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Division of Public Utilities

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June 24, 2016

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: Utah Docket No. 16-043-T02, In the Matter of the Petition of Gunnison Telephone Co., for an Increase in Rates to the current Commission proposed Affordable Base.

ISSUE:

Gunnison Telephone Company (Gunnison) is filing revisions to its Network Access Line Service Tariff PSC Utah No. 2, so that with the addition of mandatory EAS (Extended Area Service) charges and State USF (Universal Service Fund) surcharges, it will add up to meet the current Commission proposed Affordable Base Rate rules.

Gunnison is requesting an increase in its basic residential telephone rate to the current Commission proposed "Affordable Base Rate." Manti's current monthly rate for residence is \$16.50 which will increase by \$1.00 to \$17.50. See the following chart:

<u>Rate Elements</u>	<u>Rate</u>
Residential Rate	\$17.50
Mandatory EAS	\$0.48
State SLC	n/a
State USF	\$0.18
Total:	\$18.16

The sum of Gunnison's current Business (B1) rate, the mandatory EAS, and the State USF are already at the Commission set affordable base rate for business, so **no rate increase is sought for business rates** but are provided here for informational purposes:

<u>Rate Elements</u>	<u>Rate</u>
Business Rate	\$26.00
Mandatory EAS	\$0.48
State SLC	n/a
State USF	\$0.27
Total:	\$26.75

RECOMMENDATION: Approve proposed residential rates

The above basic rate modifications are pursuant to the Public Service Commission's Notice of Requirement to File a Petition to Amend Tariff or to Deviate from the Utah Affordable Base Rate Notice, issued April 18, 2016, Docket No. 16-R360-01

Since the requested residential rate increase is in compliance with the proposed Utah Affordable Base Rate Notice, the Division recommends that the Commission approve the new updated tariff sheet for Docket No. 16-043-T02 effective June 1, 2016 as requested.

CC: Kent Sanders, Gunnison Telephone Company
 Kira M. Slawson, Blackburn & Stoll, LC
 Justin Jetter, Assistant Attorney General, Utah Attorney General's Office
 Marialie Wright, Manager, Customer Service, Utah Division of Public Utilities
 Cheryl Murray, Office of Consumer Services