

**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 28, 2025, 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:

Alison Lackey
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. CA13

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: October 28, 2025**

REGULAR _____ **CONSENT** X **EFFECTIVE DATE** November 1, 2025

DATE: October 20, 2025

TO: Public Utility Commission

FROM: Nicola Peterson

THROUGH: Bryan Conway and Russell Beitzel **SIGNED**

SUBJECT: OREGON PUBLIC UTILITY COMMISSION STAFF:
(Docket No. UM 940)
Establishes the gross revenue fee level for telecommunications providers for 2026.

STAFF RECOMMENDATION:

Staff recommends the Commission issue an order no later than November 1, 2025, to maintain the current 0.35 percent as the telecommunications providers' percentage annual rate fee. This fee is due on April 1, 2027, in accordance with ORS 756.310.

DISCUSSION:

Issue

Whether to retain the current 0.35 percent annual rate fee for telecommunications providers.

Applicable Rule or Law

ORS 756.310(4)(a) requires each telecommunications provider¹ to pay up to 35 hundredths of one percent (0.35 percent) of its gross retail intrastate Oregon revenue or \$100, whichever is more, to the Commission.

¹ 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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In 1999 the Commission opened Docket No. UM 940 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.

Analysis

In 2023, the Commission received \$1.28 million in annual fees from telecommunications providers. In 2024, the fees paid totaled \$1.26 million; and in 2025, total fees paid equaled \$1.23 million. Staff is forecasting the Commission will receive \$1.20 million in 2026 if the current fee is maintained. During the preceding three-year period, based on Annual Fee Statements filed, gross intrastate retail revenues declined by 16.7 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 retain the current percentage rate of 0.35 percent, the maximum allowed by statute. Staff estimates the 0.35 percent rate will result in the Commission receiving \$1.20 million in annual telecommunications providers fees for 2026.

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(4)(a)). For revenues recorded during 2026 and payable to the PUC in 2027, this provision means the fee level order must be issued no later than November 1, 2025.

Conclusion

Annual fees paid by telecommunications companies are necessary to defray the cost of performing duties imposed by law upon the Commission. Retaining the current percentage rate of 0.35 percent is appropriate in light of the continued decline in retail revenues.

PROPOSED COMMISSION MOTION:

Maintain the 0.35 percent as the 2026 applicable percentage rate for the annual PUC fees due from telecommunications providers on April 1, 2027.

CA13 - UM 940 PM Establish 2026 Telecom Annual Fee Rate