

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
Justin Shelton, Utility Analyst

Date: September 2, 2026

Re: **Docket No. 26-052-01**, Review of 2025 Annual Report for South Central Utah Telephone Association, Inc. and Recommendations for Utah Universal Service Fund assistance for Calendar Year 2027.

Recommendation (Approval)

The Utah Division of Public Utilities ("Division") recommends that the Public Service Commission of Utah ("Commission") adjust the annual Utah Universal Service Fund ("UUSF") distribution for South Central Utah Telephone Association, Inc. ("SCUTA") to \$8,978,186 (\$748,182 monthly), effective January 1, 2027. This excludes Lifeline support and it represents a 0.73% increase over the 2026 annual distribution of \$8,912,852 (\$742,738 monthly).

Discussion

Utah Administrative Code R746-8-401 requires the Division to submit annual recommendations to the Commission regarding UUSF distribution adjustments for eligible providers. These adjustments are calculated using the established Federal Communications Commission ("FCC") rate of return and the financial data from the provider's most recent Annual Report.



On April 16, 2026, SCUTA filed its Annual Report of Operations. The Commission subsequently issued an Action Request on April 17, 2026 directing the Division to review the filing and make recommendations by September 1, 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 2025 operations and proposes changes to the 2027 UUSF distribution. The recommended distribution for 2027 does not include the amount for Lifeline, which was \$942 in 2025.

Conclusion

Based on its review, the Division recommends the Commission approve an adjusted annual UUSF distribution for SCUTA of \$8,978,186 (\$748,182 monthly), effective January 1, 2027.

cc: Annette Ormond, Accountant – South Central Utah Telephone Association, Inc.
Wendy Stewart, Accounting Mgr. – South Central Utah Telephone Association, Inc.