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Action Request Response

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director
Brenda Salter, Assistant Director
Abdinasir Abdulle, Utility Technical Consultant Supervisor
Trevor Jones, Utility Technical Consultant
Annette Orton, Utility Analyst

Date: September 3, 2025

Re: **Docket No. 25-053-01**, Review of 2024 Annual Report for UBTA-UBET Communications, Inc. d/b/a STRATA Networks, and Recommendations for Utah Universal Service Fund assistance for Calendar Year 2026

Recommendation (Approve)

The Utah Division of Public Utilities ("Division" or "DPU") recommends the Public Service Commission of Utah ("Commission" or "PSC") adjust the annual Utah Universal Service Fund ("UUSF") amount payable to UBTA-UBET Communications, Inc. d/b/a STRATA Networks ("STRATA") to \$7,827,967 annually, or \$652,331 monthly, effective January 1, 2026. This is an increase of 12.42% over the 2025 UUSF distribution of \$6,962,845 annually, or \$580,237 monthly.

Discussion

Commission Rule R746-8-401 requires the Division to make annual recommendations to the Commission for adjustments to the monthly UUSF distribution to each provider based on an established Federal Communications Commission ("FCC") rate of return and the provider's financial information from its last Annual Report filed with the Commission. On April 16, 2025, the Company filed its annual report of operations in compliance with this rule. The Commission issued an Action Request on April 17, 2025, for the Division to review



the filing and make recommendations by September 2, 2026. This memo is the Division's response to the Commission's Action Request. Included with this memo is a comprehensive report that provides an overview of the Company's 2024 operations and proposes changes to the UUSF distribution.

Conclusion

Based on the review completed by the Division, the Division recommends the Commission adjust the UUSF distribution payable to STRATA to be \$7,827,967 annually, or \$652,331 monthly, effective January 1, 2026.

cc: Jason Mckee, CFO – UBTA-UBET Communications, Inc.