

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: December 18, 2001**

REGULAR X CONSENT _____ EFFECTIVE DATE January 1, 2002

DATE: December 10, 2001

TO: Phil Nyegaard

FROM: Dave Booth

SUBJECT: OREGON UNIVERSAL SERVICE (OUS) PROGRAM: Approval of candidates for three OUS Advisory Board positions.

STAFF RECOMMENDATION:

The Commission should appoint the following persons to the Oregon Universal Service (OUS) Advisory Board effective January 1, 2002, for three-year terms ending December 31, 2004:

Telecommunications utilities,
 Dave Overstreet, GTE Northwest;
Competitive telecommunications providers,
 Richard Ryan, Hunter Communications;
Consumer group representing residential customers,
 Jeff Bissonnette, Citizens Utility Board (CUB).

DISCUSSION:

In docket UM 731, the Commission established an OUS Advisory Board (Board) consisting of ten members. See Order No. 99-197. One member is from the Commission's staff. The other nine members are as follows:

- Three from telecommunications utilities;
- Three from competitive telecommunications providers;
- One from radio common carriers (i.e., wireless carriers);
- One from a consumer group representing residential customers; and
- One from among business customers.

The Commission established the following functions for the Board:

- Assist and advise the Commission in the selection of the OUS Administrator;

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- Advise the Administrator and Commission regarding the effective operation of the OUS Fund;
- Assist the Administrator in reviewing and identifying irregularities in information provided on OUS worksheets;
- Provide an interface between the Administrator and telecommunications providers to resolve problems or disputes and to recommend appropriate actions; and
- Assist the Commission in evaluating the success of the OUS program.

The Commission also determined that membership on the Board will be limited to three consecutive years by any member representing a particular company. The terms are staggered so that no more than one-third of the members will be new in any one year. The Commission's staff membership is permanent.

On November 30, 1999, the Commission appointed the initial slate of ten Board members and determined that their terms of office should begin January 1, 2000. The Commission delayed a decision on terms of office for individual members until after the Board had a chance to discuss the matter.

At the July 10, 2000, Public Meeting, staff reported that the Board had agreed which of the members would serve initial terms of one, two, or three years. In addition, staff reported that the Board had concluded that it would be better to delay the start of staggered terms for one year until January 1, 2001. This one-year delay would allow all Board members to serve from January 1, 2000 through December 31, 2000, then serve at least one more year from January 1, 2001 through December 31, 2001. The advantage of this arrangement would be continuity of membership during the Board's first two years of operation as it dealt with the complexities of establishing the OUS Program. Staff recommended the Commission approve terms of office as proposed by the Board, as well as a one-year delay of staggered terms. The Commission approved staff's recommendation.

The Commission's web site (www.puc.state.or.us) provides Information about current Board members and their terms of office. As indicated on the web site, terms of office for the following Board members will expire December 31, 2001:

- Telecommunications utilities,
Dave Overstreet, Verizon Northwest, Inc.;
- Competitive telecommunications providers,
Brian Thomas, Time Warner Telecom, Inc.;
- Consumer group representing residential customers,
Bob Jenks, Citizens Utility Board (CUB).

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On October 18, 2001, staff mailed a letter seeking nominations to fill the three positions listed above. In addition, the letter sought nominations to fill another position that is currently open due to resignation. The Board member who represented radio common carriers resigned in August 2000, due to a change in employment. Staff has been trying to fill this position, so far without success.

Staff provided a nomination form, and set a filing deadline of November 8, 2001. Staff also established a committee to review the nominations and recommend appointments for the Commission's consideration. Members of the selection committee are Vicki McLean, Phil Nyegaard, and Tom Barkin.

Staff received nominations for three of the four open positions. There were no nominations for the radio common carrier position. By category, the nominations are:

- Telecommunications utilities,
 Dave Overstreet, Verizon Northwest, Inc.;
- Competitive telecommunications providers,
 Brian Thomas, Time Warner Telecom, Inc.,
 Richard Ryan, Hunter Communications, Inc.;
- Consumer group representing residential customers,
 Jeff Bissonnette, Citizens Utility Board (CUB).

Dave Overstreet of Verizon Northwest, Inc. was nominated for a second term representing telecommunications utilities. Mr. Overstreet is unopposed. Two persons were nominated to fill the position representing competitive telecommunications carriers, Brian Thomas of Time Warner Telecom, Inc. and Richard Ryan of Hunter Communications, Inc. Mr. Thomas currently holds the position and is seeking a second term. Jeff Bissonnette was nominated to replace Bob Jenks as CUB's representative on the Board. Mr. Bissonnette is unopposed.

The selection committee met December 5, 2001. The committee recommends the Commission appoint the following nominees to three-year terms beginning January 1, 2002:

- Telecommunications utilities,
 Dave Overstreet, Verizon Northwest, Inc.;
- Competitive telecommunications providers,
 Richard Ryan, Hunter Communications, Inc.;
- Consumer group representing residential customers,
 Jeff Bissonnette, Citizens Utility Board (CUB).

The selection committee is recommending the Commission appoint Richard Ryan to the open position representing competitive telecommunications carriers. The committee concluded that appointing Mr. Ryan would add a different perspective to the Board. This was a difficult decision for the committee, since Mr. Thomas has been an effective and valued Board member the past two years. However, the two other Board members who represent competitive telecommunications providers both work for national or regional carriers, as does Mr. Thomas.¹ In contrast, Mr. Ryan works for a small carrier headquartered in Medford, Oregon. According to the nomination materials, Mr. Ryan has been a key figure in the Medford/Ashland area on various local infrastructure projects. The selection committee concluded that the Board would benefit by adding Mr. Ryan's background and perspective.

PROPOSED COMMISSION MOTION:

The following persons be appointed to the OUS Advisory Board effective January 1, 2002, for three-year terms ending December 31, 2004:

Telecommunications utilities,
 Dave Overstreet, GTE Northwest;
Competitive telecommunications providers,
 Richard Ryan, Hunter Communications;
Consumer group representing residential customers,
 Jeff Bissonette, Citizens Utility Board (CUB).

¹ The two other Board members representing the competitive telecommunications carriers are Natalie Baker, AT&T Communications of the Pacific Northwest, Inc., and Susan McAdams, New Edge Networks, Inc.