

ORDER NO. 26-080

ENTERED Mar 17 2026

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 2320

In the Matter of

ZIPLY FIBER PACIFIC, LLC, dba ZIPLY
FIBER,

Petition for Designation as an Eligible
Telecommunications Carrier and as an
Eligible Communications Provider.

ORDER

DISPOSITION: STAFF'S RECOMMENDATION ADOPTED

At its public meeting on March 17, 2026, 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.

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: March 17, 2026**

REGULAR _____ **CONSENT** X **EFFECTIVE DATE** _____ **N/A** _____

DATE: March 5, 2026

TO: Public Utility Commission

FROM: Jon Cray

THROUGH: Nolan Moser and Melissa Nottingham **SIGNED**

SUBJECT: ZIPLY FIBER PACIFIC, LLC:
(Docket No. UM 2320)
Application for Designation as an Eligible Telecommunications Carrier and
Eligible Telecommunications Provider.

STAFF RECOMMENDATION:

Staff recommends that the Oregon Public Utility Commission (the Commission) grant the request of Ziplly Fiber Pacific, LLC (Ziplly Fiber Pacific or Company) for designation as a federal Eligible Telecommunications Carrier (ETC) for the limited purpose of receiving low-income support (Lifeline) from the federal universal service fund and for designation as Eligible Telecommunications Provider (ETP) to participate in the Oregon Telephone Assistance Program (OTAP),¹ in the zip codes listed in the February 19, 2026 supplement² to the Company's ETC and ETP petition, excluding any Tribal lands that may be within the served area.

DISCUSSION:

Issue

¹ The 2025 Oregon Legislature enacted House Bill 3148, which renamed the plan of assistance, i.e., OTAP, to Oregon Lifeline. However, Commission Order No. 15-382, adopted in Docket No. UM 1648, has not yet been revised to reflect the new program name.

² The Company references Exhibit A and Exhibit B for the list of zip codes and corresponding maps, respectively; however, the maps with the zip codes overlaid do not include exhibit labels; therefore, for purposes of this memo, Staff refers to this filing as the February 19, 2026 supplement.

Docket No. UM 2302
March 5, 2026
Page 2

Whether the Commission should designate Ziplly Fiber Pacific as an ETC and ETP in the zip codes identified in the February 19, 2026 supplement to the Company's ETC and ETP petition.

Applicable Law

Section 214(e)(2) of the Federal Communications Act of 1934, as amended by the Telecommunications Act of 1996 (the Act), delegates authority to state commissions to designate common carriers that are eligible to receive federal universal service support, i.e., ETCs. State commissions may confer federal ETC status on incumbent local exchange carriers or competitive common carriers that meet the conditions set out in Section 214(e)(1) of the Act. In general, those conditions require that the ETC offer and advertise, throughout its designated service area, the services that are supported by federal universal service support mechanisms. The carrier must provide the supported services using either its own facilities or a combination of its own facilities and resale of another carrier's service.³

Each state may adopt specific requirements for ETC designation that are consistent with requirements of the Act. The Commission updated its own set of requirements for federal ETC designation in Docket No. UM 1648, Order No. 15-382, entered December 1, 2015, (ETC Order).⁴ These are outlined in Appendix A to the ETC Order.

To offer federal Lifeline discounts to eligible low-income customers in Oregon, a carrier must be designated as an ETP to participate in the OTAP, which is the state counterpart to the Federal Communication Commission's (FCC's) Lifeline program, collectively Oregon Lifeline. OTAP requirements are based on Residential Service Protection law and found in Chapter 290, Section 6 and 16, Oregon Laws 1987, as amended. Commission rules governing OTAP are prescribed in Chapter 860, Division 033 of the Oregon Administrative Rules (OAR).

Analysis

The Applicant

Ziplly Fiber Pacific is an operating company under Northwest Fiber, LLC, alongside its affiliated companies, Ziplly Fiber Northwest and Ziplly Fiber of Oregon. Ziplly Fiber Pacific provides voice and broadband internet access service over a network constructed entirely with fiber-optic facilities, serving customers in select areas of Albany, Baker City, Corvallis, North Powder and Springfield.

³ 47 USC § 214 (e)(1) (1997).

⁴ *In the Matter of OPUC, Staff Investigation into Eligible Communication Carrier's Requirements*, Docket No. UM 1648, Order No. 15-382 (Dec. 1, 2015).

Docket No. UM 2302
March 5, 2026
Page 3

The Current Application

ZiPLY Fiber Pacific submitted its application on March 26, 2024. The Company later submitted an amended application on September 20, 2024, and filed a supplement to its amended application February 19, 2026. The Company requests designation as a federal ETC for the sole purpose of receiving low-income support (Lifeline) from the federal universal service fund, as well as ETP designation to participate in the OTAP and offer supplemental discounts from the Residential Service Protection Fund (RSPF) to all eligible low-income customers who reside in the zip codes listed in the February 19, 2026 supplement. ZiPLY Fiber Pacific does not request high-cost support from either the federal or Oregon universal service funds.

Review

Staff finds that ZiPLY Fiber Pacific's application demonstrates that the Company satisfies the requirements for ETC and ETP designation as discussed below. The following numbers correspond to the application requirements in Appendix A of the ETC Order No. 15-382.

1. Information regarding applicant and its common carrier status: The Commission certificated ZiPLY Fiber Pacific as a competitive carrier in Order No. 22-194 in Docket No. CP 1664.⁵ ZiPLY Fiber Pacific operates and commits to offer voice and broadband internet access service on a common carrier basis throughout the Company's designated service area. ZiPLY Fiber Pacific generates revenue from non-Lifeline and wholesale services derived from the Company's network subscribers and has access to capital and resources in the same manner as ZiPLY Fiber Northwest and ZiPLY Fiber of Oregon, under Northwest Fiber, LLC. The Company will not rely exclusively on disbursements from the federal universal service or Residential Service Protection funds for operating revenues. Therefore, Staff finds that the Company is financially and technically capable of providing the supported services in compliance with FCC and Commission rules.
2. Type of Federal Universal Service support for which designation is requested: ZiPLY Fiber Pacific requests limited designation to receive federal Lifeline low-income support.
3. Commitment and ability to provide all supported services: ZiPLY Fiber Pacific commits to provide the supported services within the proposed designated service area, which includes eligible voice telephony service as required in

⁵ *In the Matter of ZiPLY Fiber Pacific, LLC, Application for a Certificate of Authority to Provide Telecommunications Service in Oregon and Classification as a Competitive Telecommunications Provider*, Docket No. CP 1664, Order No 22-194, (June 1, 2022).

Docket No. UM 2302
March 5, 2026
Page 4

47 C.F.R. § 54.101(a). The Company also offers broadband internet access service.

4. Identification and definition of proposed designated service and commitment to serve: Zply Fiber Pacific identifies its proposed designated service area by showing zip codes overlaid on maps included in the Company's February 19, 2026 supplement. The map uses green dots to indicate the areas in which Zply Fiber Pacific commits to provide the supported services throughout to all eligible low-income households. If Zply Fiber Pacific seeks to offer voice and broadband internet access service beyond the boundaries of its designated service areas, the Company may petition the Commission with a request to expand its designated service area for low-income support.

Staff notes that Zply Fiber Pacific's September 20, 2024 amended petition included Elgin and Imbler in the requested designated service area; however, the maps submitted on February 19, 2026 do not include these locations. Accordingly, Staff has removed Elgin and Imbler from the areas under consideration for designation.

5. Types of facilities used to provide supported services: Pursuant to 47 C.F.R. § 54.201(d)(1), an ETC may offer supported services using its own facilities or a combination of its own facilities and resale of another carrier's services. Zply Fiber Pacific will provide the supported services using facilities owned by the Company or its affiliates. Zply Fiber Pacific's voice and broadband internet access services are delivered over the Company's fiber-optic network and softswitches, respectively.
6. Commitment to use support in accordance with rules: Zply Fiber Pacific certifies that, in accordance with 47 U.S.C. § 254(e) and 47 C.F.R. § 54.7(a), the Company will use federal universal service funds only for the provision of low-income support. Zply Fiber Pacific's petition includes a Declaration, under penalty of perjury, that the Company will use the support funds only for the intended purposes. Zply Fiber Pacific also certifies in the Company's application that it will comply with the service requirements applicable to the support it receives, including without limitation, the Commission's rules and orders governing ETCs and ETPs, and the applicable provisions of the FCC rules, 47 C.F.R. § 54.101, et seq., including all applicable limitations on use of funds and reporting requirements.
7. Commitment to advertise high-cost supported services throughout the service area: Zply Fiber Pacific is not requesting high-cost support from the federal or

Docket No. UM 2302
March 5, 2026
Page 5

Oregon universal service fund; therefore, this requirement is inapplicable to the Company.

Staff clarifies that any references to high-cost support or related requirements thereof in Ziplly Fiber Pacific's petition are inadvertent. The Company is seeking low income support only. If Ziplly Fiber Pacific chooses to pursue high-cost support in the future, the Company may submit a new ETC and ETP petition.

8. Commitment to offer and advertise Lifeline and OTAP services: Ziplly Fiber Pacific commits to abide by all FCC regulations delineated in 47 C.F.R. § 54.400, et seq., as well as RSPF and OTAP rules and procedures.

Ziplly Fiber Pacific commits to offering Lifeline and OTAP discounts on all its bundled and standalone voice and broadband internet access service plans in accordance with the FCC and Commission rules in the zip codes listed in the February 19, 2026 supplement. Ziplly Fiber Pacific affirms it will also advertise the availability of Lifeline and OTAP discounts in a manner reasonably designed to reach those likely to qualify for the service. Ziplly Fiber Pacific will advertise the availability of the Lifeline and OTAP discounts via media of general distribution including print, online, broadcast, and other widely used channels.

9. Ability to remain functional in emergencies: Ziplly Fiber Pacific has additional capacity and redundancy in the Company's own and its affiliates' networks, allowing it to reroute traffic, if facilities are damaged. To protect against service interruptions caused by force majeure or man-made events, Ziplly Fiber Pacific's systems use fiber routes with failover capabilities to maintain continued service. Ziplly Fiber Pacific is also able to manage increased traffic during emergency periods by routing traffic across redundant facilities, supporting service availability during periods of high demand. In addition, Ziplly Fiber Pacific commits to complying with Oregon's Emergency Communications Tax (E911) reporting requirements pursuant to ORS 403.200 through ORS 403.230.

Although not addressed in Ziplly Fiber Pacific's application, Staff notes that the Company must comply with Oregon's Coordinated Crisis Services Tax (988) reporting obligations pursuant to ORS 403.200 through ORS 403.230. Furthermore, Ziplly Fiber Pacific must not levy the 988 Coordinated Crisis Services Tax to OTAP customers who are exempt pursuant to ORS 403.205(2).

10. Commitment to service quality and consumer protection standards: Ziplly Fiber Pacific commits to abiding by all applicable federal and state service quality and consumer protection standards. Furthermore, Ziplly Fiber Pacific commits to

Docket No. UM 2302
March 5, 2026
Page 6

resolve customer complaints received by the Commission's Consumer Services Division and designates Jessica Epley, Vice President, Regulatory & External Affairs, as the Company's point of contact for complaint resolution. Ms. Epley currently serves in this role for the Company's affiliated entities and will continue in that capacity for Ziplly Fiber Pacific.

11. Designation on Tribal Lands: These requirements do not apply as Ziplly Fiber Pacific is not seeking designation on Tribal Lands and will not offer Tribal Lifeline Service. Any Tribal lands included in the served area are excluded from the designated service area. If Ziplly Fiber Pacific seeks to offer Tribal Lifeline service in the future, the Company will need to file a supplemental application to request designation on Tribal lands.
12. Public interest showing: Ziplly Fiber Pacific's requested designation is in the public interest. The Company currently offers the voice and broadband internet access services that are required for ETC status within its proposed designated service area. Because Ziplly Fiber Pacific's affiliates are already designated as ETCs and ETPs and are familiar with the Commission's Lifeline and OTAP operating and reporting requirements, the Company can begin offering Lifeline and OTAP discounts shortly after designation. This background and experience, together with the Company's stated intent to support eligible Oregon households, demonstrates a strong likelihood of success in enrolling customers in both Lifeline and OTAP.

Because Ziplly Fiber Pacific operates under the Ziplly Fiber brand consistent with its affiliates, customer confusion is expected to be minimal. The Company will provide an additional service option for a greater share of eligible low-income households in rural portions of its proposed designated service territory, advancing the goals of affordability and budget stability for existing and prospective eligible households.

13. Commitment to provide reports as required: Ziplly Fiber Pacific agrees to abide by all annual reporting requirements in 47 C.F.R. § 54.422, which was adopted by the Commission, for ETCs that receive low-income support. Ziplly Fiber Pacific, in good faith, will collaborate with Commission Staff in providing special weekly, monthly, or quarterly reports that Commission Staff may reasonably find necessary based on program requirements and the circumstances of the Company.

Docket No. UM 2302
March 5, 2026
Page 7

Conclusion

Staff finds that Ziplly Fiber Pacific's petition demonstrates that the Company satisfies the eligibility requirements for designation as both an ETC and an ETP for the limited purpose of receiving Lifeline and OTAP support. The Company meets the technical, financial, operational, and reporting standards established by the FCC and Commission and its proposed participation in Oregon Lifeline is in the public interest. Ziplly Fiber Pacific's ability to leverage existing experience from its affiliated ETCs and ETPs, together with its stated intent to support eligible Oregon households, indicates a strong likelihood of successfully delivering Lifeline and OTAP services to customers in its proposed designated service area. Finally, the Company has reviewed this memo and has indicated that it has no concerns.

PROPOSED COMMISSION MOTION:

Approve the request of Ziplly Fiber Pacific to be designated as a federal ETC for the sole purpose of receiving low-income support (Lifeline) from the federal universal service fund, and for designation as ETP to participate in the OTAP, in the zip codes listed in the Company's February 19, 2026 supplemental filing, excluding any areas not marked by green dots and any Tribal lands that may be within the served area.

CA5 - Ziplly Fiber Pacific UM 2320