

**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 September 24, 2019, the Public Utility Commission of Oregon adopted Staff's recommendation in this matter. The Staff Report with the recommendation is attached as Appendix A.

BY THE COMMISSION:



A handwritten signature in blue ink, appearing to read "Nolan Moser".

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**Nolan Moser**  
Chief Administrative Law Judge

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 Circuit Court for Marion County in compliance with ORS 183.484.

ITEM NO. CA7

**PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: September 24, 2019**

**REGULAR** \_\_\_\_\_ **CONSENT**   X   **EFFECTIVE DATE**   November 1, 2019  

**DATE:** September 12, 2019

**TO:** Public Utility Commission

**FROM:** Laurel Anderson

**SIGNED**

**THROUGH:** Jason Eisdorfer, Michael Dougherty, Bryan Conway, and Roger White

**SUBJECT:** OREGON PUBLIC UTILITY COMMISSION STAFF: (Docket No. UM 940)  
Establishes the gross revenue fee level for telecommunications providers for 2020.

**STAFF RECOMMENDATION:**

By November 1, 2019, issue an order to set 0.35 percent as the percentage rate for the annual PUC fees due from telecommunications providers on April 1, 2020, in accordance with ORS 756.310

**DISCUSSION:**

ORS 756.310(6) requires each telecommunications provider<sup>1</sup> to pay up to 35 one hundredths of one percent (0.35 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. Until 2015, the statutory maximum rate was 0.25 percent. In 2019, Senate Bill 68 increased the statutory maximum to 0.35 percent.

The Commission collected \$1.61 million in annual fees in 2017, \$1.62 million in 2018, \$1.54 Million in 2019, and staff is forecasting the Commission will collect \$1.47 Million in 2020. During the preceding three-year period, based on Annual Fee Statements filed, gross intrastate retail revenues declined by 12.1 percent. This drop in the contribution base was partially offset by an increase in the assessment rate to .30 percent in 2016.

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<sup>1</sup> Telecommunications provider means, "a telecommunications utility or a competitive telecommunications provider as defined in ORS 759.005". This definition excludes radio common carriers and telecommunications cooperatives with certificates issued only under ORS 759.025.

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Staff is forecasting that the decline in the gross retail revenues will continue. Because of these revenue losses, staff is proposing to increase the rate to 0.35 percent, the maximum allowed by statute. Staff estimates the 0.35 percent rate will result in the Commission collecting \$1.62 million in annual fees in 2021.

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 2020, this provision means the fee level order must be issued by November 1, 2019.

**PROPOSED COMMISSION MOTION:**

Set the annual gross revenue fee for telecommunications providers at 0.35 percent for calendar year 2020.

UM940 PM Establish 2020 Telecom Annual Fee Rate