ORDER NO. 26-366

ENTERED Sep 30 2026

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 September 29, 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 appeal this order by filing a petition for review with the Circuit Court for Marion County in compliance with ORS 183.484.

ITEM NO. CA15

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: September 29, 2026

REGULAR ____ **CONSENT** X **EFFECTIVE DATE** November 1, 2026

DATE: September 9, 2026

TO: Public Utility Commission

FROM: Nicola Peterson

THROUGH: Russell Beitzel and Melissa Nottingham **SIGNED**

SUBJECT: OREGON PUBLIC UTILITY COMMISSION STAFF:
(Docket No. UM 940)
Establishes the gross revenue fee level for telecommunications providers for 2027.

STAFF RECOMMENDATION:

Staff recommends the Commission issue an order no later than November 1, 2026, to maintain the current 0.35 percent as the telecommunications providers' percentage annual rate fee. This fee is due on April 1, 2028, 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 provider[1] 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.

Until 2015, the statutory maximum rate was 0.25 percent. In 2019, Senate Bill 68 increased the statutory maximum to 0.35 percent.

In 1999 the Commission opened Docket No. UM 940 to set the annual fee levels for telecommunications providers.

Analysis

In 2024, the Commission received $1.26 million in annual fees from telecommunications providers and in 2025, the fees paid totaled $1.23 million. In 2026, total fees paid equaled $0.89 million. This sharp decline is due to the omission of Qwest's imputed directory revenues, as agreed in Order No. 24-041.

Staff is forecasting that gross retail revenues will continue to decline. Because of the projected decline in PUC telecommunications providers fee revenues, Staff is proposing to set 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 $0.85 million in annual telecommunications providers fees in 2027.

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 2027 and payable to the PUC in 2028, this provision means the fee level order must be issued no later than November 1, 2026.

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 2027 applicable percentage rate for the annual PUC fees due from telecommunications providers on April 1, 2028.