



HB 2654

After nearly a year of restricted lifestyles due to COVID-19, we have seen how important broadband access is, especially for our unserved and underserved communities. Now, more than ever, we must ensure the expansion of broadband to provide much-needed connectivity so Oregonians can participate in telework, distance learning, and telehealth, among other needs.

While the Oregon Cable Telecommunications Association (OCTA) support efforts to expand broadband access across the state, we have significant concerns with provisions as currently outlined in HB 2654 and cannot support the bill in its current form.

Competitive Equity/Cross-Subsidization

As drafted, HB 2654 creates a competitive disadvantage for our members by encouraging providers of electric service to build-out in areas already served using funds derived from serving captive electric utility customers. Language in the bill would allow electric co-ops, public utility districts, and investor-owned utilities to utilize revenue from their monopoly provision of electric service to compete against private competitive broadband providers who have already made significant investments in these areas.

We must ensure that the concept does not inadvertently compromise investments made with private dollars, and we suggest the inclusion of language to prohibit cross-subsidization between electric and broadband service.

Non-Discriminatory Access to Poles and Reasonable Attachment Rates

Electric service providers often control the poles that our members need to attach facilities to in order to serve our customers. While investor-owned electric utilities are subject to the non-discriminatory access and attachment rates established by the Public Utility Commission, electric cooperatives and public utility districts are not. As such, nondiscriminatory access and reasonable attachment rate provisions should be included in the bill.

Service Areas

We all share the goal of expanding access to broadband in our state; but we must ensure this effort is focused on and prioritizes Oregon's unserved and underserved communities. HB 2654 does not achieve this goal. As written, HB 2654 is not limited to Oregon's high-need communities, inadvertently advancing the expansion of broadband services in areas already served. We must focus the bill language to encourage deployment in unserved and underserved communities to ensure these areas are prioritized.

Technological Neutrality

To further broadband deployment and access, the bill must include language that provides safeguards to ensure the policy objectives are achieved while remaining technologically neutral. In short, provisions to ensure non-discriminatory access and comparable obligations to that of existing providers are needed in HB 2654.

Please consider modifications to HB 2654. As entities seek to provide broadband service, legislation should ensure competitive parity, that electric utility customers are protected, and that broadband deployment incentives are targeted to unserved and underserved areas, where broadband service is most needed.