



State of Utah
Department of Commerce
Division of Public Utilities

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Executive Director

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Memorandum

To: Public Service Commission of Utah
From: Utah Division of Public Utilities
Chris Parker, Director
Artie Powell, Manager
Brenda Salter, Utility Technical Consultant Supervisor
Michael Healy, Utility Analyst
Date: April 29, 2021
Re: Docket No. 21-999-10, March 2021 Universal Service Funds Status

Recommendation (No Action Required)

Attached for your information is the latest status report on the Utah Universal Service Fund (UUSF). All reported amounts are proprietary.

The UUSF showed a balance of \$16,345,778 at the end of March 2021, which is an increase of \$857,766 from the previous month. Contributions for March were \$2,273,373. High cost support disbursed to rural ILECs totaled \$1,329,161. Other expenses include Speech and Hearing Impaired disbursements of \$86,424 and Interactive Transaction Fees of \$22. The total expenses were \$1,415,607.

In March, 87 providers remitted UUSF payments based on connections. There were 4,167,226 connections subject to surcharge reported. Exempt connections claimed by providers totaled 6,580.

Effective January 1, 2021, Utah Code § 69-2-405 requires prepaid wireless companies to begin reporting prepaid wireless transactions to the Utah State Tax Commission (USTC) and paying a 1.2% service fee on those transactions. Some providers have continued to remit UUSF surcharges on prepaid wireless access lines to the Public Service Commission (PSC) while also paying service fees on prepaid wireless transactions to the USTC. Utah Code § 54-8b-15 (8)(b) states that UUSF surcharges do not apply to prepaid wireless telecommunication service. These companies are being notified of these unnecessary payments and are due a refund of the UUSF surcharges they have remitted on prepaid wireless access lines for any period after January 1, 2021. The refunded amounts will appear as an adjustment in the UUSF status report in the coming months.

Attachments (6 pages)

UTAH UNIVERSAL SERVICE FUND REPORT

March 2021

Contributions

UUSF Contributions	\$	2,220,891
Prepaid Wireless Contributions	\$	52,482
Total Contributions	\$	<u>2,273,373</u>

Distributions and Expenses

Distributions

ALL WEST COMMUNICATIONS	\$	45,232
BEEHIVE TELEPHONE COMPANY	\$	33,545
CARBON/EMERY TELCOM	\$	114,322
CENTRAL UTAH TELEPHONE INC	\$	35,798
DIRECT COMMUNICATIONS CEDAR VALLEY	\$	198,548
EMERY TELCOM	\$	127,990
GUNNISON TELEPHONE CO	\$	36,737
HANKSVILLE TELCOM	\$	6,358
MANTI TELEPHONE COMPANY	\$	80,204
SOUTH CENTRAL UTAH TELEPHONE	\$	449,458
UINTAH BASIN TELEPHONE dba Strata Networks	\$	<u>200,969</u>
Total Distributions	\$	1,329,161

Expenses

Speech & Hearing Impaired Total	\$	86,424
Utah Interactive Transaction Fees	\$	22
Total Distributions and Expenses	\$	<u>1,415,607</u>

Net Increase (Decrease) \$ 857,766

March Beginning Balance \$ 15,488,012

March Ending Balance \$ 16,345,778