

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Consideration of)
Potential Changes in the Regulation of the) DOCKET NO. 12-999-10
Utah Universal Public Telecommunications)
Service Support Fund, in Response to) REQUEST FOR COMMENTS AND
Recent Changes in the Federal Universal) NOTICE OF TECHNICAL
Service Fund Program) CONFERENCE
)

ISSUED: November 2, 2012

By The Commission:

The Public Service Commission of Utah (“PSC”) opens this docket as a result of an inquiry from the Utah State Legislature to consider possible actions the State might undertake to address changes in federal Universal Service Fund (“USF”) policy initiated by the Federal Communications Commission in its order on USF reform (“FCC Order”), released November 18, 2011, as amended by various subsequent orders on reconsideration. In particular, the Public Utility and Technology Committee of the Utah State Legislature has requested the PSC to gather information from interested parties and to provide alternative options for legislative reform of the State’s Universal Public Telecommunications Service Support Fund (the “Fund”) through this docket. The PSC takes this action pursuant to its authority to supervise and regulate the business of every public utility in the state and to direct the Division of Public Utilities (“Division”) to conduct studies and investigations, and to make recommendations regarding public utility regulations.¹

¹ See Utah Code Ann. §§ 54-4-1 and -1.5.

DOCKET NO. 12-999-10

- 2 -

To facilitate its response to the Committee, the PSC directs the Division to study and report the Division's comments and recommendations regarding the need for possible changes in public utility regulations or laws pertaining to the Fund, arising from the FCC Order. The Division's report should define the various issues, discuss possible responses, and describe the Division's recommendations. The PSC expects to forward this report to the Governor and Legislature.

The Division's study and report should include, at a minimum, examination of the following possible responses to the FCC Order:

- Increase the Fund over time as necessary to offset corresponding decreases in federal USF support available for basic telephone service.
- Increase the USF contribution base by including, for example, broadband providers.
- Expand the telecommunication revenues to which the Fund surcharge applies, beyond intrastate telecommunications revenues.
- Limit the amount of Fund support available, e.g., using a sliding scale up to a capped amount of support per line.
- Restrict the types of service costs for which Fund support is available.
- Establish eligibility for Fund support on the basis of total company revenues, including revenues of cable/wireless/internet affiliates.

DOCKET NO. 12-999-10

- 3 -

- Impute a set amount of revenue to each telephone corporation, representing the revenue potential of each of its lines, in determining Fund support eligibility.
- Eliminate the Fund.
- Redirect the Fund to broadband support.
- Other alternative responses as suggested by interested parties.

In connection with the Division's examination, the Commission seeks comments from all interested parties concerning the issues the FCC Order raises with respect to state and federal universal service support policies and the State's potential responses. The PSC intends that the Division will evaluate these comments in preparing its report. Interested parties may file the requested comments in this docket by the close of business on **November 30, 2012**. Reply comments shall be filed by the close of business on **December 21, 2012**.

The Commission will hold a **technical conference** on **Thursday, January 10, 2013, at 1:30 p.m. in the Fourth Floor Room 401**, Heber M. Wells Building, 160 East 300 South, Salt Lake City, Utah. The purpose of this technical conference will be to discuss and clarify issues and policy options identified in the comments. We direct the Division, in cooperation with those parties desiring to participate, to establish a schedule and agenda for the conference, and to lead the discussion. Parties wishing to present information at the technical conference should so indicate in their comments. Any party desiring a hearing on the matters under consideration in this docket, and in particular the positions presented in the comments, should also so indicate.

DOCKET NO. 12-999-10

- 4 -

Individuals wishing to participate by telephone should contact the Public Service Commission two days in advance at (801) 530-6716 or 1-866-PSC-UTAH (1-866-772-8824). Individuals participating by telephone should call the Public Service Commission five minutes prior to the beginning of the proceeding to ensure participation.

In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during the proceeding should notify the Commission, at 160 East 300 South, Salt Lake City, Utah, 84111, (801) 530-6716, at least three working days prior to the Conference

DATED at Salt Lake City, Utah, this 2nd day of November, 2012.

/s/ Ted Boyer, Chairman

/s/ Ric Campbell, Commissioner

/s/ Ron Allen, Commissioner

Attest:

/s/ Gary L. Widerburg
Commission Secretary
D#237681

DOCKET NO. 12-999-10

- 5 -

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 2nd day of November, 2012, a true and correct copy of the foregoing Request for Comments and Notice of Technical Conference was served upon the following as indicated below:

By Hand-Delivery:

Division of Public Utilities
160 East 300 South, 4th Floor
Salt Lake City, Utah 84111

Office of Consumer Services
160 East 300 South, 2nd Floor
Salt Lake City, Utah 84111

Administrative Assistant