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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Resolution of Certain Issues Related to the Designation of a Common Carrier as an Eligible Telecommunications Carrier	Docket No. 10-2528-01 COMMENTS OF SALT LAKE COMMUNITY ACTION PROGRAM
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In accordance with the Amended Interim Scheduling Order issued by the Public Service Commission (PSC or Commission) May 2, 2011, Salt Lake Community Action Program (SLCAP) submits its Comments based on what other states have done to resolve issues similar to those in this docket.

I. INTRODUCTION

The entrance of prepaid wireless providers into the Utah Lifeline market has posed unique issues that must be addressed in the near future. The Utah PSC has opened this generic docket to address a variety of concerns that these issues raise with regard to continued implementation of the Lifeline program. On March 4, 2011 the Federal Communications Commission (FCC) released a Notice of Proposed Rule Making (NPRM) in WC Docket Number 11-42, CC Docket Number 96-45, and WC Docket number 03-109¹ to attempt to address a number of similar concerns with the Federal Lifeline program.

¹ See http://transition.fcc.gov/Daily_Releases/Daily_Business/2011/db0304/FCC-11-32A1.pdf

In the FCC NPRM Docket, there are a number of interveners, including individual PSCs, who submitted comments and recommendations to the FCC based on experiences with the Lifeline program in their particular states. SLCAP submits, within these comments, general themes as seen in other states. These issues presented should be addressed in greater detail at future technical conferences and/or within an advisory group, if established.

The Utah PSC must take caution not to defer issues in this docket in the hope that the FCC will resolve them. Resolution from the FCC will likely be a lengthy process. Meanwhile, low-income families in Utah are being affected today. It is important that families have access to and are educated about Lifeline services they may qualify for. Additionally, Utah must create state solutions to protect the integrity of the Lifeline program, which is supported by all rate payers.

II. INITIAL CERTIFICATION FOR LIFELINE ELIGIBILITY IN UTAH

Currently, the State of Utah employs a few methods of certifying eligibility for the Lifeline program. The Department of Community and Culture (DCC) certifies recipients on an annual basis when customers apply for energy assistance through the HEAT program. DCC also certifies all stand alone applications. Customers complete their application with the information required by the state through its Lifeline Rule R746-341. DCC then verifies the information through its access to a statewide database and informs the ETC that the customer is eligible for the telephone Lifeline discount. In regard to prepaid wireless service², customers are applying directly with the provider under a self-certification system.

² At this time TracFone is the only prepaid wireless provider who has been approved and is operating as an ETC for purpose of Lifeline in Utah.

Utah's coordinated enrollment method with HEAT increases the number of participants, reduces the barriers experienced by low-income customers, increases efficiencies, and protects the integrity of the program. The premise of coordinated enrollment with the HEAT program should be maintained.

Under the current system, DCC never receives feedback from the ETC's regarding which customers actually enroll in a Lifeline program. Thus the current system does not provide the opportunity for DCC to determine whether a customer already has Lifeline service as it is never provided a list of Lifeline customers. This is perhaps a separate database - that could be established by the DPU, another state agency or other third party - which would be compiled from a list of Lifeline customers that is sent directly from the ETCs to the DPU or other designated party. The list would be updated as new customers enroll in a Lifeline program.

SLCAP continues to be concerned that a process be designed to ensure that while a single customer does not have more than one Lifeline account, the process neither prohibits them from having a second telephone service for which they pay nor automatically disconnects their original telephone service. We are not yet aware of how or if other states have addressed this issue but will continue to make inquiries.

III. EXPANSION OF COORDINATED ENROLLMENT

Any reform to the Lifeline program in Utah should include an expansion of coordinated enrollment. Coordinated enrollment is simply the process by which determination of initial eligibility is made. Coordinated enrollment is not necessarily synonymous with automatic enrollment. While some states do practice a form of automatic enrollment, SLCAP is not necessarily advocating for that process in Utah.

While automatic enrollment can greatly increase Lifeline participation, it is not likely feasible due to the complications presented with the advent of choices for Lifeline customers between a single landline provider and several wireless options.

It is important to note a common theme in many of the interveners' comments to the NPRM was a consensus that coordinated enrollment should be utilized as much as possible and as a best practice. Coordinated enrollment increases efficiencies and decreases barriers experienced by customers. Coordinated enrollment also acts as an additional form of outreach as it inherently increases knowledge of and participation in the program. Additionally, it provides a layer of protection against slamming and potential duplication of service.

Further, it is necessary to continue to provide the option/ability for stand alone applications that are based on income eligibility rather than program eligibility alone.

A. Texas

Texas operates under both automatic and self-enrollment processes via a private third party administrator.³ The third party cross-checks customer information from ETC telephone providers' data with the Texas Health and Human Services Department. The Administrator sends a file to the providers indicating which of their customers qualify for the benefit. Self enrollment is essentially a standalone application which requires income or qualifying program documentation be submitted to the third party verifier along with the application. All of the data collected by the third party via auto enrollment or self-enrollment is cross checked to prevent duplication of services.

³ See Solix Inc.'s Comments to the NPRM

B. Florida

According to the Florida Public Service Commission (FPSC)⁴, “A primary reason for Florida’s increase in Lifeline participation has been the coordinated enrollment process initiated by the FPSC and the Florida DCF.”⁵ Coordinated enrollment allows customers to enroll in Lifeline at the same time they are applying for other qualifying programs administered by DCF. In Florida the qualifying program application and Lifeline application is centralized. A customer applies via online application and is given the option to enroll in Lifeline. If the customer chooses yes, a drop down box of ETC Lifeline providers will appear. The applicant selects the provider of choice and completes the other application questions. The state agency forwards the list of Lifeline qualifying customers to the PSC. The PSC then sends electronic communication to the ETC notifying them that an application is available. The ETC has 60 days to enroll the customer.

C. New York

New York State, according to its PSC⁶, pioneered coordinated enrollment in the Lifeline program. In New York, low-income consumers may choose to enroll in the Lifeline program at the same time they are applying for other qualifying public assistance programs. The State cross checks current customer information, provided by the ETCs, with the State’s database of eligible low-income households. The customer is then sent a letter notifying them of the status of their Lifeline eligibility.

⁴ See Florida Public Service Commission Comments to the NPRM

⁵ Florida Department of Children and Families

⁶ See New York State Public Service Commission Comments to the NPRM

IV. CENTRALIZED SYSTEM FOR CERTIFICATION AND VERIFICATION

At the very least, Utah should implement a centralized system for initial certification and ongoing verification. A centralized system would protect consumer privacy and improve efficiency. A centralized database could be administered by an appropriate state agency or other third party. If the Utah PSC should elect to designate a private third party for certification and verification, it should be a neutral third party with no conflicts of interest and should operate under strict confidentiality guidelines to ensure personal consumer information is protected.

A. California

California contracts with a designated private third Party to administer the Lifeline certification.⁷ The Administrator fields calls directly from customers inquiring about the Lifeline program. It also receives data directly from ETC providers with information about customers who want to enroll in Lifeline. Applications and instructions are sent by the third party to customers for completion. Once the applications are returned and processed, ETCs are notified whether to apply the Lifeline discount to a customer's account.

V. CONCLUSION

SLCAP has investigated best practices in other states, but looks forward to reviewing what other parties bring forward. Undoubtedly, new methods will be employed as more states approve wireless providers as ETCs and as the FCC furthers its investigation into the related issues.

It appears obvious that ultimately some form of centralized system or systems should be in place if there is a cost effective method of doing so. These would be best

⁷ See Solix Inc.'s Comments to the NPRM

administered by a state agency or other neutral third party to avoid any potential conflicts of interest and to provide safeguards for confidentiality of personal information.

SLCAP prefers to maintain coordinated enrollment practices and to further bring together agencies that could help expand coordinated enrollment, regardless of which agency or company ultimately is best suited to administer the program. Because current Lifeline participation rate in Utah is so low (in the range of 10-20%)⁸, it is critical we develop a process that encourages ongoing participation, attracts new program participants and avoids placing additional barriers on low-income households.

DATED this 26th day of May 2011,

Sonya L. Martinez

⁸ USAC, Lifeline Participation Rate Study 2010

CERTIFICATE OF SERVICE

I hereby certify that on May 26, 2011, a true and correct copy of the foregoing Comments of Salt Lake Community Action Program was served on the following by electronic mail:

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