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To: The Public Service Commission of Utah

From: The Office of Consumer Services  
Michele Beck, Director  
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Copies To: Parties to Docket No. 10-2528-01

Date: September 23, 2013

Subject: 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

### Background

On August 26, 2013, the Public Service Commission of Utah (Commission) issued a Notice of Action and Invitation to Comment (Notice). This Notice was offered subsequent to a status conference held on August 20, 2013, wherein parties were provided an update concerning negotiations with the Department of Workforce Services (DWS) regarding the administration of the Utah Telephone Assistance Program (LifeLine). Also discussed were necessary actions going forward to complete the required annual Federal recertification of program participants and the desired process for recertification of Utah LifeLine participants. The Division of Public Utilities (Division) reported that at this time DWS has agreed to continue performing recertification only through the end of the 2013 recertification process where it can be done through existing automated computer program eligibility checks.

In this Notice the Commission provides requirements to address the current certification requirements and the options the Commission is considering for an on-going process.

In the following comments the Offices addresses certain aspects of both the current certification requirements and the on-going options.

## Discussion

### *Current Certification Requirements*

In its Notice the Commission first describes the requirements that will be used to address the current certification requirements. The Office understands the necessity of quickly providing a solution for the immediate requirements however two elements of the current requirements should be clarified.

1. Required Information. The section on Required Information includes the following statement:

Note: Any participant without the complete information listed above will automatically be considered as having a not-qualified status and a Notice will be sent to the customer requesting they either prove their qualifying status by filling out an application or confirm they are no longer eligible.

Office Response: The Office agrees that if full information has not been provided the participant should be notified and given an opportunity to prove their qualifying status by submitting a completed application. In the alternative participants are asked to confirm that they are no longer eligible to receive LifeLine assistance. No information is provided as to what should occur if the participant neither completes an application nor confirms ineligibility. The Office asserts that the Commission should specify the allowed time for a response (60 days such as in other circumstances) and if no response is received the participant should be removed from the LifeLine program and the eligible telecommunications carrier (ETC) should cease requesting Universal Service Fund (USF) support for that non-eligible participant. If a completed application is received following the 60 days an eligible participant would be added as a new customer.

2. Addressing not-Qualified Status: In this section it is noted that "...a state agency will send letters to each non-qualified participant...".

Office Response: The Commission should identify the "state agency" that will be responsible for sending the letters and following up with the ETCs. The responsible state agency could perform these duties itself or contract with a third party and serve as the contract administrator. Reimbursement of costs for performing these duties could be provided through the Utah Universal Service Fund. Whether it is the Division, DWS or through a contract that will be administered by the Commission or the Division, the Office asserts that parties should know which state agency will be responsible for performing these duties.

### *On-Going Process*

The Commission provides two options it is considering for on-going program administration.

1. Rely on self-certification administered by the ETC for all participants who cannot be program matched.

Office Response: The Office opposes relying on self-certification to be administered by the ETC. In previous comments and discussions parties have noted that in rural areas this can be a barrier to participation by eligible customers. It is likely that having to share the required personal information with local ETC employees, who may be neighbors, friends or relatives of potential participants will have a chilling effect on participation.

There are also economies of scale that should be achievable by using a state agency with personnel who are specifically trained in certification and therefore able to achieve and maintain a level of expertise that rural telecom personnel who likely would deal with these issues less frequently would be unable to provide. The Office asserts that the Commission should implement the program as cost effectively as possible, regardless of who incurs the costs they are ultimately paid by ratepayers.

2. Continue with present system of requiring participants to fill out full applications and approve people for initial participation only if they can document eligibility, and continue with the process described above for annual recertification.

Office Response: The Office generally supports this concept however consideration must be given to determining the most cost effective method for meeting the requirements.

### Additional Issues

The Office asserts that there are additional issues previously raised in this docket that should not be overlooked.

### *Communications and Outreach*

In previous comments the Office stated its concern that LifeLine participants have access to accurate information about service offerings and program requirements from all

LifeLine providers and recommended that the Commission impose certain minimum requirements for advertising materials such as:

- Providers must provide customers with access to its service offerings without first requiring that potential customers give specific personal information
- Providers must provide a Utah-specific fact sheet to its LifeLine customers
- Service offerings should include a basic description of the LifeLine program in general terms<sup>1</sup> not just specific terms of a particular companies offerings.

The Office further advocated that the Commission should maintain a centralized list of all approved LifeLine providers.<sup>2</sup>

The Office continues to recommend that additional outreach efforts should be undertaken to increase LifeLine participation among those qualifying for service. For example September 9 – 16, 2013 was LifeLine Awareness week, offering a perfect opportunity for public service announcements and other advertising to create awareness of the availability of LifeLine service. Although LifeLine awareness week is over outreach efforts should be conducted on a regular basis.

As stated above the Office supports increased outreach effort for the LifeLine program, however we do have concerns about current rules that allow companies to include advertising in administrative costs that are allowed cost recovery. The Office reiterates its recommendation that cost recovery for advertisements be limited to those that provide general information about LifeLine and not include costs associated with company-specific programs. This would likely require a change in Commission Rules.

#### *Potential Rule Changes*

The Office recommends that the Commission consider changes to existing rules that may be necessary in order to implement new requirements and enhancements to the LifeLine program.

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<sup>1</sup> For example, not all service providers indicate that this is a government sponsored program only available to qualified low-income customers.

<sup>2</sup> The Office currently maintains such a list on its website, but suggests that since the Commission is the responsible agency for Lifeline the list would be more official if the information was officially maintained similar to the Relay Utah program.