

**Before the  
OREGON PUBLIC UTILITY COMMISSION**

DOCKET NOS. UM 2040/AR 649

In the Matter of

OREGON PUBLIC UTILITY  
COMMISSION

Investigation of the Oregon Universal Service  
Fund

COMMENTS OF CTIA REGARDING  
STAFF’S DRAFT PROPOSED RULES

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In the Matter of

OREGON PUBLIC UTILITY  
COMMISSION

Rulemaking to Adopt Rules Pursuant to ORS  
759.425

**COMMENTS OF CTIA REGARDING STAFF’S DRAFT PROPOSED RULES**

By email issued March 15, 2022, Commission Staff requested comments on draft proposed rules for discussion at the March 31 Workshop in the above-referenced dockets regarding the distribution of the Oregon Universal Service Fund (OUSF). As discussed below, CTIA<sup>1</sup> urges the Commission to continue to ensure that OUSF funding is made available on a competitively neutral basis, and reiterates its request that the Commission consider the availability of federal broadband funding in assessing the appropriate size of the OUSF.

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<sup>1</sup> CTIA – The Wireless Association® (“CTIA”) ([www.ctia.org](http://www.ctia.org)) represents the U.S. wireless communications industry and the companies throughout the mobile ecosystem that enable Americans to lead a 21st century connected life. The association’s members include wireless carriers, device manufacturers, suppliers as well as apps and content companies. CTIA vigorously advocates at all levels of government for policies that foster continued wireless innovation and investment. The association also coordinates the industry’s voluntary best practices, hosts educational events that promote the wireless industry and co-produces the industry’s leading wireless tradeshow. CTIA was founded in 1984 and is based in Washington, D.C.

***OUSF Funding Must Be Made Available on a Competitively Neutral Basis.*** Oregon law requires the Commission to “establish and implement a competitively neutral and nondiscriminatory universal service fund.”<sup>2</sup> Staff’s draft proposed rules appropriately would retain the OUSF support portability provisions in 860-100-0125, allowing competitive providers to receive the same amount of support as the incumbent for lines served with the competitive provider’s own facilities. CTIA supports this approach, which will promote competition in the Oregon communications marketplace to the benefit of consumers.

***Federal Support Is Relevant to the Appropriate Size of the OUSF.*** The draft proposed rules do not directly address the size of the OUSF, but CTIA reiterates its request for the Commission to consider the availability of other federal funding in assessing the appropriate size of the fund.<sup>3</sup> Under S.B. 1603, the size of the OUSF may not exceed \$28 million per year,<sup>4</sup> but nothing in the law requires the Commission to fund the OUSF at that level. The same companies that are eligible for OUSF funding also will be eligible for significant amounts of funding made available in the federal Infrastructure Investment and Jobs Act (“Infrastructure Act”).<sup>5</sup> Among other things, the Infrastructure Act appropriated \$42.45 billion for the Department of Commerce’s National Telecommunications and Infrastructure Administration (NTIA) to provide Broadband Equity, Access, and Deployment (BEAD) program grants to deploy broadband communications infrastructure.<sup>6</sup> Oregon, along with every other state, is guaranteed a “minimum initial allocation” of at least \$100 million, but is likely to receive significantly more money based on

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<sup>2</sup> ORS 759.425(2)(a).

<sup>3</sup> See Comments of CTIA, UM 2040 (filed June 15, 2021).

<sup>4</sup> S.B. 1603, 2020 Special Session, § 2 (amending ORS 759.425(1)(b) to provide that the “commission shall designate the amount of moneys deposited annually in the universal service fund to be used to ensure basic telephone service. The amount designated under this paragraph may not exceed \$28 million per year”).

<sup>5</sup> Infrastructure Investment and Jobs Act, H.R. 3684, Pub. Law No. 117-58 (2021).

<sup>6</sup> 47 U.S.C. § 1702(b)(2).

the proportion of unserved and high-cost locations in the state.<sup>7</sup> This is in addition to billions of further funding available for middle-mile infrastructure, Tribal connectivity, and other broadband deployment projects also being administered by NTIA.<sup>8</sup> This funding will exponentially exceed the funding that the Commission is able to make available. Significantly, unlike the OUSF, this federal funding will not impact the surcharges on Oregon communications ratepayers' bills. CTIA therefore urges the Commission not to make any determinations about the appropriate size of the OUSF or the surcharge pending distribution of BEAD and other funding.

CTIA appreciates the opportunity to comment in this docket and looks forward to working with the Commission on amendments to the OUSF rules.

Respectfully submitted,

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<sup>7</sup> *Id.* § 1702(c).

<sup>8</sup> *See* NTIA, Grants, <https://www.ntia.doc.gov/category/grants>.