

A-Engrossed
House Bill 2097

Ordered by the House April 17
Including House Amendments dated April 17

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of House Interim Committee on Agriculture and Natural Resources for Oregon Telecommunications Association)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Provides that Public Utility Commission may exempt telecommunications utility, cooperative corporation or municipality from carrier of last resort obligations if commission finds that *[other telecommunication utility or competitive telecommunications provider has entered into exclusive agreement to provide local exchange telecommunications service to four or more residences within territory allocated to telecommunications utility, cooperative corporation or municipality]* **owner or developer of property with four or more single-family dwellings uses alternative service provider to provide local telecommunications service.**

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to carrier of last resort obligations; amending ORS 759.506; and declaring an emergency.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 759.506 is amended to read:

5 759.506. (1) The purpose of establishing allocated territories under ORS 759.500 to 759.570 is to
6 ensure that telecommunications utilities, cooperative corporations and municipalities certified by the
7 Public Utility Commission to provide local exchange telecommunications service:

8 (a) Provide adequate and safe service to the customers of this state; and

9 (b) Serve all customers in an adequate and nondiscriminatory manner.

10 (2) The obligations described in this section may be referenced as carrier of last resort obli-
11 gations.

12 **(3) The commission, upon petition from a telecommunications utility, cooperative corpo-**
13 **ration or municipality, may exempt the telecommunications utility, cooperative corporation**
14 **or municipality from the obligations described in this section if the commission finds, for a**
15 **property with four or more single-family dwellings, that the owner or developer of the**
16 **property, or a person acting on behalf of the owner or developer:**

17 (a) **Permits an alternative service provider to install its facilities or equipment used to**
18 **provide local telecommunications service based on a condition of exclusion of the telecom-**
19 **munications utility, cooperative corporation or municipality during the construction phase**
20 **of the real property;**

21 (b) **Accepts or agrees to accept incentives or rewards from an alternative service pro-**
22 **vider that are contingent upon the provision of any or all local telecommunications services**
23 **by one or more alternative service providers to the exclusion of the telecommunications**
24 **utility, cooperative corporation or municipality; or**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 (c) Collects from the occupants or residents of the property mandatory charges for the
2 provision of any local telecommunications service provided to the occupants or residents by
3 an alternative service provider in any manner, including, but not limited to, collection
4 through rent, fees or dues.

5 (4) If the commission, upon petition from any interested person located within the prop-
6 erty for which the commission has waived the carrier of last resort obligations under sub-
7 section (3) of this section, finds that the existing public convenience and necessity requires
8 reinstatement of the carrier of last resort obligations, then the commission has the power
9 to assign the obligations to a telecommunications utility, cooperative corporation or
10 municipality after a public hearing. The commission shall determine how the costs of serving
11 the customers are allocated so that the telecommunications utility, cooperative corporation
12 or municipality will be allowed an opportunity to recover reasonable and prudent costs that
13 exceed the costs that would have been incurred to initially construct or acquire facilities to
14 serve customers of the territory. The determination of cost allocation by the commission
15 must also divide the costs allowed equitably among all customers of the territory to which
16 service is being reinstated.

17 SECTION 2. This 2009 Act being necessary for the immediate preservation of the public
18 peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect
19 on its passage.

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