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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

| In the Matter of the Utah Administrative Code R746-8, Proposing to Repeal R746-360, R746-341 and R746-343 |))))) | Docket No. 17-R008-01 UTAH RURAL TELECOM ASSOCIATION'S LIST OF ISSUED TO BE DISCUSSED AT FEBRUARY 20, 2018 WORKGROUP MEETING |
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Utah Rural Telecom Association ("URTA") on behalf of its 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, Manti Telephone Company,
Skyline Telecom, South Central Utah Telephone Association, Inc., UBTA-UBET
Communications Inc. (dba Strata Networks), and Union Telephone Company, hereby submits
this list of issues intended to be discussed at the February 20, 2018 Workgroup Meeting. The
Workgroup Meeting has been set to allow the interested parties to discuss rules to be
promulgated by the Utah Public Service Commission ("Commission") necessitated by the
passage of Senate Bill 130 in 2017 and implementation of the resulting changes in Utah Code
Section 54-8b-15. While URTA is providing a list of issues to be discussed at the Workgroup

Meeting, URTA anticipates that the Workgroup Meeting is intended to flesh out the issues related to rate-of-return regulated depreciation methodology and implementation, so that the discussion as the Workgroup Meeting could deviate from the issues identified by the parties:

LIST OF ISSUES REGARDING DEPRECIATION

1. Senate Bill 130 modified Utah Code Annotated Section 54-8b-15(5)(b) which now specifically states that a rate-of-return regulated carrier of last resort that qualifies for UUSF funds under this section, "may use any depreciation method allowed by the FCC."

The Workgroup should discuss and identify the various methods of depreciation allowed by the FCC.

2. Senate Bill 130 also modified Utah Code Annotated Section 54-8b-15(6) which now provides that the commission shall determine if a rate-of-return regulated carrier of last resort is correctly applying the FCC approved method of depreciation. If the Commission determines that the rate-of-return regulated carrier of last resort is incorrectly applying a depreciation method, or is not utilizing an FCC approved method, the Commission may issue an order that provides a correction to the rate-of-return regulated carrier of last resort's method of depreciation.

The Workgroup should discuss the criteria against which a rate-of return regulated carrier of last resort shall be judged in determining whether such carrier is correctly applying the FCC approved method of depreciation. This could include citation to FCC rules, FCC Orders, treatises, etc. on depreciation, so that all stakeholders are aware of the appropriate application of each method of depreciation, and such criteria can be included in the forthcoming rule.

3. URTA's members also believe it may be beneficial to look at the rates of depreciation to establish an acceptable range of depreciation for each asset account. At a minimum it makes sense for rate-of-return carriers of last resort under common ownership and with shared assets to have the same depreciation rates for each asset account across the commonly owned companies.

Dated this 15th day of February, 2018.

BLACKBURN & STOLL, LC

Vice Ver Sen

Kira M. Slawson

Attorneys for Utah Rural Telecom

Association

CERTIFICATE OF SERVICE

I hereby certify that on the 15th day of February, 2018, I served a true and correct copy of URTA List of Issues to Be Discussed at the Depreciation Workgroup February 20, 2018, In the Matter of the Utah Administrative Code R746-8, Proposing to Repeal R746-360, R746-341 and R746-343, Docket No. 17-R008-01 via e-mail transmission to following persons at the e-mail addresses listed below:

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