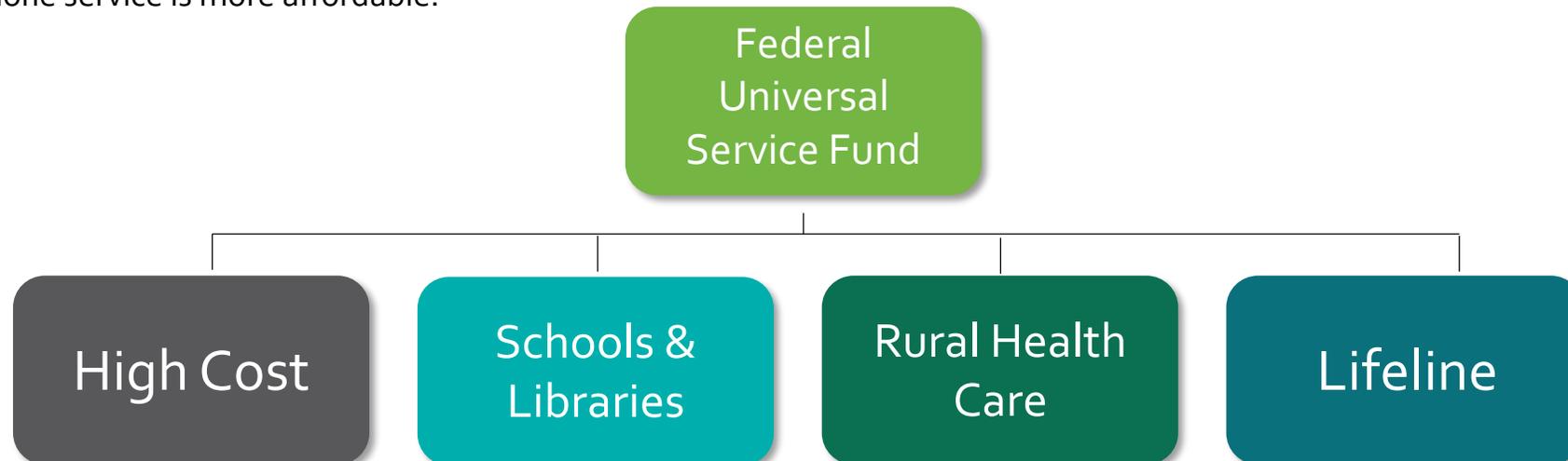


# Universal Service

# Federal Universal Service Fund (USF)

The USF's money is spent amongst the fund's four programs:

- The **High Cost program** which comprises the Connect America Fund provides funding for telephone companies that provide services to high-cost areas.
- The **Schools & Libraries (E-Rate)** program "provides telecommunication services (e.g., local and long-distance calling, both fixed and mobile, high-speed data transmission lines), Internet access, and internal connections to eligible schools and libraries."
- The **Rural Health Care Support** program "provides funding to eligible health care providers (HCPs) for telecommunications and broadband services necessary for the provision of health care."
- Lastly, the **Lifeline** program also known as low-income support "assists low-income customers by helping to pay for monthly telephone charges so that telephone service is more affordable."



## Oregon Universal Service Fund (OUSF)

- The 1999 Oregon Legislative Assembly directed the Oregon Public Utility Commission (PUC) to develop and manage the Oregon Universal Service Fund (OUSF). Money for the fund is raised by applying a surcharge on all retail telecommunication sales in Oregon. The OUSF is designed to support local telephone companies to ensure that basic telephone service is available at reasonable and affordable rates in higher-cost rural areas throughout the state. ([Oregon Statute 759.425](#))

Oregon  
Universal  
Service Fund

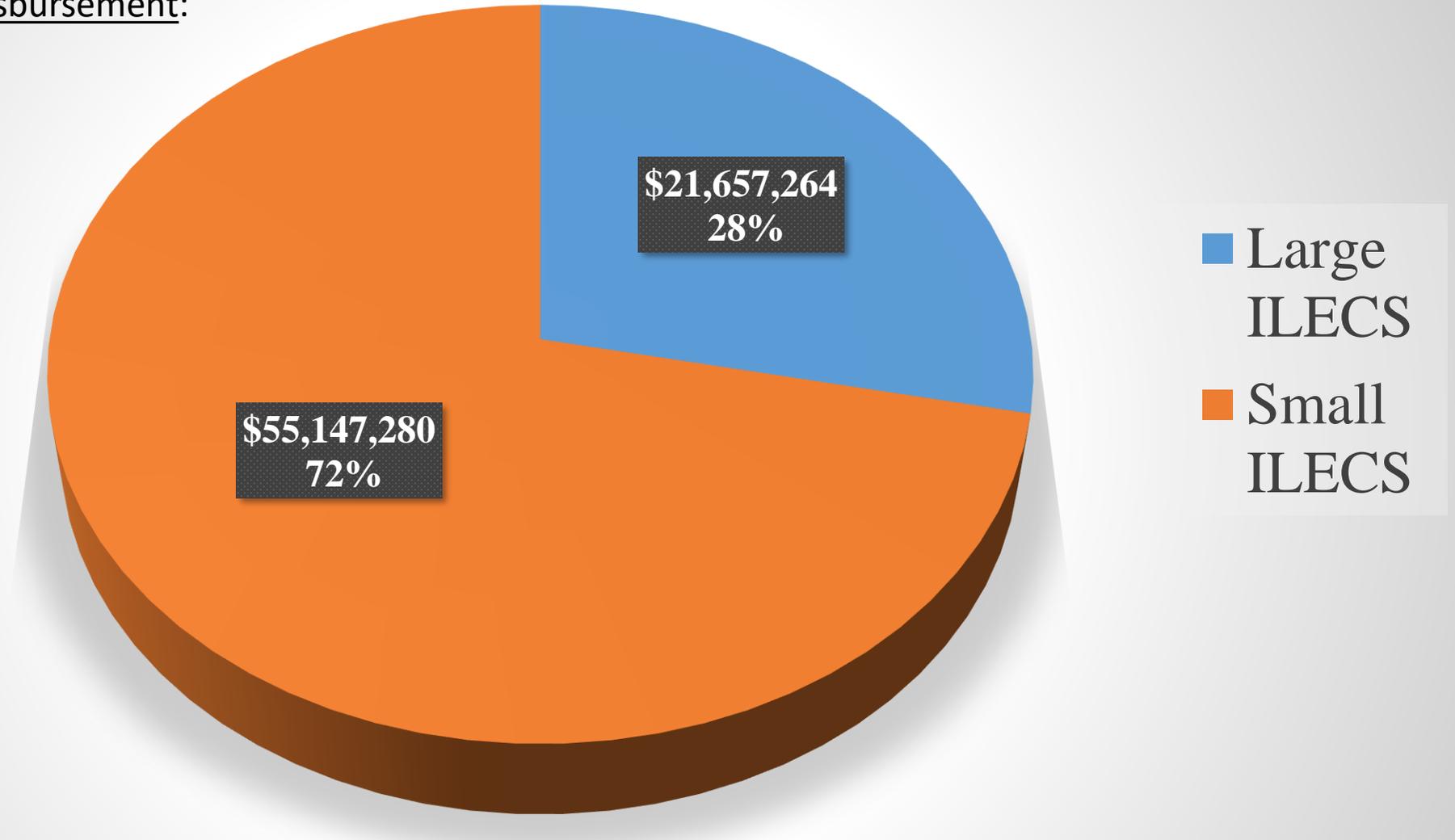
Lifeline/OTAP

# Consumer USF Contributions:

- Oregon Universal Service Fund (OUSF) –
  - Consumers contribute 8.5 percent on Oregon intrastate charges
  - At an estimated price for residential service \$22.50 for local exchange service the OUSF surcharge would be \$1.91 monthly.
- Federal Universal Service Fund (FUSF) –
  - For 2020 - 1<sup>st</sup> Qtr., consumers contribute 21.2 percent on interstate access charges
  - The rate can change each quarter – on July 1, 2019 it rose to 24.4 percent
  - Common interstate access charges are: long distance, subscriber line (SLC), access recovery (ARC), federal regulatory recovery and line port.
  - An estimated residential customer's monthly FUSF charge could be \$2.10.

# All Oregon ILECS 2019 Federal Universal Service Funds Received

Total Oregon 2019 FUSF disbursement:  
\$88,690,209

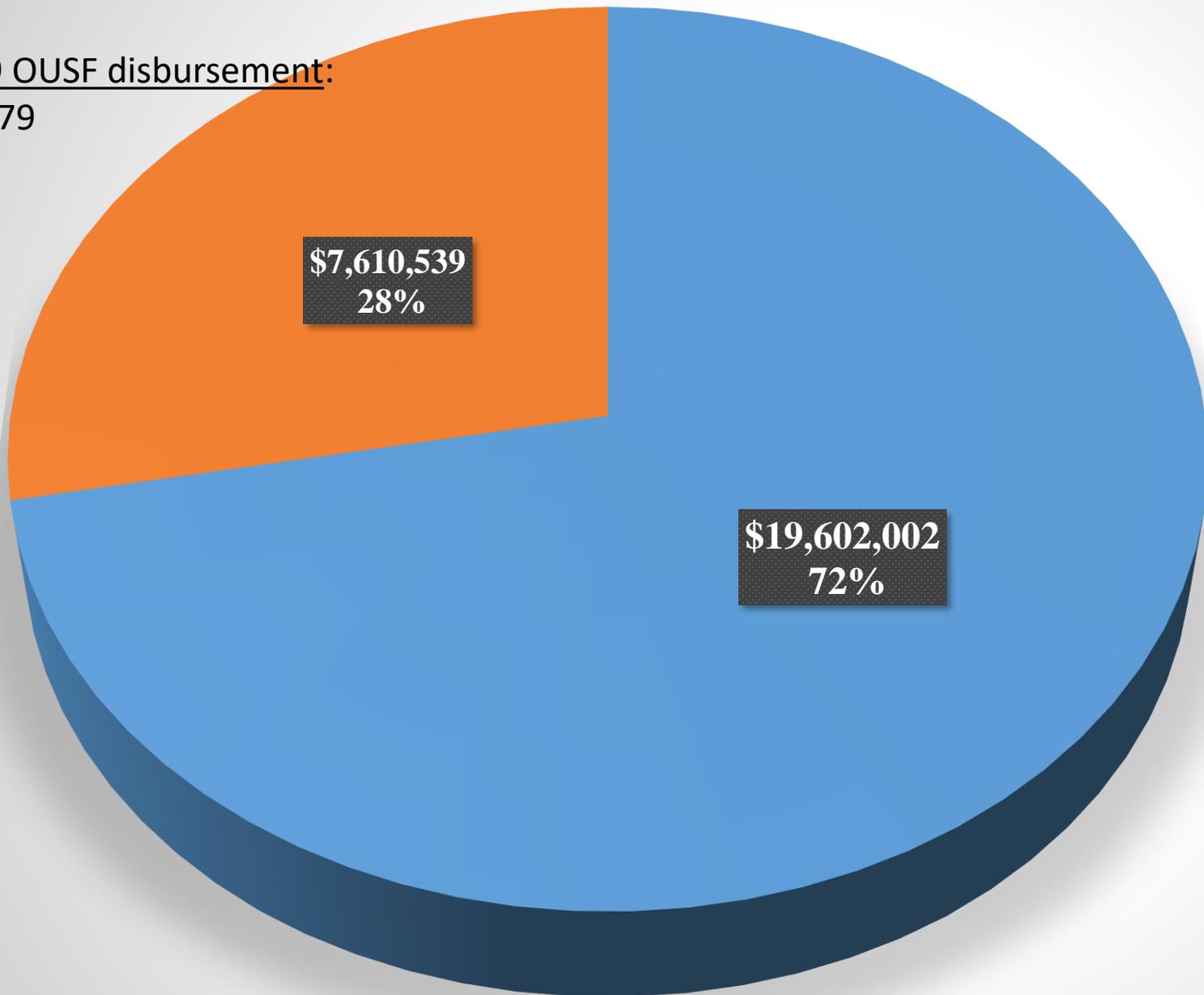


\* CLECs are receiving ~13% of FUSF funds (~\$12 million)

# All ILECS 2019 Oregon Universal Service Funds Received

Total 2019 OUSF disbursement:

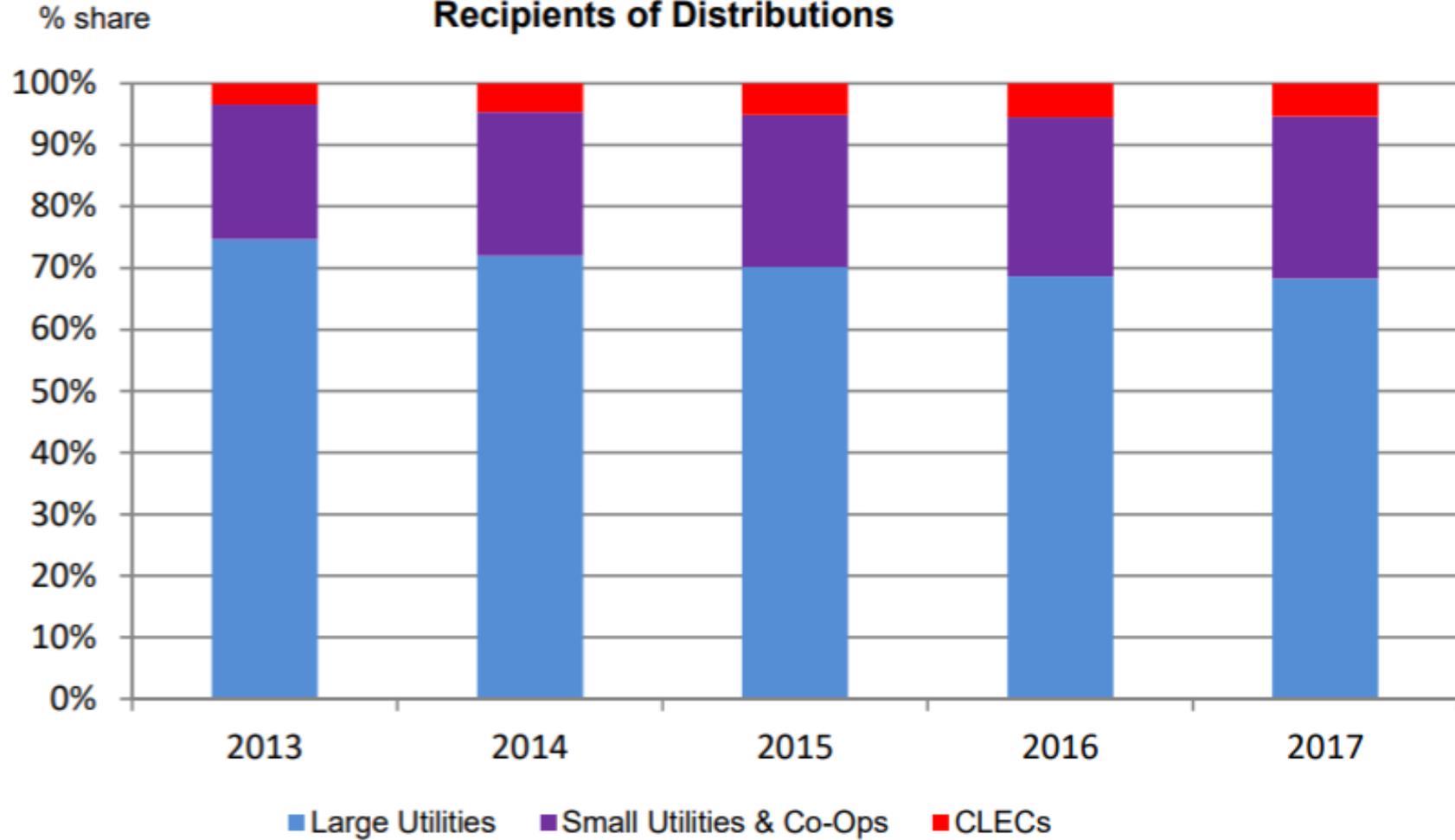
\$28,850,679



- Large ILECS
- Small ILECS

\* CLECs are receiving ~6% of OUSF fund disbursements

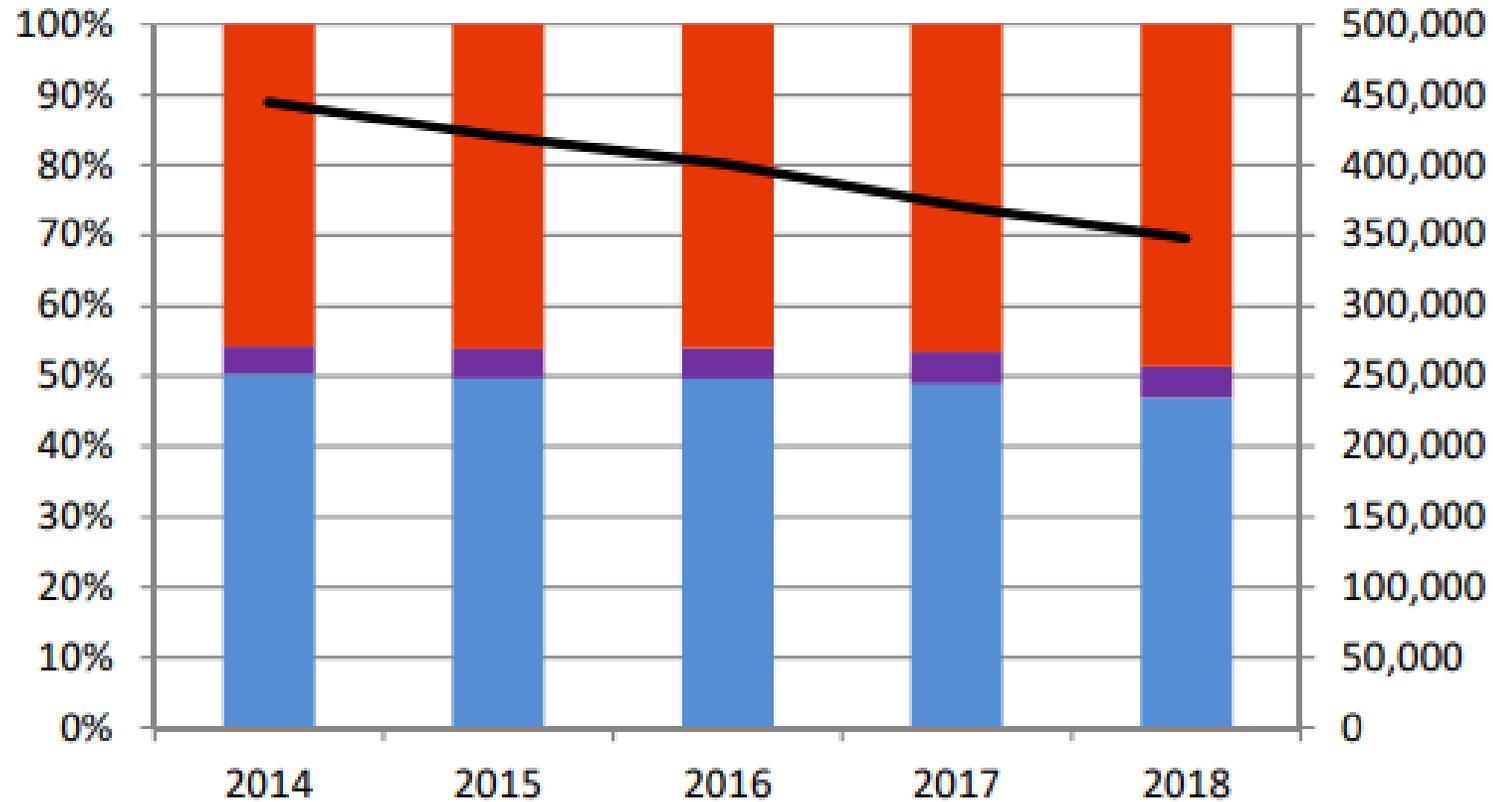
Telecommunications Utilities and Cooperatives  
**Oregon Universal Service Fund**  
**Recipients of Distributions**



Telecommunications Utilities and Cooperatives  
**Oregon Universal Service Fund**  
**Source of Contributions & Base Revenue**

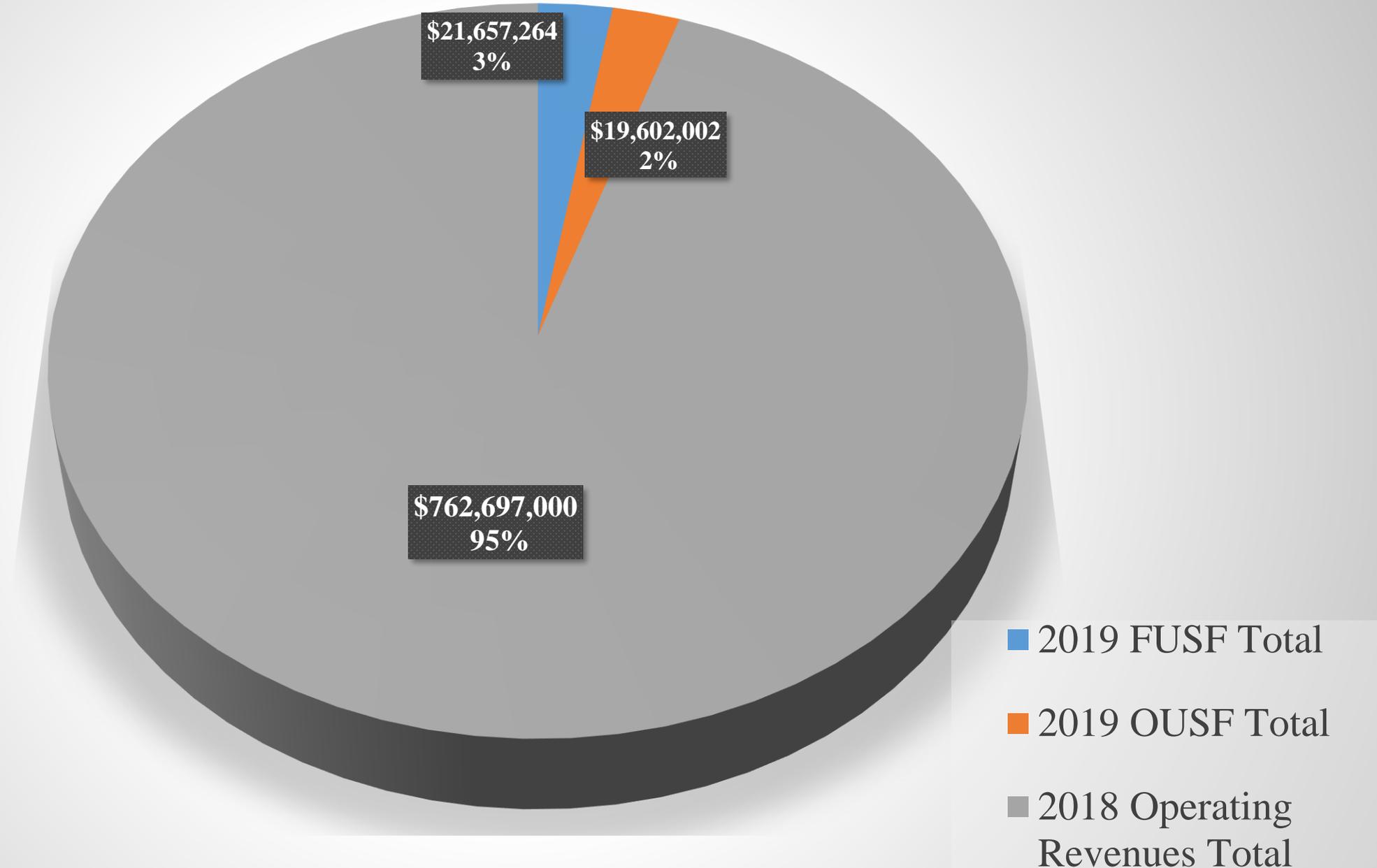
\$000s

% share



■ Large Utilities    
 ■ Small Utilities & Co-Ops    
 ■ CLECs    
 — Base Revenue

# Large ILECS 2018 Total Operating Revenue and 2019 Universal Service Funds Received



Small ILECS 2018 Total Operating Revenue and 2019 Universal Service Funds Received

