



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: In the Matter of the Resolution of Issues Related to the Designation of a Common Carrier as an Eligible Telecommunications Carrier

RE: Docket No. 10-2528-01

DATE: May 31, 2011

COMMENTS AND RECOMMENDATION:

As directed by the Commission in the amended interim scheduling order dated May 2, 2011, the Division of Public Utilities (Division) files the following comments and recommendation based upon what other states have done to resolve issues similar to those in this docket:

INTRODUCTION:

The Division researched the USAC website to determine information and facts regarding participation of other states in the Lifeline program. Based on the 2010 Lifeline Participation Rates by States six (6) states had a 50% estimated participation rate of the anticipated population. The states were Alaska, Oklahoma, Alabama, Georgia, North Carolina, and Virginia. Therefore, these states were contacted first.

SURVEY OF STATES:

Alabama & Virginia

Of the states mentioned above, the Division was able to interview Alabama and Virginia. Both states do not regulate wireless service, nor have their utility commissions granted ETC

status to any wireless providers. Instead, the FCC has granted ETC status to the wireless providers operating in their states. Both states indicated that there is no coordination between the wireless and wire line Lifeline programs and providers, hence many discounts may be issued to the same customer.

Texas

The Division interviewed Mr. Jay Stone, of the Public Utility Commission of Texas (PUCT). The PUCT has granted a number of providers, both wireless and wire line ETC status for Texas. Initially the customer self certifies upon enrollment into the Lifeline program through the telephone provider. Texas entered into an agreement with Solix to administer the eligibility, duplicity and household requirements for their Lifeline program. This process verifies eligibility of all participants each month. The telephone providers submit an electronic file to the Commission of customers wishing to receive the Lifeline discount by the 25th of each month. The information provided includes the customer name, household address, social security number, date of application and the telephone number for the benefit. Solix adds a telephone provider identifier and merges the files. Solix sorts the merged file looking for similar or same addresses. The applicant with the most current application date is awarded the discount and the old application date record is dropped. The merged file is compared against a "HSSC" file from the agencies with the eligibility information. Once compared, a "match list" is created for each ETC provider of those individuals eligible for the discount and it is sent electronically to them by the first of each month. The providers apply the discount to the customer's bill or service using the matched list. Income verification applications are mailed to the Commission, processed manually by Solix, and added to the "merge list".

Texas enjoys the process they have established with Solix. Solix charges Texas \$4.80 per new applicant that is processed. The Texas Universal Service Fund (USF) funds the contract with Solix. Currently, under Texas law, wireless providers do not charge, collect or deposit fees into their USF, only wire line providers. Texas is working to change their law regarding this issue. The contract with Solix has been utilized for 8-9 years for the wire line providers and was recently amended to include wireless providers. Solix does not perform any outreach or advertising efforts.

RECOMMENDATION:

Due to the amount of work involved in contacting and interviewing the various state coordinators for the Lifeline programs within the short amount of time allotted, the Division recommends that surveying the states continues until all states that have wireless ETCs have been interviewed.

cc: Service List