

ORDER NO. 11 401

ENTERED OCT 07 2011

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UM 940

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

ORDER

**DISPOSITION: FEE LEVEL SET FOR CALENDAR YEAR 2012**

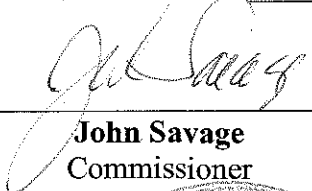
Under ORS 756.310, we determine that it is necessary to impose a fee on telecommunications utilities and competitive telecommunications providers of twenty-five hundredths of one percent (0.25 percent) of gross retail intrastate revenue during the Calendar Year 2012 in Oregon. These fees are necessary to defray the cost of performing duties imposed by law upon the Public Utility Commission of Oregon (Commission). The fees, as imposed by this order on Calendar Year 2012, are due on or before April 1, 2013.

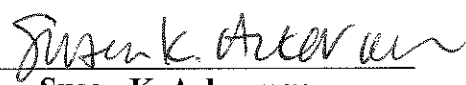
At the Public Meeting on October 4, 2011, we adopted Staff's recommendation to impose a fee on telecommunications utilities and competitive telecommunications providers of twenty-five hundredths of one percent (0.25 percent). The Staff Report is attached as Appendix A and is incorporated by reference.

**ORDER**

IT IS ORDERED that telecommunications utilities and competitive telecommunications providers operating in Oregon must pay, to the Public Utility Commission of Oregon, a fee of twenty-five hundredths of one percent (0.25 percent) of gross retail intrastate revenues during the Calendar Year 2012 in Oregon. In no case shall such fee be less than \$100. Each telecommunications utility and competitive telecommunications provider must pay the fee on or before April 1, 2013.

Made, entered, and effective OCT 07 2011.

  
\_\_\_\_\_  
**John Savage**  
Commissioner

  
\_\_\_\_\_  
**Susan K. Ackerman**  
Commissioner



A party may request rehearing or reconsideration of this order under 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 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Court of Appeals in compliance with ORS 183.480 through 183.484.

ITEM NO. CA7

**PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: October 4, 2011**

REGULAR \_\_\_\_\_ CONSENT X EFFECTIVE DATE November 1, 2011

DATE: September 12, 2011

TO: Public Utility Commission

FROM: Suzanne Smith *SS*

THROUGH: *LS* Lee Sparling, *RW* Rick Willis, *WBG* Wikie Bailey-Goggins, *BC* Bryan Conway, and Roger White *RW*

SUBJECT: OREGON PUBLIC UTILITY COMMISSION STAFF: (Docket No. UM 940)  
Establishes the gross revenue fee level for telecommunications providers for 2012.

**STAFF RECOMMENDATION:**

By November 1, 2011, the Commission issue an order to set the annual PUC fee at 0.25 percent as the percentage rate for annual fees due from telecommunications providers on April 1, 2013, in accordance with ORS 756.310.

**DISCUSSION:**

ORS 756.310(6) requires each telecommunications provider<sup>1</sup> 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 No. UM 940 in 1999 to set the annual fee levels for telecommunications providers.

The Commission collected \$2.24 million in annual fees from telecommunications providers in 2009, \$1.28 million in 2010, and approximately \$1.19 million in 2011.<sup>2</sup> During this three-year period, intrastate retail revenues declined by ten percent. Staff is

<sup>1</sup> 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.

<sup>2</sup> The reason for the dramatic decrease in revenues was the rate decrease. In 2009, the rate was .25 percent. In 2010, the rate was approximately .16 percent. In 2011, the rate was .15 percent.

Docket UM 940  
September 12, 2011  
Page 2

forecasting continuing declines in gross retail intrastate Oregon revenues due to ongoing line losses. Therefore, for revenues recorded in 2012, the Commission should return the rate to the 2009 level and assess the annual fee at the statutory maximum level of .25 percent. This assessment rate will provide estimated annual fees of \$1.88 million from telecommunications providers for 2012.

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 2012, this provision means the fee level order must be issued by November 1, 2011.

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 2001 through 2011 (for example, Order 10-420).

**PROPOSED COMMISSION MOTION:**

The annual gross revenue fee for telecommunications providers be set at the maximum level of 0.25 percent for calendar year 2012.

Attachment

UM940 PM Establish 2012 Telecom Annual Fee Rate.doc

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UM 940

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

**DISPOSITION: FEE LEVEL SET FOR CALENDAR YEAR 2012**

In accordance with ORS 756.310, it is hereby determined that it is necessary to impose a fee on telecommunications utilities and competitive telecommunications providers of twenty-five hundredths of one percent (0.25 percent) of gross retail intrastate revenue during the Calendar Year 2012 in Oregon. These fees are deemed necessary to defray the cost of performing duties imposed by law upon the Public Utility Commission of Oregon (Commission). The fees, as imposed by this order on Calendar Year 2012, are due on or before April 1, 2013.

At its Public Meeting on October 4, 2011, the Commission adopted Staff's recommendation to impose a fee on telecommunications utilities and competitive telecommunications providers of twenty-five hundredths of one percent (0.25 percent). Staff's recommendation report is attached as Appendix A and is incorporated by reference.

ORDER NO. 11 401

DRAFT

ORDER

IT IS ORDERED that telecommunications utilities and competitive telecommunications providers operating in Oregon must pay, to the Public Utility Commission of Oregon, a fee of twenty-five hundredths of one percent (0.25 percent) of gross retail intrastate revenues during the Calendar Year 2012 in Oregon. In no case shall such fee be less than \$100. Each telecommunications utility and competitive telecommunications provider must pay the fee on or before April 1, 2013.

Made, entered, and effective \_\_\_\_\_.

\_\_\_\_\_  
**John Savage**  
Commissioner

\_\_\_\_\_  
**Susan K. Ackerman**  
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 by filing a petition for review with the Court of Appeals in compliance with ORS 183-480-183.484.