



State of Utah
Department of Commerce
Division of Public Utilities

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June 14, 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. 17-2419-T01, TARIFF: Direct Communications Cedar Valley, LLC (“Direct”) filing to increase residential and emergency line rates.

ISSUE:

On June 1, 2017, Direct submitted a filing to increase the residential one party service rate from the existing \$16.50 to \$20.50 and the emergency line rate from the existing \$18.00 to \$20.00. According to its calculations this would eliminate the need to add the \$3.00 Access Recovery Charge (ARC) on July 1, 2018.

RECOMMENDATION: Do not approve tariff filing.

The DPU reviewed this filing and finds no FCC or Public Service Commission (PSC) requirement to raise the local residential rates above the \$18.00 Utah affordable rate and FCC floor. To do so would likely require a rate hearing.

After discussions with Direct, it has indicated it will withdraw this filing and submit a new filing to raise its residential rate to the FCC and Utah PSC floor rate.

CC: Kip Wilson, Direct Communications Cedar Valley, LLC
Justin Jetter, Assistant Attorney General, Utah Attorney General's Office
Marialie Martinez, Manager, Utah Division of Public Utilities
Cheryl Murray, Office of Consumer Services