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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

IN THE MATTER OF CARBON/EMERY) Docket No. 16-2302-T01
TELCOM, INC.'S PETITION FOR)
APPROVAL TO REVISE ITS TARIFFS TO) PETITION FOR APPROVAL TO
INCREASE RATES TO THE) REVISE TARIFFS
AFFORDABLE BASE RATES)
)
)

On April 18, 2016, the Commission issued a Notice of Requirement to File a Petition to Amend Tariff or to Deviate from the Affordable Base Rate in Docket No. 16-R360-01 (the "Notice"). On May 26, 2016, the Commission filed a Supplemental Notice ("Supplemental Notice"). On June 7, 2016, the Commission issued a Notice of Change to Proposed rule and Order Setting Utah Affordable Base Rate ("Order").

Pursuant to the Order, the following proposed amendments to rule R746-360-6 ("Amendment") were issued by the Commission:

R746-360-2.B Rate Floor

1. Unless a petition brought pursuant to Subsection (B)(2) is granted after adjudication, to be eligible for USF subsidization, a telecommunications corporation shall charge, at a minimum, the following Affordable Base Rates for basic telecommunications services;
 - a. As of July 1, 2016:
 - i. \$18.00 per residential line; and
 - ii. \$26.00 per business line.

- b. As of July 1, 2017:
 - i. \$20 per residential line; and
 - ii. \$26.00 per business line.

The Notice provided that a telecommunications provider must petition the Commission for approval to revise its tariff in order to increase its rate(s) and such petition must be filed at least seven (7) days prior to the date on which the telecommunications provider proposes to begin charging the new rate(s).

The Supplemental Notice issued by the Commission stated:

“By definition, the Utah affordable base rate includes ‘monthly per line retail rates, charges or fees for basic telecommunications service[.]’ Utah Administrative Code R746-360-2. Any Utah rural telecommunications provider that petitions for a rate change in order to comply with the Commission’s affordable base rate is directed to specify whether the revised rate includes mandatory extended area service fees, state subscriber line fees, and/or state universal service charges. If the revised rate is intended to be inclusive, the petitioner is directed to itemize the fees and charges that sum to the affordable base rate.”¹

The Order provides that “a provider that wishes to include mandatory extended area service fees, state subscriber line fees, and/or universal service charges in the base rate shall itemize in its tariff the various fee and charges that sum to the affordable base rates.”²

The final rule has not yet gone into effect. Nevertheless, Carbon/Emery hereby petitions the Commission for approval to revise its tariff in order to increase its rates pursuant to the *proposed* Affordable Base Rate Rule R746-360-6, the Notice, the Supplemental Notice, and the Order. Specifically, Carbon/Emery requests approval of Carbon/Emery’s tariff revisions to include a rate increase, effective July 1, 2016, in the R-1 Residential rates as

¹ Supplemental Notice dated May 26, 2016, p. 1.

² Order dated June 7, 2016, p. 3.

follows:³:

Exchange	Current Rate	New Rate
All Exchanges	\$16.50	\$17.32

The revised residential rates will not be inclusive of the mandatory extended area service (“EAS”), state Universal Service Fund (“State USF”) surcharges, and state subscriber line charges (“State SLC”). Rather, such rate elements will remain separate. However, the sum of the Residential (R-1) rate, the mandatory EAS, the State USF Surcharge, and the State SLCs is equal to the Commission proposed Affordable Base Rate of \$18.00 for residential service:

<u>Rate Elements</u>	<u>Rate</u>
Residential Rate	\$17.32
Mandatory EAS	\$0.50
State SLC	n/a
State USF	\$0.18
Total:	\$18.00

Pursuant to the Notice, the requested effective date of the tariff revisions to increase rates is on July 1, 2016, which is after June 1, 2016; the Petition is being filed seven (7) days before the proposed effective date of the new rates; the requested rates do not exceed \$18 per residential line; and no other changes are proposed to Carbon/Emery’s tariff. Therefore, all of the requirements set forth in the Notice have been met by this filing, and Carbon/Emery is entitled to approval of the tariff revisions, and rate increases as requested herein. Further, as provided in the Notice, this Petition should be adjudicated informally without hearing.

³ Revised Tariff Sheets as needed are attached to this Petition as Exhibit 1.

For informational purposes only, the sum of Carbon/Emery'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.

<u>Rate Elements</u>	<u>Rate</u>
Business Rate	\$26.00
Mandatory EAS	\$1.50
State SLC	n/a
State USF	\$0.28
Total:	\$27.78

CONCLUSION

Carbon/Emery petitions the Commission for approval to revise its tariff in order to increase its rates to preserve Carbon/Emery's eligibility for State USF support. Carbon/Emery has met all of the requirements for informal adjudication of its Petition for Approval of Tariff Revisions, and is entitled to the rate increases requested herein, effective July 1, 2016.

Respectfully submitted this 16th day of June, 2016.

BLACKBURN & STOLL, LC

Kira M. Slawson
Attorneys for Carbon/Emery Telcom, Inc.

CERTIFICATE OF SERVICE

I hereby certify that on the 16th day of June, 2016, I served a true and correct copy of Carbon/Emery's Petition for Approval to Revise Tariff, Docket 16-2302-01, via e-mail transmission to the following persons at the e-mail addresses listed below:

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Exhibit 1

Carbon/Emery Telcom, Inc.
Docket No. 16-2302-01

5th Revised Tariff Sheet No. 20
5th Revised Tariff Sheet No. 20 (redline)