



State of Utah  
Department of Commerce  
Division of Public Utilities

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October 28, 2004



**TO: PUBLIC SERVICE COMMISSION**

**FROM: DIVISION OF PUBLIC UTILITIES**

Irene Rees, Director  
Wes Huntsman, Manager, Telecommunications  
Bart Croxford, Utility Analyst

**Re: Universal Service and Hearing-Impaired Funds Status**

Attached for your information is the latest status of the Utah Universal Service and Hearing-Impaired Funds. All reported amounts are proprietary.

The Universal Service Fund balance shows an increase from \$3,782,543.47 in July to \$4,051,812.81 in August – an increase of \$269,269.34. The balance has increased for six consecutive months and \$1,446,679.47 since February -- a 56% increase. However, Qwest has not requested a reimbursement for its Lifeline expenses since October 31, 2002. The Division has reminded Qwest of this fact and it will soon submit its request. Qwest received nearly \$720,000.00 for Lifeline expenses in 2002. Therefore, the available balance of the fund would be approximately \$2.6 million, assuming a \$1.44 million reimbursement to Qwest for the two outstanding years.

The Hearing-Impaired Fund shows an increase from \$4,076,123.63 in June to \$4,154,359.53 in July, but, with Qwest's two missing payments, the balance would be approximately \$4.35 million. Qwest believes that the two payments were credited to the wrong account in another state agency in early 2001 but has still not proven that it has made the payments.

Attachments (11)