



State of Utah
Department of Commerce
Division of Public Utilities

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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: September 28, 2021
Re: **Docket No. 21-999-10**, August 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 \$17,646,104 at the end of August 2021, which is an increase of \$724,679 from the previous month. We would expect the fund to begin decreasing with the rate change from \$0.54 to \$0.36 per line that went into effect on July 1, 2021, however, half of the remittances received in August were for periods prior to July 1, 2021, a large provider made remittances for June and July that were both received in August, and another provider made catch-up remittances dating back to 2017. Without these occurrences the fund would have decreased this month.

Contributions for August were \$2,155,216. High cost support disbursed to rural ILECs totaled \$1,379,279. Other expenses include Speech and Hearing Impaired disbursements of \$50,089 and

Interactive Transaction Fees of \$19. A refund of \$1,252 was issued for a duplicate remittance. The total distributions and expenses were \$1,430,537.

In August, 113 providers remitted UUSF payments based on connections. There were 5,009,913 connections subject to surcharge reported. Exempt connections claimed by providers totaled 2,214.

The connections reported in August are unusually high in part due to provider catch-up. This may be misleading. A better indicator of total connections are the quarterly average connections which show a downward trend over the past 12 months which is primarily due to prepaid wireless lines no longer being included in the total after January 1, 2021.

<u>Quarter</u>	<u>Average Connections per Month</u>
July - September 2020	3,790,000
October - December 2020	3,731,000
January - March 2021	3,429,000
April - June 2021	3,289,000

Attachments (6 pages)

UTAH UNIVERSAL SERVICE FUND REPORT

August 2021

Contributions

UUSF Contributions	\$	2,118,133
Prepaid Wireless Contributions	\$	37,083
Total Contributions	\$	2,155,216

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	\$	248,666
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	\$	200,969
Subtotal for Rural ILECs	\$	1,379,279
Refund - Duplicate Remittance	\$	1,252
Total Distributions	\$	1,380,531

Expenses

Speech & Hearing Impaired Total	\$	50,089
Utah Interactive Transaction Fees	\$	19
PSC Comp/Excess Time Adjustment	\$	(103)
Total Expenses	\$	50,005

Total Distributions and Expenses \$ 1,430,537

Net Increase (Decrease) \$ 724,679

Beginning Balance \$ 16,921,425

August Ending Balance \$ 17,646,104