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Division of Public Utilities

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June 22, 2016

TO: PUBLIC SERVICE COMMISSION

FROM: DIVISION OF PUBLIC UTILITIES
Chris Parker, Director
Bill Duncan, Manager, Telecommunications and Water
Paul M. Anderson, Utility Technical Consultant

Re: Utah Docket No. 16-046-T02, In the Matter of the Petition of Manti Telephone Co., for an Increase in Rates to the current Commission proposed Affordable Base Rate and to comply with the FCC Connect America Fund requirements.

ISSUE:

Manti Telephone Company (Manti) is filing revisions to its Network Access Line Service Tariff PSC Utah No. 4, that with the addition of mandatory EAS (Extended Area Service) charges and State USF (Universal Service Fund) surcharges, will add up to meet the current Commission proposed Affordable Base Rate rules.

Manti is requesting an increase in its basic residential telephone rate to the current Commission proposed "Affordable Base Rate." Manti's current monthly rate for residence is \$16.50 which will increase by \$.58 to \$17.08. See the following chart:

<u>Rate Elements</u>	<u>Rate</u>
Residential Rate	\$17.08
Mandatory EAS	\$0.75
State SLC	n/a
State USF	\$0.17
Total:	\$18.00

The sum of Manti's current Business (B1) rate, the mandatory EAS, and the State USF are already at the Commission set affordable base rate for business, so no rate increase is sought for business rates but are provided here for informational purposes:

<u>Rate Elements</u>	<u>Rate</u>
Business Rate	\$26.00
Mandatory EAS	\$0.75
State SLC	n/a
State USF	\$0.26
Total:	\$27.01

Note: State USF was inadvertently omitted from new tariff sheet No. 22, but will be revised later.

RECOMMENDATION:

The above basic rate modifications are pursuant to the Public Service Commission’s Notice of Requirement to File a Petition to Amend Tariff or to Deviate from the Utah Affordable Base Rate Notice, issued April 18, 2016, Docket No. 16-R360-01

The FCC requires that the companies participating in the Connect America Fund (CAF), such as Manti bring its rate levels to the CAF-mandated floor each year as a condition of continued participation. For 2016, the FCC rate floor is \$18.00 for residential subscribers.

Since the requested residential rate increase is in compliance with the proposed Utah Affordable Base Rate Notice and is also mandated by the FCC for Manti’s continued CAF participation, the Division recommends that the Commission approve the new updated tariff sheet for Docket No. 16-046-T02 effective June 1, 2016 as requested.

CC: Dallas Cox, Manti Telephone Company
Curt Huttzell, TCA
Justin Jetter, Assistant Attorney General, Utah Attorney General's Office
Marialie Wright, Manager, Customer Service, Utah Division of Public Utilities
Cheryl Murray, Office of Consumer Services