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Division of Public Utilities

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May 5, 2017

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. 17-052-T01, In the Matter of the Petition of South Central Utah Telephone Association, Inc. (SCUTA), for an Increase in Rates to the current Commission approved Affordable Base Rate

ISSUE:

SCUTA proposes to revise its local access service tariff Utah PUC No. 5. This tariff change will comply with the Utah Affordable Base Rate Rule R746-360-6, the Commission's Notice of Requirement to File a Petition to Amend Tariff or to deviate from the Affordable Base Rate (Docket No. 16-R360-01), the Commission's Supplemental Notice, and the Commission's Order setting the Utah Affordable Base Rate.

The FCC requires that the companies participating in the Connect America Fund (CAF), such as SCUTA, bring its rate levels to the CAF-mandated floor each year as a condition of continued participation. The 2017 FCC rate floor is \$20.00 for residential subscribers as required in FCC Public Notice DA 17-167A1, which was released February 14, 2017. This increase will not cause SCUTA to over earn, based on the Division of Public Utilities analysis.

RECOMMENDATION:

The Division reviewed SCUTA's petition to revise its tariffs to increase its rate to the affordable base rate. The proposed R-1 Residential Rate for all exchanges will increase by \$2.00 from \$18.00 to \$20.00 per line.

The Division agrees that this Tariff change complies with the above mentioned Notices and Order, and recommends that the tariff be approved and become effective on June 1, 2017 as requested.

CC: Michael East, South Central Utah Telephone Association, Inc.
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
Kira M. Slawson, Blackburn & Stoll, LC