

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for approval of )  
tariff filing to offer Lifeline )  
Assistance Program, required by )  
Chapter 364.10(2), F.S., by: )  
)  
GTE Florida Incorporated ) DOCKET NO. 950792-TL  
(T-95-395 filed 6/30/95) )  
United Telephone Company of ) DOCKET NO. 950793-TL  
Florida (T-95-400 filed )  
6/30/95) )  
Central Telephone Company of ) DOCKET NO. 950794-TL  
Florida (T-95-401 filed )  
6/30/95) )  
Vista-United Telecommunications ) DOCKET NO. 950839-TL  
(T-95-415 filed 7/7/95) )  
Gulf Telephone Company ) DOCKET NO. 950842-TL  
(T-95-432 filed 7/12/95) )  
Quincy Telephone Company ) DOCKET NO. 950844-TL  
(T-95-436 filed 7/14/95) )  
ALLTEL Florida, Inc. ) DOCKET NO. 950846-TL  
(T-95-430 filed 7/12/95) )  
St. Joseph Telephone & Telegraph ) DOCKET NO. 950847-TL  
Company (T-95-433 filed )  
7/12/95) )  
The Florida Telephone Company, ) DOCKET NO. 950873-TL  
Inc. (T-95-443 filed 7/18/95) )  
) ORDER NO. PSC-95-1150-FOF-TL  
) ISSUED: September 15, 1995

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman  
J. TERRY DEASON  
JOE GARCIA  
JULIA L. JOHNSON  
DIANE K. KIESLING

ORDER REGARDING TARIFFS  
OFFERING LIFELINE ASSISTANCE PLAN

BY THE COMMISSION:

I. Background

The Lifeline Assistance Plan (Lifeline) began as a Federal Communications Commission (FCC) initiative in 1984. The purpose of the plan is to make telephone service more accessible to customers

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who might otherwise not be able to afford service. Qualified residential subscribers receive a credit on their monthly phone bill consisting of a credit equal to the federal interstate subscriber line charge (SLC) and a matching company provided credit. The SLC is a separate charge from the basic service rate; its waiver has no effect on the basic rate.

Effective July 1, 1995, Section 364.10 (2), Florida Statutes, the prohibitions of subsection (1) notwithstanding, requires a telecommunications company serving as carrier of last resort to provide a Lifeline Assistance Plan to qualified residential subscribers, as defined in a commission-approved tariff. Currently, each local exchange company (LEC) is considered the carrier of last resort in its service area.

The statute does not address the specific information each tariff must contain. However, by Order No. PSC-94-0242-FOF-TL, issued March 4, 1994, in Docket No. 930693-TL, we approved the tariff filing to provide a Lifeline Assistance Plan by BellSouth Telecommunications Inc. d/b/a Southern Bell Telephone and Telegraph Company (Southern Bell).

## II. Tariffs proposed by Gulf, Quincy and Vista-United

Gulf Telephone Company (Gulf), Quincy Telephone Company (Quincy), and Vista-United Telecommunications (Vista-United) filed virtually identical tariffs to offer a Lifeline Assistance Plan as required by the revised Chapter 364, Florida Statutes, which took effect July 1, 1995.

The statute does not provide specific guidelines regarding the information each tariff must contain. However, by Order No. PSC-94-0242-FOF-TL, we approved Southern Bell's tariff to provide a Lifeline Assistance Plan. Its tariff contains four segments: assessment of eligibility, certification procedures, processing procedures, and verification procedures. The tariffs proposed by Gulf, Quincy, and Vista-United contain these four segments and very similar, if not identical, language. In addition, each tariff states that secondary service charges will not apply to existing customers subscribing to Lifeline.

Each proposed tariff provides that to be eligible for Lifeline, the residential subscriber must be a recipient of public assistance participating in at least one of the following programs: Aid to Families with Dependant Children (AFDC), Supplemental

Security Income (SSI), Food Stamps, or Medicaid. All applications for Lifeline are subject to verification with the state agency responsible for administering the qualifying program. Each company will process all applications and apply the appropriate credit on the subscriber's monthly bill. In addition, each company will reconcile and confirm eligibility periodically, at minimum semi-annually, by providing the agency with a computer tape of all credit recipients. A verification of eligible recipients will be made. The credit will be discontinued on the bill following written notification to the subscriber of ineligibility.

Upon review, we find that the tariffs proposed by Gulf, Quincy, and Vista-United are appropriate and are approved with an effective date of August 15, 1995. These tariffs were filed to meet the requirements of Section 364.10(2), Florida Statutes.

III. Tariffs proposed by ALLTEL, Florala, and St. Joseph

ALLTEL Florida, Inc. (ALLTEL), The Florala Telephone Company, Inc. (Florala), and St. Joseph Telephone and Telegraph Company (St. Joseph) filed tariffs identical to those filed by Gulf, Quincy, and Vista-United with one exception. ALLTEL, Florala, and St. Joseph will not provide vacation service to lines with Lifeline Assistance. Vacation service is the temporary suspension of service without terminating the subscriber's contract. While service is suspended, the subscriber pays 50% of his normal recurring rate.

The statute does not specifically address what should or should not be included in a Lifeline Program. Although we approved Southern Bell's tariff, Southern Bell did not provide any exclusions, and vacation service was not discussed. See Order No. PSC-94-0242-FOF-TL.

The intent of Lifeline is to assist in the maintenance of telephone service for those financially in need. The inclusion of vacation service in the Lifeline Assistance Program does not appear to foster this intent. Therefore, we find that it is appropriate not to allow vacation service in conjunction with Lifeline. This exclusion should have a minimal impact on this assistance program.

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Upon review, we find that the Companies' exclusion of vacation service in conjunction with the Lifeline Assistance Program is appropriate and should not hinder these proposed tariffs from becoming effective on August 15, 1995. Accordingly, we approve of the tariffs proposed by ALLTEL, Florida, and St. Joseph, and the tariffs shall be effective on August 15, 1995.

#### IV. Tariffs proposed by Centel and United

Centel and United filed tariffs offering a Lifeline Assistance Plan, as required by 364.10(2), Florida Statutes. Each tariff contains language essentially identical to that filed by Southern Bell in Docket 930693-TL. Like the tariffs filed by AllTEL, Florida, and St. Joseph, United and Centel also state in their tariffs that vacation service is not applicable to a line with Lifeline Assistance. In addition, Centel and United make one additional exclusion. Those customers subscribing to message rate local service (MRS) as found in Section 3, 3.1.4 of Centel's tariff and Section A3, C.2.H of United's tariff, are not eligible for Lifeline Assistance.

Unlike flat rate service where there is no maximum allowed number of free local calls, MRS allows up to 30 free calls. Any number of calls can be made above 30, with a \$.10 charge being assessed for each one. However, rather than paying for more calls than the customer may need, as is the case with a flat rate plan, the customer decides how many calls to make and allocates his resources accordingly. The cost of providing message rate and flat rate is very similar, but the basic monthly charge for message rate is priced lower. By allowing the customer to select usage-based service at a discount to flat-rate service, an optional message service can serve the same function as a Lifeline Assistance Program.

The rate for MRS varies by rate group and company. The effect of allowing Lifeline in conjunction with MRS was addressed in Southern Bell's Docket No. 930693-TL. It was noted that because the SLC is a separate charge from the basic rate, its waiver has no effect on that basic rate. However, the company's matching portion affects the basic rate by reducing it \$3.50. This resulted in extremely low local rates for customers subscribing to MRS and Lifeline.

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Section 364.10(2) requires each LEC to provide a Lifeline Assistance Plan to qualified residential subscribers but does not specifically address what information should be included in the commission-approved tariff. The tariffs filed by United and Centel appear to meet the requirement of 364.10(2), Florida Statutes. The companies have filed tariffs offering a Lifeline Assistance Plan to those who qualify. In addition, Section 364.02 (2), defines basic local telecommunications service as voice grade, flat-rate residential and flat-rate single-line business local exchange services which provides dial-tone. Message rated service is not included in the definition of basic local telecommunications service; thus, we believe that a LEC is not required by statute to offer Lifeline Assistance in conjunction with this service.

Upon review, we find that Centel and United's tariffs are approved with an effective date of August 15, 1995.

V. Tariff proposed by GTEFL

GTE Florida Incorporated (GTEFL) filed a tariff offering a Lifeline Assistance Plan, as required by 364.10(2), Florida Statutes. This tariff contains language essentially identical to that filed by Southern Bell in Docket 930693-TL. GTEFL's Lifeline plan will be available to all types of residential service. However, the company intends to impose secondary service charges. The Company believes the current secondary service order charge of \$11.00 should be applied to all customers requesting changes to their current service arrangement. Therefore, it is GTEFL's intent to charge \$11.00 to those customers who qualify for Lifeline. GTEFL would advise each customer that the "Link-Up Florida" program could possibly provide assistance on as much as half the charge. GTEFL does not view the application of the service charge to be onerous or a detriment to the customer application and delivery of the program.

The statute does not specifically address what should or should not be included in a Lifeline Program. However, we believe that the application of a service charge could hinder or possibly delay a subscriber from taking advantage of this service.

The tariff filed by GTEFL is essentially consistent to that filed by the LECs as discussed in Section II. GTEFL does not

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exclude vacation services or MRS service; however, GTEFL intends to impose a secondary service charge. Thus, upon review, this tariff as filed is hereby denied.

During the course of the agenda conference, however, GTEFL proffered a tariff asserting that it is the same as the one originally filed except that it provides for a waiver of the secondary service charge. This would meet our concerns. We find that if our staff determines that the subsequently filed tariff is consistent with GTEFL's assertions, then it should be approved without further Commission review.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the tariffs to offer a Lifeline Assistance Plan proposed by Gulf Telephone Company, Quincy Telephone Company, and Vista-United Telecommunications are hereby approved with an effective date of August 15, 1995. It is further

ORDERED that the tariffs to offer a Lifeline Assistance Plan proposed by ALLTEL Florida, Inc., The Florala Telephone Company, Inc., and St. Joseph Telephone and Telegraph Company are hereby approved with an effective date of August 15, 1995. It is further

ORDERED that the tariffs to offer a Lifeline Assistance Plan proposed by United Telephone Company of Florida, and Central Telephone Company of Florida are hereby approved with an effective date of August 15, 1995. It is further

ORDERED that the tariff to offer a Lifeline Assistance Plan filed by GTE Florida Incorporated is hereby denied as discussed within the body of this Order. It is further

ORDERED that if GTE Florida Incorporated's subsequent tariff to offer a Lifeline Assistance Plan proposed during the agenda conference meets the requirements discussed within the body of this Order, it shall be approved without further Commission review and be effective on August 15, 1995. It is further

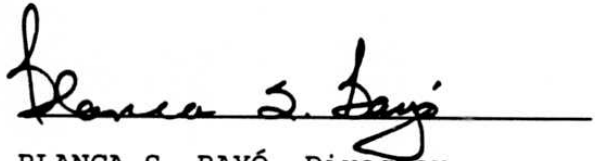
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ORDERED that if a protest is filed in accordance with the requirements set forth below, these tariffs shall remain in effect pending resolution of the protest. It is further

ORDERED that a protest in one docket shall not keep the other dockets from becoming final. It is further

ORDERED that if no protest is filed in accordance with the requirements set forth below, these dockets shall be closed.

By ORDER of the Florida Public Service Commission, this 15th day of September, 1995.



BLANCA S. BAYÓ, Director  
Division of Records and Reporting

( S E A L )

DLC

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

The Commission's decision on these tariffs is interim in nature and will become final, unless a person whose substantial

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interests are affected by the action proposed files a petition for a formal proceeding, as provided by Rule 25-22.036(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a)(d) and (e), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on October 6, 1995.

In the absence of such a petition, this order shall become final on the day subsequent to the above date.

Any objection or protest filed in these dockets before the issuance date of this Order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this Order becomes final on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the date this Order becomes final, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.