

ISSUED: May 17, 2006

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1217

In the Matter of)	
)	
PUBLIC UTILITY COMMISSION OF OREGON)	NOTICE
)	OF
Staff Investigation to Establish Requirements for)	MEETING
Initial Designation and Recertification of)	
Telecommunications Carriers Eligible to Receive)	
Federal Universal Service Support.)	

NOTICE IS HEREBY GIVEN that the Senate Bill 17 Task Force will hold a meeting as follows:

DATE: Wednesday, June 14, 2006
TIME: 9:00 a.m. – 4:00 p.m. (Commissioners will be present.)
LOCATION: Public Utility Commission of Oregon
Main Hearing Room
550 Capitol Street NE
Salem, Oregon 97301

The attached proposal will be discussed. One of the topics will be the certification of carriers eligible to receive Federal Universal Service Fund support. If you have any further questions about the SB 17 process, please contact Rick Willis at (503) 373-1303.

The Senate Bill 17 Task Force will be working through lunch. You will be expected to provide your own lunch. There is a cafeteria on site, as well as other cafés within walking distance.

Dated this 17th day of May, 2006, at Salem, Oregon.

Lee Beyer

John Savage

Ray Baum

Chairman

Commissioner

Commissioner

<p>IF YOU HAVE A DISABILITY THAT WILL LIMIT YOUR ABILITY TO PARTICIPATE IN THIS CONFERENCE, PLEASE LET US KNOW - (503) 378-6678.</p>

PUC Straw Deregulation Proposal

RESIDENTIAL SERVICE

What's Regulated?

- Stand-alone basic phone service
 - Limited to a single line per household
 - Rates capped at current levels but can be increased with PUC approval
 - Telecommunications utilities would still be carriers of last resort
- Certain non-basic phone services
 - Intrastate access charges
 - EAS
 - Directory assistance
 - Operator services



What's Not Regulated?

- Other non-basic services (caller-ID, call waiting, 3-party calling, etc.)
- Bundles or packages, even those that include basic phone service

Policy Issue: Should a carrier be required to charge the same rate for deregulated services in rural and urban areas?

BUSINESS SERVICE



What's Regulated?

- Stand-alone basic phone service
 - Defined as up to 10 lines per customer
 - Rates capped at current levels but can be increased with PUC approval
 - Telecommunications utilities would remain carriers of last resort

- What non-basic services should be regulated?

What's Not Regulated?

- Basic business service over 10 lines per customer

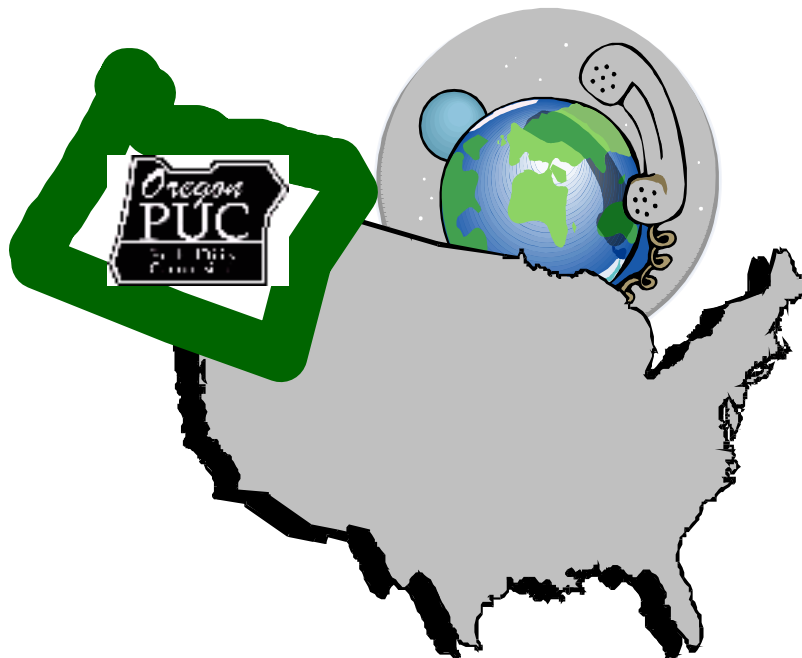
- Bundles or packages, even those that include basic service

Policy Issue: Should a carrier be required to charge the same rate for deregulated services in rural and urban areas?

FUTURE CHANGES IN RATE REGULATION

- PUC would monitor markets and report biennially on market conditions to the Legislature
- There should be an ability to deregulate currently regulated basic and non-basic service or to re-regulate non-basic services if market power exists

Policy Issue: Should changes in the regulation of services be done legislatively or administratively?



CONSUMER PROTECTION



PUC would receive and arbitrate customer complaints for all types of carriers, including wireline, wireless, cable, and VOIP carriers.

- PUC would be able to fine carriers under specified circumstances, for example:
 - Slamming
 - unauthorized switching of a customer's long distance carrier
 - Cramming
 - inserting bill charges for services not requested/used
 - Customer was induced to take service through fraudulent means
 - Poor service quality that has not been fixed after the completion of a service improvement plan described in ORS 759.450(5)
- Wireless and VOIP carriers would have to “register” with the PUC to provide necessary contacts, but would not have to be certified
- Affected carriers would pay a small PUC fee for this function

CONTINUING NON-ECONOMIC PUC DUTIES

- Retail service quality for wireline carriers
- Certification of wireline carriers
- Oversight of OUSF and RSPF
- Duties under Federal law or FCC requirements
 - ✓ Approval of interconnection agreements
 - ✓ Arbitration of interconnection disputes
 - ✓ Resolution of interconnection complaints (also required under State law)
 - ✓ Certification of carrier eligible for Federal USF
 - ✓ Establishment of rates charged by telecommunications carriers to competitive carriers for use of their networks
 - ✓ Phone number/area code duties