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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

<p>IN THE MATTER OF UBTA-UBET COMMUNICATIONS, INC.'S (DBA STRATA NETWORKS) APPLICATION FOR UTAH UNVERSAL SERVICE FUND SUPPORT</p> <p>IN THE MATTER OF CARBON/EMERY TELCOM, INC.'S APPLICATION FOR AN INCREASE IN UTAH UNVERSAL SERVICE FUND SUPPORT</p>	<p>DOCKET NO. 15-053-01</p> <p>STRATA NETWORKS' POSITION STATEMENT ON THE APPLICABILITY OF U.C.A. SECTION 54-7-12(3)</p> <p>DOCKET NO. 15-2302-01</p>
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On September 23, 2015, the Public Service Commission of Utah (“Commission”) ordered the parties in Docket Nos. 15-2302-01 (“the Carbon/Emery case”) and 15-053-01 (“the STRATA case”) to file written position statements addressing the question of whether Section 54-7-12(3) applies to an application for Utah Universal Service Fund support (“UUSF”). The parties in the Carbon/Emery case had not been able resolve their disputes which caused them to seek a change in the schedule in that docket.

STRATA Networks (“STRATA”) agreed informally to change its hearing dates from November 2-3, 2015 to November 23-24, 2015 to allow the Carbon/Emery case hearing to move forward on the earlier dates. The Commission expressed concern that it would have to issue its order in the STRATA case on or before December 2, 2015 if the 240-day requirement imposed by Section 54-7-12(3) applied to applications for Universal Service Fund applications.

In accordance with Commission's order, STRATA files this position statement addressing the question of whether Section 54-7-12(3) applies to an application for UUSF support.

STRATA'S POSITION

STRATA does not believe the 240-day requirement under Section 54-7-12(3) applies to applications for UUSF support. In fact, STRATA does not believe that any part of Section 54-7-12 applies to applications for support from the UUSF. By its own terms, this statute only takes effect when a public utility files for a general rate increase or a general rate decrease. STRATA has not requested an increase or decrease in rates in Docket No. 15-053-01 and therefore the statute does not apply. Blended applications seeking both rate increases or decreases and UUSF support would fall within the purview of Section 54-7-12.

Notwithstanding this position, STRATA encourages the Commission to act on UUSF support requests at least within 240 days. Section 54-7-12 was intended to ensure that rate cases not be delayed. There is no reason to delay applications for UUSF support more than rate cases filed by much larger utilities like Rocky Mountain Power. Even in rate case filings the Commission recognized the difference between small telephone corporations with fewer than 5,000 access lines in Utah Admin. Code Section R746-344 and Qwest (formerly U.S. West and currently CenturyLink) that had more than one million access lines when Qwest was rate-of-return regulated. The regulatory burden for these smaller rural telecommunications corporations was understandably much less under this rule. Historically, even rural telecommunications corporations with more than 5,000 access lines have not had to incur extraordinary expenses of attorneys and experts to meet the requirements of regulation.

CONCLUSION

It is STRATA's position that neither Section 54-7-12(3) nor any part of Section 54-7-12 applies to applications for UUSF support. These sections only take effect when a public utility is seeking a general rate increase or a general rate decrease. UUSF applications blended with a rate case are governed by these statutes.

Notwithstanding this position, STRATA urges the Commission to act on UUSF applications at least within 240 days and to streamline procedures for general rate cases filed by rural telecommunications corporations to avoid extraordinary expenses of attorneys and experts to meet regulatory requirements.

Respectfully submitted this 24th day of September, 2015.

Callister Nebeker & McCullough

Stephen F. Mecham
Attorneys for STRATA Networks

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of STRATA Network's Position Statement filed in Docket Nos. 15-053-01 and 15-2302-01 was sent to the following individuals by email this 24th day of September, 2015:

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