

**PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: July 24, 2007**

**REGULAR** \_\_\_\_\_ **CONSENT**  X  **EFFECTIVE DATE**  July 25, 2007

**DATE:** July 5, 2007

**TO:** Public Utility Commission

**FROM:** Roger White

**THROUGH:** Lee Sparling, Dave Booth and Cynthia Van Landuyt

**SUBJECT:** OREGON PUBLIC UTILITY COMMISSION STAFF: Requests Approval of 2006 Form I, Separated Results of Operations.

**STAFF RECOMMENDATION:**

Staff recommends the Commission approve the proposed 2006 Form I.

**DISCUSSION:**

The Annual Report Form I separates an individual regulated telephone company's financial data into interstate and intrastate results of operations. The data is used for a variety of purposes; including EAS filings, the annual Oregon Customer Access Fund review (intrastate access charges) and the cost review of rural incumbent local exchange carriers (ILECs) for the Oregon Universal Service Fund (OUSF).

OARs 860-027-0070 and 860-034-0395 as amended by orders 95-516, 97-434, 98-060, 99-468 and 01-488 provide that, "the intrastate report Form I for the previous calendar year shall be submitted on or before October 31, using the most current form approved by the Commission". A copy of the 2006 Form I is attached. Staff updated the form for year references to 2006. No other changes were made.

Staff now seeks Commission approval of the 2006 Form I so that companies will be using "the most current form approved by the Commission" for their 2006 filing due October 31, 2007.

**PROPOSED COMMISSION MOTION:**

The proposed 2006 Form I annual report forms be approved.

ANNUAL REPORT OF  
**OREGON SEPARATED RESULTS OF OPERATIONS**

(Telecommunications Utilities Form I)

OF

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(Company Name)

TO THE  
PUBLIC UTILITY COMMISSION OF OREGON  
550 CAPITOL STREET NE, SUITE 215  
SALEM, OREGON 97301-2551

**FOR THE YEAR ENDING DECEMBER 31, 2006**

COMPANY NAME: <enter name>

For The Year Ended: December 31, 2006

Separated Results of Oregon Operations

FCC Account and Description	Note No.	Line No.	Total Oregon Operations Subject To Separations (Note 1)	Interstate Operation			Intrastate Operation			
				MTS & WATS Switched Access	TOLL PLS Special Access	Total	MTS & WATS Switched Access	TOLL PLS Special Access	EAS	Local (other)
<b>SUMMARY</b>										
<b>Revenues, Expenses, and Taxes</b>										
<b>Operating Revenues</b>										
50XX Local -Billed	(2)	1	0			0			0	0
-EAS Billed	(2)	2	0			0		0		0
-State OUSF Distribution	(2)	3	0			0	0		0	0
508X Access-SLC (End User)	(3)	4	0	0		0			0	0
-State & Federal EU USF Surcharge	(3)	5	0	0	0	0		0	0	0
-Switched (TS+NTS)	(3)	6	0	0		0			0	0
-Federal USF Distribution	(3)	7	0	0	0	0			0	0
-Special	(3)	8	0		0	0		0		0
51XX Toll -Message	(4)	9	0	0		0			0	0
-Private Line	(4)	10	0		0	0		0		0
-Settlement	(4)	11	0	0	0	0		0		0
52XX Misc. -Billing & Collection	(5)	12	0	0	0	0		0		0
-Directory Advertising	(5)	13	0			0			0	0
-Operating Rents	(5)	14	0	0	0	0		0	0	0
-Other Misc.	(5)	15	0	0	0	0		0	0	0
530X Less: Uncollectible Rev. (-)		16	0	0	0	0		0	0	0
<b>Total Revenues</b>		17	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Operating Expenses</b>										
61XX-64XX Plant Specific Oper.		18	0	0	0	0	0	0	0	0
65XX Plant Nonspecific Operations		19	0	0	0	0	0	0	0	0
656X Depreciation & Amortization		20	0	0	0	0	0	0	0	0
66XX Customer Operations		21	0	0	0	0	0	0	0	0
67XX Corporate Operations		22	0	0	0	0	0	0	0	0
---- Other Operating		23	0	0	0	0	0	0	0	0
<b>Total Expenses</b>		24	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Operating Taxes:</b>										
7240 General Taxes		25	0	0	0	0	0	0	0	0
7230 State/Local Inc. Tax (Current)		26	0	0	0	0	0	0	0	0
7220 Federal Income Tax (Current)		27	0	0	0	0	0	0	0	0
7250 Net Deferred Income Taxes		28	0	0	0	0	0	0	0	0
7210 Net Investment Tax Credits		29	0	0	0	0	0	0	0	0
<b>Total Taxes</b>		30	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Operating Income</b>		31	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

COMPANY NAME: <enter name>

For The Year Ended: December 31, 2006

Separated Results of Oregon Operations

FCC Account and Description	Note No.	Line No.	Total Oregon Operations Subject To Separations (Note 1)	Interstate Operation			Intrastate Operation				
				MTS & WATS Switched Access	TOLL PLS Special Access	Total	MTS & WATS Switched Access	TOLL PLS Special Access	EAS	Local (other)	Total

**SUMMARY (continued)**

RATE BASE										
<b>Average Rate Base</b>										
2001	Telecom. Plant in Service	1	0	0	0	0				0
2005	Plant Acquisition Adjustment	2	0	0	0	0	0	0	0	0
3100	Less: Accumulated Depr (-)	3	0	0	0	0	0	0	0	0
34xx-36xx	Less: Accumulated Amort. (-)	4	0	0	0	0	0	0	0	0
4100-4340	Less: Accum. Deferred Tax(-)	5	0	0	0	0	0	0	0	0
1220	Materials and Supplies	6	0	0	0	0	0	0	0	0
----	Other Rate Base	7	0	0	0	0	0	0	0	0
	<b>Total Average Rate Base</b>	8	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

COMPANY NAME: <enter name>

For The Year Ended: December 31, 2006

Separated Results of Oregon Operations

FCC Account and Description	Note No.	Line No.	Total Oregon Operations Subject To Separations	Interstate Operation			Intrastate Operation				
				MTS & WATS Switched Access	TOLL PLS Special Access	Total	MTS & WATS Switched Access	TOLL PLS Special Access	EAS	Local (other)	Total
<b>DETAIL</b>			(Note 1)								
<b>PLANT IN SERVICE</b>											
<b>21XX General Support Facilities</b>		1	0	0	0	0	0	0	0	0	0
<b>22XX Central Office Equipment:</b>											
CAT 1-Operator Systems		2	0	0	0	0	0	0	0	0	0
CAT 2-Tandem Switching (Alloc.)		3	0	0	0	0	0	0	0	0	0
CAT 2-Tandem Switching (Assign.)		4	0	0	0	0	0	0	0	0	0
CAT 3-Local Switching		5	0	0	0	0	0	0	0	0	0
CAT 4.12 -Exch. Trunk (Joint Use)		6	0	0	0	0	0	0	0	0	0
CAT 4.12 -Exch. Trunk (Ded. Use)		7	0	0	0	0	0	0	0	0	0
CAT 4.13 -Subscr. Line (Joint Use)	(6)	8	0	0	0	0	0	0	0	0	0
CAT 4.13 -Subscr. Line (Ded. Use)		9	0	0	0	0	0	0	0	0	0
CAT 4.23 -IX Trunk (Joint Use)		10	0	0	0	0	0	0	0	0	0
CAT 4.23 -IX Trunk Ckt. (Ded. Use)		11	0	0	0	0	0	0	0	0	0
CAT 4.3 -Host/Remote Trunk Ckt.		12	0	0	0	0	0	0	0	0	0
COE Other ( Wideband CAT 4.11, .12 & .22)	(7)	13	0	0	0	0	0	0	0	0	0
<b>Total COE</b>		14	0	0	0	0	0	0	0	0	0
<b>23XX Information Orig./Term. Equipment:</b>											
CAT 1-Regulated CPE		15	0	0	0	0	0	0	0	0	0
Other IOT		16	0	0	0	0	0	0	0	0	0
<b>Total IOT</b>		17	0	0	0	0	0	0	0	0	0
<b>24XX Cable &amp; Wire Facilities:</b>											
CAT 1.3-Subscriber Line (Common)	(6)	18	0	0	0	0	0	0	0	0	0
CAT 1.1,2-Subscriber Line (Ded.)		19	0	0	0	0	0	0	0	0	0
CAT 2-Exch. Trunk (Joint Use)		20	0	0	0	0	0	0	0	0	0
CAT 2-Exch. Trunk (Ded. Use)		21	0	0	0	0	0	0	0	0	0
CAT 3-IX Trunk (Joint Use)		22	0	0	0	0	0	0	0	0	0
CAT 3-IX Trunk (Ded. Use)		23	0	0	0	0	0	0	0	0	0
CAT 4-Host/Remote Trunk		24	0	0	0	0	0	0	0	0	0
C&WF Other ( Wideband )	(7)	25	0	0	0	0	0	0	0	0	0
<b>Total C&amp;WF</b>		26	0	0	0	0	0	0	0	0	0
<b>26XX Other Assets:</b>											
Capital Leases		27	0	0	0	0	0	0	0	0	0
Leasehold Improvements		28	0	0	0	0	0	0	0	0	0
Intangibles		29	0	0	0	0	0	0	0	0	0
<b>Total Other Assets</b>		30	0	0	0	0	0	0	0	0	0
<b>Total Telecom. Plant in Service</b>		31	0	0	0	0	0	0	0	0	0

FCC Account and Description	Note No.	Line No.	Total Oregon Operations Subject To Separations	Interstate Operation			Intrastate Operation				
				MTS & WATS Switched Access	TOLL PLS Special Access	Total	MTS & WATS Switched Access	TOLL PLS Special Access	EAS	Local (other)	Total
<b>DETAIL</b>			(Note 1)								
<b>DEPRECIATION &amp; AMORTIZATION</b>											
<b>Accumulated Depreciation Detail</b>											
311X General Support Facilities		1	0	0	0	0	0	0	0	0	0
312X Central Office Switching		2	0	0	0	0	0	0	0	0	0
312X Operator Systems		3	0	0	0	0	0	0	0	0	0
312X Central Office Transmission		4	0	0	0	0	0	0	0	0	0
313X Information Orig./Term. Equip.		5	0	0	0	0	0	0	0	0	0
314X Cable & Wire Facilities		6	0	0	0	0	0	0	0	0	0
<b>Total Accumulated Depreciation</b>		7	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Accumulated Amortization Detail</b>											
3410 Capital Leases		8	0	0	0	0	0	0	0	0	0
3420 Leasehold Improvements		9	0	0	0	0	0	0	0	0	0
3500 Intangibles		10	0	0	0	0	0	0	0	0	0
3600 Acquisition Adjustment		11	0	0	0	0	0	0	0	0	0
<b>Total Accumulated Amortization</b>		12	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

COMPANY NAME: <enter name>

For The Year Ended: December 31, 2006

Separated Results of Oregon Operations

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				MTS & WATS Switched Access	TOLL PLS Special Access	Total	MTS & WATS Switched Access	TOLL PLS Special Access	EAS	Local (other)	Total
<b>DETAIL</b>			(Note 1)								
<b>OPERATING EXPENSE</b>											
<b>61XX-64XX Plant Specific Operations</b>											
6110-20		1	0	0	0	0	0	0	0	0	0
621X		2	0	0	0	0	0	0	0	0	0
6220		3	0	0	0	0	0	0	0	0	0
623X		4	0	0	0	0	0	0	0	0	0
63XX		5	0	0	0	0	0	0	0	0	0
64XX		6	0	0	0	0	0	0	0	0	0
<b>Total Plant Specific</b>			7	0	0	0	0	0	0	0	0
<b>65XX Plant Nonspecific Operations</b>			(8)								
6512		8	0	0	0	0	0	0	0	0	0
653X		9	0	0	0	0	0	0	0	0	0
6540	(9)	10	0	0	0	0	0	0	0	0	0
65XX	(10)	11	0	0	0	0	0	0	0	0	0
65XX	(10)	12	0	0	0	0	0	0	0	0	0
<b>Total Plant Nonspecific</b>			13	0	0	0	0	0	0	0	0
<b>656X Depreciation &amp; Amortization</b>			(8)								
6561		14	0	0	0	0	0	0	0	0	0
6561		15	0	0	0	0	0	0	0	0	0
6561		16	0	0	0	0	0	0	0	0	0
6561		17	0	0	0	0	0	0	0	0	0
6561		18	0	0	0	0	0	0	0	0	0
6561		19	0	0	0	0	0	0	0	0	0
6563		20	0	0	0	0	0	0	0	0	0
6563		21	0	0	0	0	0	0	0	0	0
6564		22	0	0	0	0	0	0	0	0	0
6565		23	0	0	0	0	0	0	0	0	0
<b>Total Depreciation &amp; Amortization</b>			24	0	0	0	0	0	0	0	0

COMPANY NAME: <enter name>

For The Year Ended: December 31, 2006

Separated Results of Oregon Operations

FCC Account and Description	Note No.	Line No.	Total Oregon Operations Subject To Separations	Interstate Operation			Intrastate Operation				
				MTS & WATS Switched Access	TOLL PLS Special Access	Total	MTS & WATS Switched Access	TOLL PLS Special Access	EAS	Local (other)	Total
<b>DETAIL</b>			(Note 1)								
<b>OPERATING EXPENSE (continued)</b>											
<b>66XX Customer Operations</b>											
661X		1	0	0	0	0	0	0	0	0	0
662X		2	0	0	0	0	0	0	0	0	0
662X		3	0	0	0	0	0	0	0	0	0
662X		4	0	0	0	0	0	0	0	0	0
662X		5	0	0	0	0	0	0	0	0	0
6623		6	0	0	0	0	0	0	0	0	0
6623		7	0	0	0	0	0	0	0	0	0
6623		8	0	0	0	0	0	0	0	0	0
6623		9	0	0	0	0	0	0	0	0	0
6623		10	0	0	0	0	0	0	0	0	0
6623		11	0	0	0	0	0	0	0	0	0
6623		12	0	0	0	0	0	0	0	0	0
6623		13	0	0	0	0	0	0	0	0	0
6623		14	0	0	0	0	0	0	0	0	0
6623		15	0	0	0	0	0	0	0	0	0
6623		16	0	0	0	0	0	0	0	0	0
6623		17	0	0	0	0	0	0	0	0	0
6623	(11)	18	0	0	0	0	0	0	0	0	0
6623		19	0	0	0	0	0	0	0	0	0
<b>Total Customer Operations</b>			20	0	0	0	0	0	0	0	0
<b>67XX Corporate Operations:</b>											
671X		21	0	0	0	0	0	0	0	0	0
672X		22	0	0	0	0	0	0	0	0	0
<b>Total Corporate Operations</b>			23	0	0	0	0	0	0	0	0
<b>---- Other Operating Expenses:</b>											
----		24	0	0	0	0	0	0	0	0	0
----	(12)	25	0	0	0	0	0	0	0	0	0
<b>Total Other</b>			26	0	0	0	0	0	0	0	0
<b>Total Operating Expenses</b>			27	0	0	0	0	0	0	0	0

COMPANY NAME: <enter name>

For The Year Ended: December 31, 2006

Separated Results of Oregon Operations

FCC Account and Description	Note No.	Line No.	Total Oregon Operations Subject To Separations	Interstate Operation			Intrastate Operation			
				MTS & WATS Switched Access	TOLL PLS Special Access	Total	MTS & WATS Switched Access	TOLL PLS Special Access	EAS	Local (other)
<b>DETAIL</b>			<b>(Note 1)</b>							
<b>OPERATING TAXES</b>										
<b>7240 General Taxes</b>										
7240 Property		1	0	0	0	0	0	0	0	0
7240 Gross Receipts		2	0	0	0	0	0	0	0	0
7240 PUC Fee		3	0			0	0	0	0	0
7240 Franchise Fees		4	0			0		0	0	0
7240 Other		5	0	0	0	0	0	0	0	0
<b>Total General Taxes</b>		6	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>72XX Income Taxes (Calculated)</b>										
Net Income Before SIT & FIT	(14)	7	0	0	0	0	0	0	0	0
Less Fixed Charges (-)	(15)	8	0	0	0	0	0	0	0	0
<b>Subtotal (lines 7-8)</b>		9	0	0	0	0	0	0	0	0
Other SIT Base Add/Ded. (+-)	(16)	10	0	0	0	0	0	0	0	0
<b>SIT Taxable Inc. (lines 9+-10)</b>		11	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
7230 SIT-Current (at 6.6%)	(17)	12	0	0	0	0	0	0	0	0
Other FIT Base Add/Ded. (+-)	(18)	13	0	0	0	0	0	0	0	0
<b>FIT Taxable Inc. (lines 9-12+-13)</b>		14	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Gross FIT (at 35%)		15	0	0	0	0	0	0	0	0
7210P Claimed ITC (-)		16	0	0	0	0	0	0	0	0
Surtax Elimination (-)		17	0	0	0	0	0	0	0	0
<b>7220 FIT-Current (lines 15-16-17)</b>	(19)	18	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

COMPANY NAME: <enter name>

Description	Note No.	Line No.	Total Oregon Operations Subject To Separations	Intrastate Operation			
				Interstate Toll	Toll	EAS	Local (Other)
<b>Separation Parameters</b>	(20)						
<b>Plant</b>							
SLU Minutes of Use (MOU)		1	0	0	0	0	0
SLU Factor		2	0.000000	0.000000	0.000000	0.000000	0.000000
SPF - January 1, 2006 Pre-EAS		3	0.000000	0.000000	0.000000	0.000000	0.000000
SPF - December 31, 2006 Post-EAS		4	0.000000	0.000000	0.000000	0.000000	0.000000
Current Composite SPF	(21)	5	0.000000	0.000000	0.000000		0.000000
1996 Weighted DEM - Factor		6	0.000000	0.000000	0.000000	0.000000	0.000000
1996 Unweighted DEM - Factor		7	0.000000	0.000000	0.000000	0.000000	0.000000
Current CAT 3 Dial Equipment Minutes	(22)	8	0	0	0	0	0
Current CAT 3 DEM Factor Unweighted		9	0.000000	0.000000	0.000000	0.000000	0.000000
Current Composite DEM Factor		10	0.000000	0.000000	0.000000	0.000000	0.000000
Exchange Trunk - Joint Use MOU	(23)	11	0	0	0	0	0
Exchange Trunk Joint Use MOU Factor		12	0.000000	0.000000	0.000000	0.000000	0.000000
Host/Remote MOU Kilometers	(24)	13	0	0	0	0	0
Host/Remote MOU Kilometers Factor		14	0.000000	0.000000	0.000000	0.000000	0.000000
Operator Standard Work Seconds	(25)	15	0	0	0	0	0
Operator Standard Work Seconds Factor		16	0.000000	0.000000	0.000000	0.000000	0.000000
Tandem Switching MOU	(26)	17	0	0	0	0	0
Tandem Switching MOU Factor		18	0.000000	0.000000	0.000000	0.000000	0.000000
IX Conversation MOU		19	0	0	0	0	0
IX Conversation MOU Factor		20	0.000000	0.000000	0.000000	0.000000	0.000000
IX Conversation Minute Kilometers		21	0	0	0	0	0
IX Conversation Minute Kilometer Factor		22	0.000000	0.000000	0.000000	0.000000	0.000000
<b>Gross Billed Revenues</b>							
Marketing Allocation Basis	(27)	23	0	0	0	0	0
Marketing Allocation Basis Factor		24	0.000000	0.000000	0.000000	0.000000	0.000000
Payment & Collection-End User	(27)	25	0	0	0	0	0
Payment & Collection-End User Factor		26	0.000000	0.000000	0.000000	0.000000	0.000000
Payment & Collection-CXR	(27)	27	0	0	0	0	0
Payment & Collection-CXR Factor		28	0.000000	0.000000	0.000000	0.000000	0.000000
<b>Service Order Contacts</b>							
Service Order Proc.-End User	(28)	29	0	0	0	0	0
Service Order Proc.-End User Factor		30	0.000000	0.000000	0.000000	0.000000	0.000000
Service Order Proc.-CXR	(28)	31	0	0	0	0	0
Service Order Proc.-CXR Factor		32	0.000000	0.000000	0.000000	0.000000	0.000000
<b>Billing Inquiry Contacts</b>							
Billing Inquiry-End User	(29)	33	0	0	0	0	0
Billing Inquiry-End User Factor		34	0.000000	0.000000	0.000000	0.000000	0.000000
Billing Inquiry-CXR	(29)	35	0	0	0	0	0
Billing Inquiry-CXR Factor		36	0.000000	0.000000	0.000000	0.000000	0.000000
SP+RC Toll Messages	(30)	37	0	0	0	0	0
SP+RC Toll Messages Factor		38	0.000000	0.000000	0.000000	0.000000	0.000000
EAS/Local Messages (Msg. Proc.)		39	0	0	0	0	0
BIG 3' Expense Factor-Message	(31)	40	0.000000	0.000000	0.000000	0.000000	0.000000
'-PLS & Special Access Factor	(31)	41	0.000000	0.000000	0.000000	0.000000	0.000000
Operator Services Expense -- Factor		42	0.000000	0.000000	0.000000	0.000000	0.000000
<b>Other Parameters</b>			<b>Common</b>	<b>PL Interstate</b>	<b>PL Intrastate</b>		<b>PL Local (Other)</b>
Access Lines (Average)	(32)	43	0	0	0		0
Unseparated Loop Cost @ 11.1 ROR	(33)	44	0				
<b>Cost Categories Frozen?</b>		45	Yes _____	No _____			