

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1481
Phase II

In the Matter of

PUBLIC UTILITY COMMISSION OF
OREGON

Staff Investigation of the Oregon Universal
Service Fund.

RULING

**DISPOSITION: STAFF TO SUBMIT EXPLANATORY COMMENTS ON
OR BEFORE MARCH 7, 2014**

Staff is directed to file information to assist the Commission in ruling on a motion filed by Warm Springs Telecommunications Company (WST). WST seeks clarification of Order No. 13-162, in which the Commission adopted a stipulation of the parties reducing the funds annually collected from customers and distributed to telecommunications carriers by the Oregon Universal Service Fund (OUSF). At page 3 of that order, the Commission stated:

2. OUSF Funding not Affected by Line Counts.

Non-Rural Companies¹ support will be fixed according to the schedule in paragraph 3, below, and will drop to a combined level of \$17.5 million by 2016.

Rural Companies will have a single *pro-rata* reduction of \$1 million on July 1, 2015 and will also not be affected by line counts as currently agreed to in the Memorandum of Understanding approved in docket UM 1017.²

The paragraph 3 schedule data was stated in terms of absolute dollars with no reference to amounts per line counted.

¹ Qwest (CenturyLink) and Frontier.

² See Order No. 12-204 (Jun 5, 2012) and Errata Order No. 12-309 (Aug 14, 2012).

At page 5 of that order the Commission stated:

7. CLEC ETCs to Receive Identical Compensation; Warm Springs Support Capped.

Between January 1, 2014 and December 31, 2016, any Competitive Local Exchange Carrier (CLEC) designated an Eligible Telecommunications Carrier (ETC) for purposes of OUSF funding will receive the ILEC per-line amount in its service area. Warm Springs Telecommunications Company will not be able to receive in excess of \$1.5 million in OUSF annual support.

WST seeks clarification of Order No. 13-162, noting at page 2 that, while under section III. 7 of the order it is entitled to receive the same per-line amount as the underlying ILEC, the non-rural ILEC with which it competes is, under section III. 2, no longer being supported on a per-line basis. WST explains:

“The purpose of this Motion is to clarify that per-line amount Warm Springs Telecom will receive for the life of the stipulation adopted in Order No. 13-162. As long as the total annual amount paid to WST does not exceed \$1.5 million, WST will receive the same \$149.81 per line support that it is presently receiving.”

WST has stated that “Brant Wolf and the members of Oregon Telecommunications Association, Mark Trincherro representing the Oregon Cable Association and Sommer Templet of CUB” all give their support to WST in this filing. Neither Staff nor any other parties to the proceeding have responded to the WST motion.

DISCUSSION

Paragraph 3 of the ordering clauses in Order 13-162 states:

The Staff of the Public Utility Commission of Oregon and the Administrator of the Oregon Universal Service Fund shall take such steps as necessary to effectuate changes to the collection and distribution of funds between January 1, 2014 and June 30, 2016, as set forth in the stipulation.

In order for the Commission to provide clarification of the WST motion, the Commission Staff shall explain the steps it intends to take with respect to the distribution of funds in accordance with the Commission order as it affects WST. The explanatory comments shall be filed on or before March 7, 2014.

Dated this 20th day of February, 2014, at Salem, Oregon.



Allan J. Arlow
Administrative Law Judge