



State of Utah
Department of Commerce
Division of Public Utilities

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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: June 8, 2021

Re: **Docket No. 21-053-T01, TARIFF UBTA-UBET Communications Inc.'s Proposed
Tariff Revisions.**

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 UBTA-UBET Communications Inc.'s (UBTA-UBET) request to revise the 8YY Access Charge Rates. The Division therefore recommends this filing become effective on or before July 1, 2021.

Issue

UBTA-UBET submitted Advice Letter dated May 25, 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 26, 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 9, 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

Step one of the FCC order requires that all toll-free database query rates be no higher than \$0.004248. UBTA-UBET's current toll-free database vertical feature query rate exceeds that limit, but the proposed revisions will bring it to the correct level. The FCC order also establishes that intrastate and interstate toll-free originating end office access services rates shall be in parity. Currently UBTA-UBET's intrastate rates exceed the interstate rates. This filing proposes to reduce the intrastate rates to be in parity with interstate rates.

Conclusion

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

Cc: Bruce Todd, President, UBTA-UBET Communications Inc.
Karl Searle, CFO, UBTA-UBET Communications Inc.
Justin Jetter, Assistant Attorney General, Utah Attorney General's Office