



State of Utah

Department of Commerce  
Division of Public Utilities

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**REDACTED**

## Supplemental 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, Technical Consultant

**Date:** February 9, 2022

**Re:** **Supplemental Response to Docket No. 22-050-T01, TARIFF Navajo**  
Communications Company, Inc. d/b/a Frontier Navajo Communications Company's  
Tariff Revisions to increase the Convenience Fee, per occurrence nonrecurring  
charge.

### Recommendation (Approve Tariff Sheets)

The Division of Public Utilities (DPU or Division) has reviewed the additional data and information supplemental to the January 14, 2022, tariff filing and recommends the Public Service Commission (Commission) approve Navajo Communications Company, Inc. d/b/a Frontier Navajo Communications Company's (Navajo) request to increase the Convenience Fee, per occurrence nonrecurring charge. Navajo requests an effective date of February 20, 2022.

### Issue

The Commission issued a Supplemental Action Request on February 2, 2022, for the Division to further investigate the proposed changes and to assert whether, and why, pursuant to R746-405-

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2(E), the fee increases are justified. The Commission requested a response by February 9, 2022. This memorandum represents the Division's response to the Commission's Supplemental Action Request.

## **Background**

The Company requests the Convenience Fee charge be increased from \$4.50<sup>1</sup> to \$10.00 per occurrence, which is standard across Frontier Communications Company's other jurisdictions. The increased fee is intended to help the Company recover the costs of having a live representative handle the call and process the payment, and to encourage the customer to use one of the other, more efficient options for payment. There are several other ways to pay a bill with little or no charge, including 1) mail in a check, 2) sign up for auto payment from the customer's bank account, 3) select an automated payment with a credit card, or 4) go online to Frontier.com and select the 'Pay My Bill' option. The Convenience Fee is a charge for talking to a live company representative, and the fee is explained to the customer beforehand. If the customer chooses to use the company representative for assistance, they are made aware of the applicable charges. The Company provided a confidential cost study of the Convenience Fee for the first 9 months of 2021. The average Convenience Fee cost for this period was approximately [REDACTED]

The Division reviewed the additional information and cost data provided by the Company and determined that the proposed Convenience Fee of \$10.00 is justified pursuant to R746-405-2(E).

## **Conclusion**

After further review, the Division has concluded that Navajo's application for a rate increase to the Convenience Fee is just, reasonable and in the public interest. Therefore, the Division recommends the Commission approve this filing as submitted with an effective date of February 20, 2022, as requested.

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<sup>1</sup> A convenience fee of \$4.50 per occurrence was previously authorized by the Commission in Docket No. 16-050-T05 and effective on January 22, 2017, not August 1, 2019, as erroneously stated in DPU's memo dated January 20, 2022.

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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