HOUSE COMMITTEE ON COMMERCE SUBCOMMITTEE ON BUSINESS

February 17, 1993 MEMBERS PRESENT:Rep. Bob Repine, Chair Rep. Hedy Rijken, Vice Chair Rep. Lisa Naito Rep. Liz VanLeeuwen Rep. Cynthia Wooten STAFF PRESENT:Janet McComb, Committee Administrator Debbie Schieno, Committee Clerk MEASURES CONSIDERED: Informational Meeting Telecommunications Overview Tapes 3~36

These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation marks report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes.

TAPE 34, SIDE A

002 CHAIR REPINE: Calls the meeting to order at 8:40 a.m. 022 RON EACHUS, COMMISSIONER, PUBLIC UTILITIES COMMISSION: Submits and reviews (page by page) an overview of the telecommunications regulations (EXHIBIT A).

TAPE 3S, SIDE A 005 REP. WOOTEN: Questions the infrastructure development?

013 EACHUS: Speaks to the advantages and disadvantages with local exchange companies.

155 EACHUS: Outlines Electric Lightwave fiberoptic loop (blackboard presentation).

271 REP. NAITO: What is the effect on rural rates and the high cost fund?

EACHUS: They are not meant to be exclusive of each other. Competition is in the more metropolitan areas. 400 CHAIR REPINE: Recesses the meeting at 9:35 a.m.

Reconvenes the meeting at 9:45 a.m.

TAPE 34, SIDE B Hw~se Committee on Commerce Business Subccommittee February 17, 1993 - Page 2

004 GARY BAUER, OREGON INDEPENDENT TELEPHONE ASSOCIATION: Submits and reviews testimony (EXHIBIT B).

CHUCK LENARD, ASSISTANT VICE PRESIDENT FOR US WEST 081 COMMUNICATIONS: Outlines the US West program. -Process of setting up business within telecommunications. -Statewide average pricing. 190 REP. WOOTEN: Urban pricing vs. metropolitan pricing? LENARD: Responds. -Forecasts are dependent upon the relationship of the competitor's prices to our own. 285 REP. WOOTEN: Questions upgrading and/or creating a more sophisticated carrier system against rate of return? LENARD: Expresses the importance of balance between rural and urban areas. 348REP. NAITO: Technology for rural areas. LENARD: Cellular phones are not accessible in the rural areas, although there are many services giving access to the data bases needed. 383 RANDY OSLER, UNITED TELEPHONE NORTHWEST: Submits and outlines an ovewiew of United Telephone (EXHIBIT C).

TAPE 35, SIDE B

001 OSLER: Continues testimony.

153 REP. VANLEEUWAN: Companies are regulated as to pricing, but the competitors are not?

OSLER: Correct.

192 DALE RONGEY, COLTON TELEPHONE COMPANY: Outlines the Colton Telephone Company. -Concern with competition and equal opportunity/equal regulation.

359 SUSAN MCADAMS, DIRECTOR OF REGULATORY AFFAIRS, ELECTRIC LIGHIWAVE, INC.: Submits and reviews material regarding Electric Lightwave (EXHIBIT D). -History of the company.

TAPE 36, SIDE A

001 McADAMS: Continues testimony.

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199 REP. WOOTEN: Do you lower prices in negotiations for major customers? Views on competition and rate differentials? 218 McADAMS: Absolutely. Competition is a positive development. 247 WOOTEN: Intentions within the state and the tri-county area? McADAMS: Will provide information. 307PAUL ROMAIN, MCI TELECOMMUNICATIONS: Outlines the history of MCI. -Competition is better than regulation. -HB 2203 needs to be general, allowing for flexibility of particular needs. 389 CHAIR REPINE: Adjourns the meeting at 11:10 a.m.

Submitted by: Reviewed by:

Debbie Schieno Janet McComb Clerk Administrator

EXHIBIT LOG:

A - Overview of Telecommunications Regulations - Eachus - 18 pages B - Testimony on Oregon Independent Telephone - Bauer - 6 pages C - Testimony on United Telephone Co. - Osler - 39 pages D - Testimony on Electric Lightwave, Inc. - McAdams - 6 pages

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