

State of Utah Department of Commerce Division of Public Utilities

FRANCINE GIANI Executive Director THOMAS BRADY Deputy Director CHRIS PARKER Director, Division of Public Utilities

GARY HERBERT. Governor GREG BELL Lieutenant Governor

June 14, 2013

TO: PUBLIC SERVICE COMMISSION

FROM: DIVISION OF PUBLIC UTILITIES Chris Parker, Director Bill Duncan, Manager, Telecommunications and Water Paul M. Anderson, Utility Technical Consultant

RE: Docket No. 13-040-T02 Central Utah Telephone, Inc. filing to revise access tariff language and rates to comply with current FCC rules governing inter-carrier compensation in WC Docket Nos. 10-90, etc (FCC 11-161).

ISSUE:

Central Utah Telephone, Inc (Central) is filing revisions to its new Intrastate Access Service Tariff PSC Utah No. 2. This access service tariff change will implement the current changes in transitional intrastate access service rate reductions as mandated in the Federal Communications Commission's November 18, 2011 Report and Order and Further Notice of Proposed Rulemaking in WC Docket Nos. 10-90, etc. (FCC 11-161).

In addition to the FCC mandate, the National Exchange Carrier Association (NECA) increased interstate switched access rates effective January 1, 2013, thereby increasing the rates which the carriers must match for terminating access by July 1, 2013. The proposed rates reflect the revised FCC rules and the increased NECA switched access rates.

NECA, Section 2.3 regulations are also incorporated to establish an Adjustment Factor to determine percentage of originating interstate use applicable to non-LTR rate structure.

This tariff will continue to cover the three operating companies owned by Central which are Central Utah Telephone, Inc., Bear Lake Communications, Inc. and Skyline Telecom.

RECOMMENDATION: Approve New Tariff Changes

The Division reviewed the results of the tariff calculations for the required access revenue reduction which was targeted to the local switching minutes of use rate element and determined that it was set to the appropriate rate.

The Division agrees that this Tariff change is filed in compliance to the above mentioned FCC Order 11-161, and supports this change and recommends that the tariff be approved and become effective on July 1, 2013.

cc: Spencer Cox, VP and General Counsel, Central Utah Telephone, Inc. Justin Jetter, Assistant Attorney General, Utah Attorney General's Office Marialie Martinez, Manager, Customer Service, Utah Division of Public Utilities Cheryl Murray, Office of Consumer Services