#### BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of a Request for Agency Action for Creation of a Telecom Working Group to Address Possible Streamlined Procedures for Approving Changes Mandated by FCC DOCKET NO. 12-\_\_\_-

## REQUEST FOR AGENCY ACTION

## I. INTRODUCTION

1. This Request for Agency Action ("Request") is made by the Division of Public Utilities ("DPU") The Division respectfully requests that the Utah Public Service Commission ("Commission") open a docket and schedule a Technical Conference, after receiving input from relevant entities, with the purpose of addressing new filing and other requirements imposed by the FCC Report and Order (the "Transformation Order") reforming the Universal Service Fund (USF) and Intercarrier Compensation ("ICC") regulatory schemes. The proposed docket would also provide a venue for interested entities to make recommendations regarding possible streamlined procedures for implementing and approving FCC mandated changes, requests for increased disbursements from the state Universal Public Telecommunications Service Support Fund, as well as other items submitted in comments.

#### II. BACKGROUND

- 2. The FCC Transformation Order published in the Federal register November 29, 2011 and effective, in substantial part, December 29, 2011 has mandated significant changes for regulated Utah telecommunications companies relating to the USF and ICC. State implementation and action concerning the following issues, as well as others that are developed through the comment process, should be addressed during the Technical Conference.
- 3. Paragraphs 798 through 805 of the Transformation Order detail mandated changes for intrastate terminating switched end office and transport rate elements and reciprocal compensation charges. Among other things, companies are required to reduce intrastate rates by 50% of the difference from interstate rates by July 1, 2012. Additionally, companies are required to fully implement a transition to bill and keep by July 1, 2020.
- 4. Paragraphs 943 through 945 of the Transformation Order addresses Intercarrier Compensation Charges for VoIP-PSTN traffic. This section imposes transitional rules specifying, prospectively, the default compensation for VoIP-PSTN traffic.
- 5. Paragraph 978 of the Transformation Order adopts bill-and-keep as the default compensation for non-access traffic exchanged between LECs and CMRS.
- 6. Paragraph 580 of the Transformation Order requires enhanced ETC Reporting.

  All ETCs are now required to include in their annual reports: a progress report on their five-year buildout plans; data and explanatory text concerning outages; unfulfilled requests for service; complaints received; and certifications of compliance with applicable service quality and consumer protection.
- 7. The Transformation Order introduces questions relating to the Utah Affordable Base Rate as compared to the federally mandated minimum rate. In particular, the Technical

Conference should address what flexibility, if any, companies will be allowed in reaching the federal minimum rate.

8. Possible reductions in federal revenues resulting from the Transformation Order are likely to lead to requests for increased disbursements from the state Universal Telecommunications Service Support Fund. As a result, the docket should provide an avenue to address the implementation process for providing any permitted increase, including consideration of a streamlined process for replacing lost federal revenues with state funds where appropriate.

## III. ACTION REQUESTED

- 9. In order to facilitate meaningful discussion of the above and other related issues:
- a. The Division respectfully requests that the Commission open a docket and initiate a comment period, for the purpose of allowing interested parties to submit agenda items to permit general discussions and analyses of the implementation of the Transformation Order.
- b. The Division respectfully requests that the Commission schedule a

  Technical Conference at the close of the comment period during which all items above as
  well as those submitted in the comment period may be reviewed and analysed.

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# IV. CONCLUSION

This Request is submitted to seek Commission approval and creation of a docket to review requirements related to the Transformation Order, a comment period and a Technical Conference. The Parties respectfully request that the Commission notice a technical conference and possibly a scheduling conference as soon as practicable to determine appropriate procedures and timelines for Commission consideration of this Request.

RESPECTFULLY SUBMITTED:May 18, 2012
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UTAH DIVISION OF PUBLIC UTILITIES
By:
Chris Parker, Director