

ORDER NO. 23-364

ENTERED Oct 06 2023

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UM 940

In the Matter of

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 3, 2023, 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:



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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. CA5

**PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: October 3, 2023**

**REGULAR** \_\_\_\_\_ **CONSENT**  X  **EFFECTIVE DATE**  November 1, 2023

**DATE:** September 25, 2023

**TO:** Public Utility Commission

**FROM:** Laurel Anderson

**THROUGH:** Mike Grant, Bryan Conway, and Marc Hellman **SIGNED**

**SUBJECT:** OREGON PUBLIC UTILITY COMMISSION STAFF:  
(Docket No. UM 940)  
Establishes the gross revenue fee level for telecommunications providers for 2024.

**STAFF RECOMMENDATION:**

Staff recommends the Commission issue an order no later than November 1, 2023, to maintain the current 0.35 percent as the telecommunications providers' percentage annual rate fee. This fee is due on April 1, 2025, 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.

In 2021, the Commission received \$1.51 million in annual fees from telecommunications providers. In 2022, the fees paid totaled \$1.44 million; and in 2023, total fees paid equaled \$1.28 million. Staff is forecasting the Commission will receive \$1.19 million in 2024 if the current fee is maintained. During the preceding three-year period, based on Annual Fee Statements filed, gross intrastate retail revenues declined by 8.3 percent.

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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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This drop in the contribution base was offset by an increase in fee, which occurred in 2019, to 0.35 percent.

Staff is forecasting that the decline in the gross retail revenues will continue. Because of the projected decline in PUC telecommunications providers fee revenues, Staff is proposing to maintain the percentage rate at 0.35 percent, the maximum allowed by statute. Staff estimates the 0.35 percent rate will result in the Commission receiving \$1.10 million in annual telecommunications providers fees in 2025, the first year the maximum percentage rate will be applicable (2024 fees paid in 2025).

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 2024 and payable to the PUC in 2025, this provision means the fee level order must be issued no later than November 1, 2023.

**PROPOSED COMMISSION MOTION:**

Maintain the 0.35 percent as the 2024 applicable percentage rate for the annual PUC fees due from telecommunications providers on April 1, 2025, in accordance with ORS 756.310. An order memorializing this action shall be issued no later than November 1, 2023.

UM940 PM Establish 2024 Telecom Annual Fee Rate