

ORDER NO. 12 384

ENTERED OCT 09 2012

**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: STAFF'S RECOMMENDATION ADOPTED**

At its Public Meeting on October 9, 2012, the Public Utility Commission of Oregon adopted Staff's recommendation in this matter, attached as Appendix A. The Commission notes that authority to sign orders regarding annual revenue fee levels was delegated to the Commission Secretary in Order No. 12-297 and that it has streamlined orders memorializing decisions made at public meetings.

BY THE COMMISSION:



*Becky L. Beier*  
Becky L. Beier  
Commission Secretary

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.

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ITEM NO. CA2

**PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: October 9, 2012**

REGULAR \_\_\_\_\_ CONSENT X EFFECTIVE DATE November 1, 2012

DATE: September 19, 2012

TO: Public Utility Commission

FROM: Suzanne Smith *SS*

THROUGH: Jason Eisdorfer, Michael Dougherty, Bryan Conway, and Roger White *JE MD BC RW*

SUBJECT: OREGON PUBLIC UTILITY COMMISSION STAFF: (Docket No. UM 940)  
Establishes the gross revenue fee level for telecommunications providers for 2013.

**STAFF RECOMMENDATION:**

By November 1, 2012, 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, 2014, 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 \$1.28 million in annual fees from telecommunications providers in 2010, \$1.15 million in 2011, and approximately \$1.69 million in 2012. The year-to-year fluctuation was due to a combination of a temporary drop in the rate from 0.25 percent to 0.15 percent and a steady decline in intrastate retail revenues to which the percentage is applied. With this exception, intrastate retail revenues have declined by approximately ten percent over the past three years. Staff is forecasting continuing

<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.

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declines in gross retail intrastate Oregon revenues due to ongoing line losses. Therefore, for revenues recorded in 2013, the Commission should maintain the rate at the 2012 level and assess the annual fee at the statutory maximum level of .25 percent. This assessment rate will provide estimated annual fees of \$1.52 million from telecommunications providers for 2013.

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 2013, this provision means the fee level order must be issued by November 1, 2012.

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 2012 (for example, Order 11-401).

**PROPOSED COMMISSION MOTION:**

The annual gross revenue fee for telecommunications providers be set at the maximum level of 0.25 percent for calendar year 2013.

Attachment

UM940 PM Establish 2013 Telecom Annual Fee Rate.doc

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ORDER NO.

DRAFT

**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 2013**

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 2013 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 2013, are due on or before April 1, 2014.

At its Public Meeting on October 9, 2012, 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.

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ORDER NO.

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 2013 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, 2014.

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

\_\_\_\_\_  
**Susan K. Ackerman**  
Chair

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

\_\_\_\_\_  
**Stephen M. Bloom**  
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.