

ORDER NO. 04-595

ENTERED OCT 15 2004

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BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 940

In the Matter of)	
)	
The Imposition of Annual Regulatory Fees)	ORDER
Upon Telecommunications Utilities and)	
Competitive Telecommunications)	
Providers Operating Within the State of)	
Oregon.)	

DISPOSITION: FEE LEVEL SET FOR CALENDAR YEAR 2005
(COLLECTION YEAR 2006)

In accordance with ORS 756.310, it is determined necessary to impose a fee on telecommunications utilities and competitive telecommunications providers of twenty-five hundredths of one percent (2.5 mills, 0.25 percent) of gross retail intrastate revenue during the calendar year 2005 in Oregon. These fees are deemed necessary to defray the cost of performing duties imposed by law upon the Commission. The fees as imposed by this order on calendar year 2005 shall be due and payable on April 1, 2006.

ORDER

IT IS ORDERED that telecommunications utilities and competitive telecommunications providers operating in Oregon shall pay to the Public Utility Commission a fee of twenty-five hundredths of one percent (0.25 percent) of gross retail intrastate revenues during the calendar year 2005 in Oregon. In no case shall such fee be

less than \$100. Each telecommunications utility and competitive telecommunications provider shall pay the fee on or before April 1, 2006. Staff's report is attached as Appendix A and is incorporated by reference.

Made, entered, and effective _____.

Lee Beyer
Chairman

John Savage
Commissioner

Ray Baum
Commissioner

A party may request rehearing or reconsideration of this order pursuant to 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 860-014-0095. A copy of any such request must also be served on each party to the proceeding as provided by OAR 860-013-0070(2). A party may appeal this order to a court pursuant to applicable law.

ITEM NO. CA1

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: October 5, 2004**

REGULAR _____ CONSENT X EFFECTIVE DATE November 1, 2004

DATE: September 28, 2004

TO: Commissioners Lee Beyer, Ray Baum, and John Savage

THROUGH: Lee Sparling, Rick Willis, Vikie Bailey-Goggins, Phil Nyegaard, and Cynthia Van Landuyt

FROM: Terry Lambeth

SUBJECT: OREGON PUBLIC UTILITY COMMISSION STAFF: (Docket No. UM 940)
Establish the gross revenue fee level for telecommunications providers for 2005.

STAFF RECOMMENDATION:

By November 1, 2004, issue an order to set 0.25 percent as the percentage rate for the annual PUC fees due from telecommunications providers on April 1, 2006, in accordance with ORS 756.310.

DISCUSSION:

ORS 756.310(6) was revised in 1999 to require each telecommunications provider¹ to pay up to 25 hundredths of one percent (0.25 percent) of its gross retail intrastate Oregon revenue or \$100, whichever is more, to the Commission. The Commission opened docket UM 940 to set the annual fee levels for telecommunications providers, and the annual rates have been set at the statutory maximum of 0.25 percent.

For revenues recorded during 2005, the Commission should continue to assess the annual fee at the statutory maximum level of 0.25 percent. I estimate that OPUC will collect \$3.0 million from telecommunications providers for 2005.

¹ 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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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 2005, this provision means the fee level order must be issued by November 1, 2004.

Attached is a draft order for the Commission's consideration. It is based on the previous fee level orders for revenues recorded by telecommunications providers during 2000 through 2004 (Orders 99-655, 00-660, 01-931, 02-727, and 03-590).

The Commission should post its order on its website, so all telecommunications providers will have immediate access to it. This will give the telecommunications providers time to revise their billing systems, if needed, to collect the annual fees from their customers.

PROPOSED COMMISSION MOTION:

The annual gross revenue fee for telecommunications providers be set at the statutory maximum level of 0.25 percent for calendar year 2005.

Attachment UM940 PM 2005.doc