DECISION MEMORANDUM

TO:COMMISSIONER NELSON

COMMISSIONER SMITH

COMMISSIONER HANSEN

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WORKING FILE

FROM:SUSAN HAMLIN

SYD LANSING

DATE:JUNE 26, 1996

RE:MODIFIED PROCEDURE FOR U S WEST REVENUE SHARING REPORT

CASE NO. USW-S-96-3

On April 29, 1996, U S WEST filed its Revenue Sharing Plan for the 1995 sharing year.  The Company reports that the adjusted number of telephone access lines in its southern Idaho territory at the end of this sharing year was 401,085.  See Attachment for Summary of U S WEST Revenue Sharing Comparison from 1987-1995.  This represents an increase of 18,077 lines or 4.7% growth from 1994.

The Company calculates its average revenue per line in 1995 was $531.94.  This represents an increase of $7.07 from 1994.  Based upon the Title 61/62 ratio, the Company asserts that 39.76% of the increased revenue is attributable to Title 61 services.  See Attachment A, line 24.  Consequently, U S WEST reports that $7,086,183 is available for revenue sharing purposes (not including interest).

On May 6, 1996, the Commission issued Notice of Report Filing.On the week of  May 13, 1996, Staff conducted an audit of U S WEST Revenue Sharing Report for 1995.  Staff concluded that the numbers in the report are accurate. Staff recommends that the Revenue Sharing Report for 1995 be accepted as filed.

Commission Staff and U S WEST have entered into Stipulation and Settlement that, among other things, proposes to include additional funds in this year’s revenue sharing plan, modify the interest rate applicable to sharing funds and recommends that the 1995 sharing funds be used to implement four local calling regions in Case No. USW-S-96-4.  As a result of the Stipulation and Settlement the Staff recommends that the only issue to be considered in this case, USW-S-96-3, is if the number for revenue sharing is correct.  Staff recommends that the disposition of the 1995 sharing fund be taken up in the 96-4 case.

Staff’s Recommendation

Staff recommends that the Revenue Sharing Report for 1995 be accepted as filed.  Because of the Stipulation and Settlement in Case No. USW-S-96-4,  the only issue to be considered in this case if the number for revenue sharing is correct, Staff recommends that this case proceed by  Modified Procedure.

Commission Decision

Does the Commission wish to issue a Notice of Modified Procedure on the issue of whether the number for revenue sharing is correct?

Does the Commission have another suggestion?

                                                                              Susan Hamlin

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