

NOTICE OF  
CHANGE IN PROPOSED RULE

- The agency identified below in box 1 provides notice of proposed rule change pursuant to Utah Code Section 63G-3-301.
- Please address questions regarding information on this notice to the agency.
- The full text of all rule filings is published in the Utah State Bulletin unless excluded because of space constraints.
- The full text of all rule filings may also be inspected at the Division of Administrative Rules.

Rule Information

DAR file no: 40299 Date filed:  
 State Admin Rule Filing Key: 157595  
 Utah Admin. Code ref. (R no.): R746-360-6

Agency Information

1. Agency: PUBLIC SERVICE COMMISSION - Administration

Room no.:

Building: HEBER M WELLS BLDG

Street address 1: 160 E 300 S

Street address 2:

City, state, zip: SALT LAKE CITY UT 84111-2316

Mailing address 1: PO BOX 45585

Mailing address 2:

City, state, zip: SALT LAKE CITY UT 84111-5585

Contact person(s):

Name:	Phone:	Fax:	E-mail:	Remove:
Sheri Bintz	801-530-6714	801-530-6796	sbintz@utah.gov	
Jennie Jonsson	801-530-6763		jjonsson@utah.gov	

(Interested persons may inspect this filing at the above address or at DAR during business hours)

Rule Title

2. Title of rule or section (catchline):

Universal Public Telecommunications Service Support Fund - Eligibility for Fund Distributions

Notice Type

3. Type of notice: Change in Proposed Rule  
Changes DAR No.: 40299  
(If you do not know the DAR no., call 801-538-3218.)

Rule Purpose

4. Purpose of the rule or reason for the change:  
Upon consideration of comments filed with the Public Service Commission of Utah (Commission) and provided at the May 31, 2016 public hearing, the Commission has determined to modify the amendments proposed to Utah Administrative Code R746-360-6 in DAR filing no. 40299.

Response Information

5. This change is a response to comments by the Administrative Rules Review Committee.  
 No  Yes

Rule Summary

6. Summary of the rule or change:  
The affordable base rate for a business line is established at \$26.00. The rule is clarified to state that it is permissible to impute income in calculating the Utah Universal Service Fund subsidy of a telecommunications provider that does not wish to charge one or both of the Commission's affordable base rates.

Aggregate Cost Information

7. Aggregate anticipated cost or savings to:

A) State budget:

Affected:  No  Yes

The affected companies are subsidized through a state-funded program. As the companies adjust their rates, the subsidy for which they qualify might change, resulting in a change to the balance of the fund.

B) Local government:

Affected:  No  Yes

Local governments are not required to comply with or enforce the rules governing subsidized telecommunication service providers. No impact to local government is anticipated.

C) Small businesses:

Affected:  No  Yes

("small business" means a business employing fewer than 50 persons)

Small businesses that operate as telecommunication service providers and that are subsidized by the state will see revenues change as they adjust their rates to comply with the Commission's affordable base rates. Consequently, the monthly subsidies currently being disbursed might have to be adjusted. The Commission intends to require the Division of Public Utilities to review the finances of each affected utility in order to determine the amount of any required adjustment. If the Division recommends a change, the affected utility will have a full opportunity to litigate the issues before the Commission.

D) Persons other than small businesses, businesses, or local government entities:

Affected:  No  Yes

("person" means any individual, partnership, corporation, association, governmental entity, or public or private organization of any character other than an agency)

The subsidy at issue is funded through a surcharge that all telecommunications customers in Utah pay. If the total amount of required funding changes, the surcharge may be increased or decreased as needed.

Compliance Cost Information

8. Compliance costs for affected persons:

To comply, affected telecommunication utilities must update the rates that they have on file with the Commission. As long as those rates align with the Commission's affordable base rates, the costs associated with the filing will be minimal.

Department Head Comments

9. A) Comments by the department head on the fiscal impact the rule may have on businesses:

As stated in the rule analysis, businesses that provide subsidized telecommunication services might see an adjustment in their monthly subsidies as their monthly revenues change. The Commission will rely on the Division of Public Utilities to recommend any such adjustment, which will then be subject to a full adjudication.

B) Name and title of department head commenting on the fiscal impacts:

Thad LeVar, Public Service Commission Chair

Citation Information

10. This rule change is authorized or mandated by state law, and implements or interprets the following state and federal laws.

State code or constitution citations (required) (e.g., Section 63G-3-402; Subsection 63G-3-601(3); Article IV) :

54-8b-15(8), 54-4-1, 54-3-1

Incorporated Materials

11. This rule adds, updates, or removes the following title of materials incorporated by references (a copy of materials incorporated by reference must be submitted to DAR; if none, leave blank) :

Official Title of Materials Incorporated (from title page)

Publisher

Date Issued (mm/dd/yyyy)

Issue, or version (including partial dates)

ISBN Number

ISSN Number

Cost of Incorporated Reference

Adds, updates, removes-- SELECT ONE --

Comments

12. The public may submit written or oral comments to the agency identified in box 1. (The public may also request a hearing by submitting a written request to the agency. The agency is required to hold a hearing if it receives requests from ten interested persons or from an association having not fewer than ten members. Additionally, the request must be received by the agency not more than 15 days after the publication of this rule in the Utah State Bulletin. See Section 63G-3-302 and Rule R15-1 for more information.)

A) Comments will be accepted until 5:00 p.m. on (mm/dd/yyyy) : 08/01/2016

B) A public hearing (optional) will be held:

On (mm/dd/yyyy): At (hh:mm AM/PM): At (place):

Proposed Effective Date

13. This rule change may become effective on (mm/dd/yyyy): 08/08/2016

NOTE: The date above is the date on which this rule MAY become effective. It is NOT the effective date. After a minimum of seven days following the date designated in Box 12(A) above, the agency must submit a Notice of Effective Date to the Division of Administrative Rules to make this rule effective. Failure to submit a Notice of Effective Date will result in this rule lapsing and will require the agency to start the rulemaking process over.

Indexing Information

14. Indexing information - keywords (maximum of four, one term per field, in lower case, except for acronyms (e.g., "GRAMA") or proper nouns (e.g., "Medicaid")):  
public utilities, telecommunications, universal service fund, affordable base rate

File Information

15. Attach an RTF document containing the text of this rule change (filename):  
There is a document associated with this rule filing.

To the Agency

Information requested on this form is required by Sections 63G-3-301, 302, 303, and 402. Incomplete forms will be returned to the agency for completion, possibly delaying publication in the Utah State Bulletin, and delaying the first possible effective date.

Agency Authorization

Agency head or designee, and Jennie Jonsson  
title: Administrative Law Judge

Date (mm/dd/yyyy): 06/07/2016