CONNECTIONS NEWSLETTER









2nd Ouarter 2020 Edition

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Legislative and Regulatory Update

Keeping you informed on what's happening in the Capitol.

There is finally good news to report regarding the effort by the OTA to remove the wireless carrier's exemption from contributing to the Oregon Universal Service Fund (OUSF). After many years and four separate prior attempts to pass legislation regarding this issue, a bill doing just that was passed in late June and signed by the Governor. That marked the fifth time a bill was introduced to remove the exemption. As has been noted previously, this bill had full support from the Democratic party. Despite the fact that it results in a surcharge decrease for hundreds of thousands of Oregonians and supports rural Oregon, there was no support from our Republican party friends. It did receive two 'yes' votes from Republicans in the House and none in the Senate. Senator Bill Hansell (R) Athena, our Senate Republican champion, was excused from business due to illness.

While this is undoubtedly a positive development for our ILEC members and our CLEC member that draw from the OUSF, we still must prove the need for the support we get at the OPUC level. The stipulation that lays out support levels expires at the end of 2021 and a new process for allocating support will begin soon. There is still hard work to be done.

Here are the highlights of the legislation that passed:

Removes the existing language that allowed the wireless industry to neglect paying into the fund.

Mandates remaining VoIP providers pay into the fund (Comcast already contributes).



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Show off your stuff...

Are you a new member? Would you like your fellow OTA members to notice your company and products? If so, this quarterly online newsletter is a great way to be seen and make new contacts!

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We're back.....

The OTA Associate Member Committee has recently been rejuvenated! The purpose of this committee is to represent the interests of the Associate Members by providing opportunities for networking, access and exposure to the Telecommunications Provider Members and the OTA Board of Directors and also to coordinate and support Associate Member involvement in OTA functions.

The elected Associate Member Delegate to the OTA Board of Directors also holds the Chair position on the Associate Member Committee. This position is currently vacant and the OTA is now accepting nominations for the Associate Member Delegate to the OTA Board. Associate Members who may be interested in this position are encouraged to submit a brief biographical profile – including information regarding your experience in the industry, and past or current services with the OTA or other related trade association or professional organizations. When considering this opportunity, please bear in mind the time commitment associated with service on the OTA Board. The Board meets at least six times a year. Regular meetings can last two to three hours – plus travel time. The Board may also meet once each year for a one to two-day strategic planning retreat. Time commitment for the Associate Member Committee would require participation at a meeting typically every two months and work on various projects throughout the year. Nominations must be submitted to the OTA office no later than Wednesday, September 2nd. Ballots will be distributed via email to all members on September 3rd, with votes being requested by Monday, September 21st. The Associate Member Delegate will be announced at the OTA Annual Business Meeting which is scheduled to take place via Zoom on Thursday, September 24th and will assume his or her responsibilities at the close of that meeting.

The Associate Member Committee is made up of up to five representatives from Associate Member Companies and two representatives of the Telecommunication Provider Member Companies.

Their duties are to strengthen communications between the Telephone Company Members and Associate Members, assist in facilitating trade shows and training sessions, and to participate in driving funds for the OTA Scholarship Foundation.

Watch for future updates on what your Associate Member Committee is working on. In the meantime, should you have any questions or concerns about your associate membership with the OTA, please don't hesitate to contact one of the committee members.

Sincerely,
OTA Associate Member Committee

OTA

Shaun Plummer, Interim Committee Chair Core Telecom Systems Brian Fagan PEAK Internet Scott Crosby Reliance Connects Brant Wolf

Lee Sitton
Rep Com International
Louis Basl
Stayton Cooperative Telephone Company
Susan Allen
OTA



Provides for the OUSF to receive up to 28 million dollars as long as that much is collected. This is a cap that will remain in place until the law is changed. Once the OUSF has received it's 28m, then 5 million or the remainder of available funds will go to the newly created Broadband Grant Fund. The BB fund is in place until January 2030 and it then sunsets out. The OUSF remains in place until the law is changed.

The OUSF surcharge is reduced from it's current 8.5% cap to no more than 6%. There are safeguards written into the law that provide protections from overbuilding with any BB project awarded, including a right of first refusal for local service providers. The effort to pass an OUSF reform bill was a long one and many, many people helped out over the years, up to and including the bill that finally passed into law. Much gratitude and thanks for all who visited elected officials, wrote letters and emails and showed up to testify at the Capitol. It all finally paid off.

COLR proceeding at OPUC – the work continues on this issue although OPUC has had to curtail the public meetings they wanted to hold across Oregon. OTA has members that want some kind of COLR relief made available to them. The focus of the meetings has been to try and determine what the obligation means to Oregonians, who will step in if relief is granted, what should relief, if granted, look like, etc. OPUC must report their findings and any recommendations for change to the Legislature by September 15, 2020.

Meantime, the position of the OTA has not changed. We will continue to defer to our members seeking COLR relief as long as that relief does not come at the expense of our small company members satisfied with the current state of affairs. OTA has been clear in our limited comments: any relief should come at the request of the company seeking it and not be mandatory across the board. Our small company members embrace the obligation to serve and appreciate the support received to provide service.

It should also be noted that anything other than minor changes would have to be accomplished with a change in statute requiring legislation to be introduced, passed and signed into law.

Covid-19 meetings with OPUC – Since the Covid 19 situation arose, OTA members have done their utmost to ensure that access to the internet has been provided to Oregonians needing it. Our members have refrained from disconnecting service for non-payment, refrained from imposing late fees and data caps, and worked with customers on payment plans when needed.

OPUC Staff initiated these meetings to discuss the issues mentioned above and any other pertinent issues. The first couple of meetings seemed to focus on the energy utilities and we did manage to get the telecommunications business separated from energy for future meetings. The stated purpose of these meetings is to learn how your customers are dealing with the Covid -19 situation and how you are dealing with your customers. Staff has indicated that they have not seen an uptick in complaints and so far, there have been no recommendations for new disconnect rules.

While the unending data requests you seem to get from OTA might be annoying, it is always better to work with Staff and provide the information they think they need. The goal is to provide the best service and avoid burdensome and potentially costly regulations.

One final thing: OTA is on the record pointing out that only regulated ILECs are at these meetings. Our competitors – wireless, cable and satellite – are not. Our members do not operate in a monopoly environment and we requested Staff be mindful of this fact as they engage in this process. Plus we are just better than our competitors.

UM 2040 and AR 640 – these two proceedings have not had any initial meetings just yet.

AR 640 is a direct result of the OUSF legislation that passed. It will determine exactly how wireless carriers and the remaining VoIP providers will make their contributions. OTA will participate and ensure that the protocol described in the legislation is followed.

UM 2040 is the proceeding that will deal with the end of the existing stipulation laying out OUSF allocation and support amounts. As mentioned, when that stipulation ends it must be replaced with something else. This proceeding is without doubt the most important proceeding at OPUC in a long while.

OTA members drawing from the fund should be fully prepared and able to provide evidence of their continued need for support and documentation for any additional support that might be required. The OUSF still has powerful enemies and they will participate in this proceeding fully as well.

The OTA, our legal counsel, your cost consultants and our affected members should be ready for what could be a drawn out proceeding. This is the work that was always going to follow passage of the OUSF reform bill.

OTA EVENT CALENDAR 2020

Because of the on-going health crisis and the uncertainty of what the COVID-19 Pandemic will look like in the coming months, all OTA in-person conferences have been cancelled through the end of 2020. Please check the OTA website regularly for any updates on possible virtual training sessions to be offered that are currently under consideration.



AUGUST 2020

- Consumer Services & Marketing Committee Meeting
 Thursday 10:00 a.m., Conference Call
- 28 Future Ad hoc Committee Meeting Friday 10:00 a.m., via Zoom

SEPTEMBER 2020

- 17 Associate Member Committee Meeting Thursday – 11:00 a.m., Conference Call
- Small Company Committee & OTA Board of Directors Meeting
 Thursday 9:30 a.m., Zoom Meeting
 Followed by the OTA Annual Business Meeting

OCTOBER 2020

- 8 Outside Plant Committee Meeting Thursday – 10:00 a.m., Conference Call
- 15 CO-IT Committee Meeting
 Thursday 10:00 a.m., Conference Call

**With the uncertainty of being able to plan face-to-face meetings amidst the COVID-19 pandemic, please check our website for regular updates or call the OTA office at 503-581-7430.

Notification of OTA President of Any Antitrust Concerns

OTA members, representatives and attendees should promptly bring any antitrust concerns to the attention of OTA President. Because antitrust law and policy is legally complex (especially in view of the heavily regulated nature of the telecommunications industry), all OTA members, representatives and attendees are expected and instructed to seek promptly the advice of counsel for OTA in the event that there is any question as to whether any contemplated action, activity, proposal, or other course of action may be in conflict with applicable law.

OTA members, representatives and attendees should terminate any discussion, seek legal counsel's advice, or, if necessary, leave any meeting or discussion where improper subjects are being discussed and explain the reasons for departure to those still in attendance.

For a copy of OTA's Antitrust Policy in its entirety, please contact the OTA office.

OTA Legal Counsel

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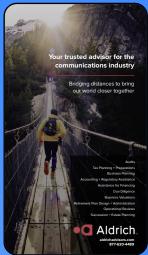
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Need to contact the Oregon Telecommunications Association?

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