

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Petition for a One-Time)
Distribution for Ann McDonald in Box Elder)
County)

DOCKET NO. 03-041-01

REPORT AND ORDER

ISSUED: April 1, 2003

SYNOPSIS

The Public Service Commission of Utah grants a one-time distribution from the State Universal Public Telecommunications Service Support Fund to facilitate the provision of telecommunications service, by Frontier Communications of Utah, for service to Ann McDonald in Box Elder County, Utah.

By The Commission:

This matter was originated by a request from potential customer Ann McDonald ("Subscriber") for telephone service to Subscriber's residence in Honeyville, Box Elder County, Utah. That area is in the certificated service territory of Frontier Communications of Utah ("Frontier"). There is currently no landline telephone service. Subscriber's application indicates that there is the potential for additional customers to be added in the area in the future as the surrounding properties are developed. Frontier estimates that the cost of furnishing the line extension necessary to provide service well exceeds twice the statewide average loop investment plus \$500, resulting in this request that this Commission approve a one-time distribution from the Universal Public Telecommunications Service Support Fund (the "Fund") to defray a portion of the cost of providing service to Subscriber.

On March 21, 2003, the Commission received the results of the Division of Public Utilities' investigation. The Division's recommendation indicated that it had investigated the engineering and estimated costs and approved of the estimated costs provided by Frontier. The Division recommended that a one-time distribution for extension of service to this customer be approved. The Division's recommendation also contained a proposed breakdown of the costs of the project between the Frontier, Subscriber, and the Fund. Total construction costs are estimated to be \$11,324. According to the Division's breakdown, in accordance with our Rule R746-360, the funds would be paid as follows: \$2,6708 from the Subscriber, \$2,865 from Frontier, and \$5,789 from the Fund. Frontier would be responsible for submitting the actual incurred costs to the Division for verification of the costs' reasonableness and necessity, with the final payment from the Fund being for those costs deemed to be reasonable and necessary for the project.

We conclude that the proposed extension of land line based telephone service is in the public interest in providing telephone service to an unserved area, and furthers universal service goals. We will approve the one-time distribution.

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED, that:

1. The request for a one-time distribution from the State Universal Public Telecommunications Service Support Fund, in an amount estimated to be \$5,789, is in the public interest and is approved.
2. The subscriber identified in the request will pay \$2,670 toward the cost of the project before the start of construction.
3. Frontier Communications of Utah shall place the same type of facilities and technology as was assumed in developing

the construction costs estimate. Construction should be completed prior to the end of June, 2003.

4. Frontier Communications of Utah shall submit the actual incurred costs to the Division for verification of the costs' reasonableness and necessity, and the final payment from the Fund will be for those costs deemed to be reasonable and necessary for the project.
5. Frontier Communications of Utah shall make a good faith effort to survey all potential customers in the area and offer them service in accordance with the requirements of our Rule R746-360-9 before the beginning of construction.
6. Any additional subscribers that sign up in the area of this extension within five years of completion of the project will pay a customer contribution payment in accordance with Rule 360-9, and such payments will be remitted to the Fund as required by that rule.
7. Pursuant to Utah Code Ann. § 63-46b-13, an aggrieved party may file, within 20 days after the date of this Order, a written request for reconsideration by the Commission. Pursuant to Utah Code Ann. § 54-7-15, failure to file such a request precludes judicial review of the Order. If the Commission fails to issue an order within 20 days after the filing of such a

request, the request shall be deemed denied. Judicial review of this Order may be sought pursuant to the Utah Administrative Procedures Act (Utah Code Ann. §§ 63-46b-1 et seq.)

DATED at Salt Lake City, Utah this 1st day of April, 2003.

/s/ Stephen F. Mecham, Chairman

/s/ Constance B. White, Commissioner

/s/ Richard M. Campbell, Commissioner

Attest:

/s/ Julie Orchard

Commission Secretary

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