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Division of Public Utilities

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**TO: PUBLIC SERVICE COMMISSION**

**FROM: DIVISION OF PUBLIC UTILITIES**

Irene Rees, Director  
Wes Huntsman, Manager, Telecommunications  
Peggy Egbert, Technical Consultant  
Casey J. Coleman, Utility Analyst

**Re: In the Matter of the Rule Making for Statewide Extended Area of Service (EAS) Docket No. 05-999-04**

**RECOMMENDATION: Schedule Technical Conference**

The Division believes that there are many unknowns for this topic to be decided fairly. Because of this uncertainty, the Division recommends that the Commission schedule a technical conference with parties to gain a better understanding of the proposal and the potential affects for the telecommunications market in Utah.

**BACKGROUND:**

Early in April the Division received information from Beehive Telephone Company requesting that a Docket be opened to investigate the feasibility of reasonably equitable Utah Statewide EAS. Beehive discussed in their petition the loss of access revenues as a reason to institute a Statewide EAS.

Other than that reason, there did not appear to be enough information provided to the Division to equitably review the petition and judge appropriately. A statewide EAS rate would impact a variety of companies within the state, namely Qwest the RBOC, the Utah Rural Telephone Association Members, the long distance providers in the state, and many other companies.

According to R746-347-4, once a petition is obtained the Commission "shall direct the incumbent telephone corporations to conduct a study determining cost based prices of providing EAS to the petitioned route". For the Division to proceed a cost study would need to be provided. Because of this and a variety of other factors, the Division recommends that a technical conference be scheduled so that all interested parties can participate.