

### **(A) GENERAL INSTRUCTIONS**

1. **Rules and Laws.** OPUC's website (<http://www.puc.state.or.us>) includes *Useful Links* to the Oregon Administrative Rules (OARs) and Oregon Revised Statutes (ORSs). Please become familiar with OARs 860-021-0036, 860-021-0037, 860-032-0008, 860-032-0080(2), 860-032-0095, 860-032-0097, 860-034-0095, and 860-034-0097; and ORSs 756.310, 756.320, and 756.350.
2. **Applicability to Respondent ("you").** If you held a certificate of authority in Oregon for at least one day during the subject year, you must complete and file an annual revenue fee statement form, and pay an annual fee of at least \$100.00.<sup>i</sup> *Nonpayment, underpayment, or failure to file a completed statement form by April 1, 2009, may result in cancellation of your certificate of authority.*
3. **Subject Year:** The subject period is the 12 months ended December 31, 2008.
4. **Reportable and Subject Revenues.** See (B) *Specific Instructions* and (C) *Examples of Telecommunications Services*. Do not leave any lines blank. Write zero, 0, or none as needed. "Not Available" or "N/A" are not acceptable responses.
5. **Due Date and Filing Extensions.** Extensions cannot be granted. Your completed statement form<sup>ii</sup> and payment must be received by OPUC by 5:00 p.m. Pacific Time on April 1, 2009. A postmark showing you mailed the payment on or before the due date and time does not qualify as being received by OPUC.
6. **Penalties, Late Fees, and Other Charges.** If OPUC has not received your annual fee and completed statement form by the due date, a penalty is due on the annual fee of 2 percent for each and every month, or fraction thereof (including April 2, 2009), that the annual fee remains unpaid. A late statement fee of \$100.00 will also be assessed if your completed annual fee statement has not been received by April 8, 2009. OPUC will charge you an additional \$25.00, if your payment is returned for non-sufficient funds. You may also be charged for all costs incurred by OPUC to collect your past-due fees, completed statement forms, and penalties.
7. **Annual Fee Statement Form.** Use this year's annual fee statement form for telecommunications providers. You may download and use the current year's form from OPUC's website under Telecommunications, Forms and Applications, and Revenue Fee Statement (<http://www.puc.state.or.us/PUC/telecom/revfeest.shtml>). The current form is available in both Microsoft<sup>®</sup> Word and Excel formats, or you may use to use the printed copy that was mailed to you. If you use the printed form sent to you in the mail, clearly print any changes to your address, business name, or contact information, and check the box at the top of the form to alert OPUC of the changes.
8. **Filing and Paying.** Send your completed annual revenue fee statement form and payment to OPUC. Payment must be made by check. OPUC does not accept electronic

fund transfers for payment of the annual fee. To ensure proper credit for your completed statement form and check, make the check payable to "Public Utility Commission of Oregon" or "OPUC." Be sure to include your four-digit OPUC identification number on the annual revenue fee statement form and on your check (see item 9 below).

9. **OPUC Identification Number.** Use your OPUC-assigned four-digit identification number to ensure timely processing of your payment and statement form. ID numbers are available from OPUC's website under Telecommunications, Telecommunications Providers, and Utility Search Page (<http://apps.puc.state.or.us/edockets/searchut.asp>). Do not use the docket number on your certificate of authority.
10. **Name and Address.** If your business name, contact, or address has changed, or you are unsure of the information you provided last year, please mark the box provided in the upper left. This will prompt OPUC to update its files. In the event there is a problem with your annual revenue fee statement form or payment, it is imperative that you provide OPUC with current, accurate contact information so that we may quickly resolve the problem.
11. **Filing – Original or Revised.** In the boxes provided in the upper right of the statement form, mark the filing as either ORIGINAL if you are submitting your 2008 Annual Fee Statement for the first time, or REVISED if you have previously submitted your 2008 Annual Fee Statement and you are submitting a subsequent revision.
12. **Mailing Address.** For regular United States Postal Service delivery, address your completed statement form and payment to:

PUC Fee  
Public Utility Commission of Oregon  
PO Box 2153  
Salem OR 97308-2153

For **overnight delivery** by courier, address your completed statement form and payment to:

PUC Fee  
Public Utility Commission of Oregon  
550 Capitol Street NE, Suite 215  
Salem, Oregon 97301-2551

13. **Collection from Customers.** You must charge "an equitable amount to each retail customer, using apportionment methods that are consistently applied by [you] through Oregon . . . and describe the amount of the apportioned charge on each retail customer's bill." [OAR 860-032-0095(3)]

14. **OPUC Audit.** The completed statement form and fee payment are subject to OPUC audit. Failure to provide a complete and timely response to an audit request may result in cancellation of your certificate of authority. You should keep your supporting records for at least three years.<sup>iii</sup>
15. **Confidentiality.** The Commission will, to the extent allowed by law, keep confidential all financial information you provide on this form.

### **(B) SPECIFIC INSTRUCTIONS**

1. **Gross Revenues from Total Company Operations.** Report the gross revenues<sup>iv</sup> accrued<sup>v</sup> by the legal entity's total company<sup>vi</sup> operations during the subject year. If you will not know the actual revenues before April 1, please call the PUC Fee Information Contact (shown on the statement form) as soon as possible for further instructions, including the calculation of estimated late payment penalty and late form penalty.
- Line 1 should agree with your total company financial statements and the revenues reported to the Internal Revenue Service, unless you file your taxes using a different fiscal year or you file consolidated tax returns. If you have separate operating divisions that are not separately incorporated, line 1 must include the total gross revenues from all operating divisions, even if those operations are not subject to the fee.
- If you have operating divisions that are separately incorporated, each legal entity should have its own certificate of authority to provide service in Oregon. Each certified entity must complete and file a separate annual revenue fee statement form and pay a separate fee.
2. **Gross Revenues from Total Oregon Operations.** Report the gross revenues<sup>iv</sup> accrued<sup>v</sup> by the legal entity's total Oregon operations during the subject year. Total Oregon includes all calls that originate and/or terminate in Oregon. Revenues that are not subject to the annual fee should be identified and deducted on lines 4a-i. Revenues reported on line 2 should be comparable to revenues you reported as follows:
- For a single-state company, line 1 should equal line 2.
  - For a multi-state or multi-national company, line 1 will exceed line 2.
- Line 2 should equal the Oregon revenues reported to the Oregon Department of Revenue for the annual corporation (excise or income) tax, unless you file tax returns with a different fiscal year or you file consolidated tax returns.
- If you provide telecommunications services only, line 2 should equal the total Oregon telecommunications revenues reported on your Annual Report to the Commission, Part F.
- If you provide nontelecommunications services, line 2 should exceed the total Oregon telecommunications revenues reported on your Annual Report to the Commission, Part F.
- For telecommunications utilities and subject cooperatives, line 2 should equal gross revenues from both regulated and nonregulated operations. As a result, line 2 may exceed the gross revenues reported in Annual Report Form O on Schedule I-1 or Oi-1.

Line 2 should equal the total Oregon revenues reported in column A of the quarterly OUS 2 reports for the year. If these amounts are not equal, your annual revenue fee statement will be flagged for potential audit.

3. **Directory Revenues Imputed.** Report zero, unless you are Qwest Corporation, Verizon Northwest, or Embarq (Sprint/United Telephone Company of the Northwest). OPUC has issued orders for these three telecommunications utilities that provide the imputation amounts.
4. **Oregon Revenues Not Subject to the Annual Fee.** Identify each category of gross revenue you are deducting. If you do not maintain your records in a way that allows you to report amounts on lines 4a-f, see the instructions for lines 4g-i, below.<sup>vii</sup>
  - a. **International & Interstate Revenue (other than SLC & PICC).** International or Interstate long distance revenues that originate and/or terminate in Oregon should be included in line 2; you should deduct them on line 4a. See (C) *Examples (Interexchange, Long Distance & Network Access Services)*.

Presubscribed interexchange carrier charge (PICC) and subscriber line charge (SLC) billed to end users must not be deducted. See (C) *Examples (Interexchange, Long Distance & Network Access Services)*.

Gross settlement revenues received from the National Exchange Carriers Association (NECA) should be included on this line. For Oregon Exchange Carrier Association (OECA) settlements, see line 4c below.
  - b. **Revenue for Services Provided to Other Carriers.** See (C) *Examples* and Oregon Universal Service worksheets (OUS 2), line 11.
  - c. **Billing & Collection Service Revenue from Other Carriers,** as shown on (C) *Examples (Billing Services)*. See OUS 2 worksheets, line 26. This line should include (1) carrier billing and collection revenues received under exchange access tariffs and (2) gross settlements received from OECA. Late fees and other assessments collected from customers should be shown on lines 4g-j.
  - d. **State & Federal Universal Service Fund Charges Collected from Customers.** See (C) *Examples (Universal Service Fund, Taxes & Surcharge Collections)* and OUS 2 worksheets, line 19. You must pay the annual fee on distributions you received from Oregon and federal universal service funds.
  - e. **Equipment & Rental Revenue.** See (C) *Examples (Other Services and Revenues)*.
  - f. **Information, Enhanced, Digital Subscriber Line & Internet Service Revenue.** Deduct revenues from end users only. Revenues provided to an enhanced service provider, Internet service provider, information service provider, or payphone provider and marked as "yes" under (C) *Examples* is subject to the annual fee.

g-i. **Any Revenue Sources Not Listed Above.** Specifically describe each service or other revenue source. For example, see the revenues marked "no" under (C) *Examples*. Abbreviations, acronyms, and generic terms such as "Other," "miscellaneous," "nonregulated," "nontelecommunications" are **not** acceptable descriptions.

A wireless, governmental, or nonprofit organization should identify and report gross revenues from its primary operations on these lines.

A telecommunications cooperative should report gross revenues from its incumbent local exchange carrier operations [under ORS 759.025(2)] on one of these lines.

**Attach a continuation sheet and continue using letters j, k, l, etc., if more space is needed to list additional Oregon revenues not subject to the annual fee.**

5. **Total Oregon Revenues Not Subject to the Annual Fee.** Report the sum of the revenues not subject to the annual fee from lines 4a-i (above).
6. **Gross Retail Intrastate Telecommunications Revenue.** Report line 2 plus line 3 minus line 5. Intrastate includes calls that originate and terminate in Oregon.<sup>vii</sup>
7. **Assessment Rate.** The assessment rate is currently twenty-five hundredths of 1 percent (0.0025) of Oregon gross retail intrastate telecommunications revenue accrued during the subject year.
8. **Amount Due.** The statutory minimum amount due is \$100.00. Enter the larger of either: a) line 6 multiplied by line 7, or b) \$100.00. Do **not** omit the cents.
9. **For OPUC Use Only.** This line will contain no value for most carriers. It should contain an amount only if you received written authorization to include an OPUC audit adjustment.
10. **Late Payment Penalty.** The annual fee statement and payment are due on or before April 1, 2009. A payment *received* by OPUC after April 1, 2009 is subject to a statutory penalty of 2 percent per month or any fraction thereof (including April 2, 2009). The first month's penalty begins on April 2; the second month's penalty begins on May 1; and so forth. Do **not** omit the cents if you owe a penalty amount. OPUC cannot waive the penalty, or any portion of the penalty. Nonpayment or underpayment may result in cancellation of your certificate of authority.
11. **Late Statement Fee.** A late statement form is subject to a late statement fee of \$100.00. Failure to file a completed statement form may result in cancellation of your certificate of authority. A late statement fee does not apply to revisions that are received after April 1.
12. **Total Amount Due.** Report the sum of lines 8 through 11; do **not** omit the cents.

13. **Contact Information.** On the bottom of the form, *clearly print* the name, title, voice telephone number, facsimile number, and electronic mail address of the person to be contacted by OPUC staff about this statement form.
14. **Certification.** Verify the arithmetic, and certify the information by signing and dating the completed statement form. Clearly print the name of the certifying officer below the signature.
15. **For Commission use only.** Leave the bottom section blank for OPUC use.

Questions about the 2008 annual fee statement or payment due should be directed to:

**Marlene Gorsuch**  
**Telephone: (503) 373-7905**  
**E-mail: [marlene.gorsuch@state.or.us](mailto:marlene.gorsuch@state.or.us)**

**(C) EXAMPLES OF TELECOMMUNICATIONS SERVICES  
 SUBJECT TO THE ANNUAL GROSS REVENUE FEE**

The following chart provides examples of services that are subject to and exempt from the annual PUC fee.<sup>vii</sup> For a comparison of revenues subject to the annual fee with revenues subject to Oregon Universal Service (OUS), check OPUC's website under Telecommunications, Fact Sheets, and Telecommunications Revenues Subject to PUC Fee and OUS Surcharge.

Subject to  
the Fee?

<b>GENERAL INFORMATION</b>	
yes	Gross Revenue from Any Service Provided Under ORS 759.020, ORS 759.025(1), or ORS 759.050 and Marked As "Yes" Below <sup>iv</sup>
yes	Gross Revenue from a Service Provided by a Cooperative or Association as a Competitive Provider Under ORS 759.020 or ORS 759.050 and Marked As "Yes" Below
no	Gross Revenue from a Service Provided by a Cooperative or Association as an Incumbent Local Exchange Carrier Under ORS 759.025(2) and Marked As "Yes" Below
yes	Gross Revenue from Any Service Provided to an Enhanced Service Provider (ESP), Internet Service Provider (ISP), Information Service Provider, or Payphone Provider and Marked As "Yes" Below
yes	Bundled Services Including Any Service Marked as "Yes" Below (includes minimum usage charges and the flat-rate parts of packages)
no	Service Provided to a Radio Common Carrier (RCC)

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Subject to  
 the Fee?

<b>BILLING SERVICES</b>	
no	Carrier Billing and Collection (provided under exchange access tariffs)
yes	Special Billing Arrangements for the Final Customer <sup>viii</sup>
no	Taxes and Surcharges Collected on Behalf of Another Party Other Than Universal Service Fund (USF) Surcharges <sup>ix</sup>
<b>DIRECTORY &amp; OPERATOR SERVICES</b>	
yes	Directory Assistance
yes	Directory Listing and Non-published Charges
yes	Operator Service
no	Yellow Page Revenues Received by a Cooperative or Competitive Provider (with a certificate of authority issued under ORS 759.020)
yes	Yellow Page Revenues Received by or Imputed to a Telecommunications Utility [an incumbent local exchange carrier with a certificate of authority issued under ORS 759.025(1)]
<b>FEATURES &amp; ADVANCED SERVICES</b>	
yes	Bill Number Screening
yes	Custom Calling Services (includes call following, call forwarding, call screening, call waiting, continuous redial, custom ringing, redialing, speed dialing, three-way calling)
yes	Custom Local Area Signaling Service (CLASS – includes call blocking, call rejection, call return, call trace, caller identification, custom ring, long distance alert, priority call)
yes	Direct Inward Dialing (DID)
yes	Asynchronous Transfer Mode (ATM)
yes	Frame Relay
yes	Hunting
yes	Integrated Services Digital Network (ISDN)
yes	Market Expansion Line
yes	Packet Switching
yes	Remote Call Forward
yes	Toll Restriction Service
yes	Voice Messaging and Voice Mail
<b>INTEREXCHANGE, LONG DISTANCE &amp; NETWORK ACCESS SERVICES</b>	
no	Automatic Number Identification (ANI)
no	Carrier Access Charges <sup>x</sup>
no	Dark Fiber
no	International Long Distance
no	Interstate Interexchange Private Line
no	Interstate Long Distance

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Subject to  
 the Fee?

yes	Intrastate Interexchange Private Line
yes	Intrastate Long Distance Inward-Only (InWATS)
yes	Intrastate Long Distance Message (MTS)
yes	Intrastate Long Distance Outward-Only (OutWATS)
yes	Intrastate Long Distance Private Line
yes	Intrastate Personal 800 Service
yes	Intrastate Teleconferencing
yes	Intrastate Wide Area Telecommunications Service (WATS)
yes	Presubscribed Interexchange Carrier Charge (PICC) Billed to a Final Customer <sup>xi</sup>
no	PICC Billed to Another Telecommunications Provider
yes	Signaling Sold to Final Customer (CLASS – under features and advanced services) <sup>viii</sup>
yes	Special Access Sold to the Final Customer <sup>viii</sup>
no	Special Access Sold to Another Telecommunications Provider
yes	Subscriber Line Charge (SLC) Collected from the Final Customer <sup>xi</sup>
yes	Switched Access Sold to a Final Customer <sup>viii</sup>
no	Switched Access Sold to Another Telecommunications Provider
no	Universal Connectivity Charges and National Access Fees
no	Unbundled Network Elements (UNEs) Sold to Another Telecommunications Provider
<b>LOCAL SERVICES</b>	
yes	Basic Local (includes measured and flat-rate)
yes	Centrex
no	Extended Area Service (EAS) – IntraLATA Interstate
yes	EAS – Intrastate
yes	Local Number Portability (LNP) – Final Customer Charge
yes	Local Private Line
yes	Nonrecurring Charges (such as connection or one-time charges)
<b>PAYPHONE SERVICES</b>	
no	Access Fee Charged to the Final Customer for Dial-Around
no	Card or Coin Telephone Service Sold to the Final Customer
yes	Prepaid Calling Cards
yes	Public Access Line (PAL)
yes	Public Telephone Access Service Sold to the Final Customer <sup>viii</sup>
yes	Semi-Public Telephone Access Service Sold to the Final Customer <sup>viii</sup>
yes	Service Sold to a Payphone Owner
<b>UNIVERSAL SERVICE FUND (USF), TAXES &amp; SURCHARGE COLLECTIONS <sup>viii, ix</sup></b>	
no	E 911 and Other Taxes Collected from the Final Customer <sup>xii</sup>
no	Residential Service Protection Funds (RSPF) Collected from Final Customer <sup>xiii</sup>
yes	RSPF Distributed through Oregon and Federal Programs
no	Federal USF Charges Collected from the Final Customer

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Subject to  
 the Fee?

no	Oregon USF Charges Collected from the Final Customer
yes	USF Distributions through Oregon and Federal Programs
<b>WIRELESS SERVICES</b> <sup>xiv</sup>	
no	When Provided by a Nonparticipating Radio Common Carrier (RCC)
no	When Provided by an RCC That Is Participating in the OUS Fund
no	When Provided by a Local Exchange Carrier (ILEC or CLEC)
yes	When Used to Provide a Regulated Wireline Service
<b>OTHER SERVICES &amp; REVENUES</b>	
no	Alarm Monitoring
no	Answering Service
no	Cable Television
no	Collocation
yes	Connection Fees and Charges (one-time or nonrecurring charges) <sup>xv</sup>
no	Digital Subscriber Line (DSL)
no	Dividends and Interest
yes	Early Termination Fees for Subject Services
no	Equipment Charges (such as installation, maintenance, repair, lease, rental, or sale)
no	Internet Service <sup>viii, xvi</sup>
no	Late Payment Fees and Returned Check Charges (NSF)
no	Nontelecommunications Services Provided to Affiliated or Other Companies (such as accounting, billing, or computing)
yes	Pole Rentals
no	Rent Received from Affiliated or Other Companies (such as land, buildings, other facilities, or multi-state headquarters adjustments)

**Notes**

i **Four telecommunications cooperatives** should not file 2008 annual fee statements, because they did not have certificates of authority issued under ORS 759.020 or 759.050 during 2008: Monitor Cooperative Telephone Company, Pioneer Telephone Cooperative, Scio Mutual Telephone Association, and Stayton Cooperative Telephone Company.

ii **A completed statement form** should include full disclosure of all your revenues and the details of your deductions and comply with these instructions. You will be subject to a late statement fee if you omit required information, such as gross revenues from total company operations (line 1), gross revenues from total Oregon operations (line 2), or descriptions of deductions on lines 4a-i.

Notes (continued):

iii Under OAR 860-032-0095(5), you must "maintain [your] records in sufficient detail to readily provide gross retail intrastate revenue from Oregon telecommunications services ... make [your] revenue accounting records available to the Commission upon the Commission's request ... keep all records supporting each statement form for three (3) years, or until a Commission review or audit is complete, whichever is later."

iv **Gross revenue** means total revenues as recorded before bad debts, nonpayment of accounts receivable, and uncollectibles. Total revenues include total telecommunications, nontelecommunications, and nonregulated revenues from all services in all states and countries before bad debts and other costs for the subject year.

v Under **accrual accounting**, report revenues when earned. Under **cash basis accounting**, report revenues when received. If you changed your method of accounting during the year, include the effects in this year's revenues.

vi **Company** means a legal entity, such as an agency, association, city, consumer-owned utility, cooperative, corporation, county, joint stock association, joint venture, limited liability corporation, municipality, nonprofit organization, partnership, person, state, or utility. The legal entity may provide services that are not subject to Oregon's annual PUC fee.

vii OAR 860-032-0080 states: "**Gross retail intrastate revenue**' means the total amount derived from intrastate retail service before uncollectibles or expenses. Gross retail intrastate revenues shall be accrued in accordance with generally accepted accounting principles during the calendar year. For purposes of determining the annual fees payable to the Commission by telecommunications providers under OARs 860-021-0036, 860-032-0095, and 860-034-0095:

"(1) 'Gross retail intrastate revenue' includes all revenue paid by or on behalf of a final customer for the following services: Centrex; directory and operator services including yellow pages; extended area service; features and advanced services including custom calling, vertical service, custom local area signaling service, market expansion lines, remote call forwarding, toll restriction, and voice messaging; interexchange and long distance services when the call or signal originates and terminates in Oregon; and local service including subscriber line charge and universal service fund (USF) distributions from the federal USF, Oregon USF, and Residential Service Protection Fund.

"(2) 'Gross retail intrastate revenue' excludes revenue from the following services: carrier billing and collection; carrier access; interstate interexchange and long distance services; internet service; payphone service sold to an end user; installation, maintenance, repair, lease rental, or sale of telecommunications equipment; and when provided by a radio common carrier: cellular, personal communications systems (PCS), radio paging, or other radio communications services."

viii **Final customer** means an end user or retail customer. The term includes enhanced service providers, Internet service providers, information service providers, and payphone providers (ORS 756.310).

Notes (continued):

ix When **amounts are collected on behalf** of another telecommunications provider, including taxes, fees, and surcharges, the collector is acting as an agent. The collections, which are forwarded to another party, are not the agent's revenues for purposes of the annual PUC fee.

x **Carrier access** charges and **network access revenues** are "derived from the provision of exchange access services to an interexchange carrier . . . beyond the exchange carrier's network" [Code of Federal Regulations, Section 32.4999(i)(1)]. Access charges paid by the respondent to another carrier are expenses and are not deductible.

xi For **Subscriber Line Charge (SLC)**, see OPUC Order 99-734

xii For **Emergency 911** (E 911), see ORS Chapter 401.

xiii All **Residential Service Protection Fund (RSPF)** distributions, which are kept by the telecommunications provider, are intrastate revenues for purposes of the PUC fee under OAR 860-032-0080 and the OUS surcharge.

xiv **Wireless services** include, for example, commercial mobile radio service (CMRS), paging, cellular, Personal Communications Service (PCS), Mobile Telephone Service, and Local Multipoint Distribution System (LMDS).

xv All one-time, nonrecurring, or **connection and termination fees and charges** for telecommunications services are intrastate revenues for the annual PUC fee.

xvi **Internet service providers** are final customers of the telecommunications provider for purposes of the PUC fee and OUS surcharge.