



State of Utah
Department of Commerce
Division of Public Utilities

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MEMORANDUM

To: Public Service Commission

From: Division of Public Utilities
Chris Parker, Director
Bill Duncan, Telecommunications / Water Manager
Casey J. Coleman, Utility Technical Consultant
Shauna Benvegna-Springer, Utility Analyst

Date: July 18, 2012

Re: In the Matter of the Resolution of Issues Related to the Designation of a Common Carrier as an Eligible Telecommunications Carrier per Docket No. 10-2528-01.

UPDATE:

On July 19, 2012 the Commission held a meeting to discuss various issues as a result of the FCC Transformation order and how that Order would impact Lifeline and other programs. As part of this meeting the Commission decided to move some of the potential issues into Docket No. 10-2528-01. Interested parties are able to file Comments in preparation for the July 30, 2012 technical conference.

Since Docket No. 10-2528-01 was opened by the Commission in September 2010, there have been a number of changes. Because of all the changes, the Division wanted to give a status report and update of all the different activities that have transpired. The expectation is that these comments will provide a foundation and understanding for all interested parties of the events that have transpired.

On August 27, 2009 TracFone Wireless Inc. submitted an application to be designated as an Eligible Telecommunications Carrier (“ETC”) for Lifeline services. With this application changes to the policies and procedures for verification of eligible Lifeline customers needed to be revised. Previous to the TracFone application all verifications for Lifeline was completed by the Division of Community and Culture. A Memorandum of Understanding (MOU) between the Public Service Commission, Division of Public Utilities, and Department of Community and Culture (“DCC”) was reviewed that outlined the process and procedures to verify customer eligibility.

With the TracFone application and subsequent ETC applications, a challenge surfaced in that DCC was not certain the level of work that would be required to process the additional applications, and if DCC would be able to handle the increased level of applicants. In the TracFone docket, some of the testimony filed by the Division discussed the additional costs to administer the applications and work load that would be incurred by DCC. To further complicate the process, in the Legislative session of 2012 the DCC was consolidated with another state agency, Department of Workforce Services (“DWS”) in part and abolished in other parts.

This change left the Division, DCC, Commission and other interested parties wondering how to develop a process that would enable all applicants to be verified for both landline and wireless customers. Over the past few months the Division has met with representatives of DWS to develop a process that could automate the verification process helping to streamline the applications. Automating the application process would minimize the work required when a new applicant signed up for the Lifeline benefit and would facilitate a smoother work flow to do the annual certifications mandated by the FCC and the Commission’s rules.

In numerous meetings between DWS and the Division the following has transpired. A new Lifeline Application form has been developed that will be used by all ETC’s within the state of Utah to begin the initial application and certification process. The new form will meet the requirements as outlined by the FCC and will also be used to meet the imposed requirement that ETCs receive verification from the Lifeline administrator of the subscriber’s eligibility as the Commission’s rules dictate. This form will be emailed to all ETCs so they will have a new copy of the form as well as having the form available online on the DWS webpage.

Additionally, the Division and DWS have worked to begin developing a process utilizing DWS databases that would provide carriers and customers access to their account information. This access would be accomplished through a state system known as eREP. By using the eREP interface, any personal information will be warehoused and saved by DWS. This will help to ensure the confidentiality of the subscriber’s information stays with the state agency. eREP is essentially an online portal where customers, ETCs and interested state agencies will be able to access the information and verify accuracy, eligibility or other information. It will perform the notification process to the customer and the ETC for initial and annual eligibility, if their household is already receiving the Lifeline benefit, or they are currently receiving it from another ETC. DWS has completed some eligibility testing of Lifeline recipients with a 97% eligibility match on 3,000 participants. The Division will be working with the FCC and the Commission to insure the process will meet the requirements for the FCC for both the participant certifications to the ETC’s, and the national database accountability.

Finally, exploratory discussions have occurred between the Division and DWS for a new MOU between the Commission, the Division and the DWS. It is anticipated that it will be executed quickly to maintain the state agency relationship as the Lifeline administrator for all ETC’s operating within the State of Utah.

cc: Service List