

SPENCER J. COX Governor DEIDRE HENDERSON Lieutenant Governor State of Utah

Department of Commerce Division of Public Utilities

MARGARET W. BUSSE Executive Director

CHRIS PARKER Director, Division of Public Utilities

Action Request Response

- **To:** Public Service Commission of Utah
- From: Utah Division of Public Utilities
 Chris Parker, Director
 Artie Powell, Manager
 Brenda Salter, Utility Technical Consultant Supervisor
 Paul Hicken, Utility Technical Consultant
- Date: May 27, 2021
- Re: Docket No. 21-041-T02, <u>TARIFF</u> Citizens Telecommunications Company of Utah d/b/a Frontier Communications of Utah's Tariff Revisions to the 8YY Access Charge Rates.

Recommendation (Approve Tariff Sheets)

The Division of Public Utilities (DPU or Division) has reviewed the tariff filing and recommends the Public Service Commission (Commission) approve Citizens Telecommunications Company of Utah d/b/a Frontier Communications of Utah's (Citizens) request to revise the 8YY Access Charge Rates. The Division therefore recommends this filing become effective on or before July 1, 2021.

Issue

Citizens submitted Advice Letter UT-21-02 on May 17, 2021 with revised tariff sheets, with the purpose to revise the 8YY Access Charge Rates in order to comply with Report and Order FCC 20-143 adopted in October 2020. On May 17, 2021 the Commission issued an Action Request for the Division to investigate the proposed changes and report its findings and recommendation



to the Commission by June 1, 2021. This memorandum represents the Division's response to the Commission's Action Request.

Background

In October 2020, the FCC adopted an order to modernize rules for toll free (8YY calling) calls. The order shifts most access charges for toll free calls to a bill-and-keep system to address arbitrage and fraud undermining the inter carrier compensation system supporting toll free calling. The order will decrease the overall cost of toll free calls, reduce incentives for fraud and arbitrage, and increase efficiencies in call routing and compensation. As a transitional step, the order combines separate 8YY transport and tandem switching charges into a single access charge capped at \$0.001 per minute, effective July 1, 2021. The order also transitions charges for 8YY database queries over the next 3 years to \$0.0002 effective July 1, 2023.

Discussion

The Division contacted Citizens to discuss their proposed revisions and learned that the changes indicated on the redline copy of the tariff sheet included in the Citizen's filing are to clarify that the access service rates listed are exception rates for Non 800/888 calls. Citizens follows the 8YY service rates listed in the FCC tariff. The revisions to tariff sheet in this filing are listed because they are different from what is in the FCC tariff and they do not apply to toll free calls.

Conclusion

The Division has reviewed Citizen's filing and has no objections to the proposed revisions. Therefore the Division recommends the Commission approve this filing as submitted on or before June 1, 2021, as requested.

 Cc: Carl E. Erhart, Manager, Government & External Affairs, Citizens and Navajo Communications
 Leslie Zink, Sr. Manager, Pricing & Tariffs, Frontier Communications
 Justin Jetter, Assistant Attorney General, Utah Attorney General's Office