support for Staff's proposed 30 percent cost allocation factor.

⁷ See, UM 1481 Consolidated Issues List, Issue No. 25 (filed September 8, 2010); see also, Direct Testimony of August H. Ankum, Ph.D. on Behalf of the Oregon Telecommunications Association, pp. 70-83 (filed December 10, 2012, in UM 1481 Phase II); see also, Order No. 15-162 at 4, Phase III Proceeding, Issue (c) (entered May 2, 2013, in UM 1481 Phase II).

Second, Staff's proposed cost allocation factor is inconsistent with the CostQuest model. The CostQuest model calculates costs for a state-of-the-art *broadband network*, that, of course, can also transmit basic voice services. Voice service is just a service application provided on a broadband network and represents only a small fraction of use of that network's capacity. In fact, since the CostQuest model assumes a total bandwidth at each location of at least 5.4 Mbps (*see* CostQuest Model documentation), basic voice services of 64 kbps would use less than 1.2 percent of network capacity. That is dramatically smaller than Staff's 30 percent allocation.

Moreover, *not all modelled locations will use voice services*. Per the FCC, only 32 percent of the households in the Oregon use fixed voice.⁸ This contrasts with 84 percent of the households that use fixed broadband.⁹ This means that even a 1.2 percent cost allocation would greatly overstate the costs of providing basic voice service.

The capacity cost of a broadband network is mostly a fixed cost, much like the capacity cost of a nuclear powerplant or the transmission network in the electricity industry. In the electric industry, such capacity (demand related) costs are most typically allocated based on a measure of demand (in various forms of peak demand) in terms of KW. This practice is consistent with cost causation. For example, if a customer class uses 60 percent of a generating facility's capacity at the peak it may get 60 percent of the capacity (demand) costs allocated. While other peak allocations methods exist, the underlying concept of cost causation is the same, and intuitively obvious.

The authoritative NARUC cost allocation manual (referenced in most electric utility rate cases) notes the following:¹⁰

Once the customer classes to be used in the cost allocation study have been designated, the functionalized and classified costs are allocated among the classes as follows:

Demand-related costs - Allocated among the customer classes on the basis of demands (KW) imposed on the system during specific peak hours.

The telecommunications analog to KW capacity is Mbps. Just as the Commission allocates capacity costs in the electric industry based on capacity, it should, for methodological consistency and soundness—in terms of cost causation—do the same in the telecommunications industry. And whatever measure of peak demand the Commission may select (single peak or multiple peaks), it will most certainly result in a cost allocator that is but a fraction of Staff's proposed 30 percent.

Finally, given that the overall trend in the telecommunications industry is toward broadband, it is archaic and backward-looking to assign as much as 30 percent of the network costs

⁸ FCC Voice Report, as of June 2021, Table 3, and Monitoring Report as of Dec. 2020, Table 6.11.

⁹ *Id.*

¹⁰ NARUC Electric Utility Cost Allocation Manual, January 1992. Chapter 2, Overview of Cost of Service Studies and Cost Allocations, Page 22.

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to voice services. Staff's proposal is simply wrong and out of touch with the direction of national and state policies and industry trends.

Thank you in advance for your consideration of these matters. OCTA looks forward to answering any questions the Commissioners may have at the October 18, 2022, Public Meeting.

Sincerely

Davis Wright Tremaine LLP



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cc: UM 2040 Service List

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