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Division of Public Utilities

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--= MEMORANDUM =--

TO: PUBLIC SERVICE COMMISSION OF UTAH

FROM: DIVISION OF PUBLIC UTILITIES
Chris Parker, Division Director
William Duncan, Manager, Telecommunications & Water Section
Shauna Benvegna-Springer, Utility Analyst

DATE: March 8, 2018

SUBJECT: Lifeline Workgroup – Division of Public Utilities Position Statement

RE: Docket 17-R008-01

The Division of Public Utilities (DPU) generally supports administering Utah Lifeline Program to be consistent with the federal Lifeline Program for telecommunications discounts to subscribers who qualify for low income assistance. In the previous rule, the Commission approved eligible telecommunication carriers (ETCs) to participate in the Utah Lifeline Program and required a reporting and payment process.

The DPU supports a semi-annual reporting of the foregone revenue discounts provided to subscribers following the FCC National Verifier (NV) and National Accountability Lifeline Database (NALD) requirements. The Division recommends ETCs would report their subscriber count by exchange by month multiplied by the \$3.50 per subscriber per month. The foregone revenue discounts must be supported by recorded discount revenues in the company's general ledger or subsidiary ledger accounts. The foregone revenue discount is also supported by the NALD detailed subscriber snapshot report generated on the first of each month. The Division recommends payment be processed within 30 days after the completion of the Division audit of the ETCs' submitted reports. The Division recommends reporting be submitted within thirty days after the end of the reporting period, i.e., by January 31 and July 31 each year.

The Division's review of these documents has shown ETCs are not removing subscribers from NALD on a timely basis to match their foregone revenue discounts. The NALD detailed subscriber monthly snapshot reveals larger counts of subscribers reported than the foregone revenue discounts provided. The Division recommends ETCs make necessary adjustments to their NALD Lifeline Claims Reimbursement report to match their foregone revenue discounts and provide a copy of the same to the Division.

The Division recommends ETCs and subscribers utilize the National Verifier to obtain eligibility and resolve eligibility disputes. The NV provides a 1-800 customer service line to ETCs and to subscribers for resolution.

The Division recommends the Commission receive copies of reports, audits, filings, etc., the ETCs submits to Universal Service Administrative Company (USAC) and the FCC.

The Division's recommendations will provide a smooth audit and payment process for the ETCs and not duplicate reporting requirements the ETCs are currently required to provide.