

ORDER NO. 26-081

ENTERED Mar 17 2026

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 2429

In the Matter of

CAL-ORE COMMUNICATIONS, INC.,

Application for Designation as an Eligible
Telecommunications Carrier and Eligible
Telecommunications 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.

ITEM NO. CA9

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

REGULAR CONSENT EFFECTIVE DATE _____ N/A _____

DATE: March 8, 2026

TO: Public Utility Commission

FROM: Jon Cray

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

SUBJECT: CAL-ORE COMMUNICATIONS, INC.
(Docket No. UM 2429)
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 Cal-Ore Communications, Inc. (Cal-Ore Communications 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 an Eligible Telecommunications Provider (ETP) to participate in the Oregon Telephone Assistance Program (OTAP),¹ in the cities of Klamath Falls, Merrill, and Malin, Oregon, excluding any Tribal lands that may be within the served area.

DISCUSSION:

Issue

Whether the Commission should designate Cal-Ore Communications as an ETC and ETP for the sole purpose of offering federal Lifeline and OTAP services, respectively, in a designated service area that encompasses the cities of Klamath Falls, Merrill, and Malin.

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.

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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.²

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).³ 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

Cal-Ore Communications is a wholly owned subsidiary of Cal-Ore Telephone and has operated as a competitive local exchange carrier outside the Cal-Ore Telephone incumbent territory since 2004. The Company has provided internet access service within the Cal-Ore Telephone territory since 1993. Cal-Ore Communications delivers voice services using time division multiplexing (TDM) and voice over internet protocol (VoIP) solutions and provides broadband internet access service in portions of Klamath County using fiber-to-the premise and licensed and unlicensed fixed wireless technologies.

² 47 USC § 214 (e)(1) (1997).

³ *In the Matter of OPUC, Staff Investigation into Eligible Communication Carrier's Requirements*, Docket No. UM 1648, Order No. 15-382 (Dec. 1, 2015).

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The Current Application

Cal-Ore Communications submitted the application at issue here on January 27, 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 generally reside within the cities of Klamath Falls, Merrill, and Malin, Oregon. Cal Ore Communications does not request high-cost support from either the federal or Oregon universal service funds.

Review

Staff finds that Cal Ore'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 Cal-Ore Communications as a competitive carrier in Order No. 05-260 in Docket No. CP 1270.⁴ Cal-Ore Communications operates and commits to offer voice and broadband internet access service on a common carrier basis throughout the Company's proposed designated service area. Cal-Ore Communications generates revenue from service sales in Klamath County and northern California and will not rely exclusively on federal universal service or Residential Service Protection Fund disbursements for its operations. Therefore, Staff concludes that the long-standing 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: Cal-Ore requests limited designation to receive federal Lifeline low-income support.
3. Commitment and ability to provide all supported services: Cal-Ore commits to provide the supported services within the proposed designated service area, which includes eligible voice telephony service as required in 47 C.F.R. § 54.101(a). The Company also offers broadband internet access service.

⁴ *In the Matter of Transfer Application from Cal-Ore Telephone Co. To New Provider CAL-ORE COMMUNICATIONS, INC. for a Certificate of Authority to Provide Telecommunications Service in Oregon and Classification as a Competitive Telecommunications Provider*, Docket No. CP 1270, Order No. 05-260, (May 9, 2005).

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4. Identification and definition of proposed designated service and commitment to serve: Cal-Ore Communications identifies its proposed designated service area in Exhibit F, describing the general city limits of Klamath Falls, Merrill, and Malin, Oregon and the surrounding areas. If Cal-Ore Communications 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.
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. In addition to providing voice services using TDM and VoIP solutions, Cal-Ore Communications' network incorporates both optical fiber and fixed-wireless infrastructure with redundant paths and routers located in geo-diverse data centers as well as relationships with multiple upstream providers for resiliency. The Company's fixed-wireless network operates from multiple tower sites, most of which are connected to Cal-Ore fiber for backhaul and positioned to serve nearby households.
6. Commitment to use support in accordance with rules: Cal-Ore Communications, by affidavit, 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.
7. Commitment to advertise high-cost supported services throughout the service area: Cal-Ore is not requesting high-cost support from the federal or Oregon universal service fund; therefore, this requirement is inapplicable to the Company.
8. Commitment to offer and advertise Lifeline and OTAP services: Cal-Ore 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. The Company affirms it will advertise the availability of Lifeline and OTAP discounts in a manner reasonably designed to reach eligible households, using media of general distribution such as print, online, and broadcast channels. Cal-Ore's marketing plan includes social media, email, digital marketing, direct mail, printed materials, website advertising, community events, door-to-door outreach, billing inserts, and informational materials distributed through community partners. Staff appreciates the Company's proposed advertising, marketing, and outreach plan.

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9. Ability to remain functional in emergencies: Cal-Ore Communications reports a standard network uptime of 99.98 percent for residential customers and attests to the Company's ability to remain functional during emergencies. Cal-Ore Communications employs multiple redundancy and resiliency measures, including geographically diverse network switches, backup power systems, continuous network monitoring, emergency response equipment, spare critical components, redundant routing capabilities, multiple upstream internet providers, diverse voice interconnection paths, and an on-call response structure. These measures support the Company's ability to continue operating during emergencies or periods of increased network demand. In addition, Cal-Ore Communications states the Company is in compliance with E911 deployment and related requirements and commits to continued compliance with Oregon's Emergency Communications Tax (E911) reporting requirements pursuant to ORS 403.200 through ORS 403.230.

Although not addressed in Cal-Ore'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, Cal-Ore 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: Cal-Ore Communications commits to abiding by all applicable federal and state service quality and consumer protection standards. Furthermore, Cal-Ore commits to resolve customer complaints received by the Commission's Consumer Services Division and designates Rodney Wood, Jr., President, as the Company's point of contact for complaint resolution.
11. Designation on Tribal Lands: These requirements do not apply as Cal-Ore 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 Cal-Ore 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: Cal-Ore Communications' requested designation is in the public interest given the high concentration of low-income households in Klamath Falls, Merrill, Malin, and surrounding areas. The Company would provide an additional service option for eligible low-income households in rural portions of its proposed designated service area, supporting affordability and budget stability.

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Cal-Ore Communications highlights its prior participation in the Emergency Broadband Benefit⁵ and Affordable Connectivity Program⁶ and reports that, after the end of the Affordable Connectivity Program, the Company voluntarily provided a \$30 monthly credit to former ACP customers for 12 additional months, demonstrating its commitment to low-income households. Based on this experience and the Company's stated commitment to serving eligible Oregon households, Staff finds that Cal-Ore Communications is well positioned to successfully enroll customers in both Lifeline and OTAP. The Company should be able to begin offering these discounts shortly after designation.

13. Commitment to provide reports as required: Cal-Ore Communications 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. Cal-Ore Communications, 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.

Conclusion

Staff finds that Cal-Ore Communications' 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 applicable technical, financial, operational, and reporting standards established by the FCC and Commission and its proposed participation in Oregon Lifeline is in the public interest. Based on the Company's demonstrated capabilities and its strong commitment to serving low-income households, Staff concludes that Cal-Ore Communications is well positioned to fulfill its obligations as an ETC and ETP. Staff also acknowledges the high-quality of the Company's petition, which facilitated Staff's review and analysis. Finally, the Company has reviewed the memo and indicated that it has no concerns.

⁵ Federal Communications Commission. *Emergency Broadband Benefit Program*; Report and Order, FCC 21-29, 36 FCC Rcd 4612 (Feb. 25, 2021), in WC Docket No. 20-445.

⁶ Federal Communications Commission. *Affordable Connectivity Program; Emergency Broadband Benefit Program*, Report and Order and Further Notice of Proposed Rulemaking, WC Docket Nos. 21-450 and 20-445, FCC 22-2, 37 FCC Rcd 484 (adopted Jan. 14, 2022; released Jan. 21, 2022).

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PROPOSED COMMISSION MOTION:

Approve the request of Cal-Ore Communications 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 within the designated service area comprised of the cities of Klamath Falls, Merrill, and Malin, Oregon, excluding any Tribal lands that may be within the served area.

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