

TELECOMMUNICATIONS

Regulated telecommunications companies

Company	Location
Albion Telephone Corp.	Albion
Cambridge Telephone Co.	Cambridge
CenturyLink*	Boise
CenturyTel of Idaho, Inc.*	Salt Lake City, UT
CenturyTel of the Gem State*	Salt Lake City, UT
Citizens Telecommunications Company of Idaho*	Beaverton, OR
Columbine, dba Silver Star Communications	Freedom, WY
Direct Communications Rockland, Inc.	Rockland
Fremont Telecom, Inc.	Missoula, MT
Frontier Communications Northwest, Inc.*	Beaverton, OR
Inland Telephone Co.	Roslyn, WA
Midvale Telephone Company	Midvale
Oregon-Idaho Utilities, Inc.	Nampa
Pine Telephone System, Inc.	Halfway, OR
Potlach Telephone Company*	Kendrick
Rural Telephone Company	Glenns Ferry

* These companies are no longer rate regulated; however, they are still regulated for customer service.

TELECOMMUNICATIONS CASES

Commission raises TRS surcharge

The Idaho Public Utilities Commission has approved the 2019 reports and this year's budgets for the state's Telecommunications Relay Service and the Idaho Telecommunications Service Assistance Program.

The Telecommunications Relay Service (TRS) program allows those who are hearing, or speech impaired, to participate in telephone communications "in a manner functionally equivalent to that of individuals without hearing or speech impairments." The Idaho TRS service provider is Hamilton Telecommunications. Hamilton operates the relay center where verbal conversations are converted or "relayed" to text-type and vice versa. The relay center also provides speech-to-speech, Spanish-to-Spanish, video, and Internet relay services.

The program is supported by assessments on local telephone (residential and business) lines and on billed intrastate long-distance minutes.

The service's report for 2019 offers information on the amount of calls handled in minutes, expenses, and information on revenues and allocations. In addition to approving the report for 2019 and the budget for 2020, the commission approved an increase in the charges the relay service relies on in order to operate. The line charge will be raised from \$0.02 cents per line to \$0.03 cents, and the MTS/WATS minute rate from \$0.0002 per minute to \$0.0008 per minute effective May 1, 2020.

The increase in the line charge and MTS/WATS minute rate does not apply to cell phone or Internet service. The surcharge is paid by telephone companies. Idaho Code does not allow companies to pass the surcharge on to their customers.

Commission waives ITSAP surcharge for 4th straight year

State regulators in April suspended a surcharge that helps Idahoans afford basic telephone service.

The decision marks the third consecutive year the Commission has waived the surcharge that funds the Idaho Telecommunications Service Assistance Program (ITSAP) as the number of recipients and contributors continues to decline. The ITSAP provides a monthly discount of \$2.50 to qualified applicants, for landline and cell phone service. The program is funded through a small surcharge on all phone lines - business, residential and wireless.

The Commission determines the surcharge and the Idaho Department of Health and Welfare administers the program.

As the number of Idahoans receiving financial assistance from ITSAP has declined, so has the amount of the surcharge, from 13 cents per month for each line in 1998, to 7 cents in 2013, and 3 cents in 2014.

In May 2017, the Commission suspended the surcharge for the 2017 budget year after the number of ITSAP recipients dropped 42 percent from the previous year.

The trend continued over the past year as the number of ITSAP recipients dropped by 18 percent.

There was also a decline in the number of land lines in 2019 - 12 percent from the previous year - and a 2-percent drop in the number of wireless phone lines.

The ITSAP administrator said the number of wireless lines reported for 2019 is likely not accurate, however, because some companies did not provide counts due to the suspension of the surcharge.

As a result, the Commission's order suspending the surcharge for the 2020 budget year calls for the ITSAP administrator to notify telecommunications companies of their reporting requirements.

USF Surcharge Unchanged

Faced with declining revenue as Idahoans increasingly abandon land line phone service, in August 2017 the Commission raised a monthly surcharge on land lines and questioned the sustainability of the Idaho Universal Service Fund (IUSF).

The fund was established in 1988 to ensure all Idahoans have access to local telephone service at reasonable rates.

This is accomplished by taking revenue collected from a surcharge on land-line users and long-distance call minutes, and distributing it to telecommunications carriers that meet eligibility requirements.

Over the last several years, however, revenue has been insufficient to cover distributions. The trend prompted the Commission to raise the monthly surcharge on each residential line to 25 cents, up from 12 cents, and to 44 cents for each business line, up from 20 cents.

The change took effect Sept. 1, 2017.

The cost for each minute of a long-distance call also increased, from ½ cent per minute to 0.9 cents per minute.

The changes have allowed the fund to meet its obligations for the 2019 fiscal year, and has momentarily stabilized the fund.

The Commission made a minor change last year to the rates associated with the IUSF. The Commission lowered the per minute surcharge of a long-distance call from 0.9 cents to 0.7 cents and determined that the IUSF surcharges should be maintained at 25 cents per residential line, and 44 cents per business line. This year the long-distance surcharge was maintained at 0.7 cents per minute.

The Idaho Public Utilities Commission establishes the surcharges each fall, and they remain in effect for a 12-month period beginning Oct. 1.

The IUSF was created through the Idaho Telecommunications Act of 1988 in order to ensure all Idahoans have access to phone service at reasonable rates. Disbursements from the fund allow rural telephone companies to keep their rates at no more than 25 percent above rates in more urban areas.