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Division Director

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

Date: September 3, 2025

Re: **Docket No. 25-2419-01**, Review of 2024 Annual Report for Direct Communications Cedar Valley 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 Direct Communications Cedar Valley ("DCCV") to \$3,842,921 annually or \$320,243 monthly, effective January 1, 2026, which includes a removal for EDIT. This is an increase of 63% from the 2025 UUSF distribution of \$2,355,173 annually or \$196,264 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 a review of the Company's 2024 operations and proposes changes to the 2026 UUSF distribution.

Conclusion

Based on the review completed by the Division, the Division recommends the Commission adjust the UUSF distribution payable to DCCV to be \$3,842,921 annually or \$320,243 monthly, effective January 1, 2026.

cc: Michael Parrish, Direct Communications Cedar Valley