



State of Utah
Department of Commerce
Division of Public Utilities

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-=- MEMORANDUM -=-

TO: Utah Public Service Commission

FROM: Division of Public Utilities
Chris Parker, Director
William Duncan, Manager, Telecommunication & Water Section
Shauna Benvegna-Springer, Utility Analyst

SUBJECT: Lifeline Memorandum of Agreement (MOA) with Department of Workforce Services

DATE: February 4, 2013

STATUS REPORT:

The Division of Public Utilities (Division) would like to update the Utah Public Service Commission (Commission) on the lack of progress the Division is making with the Department of Workforce Services (DWS) regarding the Amended Memorandum of Agreement (MOA).

On December 31, 2012 the Division delivered to the DWS an amended MOA which included a number of changes signed by the Division and the Commission for DWS's signature and execution. The amendments included:

- 1) Agency name changes as a result of the reorganization of Department of Community and Culture (DCC) into the DWS,
- 2) Changes needed to the e-REP system to implement the FCC Reformation Order, and
- 3) Changes as proposed in the Lifeline Business Plan that were recommended under Docket 10-2528-01.

In the afternoon of December 31, 2012, the Division received a call from Kathy Link, DWS, indicating that they would not be able to sign the amended MOA and would like to schedule a meeting to discuss what they could do. The meeting was scheduled for the morning of January 3, 2013.

The Division (Bill Duncan, Shauna Benvegna-Springer and Justin Jetter) met with DWS (Kathy Links and Kevin Burt) on January 3, 2013 and clarified the areas DWS had concerns, namely the timeframe of completing the needed changes to e-REP. Another meeting was scheduled for January 15, 2013.

On January 15, 2013 the Division (same as above) along with John Harvey, Commission, met with Kathy Links, Barbara Hollister, and Susan Kolthoff (all of DWS) to discuss what alternatives can be performed to implement the FCC reform on Lifeline by June 1, 2013. The Division was informed that 90% of the DWS programming resources were being directed to ACA Medicare/Medicaid healthcare reforms that were mandated by October 2013 and that the soonest the Lifeline changes to e-REP would completed would be January 2014. The Division requested DWS consider the possibility of hiring additional programmers to complete the needed changes for the 3-6 month required. DWS said they would respond quickly to our request.

On January 22, 2013 and January 28, 2013, Ms. Shauna Benvegna-Springer, DPU, contacted Kathy Links, DWS, by email and phone with no reply. On January 29, 2013, Ms. Benvegna-Springer contacted her again and Ms. Links indicated that a meeting was scheduled with DWS staff on Wednesday, January 30, 2013 to discuss a plan.

On January 31, 2013 the Division received an email from Susan Kolthoff, DWS, (see attached) indicating the project would not be completed for 2-3 years and requested a comprehensive list of the requirements to provide an alternative plan. The Division provided the Commission's Proposed Business Plan to Ms. Kolthoff.

The Division is concerned with the amount of delay and recommends the Commission Chairman, Ron Allen, meet with the DWS Executive Director, Jon Pierpont, to determine if this is a viable project. Otherwise, the Division and Commission will need to quickly review alternatives and make a recommendation.