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Attorneys for Utah Rural Telecom Association
and its Members

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH	
Investigation into Management of the Utah Universal Service Fund Contribution Method	UTAH RURAL TELECOM ASSOCIATION’S REQUEST FOR CLARIFICATION DOCKET NO. 18-999-15

The Utah Rural Telecom Association (“URTA”), on behalf of itself and URTA members, All West Communications, Inc., Bear Lake Communications, Inc., Beehive Telephone Company, Carbon/Emery Telcom, Inc., Central Utah Telephone, Inc., Direct Communications Cedar Valley, LLC, Emery Telephone, Gunnison Telephone Company, Hanksville Telcom, Inc., Manti Telephone Company, Skyline Telecom, South Central Utah Telephone Association, Inc. and Union Telephone Company (“Members” or “URTA Members”) hereby requests clarification regarding the Notice of Investigation and Comment Period issued by the Utah Public Service Commission (the “Commission”) on October 9, 2018.

REQUEST FOR CLARIFICATION

On or about October 9, 2018, the Commission issued a Notice of Investigation and Comment Period (“Notice of Investigation”) in which the Commission provided a brief history of the contribution method of the Utah Public Telecommunications Service Support Fund (“UUSF”). The Commission indicated that:

The Utah Legislature has expressed a preference that the PSC maintain a UUSF balance of at least three months of UUSF payments, and that the PSC not modify the UUSF contribution method more than once every three fiscal years.¹

The Commission cited to Senate Bill 4, Business, Economic Development, and Labor base Budget, 2018 General Session, Item 80, Lines 12-4-1220² as support for this “preference.”

The Commission indicated it has several dockets pending that could increase the UUSF distributions to an extent that could require a modification to the UUSF contribution method sooner than three fiscal years.³

URTA has reviewed SB 4. Lines 1204 through 1216 discuss a report that the Commission is to file by October 15, 2019 on certain performance measures for the UUSF. This is the language that the Commission relies on as an indication of the Legislature’s preferences, or “targets” related to the UUSF. Specifically, the Commission is asked to report on:

(1) Number of months within a fiscal year during which the Fund did not maintain a balance equal to at least three months of fund payment (Target = 0); (2) Number of times a change to the **fund surcharge** occurred more than once every three fiscal years (Target = 0) . . . (emphasis added)

The language from Senate Bill 4 makes no reference to the surcharge method. The Commission’s reference to contribution method in the Notice of Investigation does not mirror SB 4 which results in some confusion regarding the Notice of Investigation.

As the Commission is aware, SB 4 was passed in 2018, after the Commission had established the UUSF contribution method by rule. Therefore, at the time SB 4 was passed the Legislature was aware that the Commission elected a per access line/per connection surcharge

¹ Commission Notice of Investigation, p. 1.

² See <https://le.utah.gov/~2018/bills/sbille/r/SB0004.pdf>, Senate Bill 4, Business, Economic Development, and Labor Base Budget, 2018 General Session, Item 80, lines 1204-1220.

³ Commission Notice of Investigation, p. 1.

method for UUSF contribution. Review of SB 4 reveals that the Legislature wants the Commission to report on the number of times the amount of the surcharge is changed—not the number of times the method of collecting UUSF is changed. Therefore, URТА believes some clarification from the Commission on this issue would be helpful.

CONCLUSION

Because the language in the Notice of Investigation does not mirror the language in SB 4, URТА requests clarification from the Commission on whether the Commission is seeking comments on the amount of the UUSF contribution surcharge, and why it is or is not appropriate to modify the amount of the surcharge; or whether the Commission is seeking comments on the method of UUSF contribution. In other words, does the Commission want to revisit the method of contribution established by R746-8-301, or is the Commission seeking comments on the anticipated increases to the UUSF that would necessitate an increase to the amount of the UUSF contribution surcharge? Because the Comments are due by November 15, 2018, URТА respectfully requests that the Commission issue any clarification as soon as possible to assist parties in the finalization of their prepared Comments.

DATED this 12th day of November , 2018.

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of URTA's Request for Clarification, Docket 18-999-15 was served the 12th of November, 2018 as follows:

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