

The Division notes Farmers provides service to three Utah customers located within the Hovenweep National Park but that its primary business is located in Southwestern Colorado. Farmers has only one study area for reporting and filing with the National Exchange Carrier Association (“NECA”), the Universal Service Administrative Company (“USAC”), the Federal Communications Commission (“FCC”), and the Colorado Public Utility Commission (“CPUC”). The reporting area includes all of Farmers’ Colorado customers, along with its three Utah customers. Therefore, for regulatory purposes, Farmers’ three Utah customers are treated like Colorado customers. More specifically, for these three customers, Farmers remits USF payments to the Colorado USF, not the Utah USF. Farmers’ Utah customers, moreover, are given the CPUC’s telephone number for complaints and general inquiries.

Therefore, the Division recommends the Commission restructure Farmers’ Utah regulatory requirements such that:

- Farmers be formally exempted from Utah USF requirements.
- Farmers be relieved of its duty to file the Utah Class B telecommunications report. Alternatively, Farmers will submit its Colorado telecommunications report with notes to the financial statements that specify the amount of customers in Utah.
- Farmers be relieved of its duty to file the Utah Gross Revenue Report. Alternatively, Farmers will submit its Colorado Gross Revenue Report with a note specifying the total revenue for the State of Utah.
- Farmers continue to comply with all other minimal regulations in Utah.

With respect to the USF, the Division notes that eventhough Farmers has not previously been exempted from Utah USF, Farmers has not paid into the Utah USF. The Division has never pursued USF remittance from Farmers. Although the Division recommends Farmers be relieved

of its responsibility to file the Utah Gross Revenue Report, it nevertheless recommends that Farmers continue to be required to remit their regulation fee of \$50 per annum for the Utah gross revenue report.

Utah Administrative Code Rule 746-110-1, authorizes the Commission to adjudicate a matter informally under *Utah Code Annotated* § 63-46b-5 when the Commission “determines that the matter can reasonably be expected to be unopposed and uncontested.” We note that, despite the passage of more than a month since the Division’s filing, no party has commented or sought to intervene in this matter. We therefore view this matter as unopposed and uncontested and determine to proceed informally without hearing.

Utah Code Annotated § 54-8b-15 establishes the Utah USF to promote equitable cost recovery of basic telephone service and preserve and promote universal service within the state through the nondiscriminatory collection and distribution of funds. Subsection (10)(a) states “each telecommunications corporation that provides intrastate public telecommunication service shall contribute to the fund on an equitable and nondiscriminatory basis.” *UCA* §54-8b-2(9) defines an intrastate telecommunications service as “any public telecommunications service in which the information transmitted originates and terminates within the boundaries of this state.” There is nothing in the record before us to indicate that Farmers does not provide intrastate telecommunications service in Utah. Furthermore, the statute provides no specific waiver authority for Utah USF requirements. Therefore, we conclude the Utah USF requirements apply to Farmers and decline to waive said requirements herein.

However, based upon the Division's recommendation, we find and conclude it is reasonable to exempt Farmers from the requirement to file the Utah Class B Telecommunications Report and the Utah Gross Revenue Report and to require Farmers to file its Colorado Telecommunications and Gross Revenue reports in lieu thereof.

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED as follows:

1. This matter be, and it is, converted to an informal proceeding pursuant to §63-46b-4(3), UCA 1953, as amended.
2. The Commission tentatively exempts Farmers Telephone Company, Inc., from the reporting requirements recommended by the Utah Division of Public Utilities and identified *supra*. In lieu of the referenced Utah reports, Farmers Telephone Company, Inc., shall file with the Utah Division of Public Utilities its Colorado telecommunications and gross revenue reports.
3. Absent meritorious protest, this Order shall automatically become effective without further action twenty (20) days from the date of this Order.
4. Persons desiring to protest this Order may file said protest prior to the effective date of this Order. If the Commission finds said protest to be meritorious, the effective date shall be suspended pending further proceedings.

Pursuant to *Utah Code Annotated* §§63-46b-12 and 54-7-15, agency review or rehearing of this order may be obtained by filing a request for review or rehearing with the Commission within 30 days after the effective date of the order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or

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rehearing. If the Commission fails to grant a request for review or rehearing within 20 days after the filing of a request for review or rehearing, it is deemed denied. Judicial review of the Commission's final agency action may be obtained by filing a Petition for Review with the Utah Supreme Court within 30 days after final agency action. Any Petition for Review must comply with the requirements of *UCA* §§63-46b-14, 63-46b-16 and the Utah Rules of Appellate Procedure.

DATED at Salt Lake City, Utah, this 28th day of November, 2006.

/s/ Ric Campbell, Chairman

/s/ Ted Boyer, Commissioner

/s/ Ron Allen, Commissioner

Attest:

/s/ Julie Orchard
Commission Secretary
G#51551