

# ACTION REQUEST

Date: March 5, 2024

FROM: Public Service Commission

Due: April 4, 2024\*

SUBJECT: 2024 UUSF and Speech/Hearing Impaired Funds Status Reports,

Docket No. 24-999-08

(Company Name, Case Number, etc.)

2/27/2024

24-999-08

COMMENTS FROM THE DIVISION OF PUBLIC UTILITIES Universal Service and Speech/Hearing Impaired Funds Status Reports **[CONTAINS CONFIDENTIAL EXHIBIT]**

This is a request for the Division of Public Utilities (DPU) to provide analysis, evaluation results, and the basis for conclusions and recommendations regarding the following:

    X     Other – Explanation and Statement of Issues to be Addressed (See Below):

The PSC has received information regarding the Utah Universal Service Fund (UUSF) that requires DPU analysis. Specifically, these events are an informal request from AT&T for a refund from the UUSF based on a recently discovered billing error and DPU's own status update for the UUSF account.

On February 21, 2024, the PSC received a written informal request from AT&T "for a refund ... regarding the overpayment of AT&T's UUSF surcharge remittal statement for New Cingular Wireless PCS, LLC – UT Business Entity No. 22-3330080 for the period of July 2021- June 2023." AT&T indicated that the overpayment occurred because of a billing system issue. It explained that in its billing system, the correct tax type code was not timely updated with the new commission-set rate. AT&T further explained that for the periods of July 2021 – June 2023, it collected and remitted the UUSF charge at the \$0.54 rate instead of at the correct rate of \$0.36. AT&T states that the issue was corrected as of July 2023 period. AT&T requests a refund of the alleged over-payment of \$2,369,273.40.

DPU's February 27, 2024, memo regarding the UUSF status indicates an account balance of \$7,615, 057 at the end of January 2024. Specifically, the account balance has decreased by \$1,630, 645, since the end of December 2023, with contributions of only \$1,348, 410 for January. We note the number of access lines reported is

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- The DPU shall respond consistent with the order or notice;
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substantially less than the number DPU anticipated when it last recommended a UUSF surcharge increase.

In light of the foregoing factors, please provide new recommendations regarding an appropriate surcharge amount to be in place over the next three years assuming: 1) a low access line growth rate without AT&T repayment, 2) a low access line growth rate with AT&T repayment, 3) a medium access line growth rate without AT&T repayment, 4) a medium access line growth rate with AT&T repayment, 5) a high access line growth rate without AT&T repayment, and 6) a high access line growth rate with AT&T repayment.

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