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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
 Tamra Dayley, Utility Analyst
Date: September 3, 2025
Re: **Docket No. 25-2180-01**, Review of 2024 Annual Report for All West Communications Inc., and Recommendations for Utah Universal Service Fund assistance for Calendar Year 2026.

Recommendation (Approval)

The Utah Division of Public Utilities (Division or DPU) recommends that the Public Service Commission of Utah (Commission or PSC) adjust the annual Utah Universal Service Fund (UUSF) amount payable to All West Communications Inc. ("All West" or "Company") to \$5,175,901 annually or \$431,325 monthly, effective January 1, 2026.

Issue

PSC Rule R746-8-401 requires the DPU to make annual recommendations to the PSC for adjustments to the monthly UUSF distribution to each provider based on an established FCC rate of return and the provider's financial information from its last Annual Report filed with the Commission. On April 14, 2025, the Company filed its annual report of operations in compliance with this rule. The Commission issued an Action Request on April 15, 2025, for the Division to review the filing and make recommendations by September 2, 2025. This memo is the Division's response to the Commission's Action Request. Included with this memo is a comprehensive audit report with details of the Company's 2024 operations and recommended changes to the UUSF distribution for All West.



Division of Public Utilities

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Background

The Division has reviewed the annual report of All West received on April 15, 2025. Pursuant to PSC Rule R746-8-401(4), the Division has calculated the amount of UUSF eligibility to be \$5,175,901 annually. This is an increase of \$1,486,140 from the \$3,689,761 amount approved by the Commission on December 23, 2026.

Discussion

In calculating the UUSF eligibility for All West Telephone Company, the Division noted the following:

- 1) The Division notes that for 2024 All West received about [REDACTED] in total USF support. About [REDACTED] was from federal programs and about [REDACTED] was from state UUSF support.
- 2) All West's total operating revenues for 2024 were about [REDACTED], slightly more than the [REDACTED] from the previous year.
- 3) All West's total revenue requirement for 2024, which included operating revenues and USF support, was over [REDACTED]. USF support is [REDACTED] of this total.
- 4) All West's total operating expenses have averaged about [REDACTED] for the past five years. However, in 2024, the total operating expenses were over [REDACTED].
- 5) [REDACTED] of expenses were eliminated from UUSF calculations after a review of the general ledger expense accounts. This resulted in an adjustment to reduce operating expenses. The eliminated expenses were primarily Legal, Accounting, and Executive expenses.
- 6) All West amortization of EDIT expenses was completed in 2023.

Conclusion

The Division concludes that the All West's Annual Report fairly represents the Company's fiscal performance. The Division further recommends that the Commission adjust the UUSF amount payable to All West to \$5,175,901 annually or \$431,325 monthly, effective January 1, 2026.

cc: Jenny Prescott, CFO – All West Communications, Inc.