

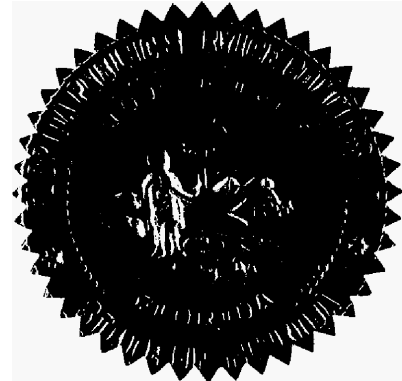
BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 040451-TP

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

In the Matter of

PETITION BY CITIZENS OF FLORIDA
TO INITIATE RULEMAKING THAT
WOULD REQUIRE LOCAL EXCHANGE
TELECOMMUNICATIONS COMPANIES
TO PROVIDE LIFELINE SERVICE
WITHIN 30 DAYS OF CERTIFICATION.



ELECTRONIC VERSIONS OF THIS TRANSCRIPT ARE
A CONVENIENCE COPY ONLY AND ARE NOT
THE OFFICIAL TRANSCRIPT OF THE HEARING,
THE .PDF VERSION INCLUDES PREFILED TESTIMONY.

PROCEEDINGS: STAFF WORKSHOP

DATE: Thursday, August 19, 2004

TIME: Commenced at 9:30 a.m.
 Concluded at 12:15 p.m.

PLACE: Betty Easley Conference Center
 Room 152
 4075 Esplanade Way
 Tallahassee, Florida

REPORTED BY: JANE FAUROT, RPR
 Chief, Office of Hearing Reporter Services
 FPSC Division of Commission Clerk and
 Administrative Services
 (850) 413-6732

1 IN ATTENDANCE:

2 HAROLD McLEAN, PUBLIC COUNSEL, and CHARLES BECK,
3 DEPUTY PUBLIC COUNSEL, appearing on behalf of the Office of
4 Public Counsel.

5 MARYROSE SIRIANNI and NANCY SIMS, appearing on behalf
6 of BellSouth.

7 TOM McCABE, appearing on behalf of TDS.

8 CHARLES REHWINKEL, ESQUIRE, and SANDY KHAZRAEE,
9 appearing on behalf of Sprint.

10 DAVID CHRISTIAN, appearing on behalf of Verizon.

11 BENJAMIN OCHSHORN, ESQUIRE, appearing on behalf of
12 Florida Legal Services, Inc.

13 AVA PARKER, appearing on behalf of Linking Solutions.

14 CHRIS McDONALD, appearing on behalf of AT&T.

15 ERICCA CACCAMISE, appearing on behalf of Frontier
16 Communications.

17 SAMANTHA CIBULA, ESQUIRE, BOB CASEY, CHERYL
18 BULECZA-BANKS, and BETH SALAK, appearing on behalf of the
19 Commission Staff.

20

21

22

23

24

25

P R O C E E D I N G S

1
2 MS. CIBULA: Let's get started. Pursuant to notice
3 this time and place has been set for a rule development
4 workshop in Docket Number 040451-TP.

5 I'm Samantha Cibula, an attorney here at the
6 Commission. Also here today are Commission staff members Bob
7 Casey and Cheryl Bulecza-Banks.

8 This rulemaking was initiated by the Office of Public
9 Counsel to establish a time period for local exchange companies
10 to begin providing Lifeline service to customers after
11 receiving the certification of eligibility from the Office of
12 Public Counsel.

13 As you may remember, at the agenda conference where
14 the Commission granted OPC's rulemaking petition, OPC requested
15 that the rulemaking be expanded to address other issues
16 surrounding the implementation of Lifeline service.

17 Also, as I'm sure you are aware, the Commission at a
18 subsequent agenda conference voted to adopt certain eligibility
19 criteria for the Lifeline and Link-up programs in Docket Number
20 040604-TL. I believe the PAA order was recently issued in that
21 docket. The matters that are the subject of the PAA order are
22 not part of this rulemaking, and this is not the forum to
23 discuss those matters.

24 The subject of this rulemaking is to examine the
25 process by which eligible customers are enrolled in the

1 Lifeline program. More specifically, identifying the problems
2 encountered in the enrolling process, and hopefully finding
3 solutions to those problems. An agenda for the workshop was
4 included in the notice, and if you need extra copies, there are
5 some by the sign-up sheets on the table to my left.

6 I'm planning on going through the agenda
7 section-by-section. I ask that we take turns speaking. And
8 also for the sake of the court reporter and those participating
9 by telephone, I ask that you make sure that you identify
10 yourself before you speak, and that you speak into a
11 microphone. We might have to take turns using the microphones.
12 And I believe there are some extra microphones here up at the
13 front, and you can feel free to come up and use these
14 microphones as well.

15 Just to let you know, at the end of the workshop we
16 will be requesting that post-workshop comments be submitted,
17 and the major areas that staff would like to see written
18 comments on are Items 1 and 2 of the agenda. So you might want
19 to keep that in mind in the amount of detail that you give on
20 those items today.

21 As the first item on the agenda has to do with the
22 enrollment process for customers who apply through the Office
23 of Public Counsel, and OPC initiated this rulemaking, we will
24 start with OPC. And it might be helpful if OPC explains its
25 process for enrolling customers sometime during its

1 presentation. Thanks.

2 MR. BECK: Thank you, Samantha.

3 My name is Charlie Beck with the Office of Public
4 Counsel. Also appearing today on my left is Sharon Wynn, who
5 works full-time in the Lifeline area in our office. Harold
6 McLean, the Public Counsel, is behind me, and also Earl Poucher
7 in our office.

8 Let me start by introducing Harold. I think he has a
9 few introductory comments to make.

10 MR. MCLEAN: Thank you, Charlie.

11 Good morning, everyone. I just want to make a brief
12 opening to kind of let you know where we are coming from in
13 this docket, since we suggested to the Commission that it be
14 initiated. First of all, I would like to say that we
15 appreciate very much the Commission holding this Lifeline
16 workshop. We think it is a good opportunity to get us all in
17 the same room talking about the same issues.

18 I would like to -- you all know what the role of OPC
19 is essentially. We certify as eligible those who meet the
20 income criteria. The program eligibility is determined by
21 interests outside of our office, but it is nonetheless of
22 interest to us. We follow it fairly carefully, and, of course,
23 the take rate of both income and the program eligibility, we
24 think, is not adequate. When we do certify as eligible, we
25 expect the telephone company to enroll the customer, and I have

1 to say that expect is all we can do.

2 OPC lacks authority to make anyone do anything. We
3 are advocates before the Commission. The Commission has the
4 authority, that is why we are here. The take rate of Lifeline
5 and Link-up is appallingly low. According to the Commission's
6 own number, it is considerably less than 20 percent. **Even** if
7 we were to make adjustments to the denominator, we could not
8 all stand proud of the result that we would now have.

9 The Citizens' purpose in filing this petition for
10 rulemaking and for its subsequent embroadening and for our
11 appearances here today is not to reign criticism upon the
12 telephone companies. It is, instead, an attempt to get all
13 stakeholders in this room to achieve a common purpose, to make
14 a good and compassionate program available to Floridians who
15 need it.

16 The Citizens sincerely believe that a minimal fabric
17 of regulatory oversight will lend a great deal more success to
18 this program by establishing what is expected of whom and when.
19 These expectations should be established under the auspices of
20 Commission authority.

21 The Citizens sincerely hope that this rule workshop
22 will prove to be the genesis of an early negotiated rule or
23 rules on the subject of Lifeline/Link-up. To that end, we will
24 relate to you the top nine difficulties. That nine as opposed
25 to ten is Mr. Beck's marketing genius. We have more, but we

1 have chosen to tell you about nine. To that end, we will
2 relate you the top nine difficulties we have encountered in
3 seeing customers enrolled in the program. Mr. Beck and our
4 witnesses will tell you more about those difficulties
5 momentarily.

6 The Citizens have distributed a handout to which I
7 would like to refer you. Please turn to the second page of the
8 handout. Does everyone have the handout? I assume it has been
9 distributed. What you will see there is an unsolicited letter
10 from Senator Tom Lee to my office regarding this workshop. I
11 would like to read Senator Lee's letter into the record.

12 First of all, it is addressed to me at my office.
13 "Dear Mr. McLean. It is my understanding that a rulemaking
14 workshop is being held at the Florida Public Service Commission
15 on August 19th on the issue of Lifeline service in Florida. As
16 the Legislature's legal counsel selected to represent the
17 general public before the Commission, I would encourage you to
18 strongly advocate whatever steps necessary to increase
19 subscribership in the Lifeline and Link-up programs.

20 "According to the Commission's own figures, there are
21 approximately 1.1 million households eligible for the Lifeline
22 and Link-up programs under the current eligibility criteria.
23 Only 13.7 of these households are actually subscribing. This
24 subscribership level is less than half of the national average
25 of 38 percent and, in my mind, reflects an unacceptable lack of

1 commitment to these programs. Consumers who can least afford
2 and are most in need of telephone service are being directly
3 and negatively impacted. This is especially true in light of
4 the Tele-Competition Innovation and Infrastructure Enhancement
5 Act of 2003, which required local exchange telecommunications
6 companies who were authorized to rebalance their rates to
7 provide such services to customers who meet a certain income
8 eligibility test.

9 "Again, I encourage your advocacy of this matter and
10 look forward to your views as to how the policies and practices
11 of the Commission and local exchange telecommunications
12 companies have impacted the subscribership level. Please feel
13 free to share this correspondence with other parties
14 participating in the rulemaking docket, and to also share my
15 continued interest in this matter. Sincerely,
16 Senator Tom Lee."

17 Charlie introduced Sharon Wynn to my left, Earl
18 Poucher just here, and Charlie has -- those folks in our office
19 have managed to sign up more than 17,000 Lifeline recipients
20 recently. Certified them as eligible, the companies enrolled
21 them. They know a lot more about Lifeline than I do, so I want
22 to turn the rest of the presentation over to Mr. Beck and to
23 the other folks. Thank you for permitting my opening.

24 MS. CIBULA: Thank you.

25 MR. McLEAN: Charlie.

1 MR. BECK: First, Samantha, you have asked us to
2 make, I guess, a short presentation on what we do in our office
3 to process applications, and I'm going to ask Sharon to address
4 that.

5 MS. WYNN: Good morning. Applications are received
6 in the Office of Public Counsel daily. The application is
7 screened and reviewed by a staff of five, and more when needed.
8 The applicant is determined eligible or ineligible, recorded in
9 an Excel spreadsheet, and e-mailed to the company either once
10 or twice, or as often as may be needed, monthly.

11 MR. BECK: Do you have any questions? I mean, we are
12 certainly glad to entertain questions as we go along about what
13 we do and how we process applications.

14 MR. CASEY: You also have a system set up whereby the
15 telephone companies let you know which one, which people on
16 that list have been actually enrolled in the process?

17 MS. WYNN: Yes.

18 MR. CASEY: Could you go through that a little bit?
19 How often do they have to let you know?

20 MS. WYNN: The spreadsheet that is forwarded to the
21 company is also forwarded back to us letting us know the status
22 of each of those applicants upon receipt by the company and
23 whether or not the company has activated the request to provide
24 that household with Lifeline. There is a coded sequence within
25 the spreadsheet forwarded back to us from the company that

1 tells us whether the applicant is currently a Lifeline
2 subscriber, whether or not the company is currently placing the
3 household as a subscriber based on our recommendation, it also
4 tells us whether or not the applicant is, indeed, a customer of
5 that particular company. It tells us whether or not the
6 household that we have identified by name, and address, and
7 telephone number is indeed the name of the applicant or the
8 correct information, be it telephone number or address. So
9 they do give us a response and let us know whether or not those
10 applicants are eligible based on the company's data.

11 MS. BULECZA-BANKS: Good morning. I'm Cheryl Banks.
12 A quick question. Can you tell me some of the items that you
13 accept as verification of the income level?

14 MS. WYNN: Applicants are asked to provide us with
15 documentation, physical documentation of the household's income
16 level. Among those documents are the individual U.S. tax
17 returns, the W-2 Wage and Tax Statements provided by employers,
18 Social Security, veterans benefits, and/or other retirement
19 benefit statements. The list could go on and on. Any official
20 document provided by a state or fed agency that has provided an
21 assessment of a household's or an individual's financial
22 condition.

23 MR. CASEY: I have one more question. On the
24 spreadsheets that come back to you letting you know who has
25 been enrolled, will that spreadsheet also say who has been

1 denied and the reason why?

2 MS. WYNN: Yes.

3 MR. CASEY: And you do keep track of that, the
4 reasons?

5 MS. WYNN: Yes.

6 MR. BECK: Okay. Let me proceed. The actual rule
7 which we proposed to the Commission would require the companies
8 to actually provide Lifeline to customers within 30 days after
9 we certify them as eligible to the companies. I want to say
10 that since we have filed, or since we filed this proposed rule,
11 we have seen a marked decrease in complaints from customers
12 about this that indicates to us that improvements are being
13 made. And we are very hopeful that things are being done to
14 make this not be as big a problem as it was before. So we
15 appreciate the efforts the companies have made in that regard.

16 We don't see any problem that we are aware of of why
17 the companies cannot do it within 30 days. We think they can.
18 But we invite comments from the companies to see if there is
19 any problem in providing the Lifeline within 30 days of our
20 certification of them.

21 Moving on. We have, in our handout, attached a list
22 of nine issues that we feel are obstacles in the certification
23 process. What I want to do is, first, I'm going to ask Sharon
24 to give a profile of what our typical customer who calls up
25 seeking Lifeline, a profile of what a typical Lifeline customer

1 is. And then we are going to address each of the nine items
2 listed on our examples. Sharon is going to do the first seven,
3 and then Earl Poucher is going to cover the last two. So let
4 me ask Sharon to start with the profile of our Lifeline.

5 MS. WYNN: Thank you. The average Lifeline customer
6 is 68.4 years of age, lives alone, and has been a continuous
7 telephone consumer for more than 40 years. They are retired,
8 living primarily on Social Security, veterans, or other
9 retirement benefits. The average benefit per month is \$702.
10 Less than 1 percent have savings or investment income of \$1,000
11 or more. Approximately 76 percent live in some form of low
12 income or subsidized housing where the average income per
13 household is \$564 a month.

14 Although a significant number of households in this
15 category work in senior employment programs, they still must
16 rely on community nutritional programs for daily meals.
17 Medicare is the primary source of medical coverage.

18 The primary economic concerns include the rising cost
19 of essential services. While health care tops the list,
20 telephone and other utility expenditures equally threaten their
21 very existence. Most of these households already compromise
22 health, safety, and general well-being to keep the telephone
23 and the lights on. The mental and motor skills of Lifeline
24 clients are not nearly as sharp as they once were. Most do not
25 hear well. Some do not write well. Many cannot readily

1 remember number sequences or read their telephone bills.

2 They are frightened and embarrassed by their own
3 inability to use the new technology, such as computers, fax
4 machines, and telephone menus. However, they are keenly aware
5 of the impact that rising telephone rates have on their already
6 menial existence. **So I ask that you keep in mind this consumer**
7 population who benefits from Lifeline, especially so during
8 your deliberations on the process for increasing the number of
9 participating households. Thank you.

10 MR. BECK: Sharon, I was wondering if you could start
11 going over our list. We simply want to explain what we see as
12 some of the obstacles that are present in the process of
13 enrolling people in Lifeline and Link-Up.

14 MS. WYNN: The points identified in your handout are
15 probably the most common day-to-day concerns that prevent
16 significant numbers of eligible households from participating
17 in the Lifeline programs. While no one point reflects the
18 policies of all the companies, we ask that the companies
19 certainly reconsider their positions on the applicable
20 policies.

21 The first one, policies which refuse Lifeline or
22 Link-Up enrollment to customers with optional calling plans or
23 promotional discount packages. This is a tremendous concern
24 for Lifeline customers considering almost three out of every
25 five households have some form of a calling plan. We believe

1 that these are optional services and that they should not be
2 denied to the Lifeline customer.

3 Policies requiring exceptional or nonstandard
4 documentation as proof of eligibility for Lifeline or Link-up
5 enrollment. On a day-to-day basis, staff as well as myself
6 receive calls from applicants who are being required to provide
7 excessive documents with regard to their eligibility. And
8 primarily the most common three would be gross receipts in
9 addition to food stamp eligibility letters, letters from
10 physicians in addition to Medicaid eligibility letters, public
11 housing property documents, in addition to the housing lease
12 agreement.

13 The third one, policies prohibiting Lifeline
14 enrollment to customers with more than one line. We believe
15 that this is an optional service that should be available to
16 Lifeline households. However, low income households with more
17 than one telephone line are indeed the exception and not the
18 rule.

19 Policies requiring customers to change the name on
20 their accounts before enrolling in the Lifeline and Link-up
21 programs. Significant numbers of Lifeline customers have
22 telephone service in the names of deceased spouses. It is
23 common, and it is going to be an ongoing concern with the
24 population that we are addressing. Many of these households
25 choose not to change the name of the telephone account for

1 security reasons, and most cannot afford to pay the charges
2 associated with that change.

3 Policies requiring frequent recertification of
4 eligibility for the Lifeline program. We know that increases
5 in social service benefits and household incomes have little to
6 no impact in a 12-month period, just based on the fact that
7 cost-of-living adjustments are state and federal determinations
8 made annually.

9 Policies removing customers from Lifeline without
10 checking into their continued eligibility. The automatic
11 removal of the Lifeline credit when households move from one
12 apartment to another apartment in the same building, or from
13 one location to another location in the same city, or when the
14 household chooses to remove some of its optional services
15 because of the excessive expense. This is becoming an
16 increasing concern with many of the households that we talk
17 with daily.

18 While there isn't much of a transient population in
19 the Lifeline program, you do have a number of -- a significant
20 number of clients who live in rental units. And when they can
21 no longer afford to stay in a particular unit, they do move.
22 You have those in particular units that are apparently seeking
23 a better apartment as opposed to the one that they are in or a
24 more comfortable apartment. I think the mere fact that they
25 move from one unit to the next unit, again, should not be a

1 penalty certainly with regard to having the telephone services
2 renewed or reinstalled.

3 Policies prohibiting Lifeline enrollment if customers
4 do not provide Social Security Numbers. We suggest to the
5 companies that acquiring this information from long-standing
6 customers should not be a requirement of the Lifeline program.
7 I would also preface that with saying that there is an
8 increasing concern in the federal, state, and local
9 governments, and especially social service agencies that
10 provide assistance to seniors and other low income households.
11 It is simply a matter of identity fraud. Seniors, especially,
12 are advised daily to not provide this information upon request.
13 That most of their dealings can be handled without providing
14 the Social Security Number.

15 We were informed late last year that Social Security
16 was moving to a policy of only providing the last four digits
17 of those numbers as verification or proof of documentation for
18 their purposes. We would suggest that that remain the option
19 of the customer to make that information available to the
20 telephone company.

21 Policies providing burdensome paths of communication
22 between customers and the company. This point addresses
23 company policies that encourage applicants to continually fax
24 and forward documents that the company never receives or
25 responds to. It also addresses the concern that applicants are

1 unable to reach a responsive party with regard to the Lifeline
2 process and with regard to their specific applications.

3 MR. BECK: Earl Poucher is going to finish the
4 presentation.

5 MR. POUCHER: I'm Earl Poucher with the Office of
6 Public Counsel. I'm addressing the final two items in our list
7 of roadblocks that are troublesome for Lifeline customers, and
8 these are experiences that we have found in our office. And
9 they certainly don't apply to everybody, but they certainly
10 have come up. These are the most common problems that have
11 come up. So we know that they are definite roadblocks to the
12 streamlining of the process. Hopefully this process today will
13 streamline the process of getting customers onto the network,
14 and it will eliminate some of the roadblocks that are taking
15 people off of the network and off of the Lifeline program.

16 Item Number 7 deals with the policies of removing
17 customers from Lifeline. And there are two points there that I
18 would make. First, we know and expect that program
19 participation has been declining and will continue to decline
20 in pretty much all of the states in the country because of the
21 federal and state policies. But when we find customers that
22 are eligible for Lifeline because of program participation,
23 that doesn't mean that they don't have eligibility because of
24 income limitations. And so hopefully the companies before they
25 rush to disconnect Lifeline benefits will have procedures and

1 policies so that they suggest the other ways, such as income
2 certification, to keep their Lifeline service working for them
3 so that they continue to get the credit.

4 The latest FCC rule requires the companies to provide
5 written notification when they are going to discontinue
6 Lifeline benefits. And there is a required 60-day waiting
7 period for the customer to then provide or contest the decision
8 to take them off of the Lifeline program. I would urge -- it
9 is on Paragraph 22 of that order, and I would urge the
10 companies to read that carefully, because it does, apparently,
11 apply to every certified ETC in the country.

12 Secondly, we have had a continuing problem in our
13 office with customers whose have applied for Lifeline, they are
14 approved, but they are billed the full Link-Up charges and the
15 full Lifeline charges. They are the full tariff charges until
16 the Lifeline benefits kick in. And this process is because of
17 the delay in the Lifeline certification as opposed to working
18 of the service order to get the customer onto the network.

19 I would hope that the new rules that we have adopted
20 will deal with that problem primarily, but I would urge the
21 companies to be alert to the problem of customers who are
22 already on the network, or because of a new installation that
23 kicked in service connection charges, then are determined to be
24 eligible for Lifeline to, on their own, recognize that this is
25 a Lifeline eligible customer, they had a recent installation,

1 and provide the credit without forcing that customer to realize
2 a few months later that they were billed service connection
3 charges, and their credit for their Lifeline/Link-up never came
4 through.

5 I think most of them expect that to be done
6 automatically, and it obviously doesn't happen, and it creates
7 a real problem when we start trying to collect bills that
8 include the full service connection charges, and the customer
9 is told that he is going to have a reduction in his charges
10 because of Link-Up.

11 That is the final item that I had. Any questions?

12 MR. CASEY: These nine obstacles, these are the major
13 obstacles in Lifeline enrollment? You are not saying it is an
14 industry-wide problem with each one of these. Is it just
15 certain companies that have different policies?

16 MR. POUCHER: One of the problems that we have is
17 that we have -- all of the telephone companies have their own
18 programs, and the State of Florida does not have one program.
19 And so these obstacles might show up in one company and not in
20 another. We are not telling you that these are problems that
21 every single company has, but hopefully we will have a unified
22 program when we get through with this that we can all agree on,
23 and the policies will be consistent, and we won't run into the
24 roadblocks in individual companies in the future as we have in
25 the past.

1 MR. CASEY: Thank you.

2 MR. McLEAN: I just want to sum up. You know, the
3 answer to your question is when you and I go buy something down
4 at the department store and we are going to get a rebate later,
5 you and I don't have to worry about it because we don't have
6 cash flow issues. We know that rebate isn't going to come in
7 for three months. And who cares, you know, we will eventually
8 get it. Lifeline customers do not live that kind of life.
9 When they see on the bill that they either -- they see a bill
10 which causes them to believe that they are going to have to pay
11 the full amount of Link-up connection, or if they are told that
12 by a telephone company employee, they expect that at sometime
13 they are going to have to come up with the money and some of
14 them never pursue the matter any further.

15 Now, none of us can quantify the extent to which that
16 is a barrier to Lifeline, but I suggest to you that it is a
17 fairly significant one because we hear about it in our office
18 frequently. We would like to see a system whereby the customer
19 knows up front when they apply for service that they will be
20 getting Lifeline credit, and that they will never be billed for
21 the full amount of the connection charge. I believe that is
22 doable, and I would sure like to see it done.

23 Let me suggest to you that the burdens to Lifeline
24 have a common thread that run through each of them. I don't
25 want to call it an obsession, but it is manning the gates a

1 little too vigilantly. There is the notion that we might let
2 someone in who doesn't belong in. And I want to suggest to you
3 when the stadium is 15 percent full, you don't have to worry
4 about whether everybody is sitting in the right seat. You
5 might not even have to worry about whether they had a ticket
6 for the game.

7 What I'm trying to breach to all of us here is that
8 this is not a time for precision. When we get a take rate that
9 is substantially higher than it is, on an order of three to
10 four times, then let's bring in the precise measurement, let's
11 make sure we don't have fraud, and let's make sure everybody
12 has the right income, and let's make sure that they all have
13 the precisely right documents. But I tell you, it isn't time
14 for that yet. It is time to get the take rate up, not
15 sloppily, but reasonably. Not with an obsession for detail,
16 but with reason. And I think we can do that.

17 I hope, frankly -- I wish that we could all do that
18 by agreement and it wouldn't be necessary to invoke the
19 authority of the Commission. But with a 13.7 percent take
20 rate, we believe that invoking the authority of the Commission
21 is the thing to do. Thank you very much for letting us make
22 the presentation, and we will be available to answer questions
23 throughout the morning.

24 MS. BULECZA-BANKS: If you could just stay at the
25 mike, Mr. McLean, I would like to ask a question, if that is

1 okay.

2 MR. McLEAN: Yes, ma'am.

3 MS. BULECZA-BANKS: At the July 6th agenda you had
4 mentioned broadening the scope of the rule beyond what was
5 originally filed in the petition --

6 MR. McLEAN: Yes.

7 MS. BULECZA-BANKS: -- which really addressed a
8 30-day turn around on enrolling people into the Lifeline
9 program. Do you have any ideas of what you had in mind when
10 you mentioned broadening the scope?

11 MR. McLEAN: No, we don't have a draft rule. We hope
12 to develop one from this workshop. I think the Commission vote
13 to embroden the program lacks specificity, and perhaps our
14 concerns were less than specific at that time, as well.

15 The burdens that Lifeline customers face we have laid
16 before you this morning. We have laid some of the most
17 egregious ones, and some of the ones that we believe are the
18 most material in the diminished take rate that we have. So do
19 we have a draft rule, which I think is a fair summary of your
20 question, no, we don't. We hope to develop one. If we need
21 to, we certainly will. I hope that this process develops a
22 draft rule. If you would like for us to bring a draft rule in,
23 we will.

24 MS. BULECZA-BANKS: So you kind of envisioned some of
25 these that you have mentioned on your list of nine, that some

1 of those issues would be addressed in the rule?

2 MR. McLEAN: Yes.

3 MS. BULECZA-BANKS: Am I characterizing that
4 correctly?

5 MR. McLEAN: Absolutely. If a rule is necessary.
6 This is a program which we believe everybody in this room
7 should support and support enthusiastically. And I will say it
8 again, everybody in this room ought to be embarrassed by the
9 take rate that we have now. We would not tolerate this level
10 of -- I want to say failure, it's probably the wrong word -- we
11 would not tolerate this level in any of the other Commission's
12 programs. It is unthinkable.

13 A ten-year site plan that was adjudged to be 13.7
14 percent efficient, accurate, choose your term, would be
15 unacceptable to the Commission. And we need to do better here.
16 I support the rule, and it is because of this. So we ran into
17 this problem. What do you do if the companies -- and I'm not
18 saying they are doing this, but what if it takes them 75 days
19 to enroll a person? What do we do about that? We can complain
20 to the company, or we can complain to the Commission.

21 We do not have the authority to order the companies
22 to do anything. Complaining to the Commission in the form of a
23 rulemaking petition has, as you have heard Mr. Beck say, it
24 increased performance in that area. I would rather think that
25 we could all get together in the same room, as we are here now,

1 and agree that the Lifeline program is going to be a success,
2 that senior management instruct everybody in the chain of
3 custody for this thing to do the right thing, to quit being
4 obsessed with this meaningless detail of documentation and so
5 forth, as opposed to let's get the program running.

6 But if we must have a rule, let's make it a
7 negotiated rule that we can all live with, and that we can
8 point to when the time comes to say you have the obligation to
9 do X, Y, and Z, now please set about it.

10 MS. BULECZA-BANKS: Thank you very much.

11 MR. McLEAN: Yes, ma'am.

12 MS. CIBULA: It seems like OPC's comments hit Items 1
13 and 2 on our agenda, so if you want to start going down the
14 line, maybe, in responses to OPC comments, if you guys are
15 prepared. And if not, that is something that you can include
16 in your post-workshop comments, and maybe go through some of
17 the other issues here on Items 1 and 2.

18 I want to start with MaryRose.

19 MS. SIRIANNI: Hi, this is MaryRose Sirianni with
20 BellSouth. And I guess how I will start here is, first of all,
21 I guess we are here to address the OPC's proposed rule that
22 customers be enrolled in Lifeline through the OPC process
23 within 30 days. And I will start out with that. And from a
24 general standpoint, as BellSouth responded to the Office of
25 Public Counsel in a recent letter, BellSouth gets those

1 customers enrolled within three days, the existing customers.

2 There is a little difference if it is a new customer
3 who does not have a telephone number currently and we have no
4 way of reaching that customer. Then it may take -- we have to
5 wait until they contact us. We have no way of contacting them
6 if they don't have a telephone number. They do get a letter,
7 it is my understanding, from Ms. Wynn that the Office of Public
8 Counsel, when they do certify them under the 125 percent, that
9 they give them a letter. And so when they come to us, they can
10 bring that letter, or they are already on the list that we
11 receive from her. So I just want to make a distinction between
12 an existing and a new customer that doesn't have a contact
13 number for us to reach them.

14 Next, I think I want to go down just quickly the
15 points that Ms. Wynn and Mr. Poucher went through, and just
16 give you BellSouth's perspective on those, I guess, nine
17 points. Because I think as you all brought up, these don't
18 apply to all the companies. There is a lot of these that
19 BellSouth complies with.

20 The first one, policies which refuse Lifeline or
21 Link-up enrollment that have optional plans and packages,
22 BellSouth does not deny Lifeline to customers that have our
23 bundled packages. The only exception to that is the Multiline
24 Complete Choice, and we have explained that one, actually, to
25 the Office of Public Counsel in a letter back in January. And

1 the reason for that is that if Multiline Complete Choice is in
2 one household and it is being billed to the main line, then the
3 credit would be applied duplicate times, you know, however many
4 lines that they had. And that would be in violation of the FCC
5 rules that it only be applicable to one line per household.
6 But other than that, I mean, Complete Choice customers do
7 get -- are eligible to get Lifeline or any other bundled
8 package.

9 The second point, policies requiring exceptional or
10 nonstandard documentation as proof of eligibility for Lifeline
11 and Link-up, BellSouth requires the letter of certification
12 from the agency, the ones that Ms. Wynn had mentioned. Nothing
13 in addition to that. I think she mentioned, for example, gross
14 receipts in addition to a letter that says that they are
15 eligible for food stamps. The letter for food stamps is
16 sufficient for BellSouth. Those are the letters that we worked
17 with the agencies just recently within the last year to put
18 together that they now add on there that you will be eligible
19 for Lifeline because you are eligible for food stamps,
20 Medicaid, whatever. Those are the only letters that BellSouth
21 requires for certification, so we don't require anything
22 supplemental.

23 The third one, policies prohibiting Lifeline or
24 Link-Up enrollment to customers with more than one line. That
25 is not -- they can have more than one line in the house, we

1 don't restrict that, but they are only eligible to get Lifeline
2 on one of those. And that is an FCC requirement. They cannot
3 have Lifeline on more than one line in that household.

4 Policies requiring customers to change the name of
5 their account for enrolling customers. We require that the
6 billing name to be in the applicant's name. And I know, I
7 understand the sensitivity of this as OPC spoke about it. But
8 as we responded to a letter also back in January to them, we do
9 require that the customer's name be in the name of the person,
10 or the subscriber to be in the name of that person.

11 In the case of a deceased spouse, we will make that
12 change with no charge to the end user, so it does not cost the
13 end user anything to do. I know it is an extra step that OPC
14 believes shouldn't be required, but as we stated in our letter,
15 we pointed to Section 364 of the Florida Statutes that states
16 that the customer must meet the income eligibility test. We
17 equate customer with the subscriber. And under the state law,
18 the subscriber of Lifeline service must be the same individual
19 that meets the eligibility criteria. So that was our reason
20 for having that.

21 MS. BULECZA-BANKS: If I could just interrupt for one
22 second.

23 MS. SIRIANNI: Sure.

24 MS. BULECZA-BANKS: I have a question. On that
25 issue, when you look at the spreadsheet that you receive from

1 Public Counsel, and you have the phone number of the individual
2 and you see that the name doesn't match, what do you do at that
3 point?

4 MS. SIRIANNI: If we see that the name on the
5 spreadsheet does not match the name on the account?

6 MS. BULECZA-BANKS: Right. It is a wife and deceased
7 husband kind of issue. What do you do from your processes?

8 MS. SIRIANNI: I will have to check on that, but I
9 would think that we will -- I'm not sure if we contact the
10 customer at that point. We send a letter to them asking them
11 to change the name to the appropriate name, and I would think
12 we, you know, we would not disconnect them at that point. I
13 mean, we would try to work with the customer to do it. I mean,
14 obviously we wouldn't disconnect them from Lifeline because of
15 that.

16 I mean, if we go to validate the name with the agency
17 and that particular name comes up deceased, then we don't know
18 at that point, you know, is there a spouse at that address also
19 or not. But, your question was, you know, if the name is
20 different on OPC's list. We would send a letter asking them to
21 change the name to their name. And, like I said, I don't
22 believe that we would deny them the Lifeline at that point.

23 MS. BULECZA-BANKS: Okay. Would you go ahead and
24 enroll them and then send the letter, or would you not enroll
25 them and wait until you heard from them to change the name?

1 MS. SIRIANNI: I believe we would wait until we
2 received it from them, the change.

3 The next item, I believe, is policies requiring
4 frequent recertification of eligibility for the Lifeline
5 program. That is not applied to BellSouth. We don't do the
6 recertification in a manner that we believe is, you know, too
7 often, I should say.

8 MR. CASEY: Well, how often do you do it,
9 recertification?

10 MS. SIRIANNI: Well, you had to ask that question,
11 didn't you?

12 MR. CASEY: You knew I was going to ask it.

13 MS. SIRIANNI: BellSouth is actually working on a
14 process to be put in place the first quarter of 2005 that will
15 be in compliance with the FCC's order on the recertification.
16 And what that would do is -- well, we would suggest that it be
17 done on an annual basis at that point. And, of course, Florida
18 Statutes requires if you are no longer eligible for Lifeline,
19 then you will be transitioned to the transitional Lifeline
20 discount.

21 Currently we work with the agencies and we do a
22 back-end verification, where basically we send them the list of
23 our customers, they look at the list, bash it -- kind of a
24 little word there -- bash it against their list, and then
25 because of privacy issues, the only thing they will do is send

1 it back and tell us who was on our list that is not on their
2 rolls. And that is kind of how it is done today. It is not a
3 very mechanized type process. But, like I said, the first
4 quarter of 2005 it should be a mechanized process, an on-line
5 type verification, and we would propose that it be done on an
6 annual basis.

7 The next item, policies prohibiting Lifeline
8 enrollment if customers do not provide Social Security Number.
9 We do require a Social Security Number for signing somebody up
10 for Lifeline. We do not require it just to put them on
11 telephone service. I mean, we request it. If they do not
12 provide it, we will still enroll them or put them on -- give
13 them telephone service, but we do require it in signing them up
14 for Lifeline. I thought that was a requirement of the FCC
15 rules or procedures, but I'm going to check on that one because
16 I'm not 100 percent sure. So I will check on that one and get
17 back to you all. But I do know that our current procedure is
18 that we require the Social Security Number.

19 The next one, policies providing burdensome paths of
20 communications between the customers and the company. And I'm
21 not -- you know, I know that Ms. Wynn went through some
22 examples there, but I believe that our process is pretty
23 straight-forward and we don't require, I believe, anything that
24 is burdensome from the customer to sign up for Lifeline with
25 BellSouth. So, you know, if there are specific examples that a

1 customer is having with BellSouth, we would say please share
2 that with us and we will look into it, but I really don't
3 believe that that is a problem with us.

4 Policies removing customers from the Lifeline program
5 without first checking into continued eligibility. And, there
6 again, I don't -- you know, that's something that I don't think
7 is a problem with us. And as I said, the first quarter of
8 2005, the process we will be putting into place will require
9 the 60 days for the customer to get back to us to tell us
10 whether they are still eligible for Lifeline. If not, they
11 will be put onto a transitional discount. So that will take
12 place.

13 The last issue, policies that place the burden on
14 customers to request the Link-Up credit with the application
15 for new service. If the customer is coming to us as a new
16 customer and we either know already that they are eligible for
17 Lifeline, or if they have given us -- if it is not through the
18 Office of Public Counsel and through our office some
19 indication, and we suggest to them they may be eligible for
20 Lifeline, then we would automatically, once we realize that
21 they were eligible for Lifeline and a new customer, the Link-up
22 goes along with that. We do not require the customer to
23 specifically say, oh, is there a program for my installation
24 charges. So BellSouth would, if we find that you are
25 eligibility for Lifeline, Link-Up goes along with that.

1 I think that pretty much covers the issues that OPC
2 had gone through. I'm not sure if 1 and 2 of your agenda
3 requires anything more from me at this point. I think maybe --

4 MS. CIBULA: Like I said, if you do see something on
5 there, in the post-hearing comments -- you can go into more
6 detail in the post-hearing comments if you wanted to provide
7 additional comment to that.

8 MS. SIRIANNI: Thank you. If you have any
9 questions --

10 MS. BULECZA-BANKS: Yes. You mentioned that you
11 typically process within three days of receiving it from Public
12 Counsel, and you said if the person doesn't have any phone,
13 that Public Counsel sends them a letter that they have been
14 certified and they can come in with that letter, is that
15 correct?

16 MS. SIRIANNI: That's correct.

17 MS. BULECZA-BANKS: But if I just came in and walked
18 in the door and I didn't have anything, I don't have to have
19 Public Counsel's letter. If I'm on a program or anything, I
20 can just tell you, correct?

21 MS. SIRIANNI: Absolutely. Well, You can tell us,
22 but we would also require the proof of eligibility.

23 MS. BULECZA-BANKS: Absolutely. And you have the
24 documentation.

25 MS. SIRIANNI: Yes.

1 MS. BULECZA-BANKS: Okay. You mentioned a couple of
2 times about a letter that you had communicated with Public
3 Counsel on some issues that you all had been discussing back in
4 January. Can we get a copy of that letter?

5 MS. SIRIANNI: Sure. There is actually two letters;
6 one that was sent in January, and one in July. They had some
7 questions. I believe they were sent to all of the ILECs and we
8 responded to those letters. So I will make you a copy, sure.

9 MS. BULECZA-BANKS: I think we will go into more
10 detail at the end of the post-workshop comments, because what
11 we are looking for in 1 and 2 is some real detail. If you look
12 at like 1(b), and we don't have to go through that detail here.
13 If you would like to, that's fine, too. But if you look at
14 what we are kind of interested in, it is truly your processes,
15 the step-by-step approach you go through, because we don't have
16 a real good handle on that.

17 Some companies look at different things once they
18 receive the spreadsheet from Public Counsel, or if somebody
19 comes in and they do different things. You know, it seems
20 standard they check the name, but, you know, maybe somebody
21 accepts Jane Doe rather than Jane E. Doe, and we don't know
22 what the criteria are that you look at. I mean, we assume you
23 are going to see if they are an existing customer. That is one
24 thing you do. We are going to see if they have an existing
25 outstanding balance, and some things, and those are the things

1 that we would like to know in detail what you do. And how the
2 different processes -- do they change depending on whether they
3 bring in a letter or mail in a letter from DCF? I'm really not
4 clear on how the whole process works if I don't have a phone.
5 And so those are the kind of details. And I don't know if we
6 really want to take up that kind of time, or if anybody has
7 those details available for today, but that is what we're
8 looking for in post-workshop comments on 1 and 2, is to really
9 understand the step-by-step approach that each company takes.

10 MS. SIRIANNI: I mean, I can go through some of that
11 additional detail that you want, or we can do it in the
12 comments. I mean, maybe you want each company to respond maybe
13 at this point to some of the issues that OPC had, and then we
14 can go back to the detail. It is really up to you.

15 MR. CASEY: While they're talking, could I ask you a
16 question?

17 MS. SIRIANNI: Sure.

18 MR. CASEY: When OPC sends a letter to a customer
19 that doesn't have phone service saying you are eligible, go to
20 your phone company, do they have to do it within a certain
21 period of time, within 30 days of the date of that letter?

22 MS. SIRIANNI: I don't believe so.

23 MR. CASEY: Okay. There is no specified time period?

24 MS. SIRIANNI: I don't believe so. I mean, obviously
25 a reasonable time period. I mean, if it were a year or so, I

1 would, you know, but --

2 MS. SIMS: That is the question I was just asking was
3 if you're a new customer, in other words, your name is on the
4 list but you don't have service from OPC, we will use the list
5 as proof of eligibility. You know, if not too much time has
6 passed. Now, if a lot of time has passed, we may ask for the
7 letter that Sharon has sent to them, but we will go back to the
8 list as proof.

9 MS. SIRIANNI: Yes, that would be our first thing to
10 do, but if time has -- you know, if time has passed, she sends
11 a list every week or every two weeks, so those lists can --

12 MS. BULECZA-BANKS: Sharon, do you, when you send
13 that letter, if the customer does not -- well, he is not a
14 customer yet -- doesn't have a phone, does the letter say
15 anything differently to those individuals than those that are
16 already taking telephone service?

17 MS. WYNN: Yes. We advise the customer that at the
18 time -- initially, acquiring service is still their
19 responsibility. In order for the Lifeline credit to be
20 activated, they have to provide us with the telephone number in
21 order that we can forward that same information back to the
22 telephone company letting them know that this household is
23 eligible. So the letter that we forward, in addition to
24 saying, yes, you are eligible for the program, it says please
25 advise us at the time you are assigned a telephone number in

1 order that we may activate your Lifeline credit.

2 MS. BULECZA-BANKS: But the utility would still have
3 to -- if I came in there with my letter, you are going to go
4 ahead and activate me. You are not going to wait for Public
5 Counsel's spreadsheet, though, I assume. You are going to go
6 ahead, and I come in with my letter from Public Counsel saying
7 I want a phone, I want this and that. You are going to go
8 ahead and do it, I assume.

9 MS. SIRIANNI: Right. Absolutely. It's probably
10 like a cross-check.

11 MS. BULECZA-BANKS: A check. Yes, absolutely.

12 MS. SIRIANNI: A cross-check so that they can then
13 put it on our list at a later time and make sure that we did,
14 in fact, activate it.

15 MS. BULECZA-BANKS: Okay.

16 MS. CIBULA: Well, let's go ahead and give everyone a
17 chance to respond to OPC's comments, and then we can either go
18 back or just in the post-workshop comments, and since we are
19 requiring probably a little bit more detail, it probably might
20 be better to do it in writing than maybe here at the workshop.

21 MS. WYNN: Excuse me for one second.

22 MR. OCHSHORN: I have a question. My name is Ben
23 Ochshorn, I'm an attorney at Florida Legal Services. And as
24 this is an administrative workshop on proposed rule
25 development, rather than an adversarial hearing, I was

1 wondering if people other than -- or in addition to the Public
2 Counsel and the phone companies who show up can make -- or
3 whether you would be interested in comments from us.

4 MS. CIBULA: Anyone who wants to participate is
5 allowed to participate.

6 MR. OCHSHORN: Okay. The reason I asked the question
7 at this time is that we represent low income Floridians. And
8 so you might want to -- and the phone companies might
9 appreciate hearing our comments first to give them a chance to
10 incorporate whatever they wish to in response, rather than us
11 talking after they have already talked. Unless you would
12 rather just go through, and then we make comments and they
13 respond. However you --

14 MS. CIBULA: That's fine, if you want to go ahead.

15 MR. OCHSHORN: Okay. Florida Legal Services
16 represents low income Floridians. And the availability of
17 affordable phone service for our clients is an important issue
18 so that our clients can have contact with people that they need
19 to have contact with. If they are parents with schools, if
20 they work with their jobs, if they are elderly or disabled with
21 their health providers, Lifeline helps with that.

22 It is particularly important today, because a lot of
23 the poor people in Florida who technically have a phone in
24 their house and so would be counted as being part of those
25 people with phone service by the census, in fact, don't have

1 continuous phone service in their house because they have
2 prepaid phone service where they have to pay a title loan like
3 rate each month in order to continue their basic service. And
4 so the inevitable practice would be occasionally they are able
5 to come up with that money, but often they are not. And so
6 there really is a problem with low income people in Florida
7 having phones, and we see Lifeline as being something that
8 would help.

9 We have done a lot of research on this issue as far
10 as federal and state rules and practice of Lifeline in other
11 states. In other states, the relationship of Lifeline
12 subscribers to poor people in some states approaches 100
13 percent. It does in California, it does in Maine. Both of
14 these states have rules that we'll share with you in our
15 post-hearing comments or whatever that you can look at.

16 The FCC has rules on Lifeline. There have been a few
17 states, a very few states that have followed these rules, and
18 those states have very high participation rates that continue
19 to go up. One of the companies that practices in Florida,
20 Verizon, committed to the FCC as Condition 18 of the FCC's
21 approval of its existence that it offer a Lifeline program in
22 every state comparable to the program in Ohio, which is one of
23 the better programs in the country.

24 So it is not difficult to come up with written
25 procedures that would implement a good Lifeline program in

1 Florida. And our view about doing this through rulemaking is
2 that this is the way that a government body tells a big company
3 what it would like to do. And that without that kind of
4 guidance, large companies like phone companies will have no
5 basis for doing what it is that the government wants to do. So
6 we think it's perfectly appropriate.

7 In respect to your two specific questions, and then I
8 will conclude as far as my opening comments, you asked for the
9 documentation that the ETCs would need for when an application
10 comes through the Office of Public Counsel and then from the
11 Department of Children and Family Services. The Florida
12 Statutes 364.10 goes into who certifies somebody under the
13 income program, and it says that the Public Counsel does the
14 certification. This means that the phone company's role is not
15 to do another certification of income, it is to accept the
16 Public Counsel's certification. And its role is to either
17 connect somebody to, you know, to be a new customer or to
18 identify an existing customer. And our view is that the time
19 standards that the companies use to do this generally for their
20 customers can be used for Lifeline.

21 And there was a letter that was sent in in response
22 to this rulemaking from a telecommunications association and
23 they indicated a time period of, I believe, something like 48
24 hours or something. And so we think that would be appropriate
25 for that.

1 For the other kind of application that you mentioned
2 through the Department of Children and Family Services, I would
3 note that the industry standard nationally is for people to
4 self-certify that they participate in one of these programs.
5 The reason for that standard is that these programs are
6 administered by a number of different agencies. And to have a
7 phone company establish relationships with all the different
8 agencies that administer programs that would qualify somebody
9 for Lifeline is considered by the phone companies to be more
10 trouble than it is worth.

11 You will notice in the FCC rules that
12 self-certification is used for programs. You'll notice in the
13 Verizon commitment to provide Lifeline, their Commitment 18
14 includes self-certification for these programs. And in the
15 federal rules, I think I may have mentioned this, but that is
16 the standard. To require additional steps as far as
17 participation in the programs, I think the Commission would
18 need to be careful about that. Most phone companies do some
19 kind of verification usually of a random sample.

20 If you look at the states' performance as far as
21 getting poor people on Lifeline, you will see that the states
22 where the phone companies are not involved in the verification
23 process but basically defer to the agencies, and you notice
24 BellSouth basically does that. BellSouth is the one company in
25 Florida that has had a pretty -- a large company that has had a

1 pretty good record as far as signing people up for Lifeline.
2 BellSouth's problem has been once they signed people up, they
3 then disconnect huge numbers of people. And so when you are
4 looking at this, only half of the issue is getting people into
5 the program. The other part is keeping them in as long as they
6 are eligible. That is pretty much it at this point, and then I
7 will try to respond to other questions you have later.

8 MS. CIBULA: Do you want to respond, MaryRose, or
9 have a chance to respond?

10 MS. SIRIANNI: Well, I thought we were going to stick
11 to the rule procedure or the rule proposal at hand, and Mr.
12 Ochshorn went on and talked about the self-certification
13 process, so I don't think that we want to go into that
14 discussion.

15 MS. CIBULA: Yes.

16 MS. SIRIANNI: The only thing, his last comment,
17 BellSouth does not disconnect individuals on its on. Most of
18 the time a large number of disconnects is because people leave
19 that address, or disconnect their service on their own. There
20 is a lot of, I guess you could say, moving around with the
21 Lifeline. But, no, I have nothing else to add at this moment.

22 MS. CIBULA: Ms. Wynn, you might have been in the
23 middle of something when -- okay.

24 MS. BULECZA-BANKS: Excuse me, I did come up with a
25 question for MaryRose. If I am moving around, can I go in

1 there and transfer my service?

2 MS. SIRIANNI: Sure.

3 MS. BULECZA-BANKS: Because sometimes, you know, I'm
4 eligible to keep my same number and transfer service to some
5 other point in town, then I wouldn't necessarily have my
6 Lifeline removed from that.

7 MS. SIRIANNI: Sure. If you are doing a transfer of
8 service then we don't disconnect your Lifeline. But the
9 majority of Lifeline eligibility or eligible customers, they
10 don't just transfer their service, they just disconnect and
11 then, you know, they may pop up a couple of months later at a
12 different address and then get a different telephone number.
13 So we don't keep track of that name that had Lifeline at some
14 other number for when they, you know, two months later pop up
15 at a different address. I mean, they will have to recertify
16 again.

17 But if it is just a transfer of service with the same
18 telephone number, you don't have to show us -- you know, you
19 don't have to recertify for Lifeline, it will just carry over.

20 MS. BULECZA-BANKS: And when I move, I still qualify
21 to have another Link-up credit?

22 MS. SIRIANNI: Well, the Link-up credit is for the
23 initial installation of service.

24 MS. BULECZA-BANKS: So what you are saying is any
25 time I move subsequent to the first time, I have to pay the

1 full installation charges?

2 MS. SIRIANNI: I would have to check on that. I
3 thought that Link-Up was for the initial installation of
4 service, and when you transfer service --

5 MS. BULECZA-BANKS: Okay. But I'm saying we are not
6 transferring now, we are disconnecting. You said if I
7 disconnect and then I show up and I move somewhere else --

8 MS. SIRIANNI: Oh, then you are eligible for the
9 Link-Up, yes.

10 MS. BULECZA-BANKS: Okay. But on a transfer it would
11 be different.

12 MS. SIRIANNI: I believe so, but I will check on
13 that. Okay. I'm sorry, the Link-up does apply on the transfer
14 of service also.

15 MR. CASEY: As long as we are on Link-up, I just
16 thought of a question. I noticed in doing some research in
17 Georgia that you waive 100 percent of the Link-up fee for
18 Lifeline customers. Do you know why? Or could you at least,
19 if you don't know, put it in your comments as to why they waive
20 100 percent of the Link-up charges?

21 MS. SIRIANNI: You mean of the installation charges?

22 MR. CASEY: Right. They waive 100 percent of the
23 installation charges.

24 MS. SIRIANNI: I don't know, they may have a state
25 program to supplement it. I don't know what the installation

1 charges in Georgia area, maybe it is only \$30. But I will
2 check on it and put it in our comments.

3 MR. CASEY: Okay, thank you.

4 MS. SIRIANNI: Uh-huh.

5 MR. McCABE: Tom McCabe with TDS Telecom. We don't
6 participate in the OPC's program at this point in time, but I
7 can share a couple of observations in terms of how we handle
8 our Lifeline program and customers. And in response to the
9 points that were outlined by OPC with respect to the 30 days
10 situation, the only time I would see that being an issue within
11 my company is if we were to get verification and then find out
12 that that customer had been disconnected in the past for bad
13 debt.

14 Now, we follow the Commission rules in which we
15 cannot deny service for nonpayment of long distance charges,
16 but if they have outstanding local service, then they would be
17 required to pay it. And it may be a situation in which the
18 customer decides not to come back or pay for that portion of
19 the bill. Now, we will work with the customer. We will set
20 them up on a payment arrangement, things of that nature, but
21 that would be the only situation that I would see from our
22 company in terms of a customer not being connected.

23 MS. BULECZA-BANKS: Excuse me, how long do you think
24 it would take you on a process to enroll somebody?

25 MR. McCABE: In a normal process, or someone that was

1 disconnected?

2 MS. BULECZA-BANKS: No, just --

3 MR. McCABE: I would say 99 percent of our customers
4 come into our office and sign up for Lifeline. At that point
5 in time we ask them for verification, and the customer provides
6 that verification, and we sign them up at that point.

7 MS. BULECZA-BANKS: At that time?

8 MR. McCABE: Yes. What would happen in a situation
9 where a customer notifies -- you know, calls the local company
10 and tells us that they are eligible for Lifeline, we would ask
11 for them to either fax or send that verification. When we
12 receive that verification, we sign the customer up for
13 Lifeline. So if they were to do it that day, they would be
14 signed up that day. If it is three days later -- one of the
15 things that we see, though, is sometimes people say that they
16 are eligible for Lifeline, and when we ask for that
17 verification, they don't provide it. Yet at the same time a
18 lot of them do. So we don't see that as being a problem.

19 I'm not going to go through all of these, since most
20 of them really do not apply to us. I guess the -- we do not
21 require -- at this point in time we have not been requiring
22 recertification. We will be looking into that as part of the
23 FCC rules.

24 I guess the only other major item I would want to
25 touch on would be the policy requiring customers to change the

1 name of their account. We would require, and we do require
2 that any changes to an account be by the individual that is the
3 account holder. So that would apply to Lifeline, as well. We
4 wouldn't allow somebody to call up and change their
5 interexchange carrier if they weren't the account holder.

6 MS. BULECZA-BANKS: So what do you do if the person
7 is deceased?

8 MR. McCABE: If the person is deceased, I'm sure that
9 we would transfer that account into that individual's name. I
10 don't see that there would be any charge whatsoever. What we
11 see a lot is numerous people in the same household coming and
12 putting their name on the account. You know, that is a typical
13 response in our community. You know, they may be disconnected,
14 and the next thing we have someone else come in and put that
15 account into their name. But that would be the only item on
16 here that we would see to be problematic to us.

17 MR. CASEY: In the case of a deceased spouse, would
18 they have to recertify if they change their name, a widow or
19 widower?

20 MR. McCABE: No. We would just require that that
21 individual name be on the account, so we would just replace
22 that account.

23 MR. CASEY: They wouldn't have to go through the
24 process of getting certification and everything else again?

25 MR. McCABE: For Lifeline?

1 MR. CASEY: Right, for Lifeline.

2 MR. McCABE: I don't see that as an issue. And I
3 guess -- I'm curious in terms of the documentation that is
4 provided to OPC. I mean, has that been satisfactory to you
5 all? I mean, they are fairly able to provide the information?

6 MS. WYNN: Without a problem at all.

7 MR. McCABE: Thank you.

8 MR. REHWINKEL: Are you ready for me? Okay. Charles
9 Rehwinkel on behalf of Sprint. First off, I would like to make
10 a few remarks, and then I want to turn it over to Sandy
11 Khazraee, who is our subject matter expert here, if you have
12 any questions about the details.

13 Sprint fully supports the Public Counsel's efforts to
14 maximize subscription of eligible Lifeline customers. We do
15 believe that outreach and awareness is the real key. One thing
16 I would like to just state for the record, in response to Mr.
17 McLean's stadium remark, is that we agreed back, starting
18 August 1st of 2003, with the Public Counsel's office, and
19 Verizon did the same thing, to join BellSouth in implementing
20 the 125 percent income eligibility, even though as of today's
21 date we are not required by the law to do that.

22 And our reason for doing so was that outreach efforts
23 were about to be initiated, and the 125 percent number, if it
24 could be used to promote Lifeline into the area that is covered
25 for 98 percent of the customers in the State of Florida, it

1 would be good to have a unified message, a unified eligibility
2 threshold. It would make the Public Counsel's job much more
3 efficient in signing people up without having to be worried
4 about jurisdictional boundaries of companies, and so we did
5 that.

6 Beginning at that time, we saw an immediate increase
7 in our Lifeline subscribership take rate. In the beginning
8 of -- late in December, early January, we initiated the
9 outreach awareness effort under the auspices of Public Counsel
10 utilizing Ava Parker. From that point forward until today our
11 monthly increase jumped to about 84 percent over the period
12 prior to that time. We have seen an overall increase in our
13 Lifeline subscribership approaching 40 percent in the last 12
14 months. So we believe outreach and awareness is the most
15 important determinant in Lifeline subscription.

16 We do believe that there can be times when there are
17 process issues. We generally believe that our processes are
18 generally not barriers to Lifeline subscription. I would not
19 sit here and say to you that we have not had glitches, but I
20 think that we are generally in compliance with the policies
21 that the Public Counsel advocates. I would hope, and I would
22 agree with Mr. McLean that we should try to sit down and come
23 up with a stipulated set of protocols.

24 I would be hesitant to agree to a set of protocols
25 that were mandatory and rigid for each company, regardless of

1 whether they work for that company. I think the end result is
2 the most important thing. So we would probably like to look at
3 a set of guidelines that gave individual companies flexibility
4 to do the right thing for the customer, rather than mandating a
5 process change for the sake of having a process change. So we
6 would look forward to working with the interested parties on
7 that.

8 And I think in the area of Lifeline where the
9 statutory criteria may not give explicit authority to the
10 Commission to mandate changes, it would be much better to work
11 out a stipulated process. And we have been able to do that in
12 instances in the past relating to Lifeline, and I am
13 specifically talking about customers who have been disconnected
14 for nonpayment, bringing them back on the system. We have been
15 able to work out a set of protocols there. And I think that is
16 the best way to do it, and we would support that effort.

17 But at this time if you have any specific questions
18 on the processes or Items 1 and 2, Sandy Khazraee is here to
19 answer them unless you have questions of me about my remarks.

20 MR. CASEY: I have one question, if I could.

21 MR. REHWINKEL: Okay.

22 MR. CASEY: I was intrigued also by Mr. McLean's
23 statement that if a rule is necessary for these operational
24 things, and I wasn't sure whether he meant maybe it could be
25 worked out in a memo of understanding or a stipulated

1 agreement. Do you believe these things could be worked out in
2 a stipulation agreement or something?

3 MR. REHWINKEL: I absolutely do. I think the
4 statutes provided for a stipulated rule. And I think that
5 would be -- I haven't practiced in this area in detail enough
6 to know whether you can convert this to a stipulated rulemaking
7 process, but I think that is possible at the place we are in
8 this rulemaking.

9 MR. BECK: But let me just mention that we are
10 certainly agreeable with that, also. It is not whether it is a
11 formal rule or not, it is the result that we reach. And we are
12 open to whatever works. And if it would work with individual
13 companies in negotiating protocols and reaching an agreement,
14 that would be fine. You know, we just want something that
15 works. We are open to whichever way we go.

16 MR. CASEY: Thank you. I would also like the other
17 companies later on to maybe comment on that, whether something
18 could be reached like a stipulated agreement, or a memo of
19 understanding, or something in lieu of rulemaking.

20 MS. KHAZRAEE: Would you like me to go through OPC's
21 list? Okay. With regard to Sprint, on the first one, policies
22 which refuse Lifeline or Link-Up enrollment to customers with
23 optional calling plans, we don't have such a policy. We do
24 have Lifeline customers that do have optional calling plans and
25 bundles. And let me say this before I get into all of these.

1 When I say we don't have any problems, that is in general. I'm
2 not going to tell you that we have never had an exception where
3 something has fallen through the cracks, and if they are
4 brought to our attention we always make sure that we take care
5 of it right away. So my comments are with regard to our
6 general policies.

7 MS. BULECZA-BANKS: I'm sorry to interrupt you, but
8 it just occurred to me, I really have no idea what this is. If
9 you have a bundled package, and I don't pay my bill at all, do
10 you just disconnect it all because you can't split out the --

11 MS. KHAZRAEE: No, Sprint does not.

12 MS. BULECZA-BANKS: Okay.

13 MS. KHAZRAEE: What we could do, if the customer is
14 not paying, is we could leave them with their access line,
15 disconnect the features, and put a toll block on if they have
16 refused to pay their toll and they are not paying.

17 MS. BULECZA-BANKS: But since they won't be paying on
18 a bundled package anymore, would you change their rate, then?

19 MS. KHAZRAEE: Right. And, of course, the customer
20 would be notified. I mean, we would, through that whole time,
21 be having a conversation with the customer.

22 MR. REHWINKEL: Could I just make one comment?

23 MS. BULECZA-BANKS: Sure.

24 MR. REHWINKEL: Most situations in which there is a
25 bundled package, the customer is not just paying the \$10

1 portion of it, so in all likelihood the customers are going to
2 end up being disconnected because he is paying zero on his
3 bill. Now, if the customer was only to pay the local portion
4 of it, I mean, the access line, they would stay on. But that
5 is typically not the situation.

6 MR. CASEY: I'm just thinking of a person that
7 doesn't even pay, I mean, a particular amount, but may send you
8 \$10, you know.

9 MS. SIRIANNI: Cheryl, can I just --

10 MS. BULECZA-BANKS: Sure.

11 MS. SIRIANNI: BellSouth's policy would be that
12 whatever dollars are paid by the customers, it is applied to
13 the basic local service.

14 MS. BULECZA-BANKS: Right. But would they be
15 disconnected because you are not paying in full?

16 MS. SIRIANNI: No. We have policies, and I didn't go
17 through that, but, you know, like Ms. Khazraee said, we
18 would -- toll blocking, you would disconnect their optional
19 features, and we have installment billing that we would put
20 them on. But as long as they paid the basic local service,
21 whatever dollars they sent in goes directly to the basic
22 service, then they would not be disconnected.

23 MS. KHAZRAEE: Yes. We have kind of a hierarchy when
24 they send us a partial payment, and the partial payment is
25 always applied to the basic local first.

1 MS. BULECZA-BANKS: I was aware of that. But I
2 didn't know how you would handle that when you are bundled and
3 you have got one number out there. I didn't know how you could
4 prorate that in some way, because it is not priced like that.

5 MS. KHAZRAEE: Right. But we have a way of
6 determining, okay, did this cover at least the basic line.

7 MS. BULECZA-BANKS: Okay.

8 MS. KHAZRAEE: Policies requiring exceptional or
9 nonstandard documentation as proof of eligibility for Lifeline
10 or Link-Up, no, we do not have any such policies. If they have
11 applied through DCF and we get the DCF letter, that is e-mailed
12 to us. If they provide us a LIHEAP letter that says that they
13 are eligible for that discount, that is our proof. They can
14 send us a copy of their Medicaid card. So we don't require
15 anything above and beyond that.

16 Customers with more than one line. They can have
17 more than one line, the Lifeline discount will only apply on
18 one line. We do not, though, prohibit them from having a
19 second line. If we have the situation where customers want to
20 change the name on their account, I mean, that could get into a
21 whole lot of different situations.

22 The one that has been mentioned today of a widowed
23 situation, we have had that come up. We just talk to the
24 customer and verify that they want to change the bill into
25 their name. And we do a record change, which we do not charge

1 them for, so that we have changed the bill to their record. We
2 didn't make them recertify Lifeline. That has not been an
3 issue, once we have become aware of it.

4 We don't require frequent recertification of
5 eligibility for Lifeline. We do not --

6 MR. CASEY: How often? You knew I was going to come
7 in there.

8 MS. KHAZRAEE: I thought I could just slide right by
9 that one, Bob.

10 MR. CASEY: You tried.

11 MS. KHAZRAEE: We actually don't currently recertify.
12 You know, our tariff says it is their responsibility to notify
13 us if they are no longer eligible. So once they are on their
14 on, you know, they are on, they are there.

15 The Social Security Number, I need to check on that
16 one. I know that we do our best to get a Social Security
17 Number for a customer, and it is primarily when we are first
18 setting up the account to make sure that somebody is not
19 putting an account in someone else's name, because we don't
20 want that fraud to occur, either.

21 I know there are instances where customers have just
22 absolutely refused to provide a Social Security Number, and I
23 think we have done something to get them on the line anyway,
24 but I will verify that. We can put that in our comments.

25 We don't believe there is a burdensome path of

1 communication between customers and the company. We have a
2 specific group that handles the Lifeline account. So when a
3 customer calls into the business office and says, I think I am
4 eligible for Lifeline, I want it, the service rep notes their
5 account, actually starts the Lifeline service order, sends the
6 note through to get paperwork mailed to them for an
7 application, if they are coming to us directly. We mail the
8 application. That note in their account will sit there for two
9 months waiting for them to return the paper to us. And when we
10 get the verification back, then the order is put in and it is
11 retroactive to the date that they first contacted us. So, we
12 don't feel like our communication requirements are burdensome
13 at all.

14 We don't remove customers from Lifeline without first
15 checking into continued eligibility. And they will get the
16 Link-up credit when they apply for Lifeline if it is new
17 service. If for some reason it falls through the cracks and
18 they call us and tell us, I didn't get the credit, then we
19 would rectify that and put the credit on their next bill. And
20 they would not be in danger of getting disconnected. So it is
21 not a situation where they would lose their service.

22 MR. CHRISTIAN: Good morning. I'm Dave Christian
23 with Verizon. I would like to first echo the comments of Mr.
24 Rehwinkel that we do support the OPC process, and we have seen
25 significant increases in the Verizon customers enrolling in

1 Lifeline. Almost a 30 percent increase over the last year. So
2 we believe it's a successful program, it is working well.

3 On outreach and education, we also believe that is
4 the key and we have done numerous outreach efforts already in
5 our service territory. We have done printouts and a number of
6 local newspapers, Spanish language, African-American papers,
7 and these are what the ads look like in Spanish and in English.
8 And I can pass these down if people want to take a look.

9 We also have produced other collateral material that
10 we are distributing to state and federal agencies in our
11 service territory that they can use in their offices. So we
12 believe outreach should continue and we will continue to do so.

13 On the list we are probably the company that the
14 first bullet point applies to. When a customer has an optional
15 calling plan, we do not add Lifeline right away when the
16 customer comes in through OPC's process. That is a decision
17 the customer has to make whether they would like the Lifeline
18 benefits or the benefits of the package.

19 MR. CASEY: What is the policy behind that? You
20 know, you can either have one or the other, you can't have
21 both?

22 MR. CHRISTIAN: That's right.

23 MR. CASEY: And it is just a Verizon policy?

24 MR. CHRISTIAN: It is a Verizon policy. We can go
25 into further detail in our post-workshop comments.

1 MR. CASEY: If you would, I would appreciate it.

2 MR. CHRISTIAN: Sure, you bet.

3 MR. CASEY: Thank you.

4 MR. CHRISTIAN: The second bullet I don't think
5 applies to Verizon. We do ask for the Social Security Number
6 on our Lifeline application when the customer comes in directly
7 to us. But when the customer comes in through the OPC process,
8 when we get their spreadsheet we basically take all the
9 information that Verizon has sent to us, or that OPC has sent
10 to us and process the list. And basically that information is
11 the customer's name, their address, their telephone number, and
12 the date that they were certified eligible by OPC. So there is
13 really no further documentation that is required, once that
14 information is sent to us.

15 I can't answer the third bullet, whether or not that
16 applies to us. We will probably address that in our
17 post-workshop comments.

18 The fourth bullet, requiring customers to change
19 their name on their account before enrolling customers in
20 Lifeline and Link-up programs, as the other companies have
21 said, the account has to match up with the person applying for
22 the Lifeline discount. And we will say when the information
23 comes in to us from OPC, and we take a look, and the name of
24 the customer that has been submitted does not match the name on
25 the account for the phone number, we will tell OPC that is the

1 case and get in contact with the customer and rectify that
2 situation. And then when the correct information comes back to
3 us, we will apply the Lifeline credit to the date that we
4 originally received the information from OPC.

5 MS. BULECZA-BANKS: And how does your company handle
6 the deceased spouse issue?

7 MR. CHRISTIAN: That is a good question. We recently
8 handled a situation like that, and when a deceased spouse's
9 name is on the account, we would assist the customer in
10 changing the name on the account. And if there are security
11 issues, such as directory listings, and if that is the concern,
12 the customer can merely put a first initial rather than a Mrs.
13 or a Ms. in the directory. So we think we can alleviate
14 security concerns that way. But the names on the account must
15 match.

16 MS. BULECZA-BANKS: And would you charge for that?

17 MR. CHRISTIAN: I don't know the answer to that
18 question. I don't believe we do, but we'll check on that.

19 Let's see, where are we. Policies providing
20 burdensome paths of communication between the customers and the
21 company. I don't believe that exists because basically the
22 communication is from OPC, so I couldn't imagine that would be
23 a burden.

24 On our removal of Lifeline, we are not recertifying
25 at this time OPC's customers. We do a biennial recertification

1 for customers that come through the DCF process or that come
2 directly to Verizon. That is in our tariff. And I believe we
3 are looking at changing that to an annual recert per the FCC's
4 order.

5 And our policies about Lifeline and Link-up when they
6 come in with no phone service, it is really quite simple; we
7 can't apply a credit where an account doesn't exist. The
8 customer has to establish phone service initially before we
9 will apply any credits for Lifeline or Link-up.

10 MS. BULECZA-BANKS: Can you give me a little more
11 detail on what that means?

12 MR. CHRISTIAN: Well, if you don't have phone
13 service, or an account set up with Verizon, how can I provide
14 you a credit for anything?

15 MS. BULECZA-BANKS: I'm looking like at my first
16 bill. Would the credit appear on my first bill at the
17 establishment of credit so it zeros out, or would I have to pay
18 that and subsequently get a credit?

19 MR. CHRISTIAN: It could come on your first bill,
20 depending on your billing cycle. As you know, every company
21 here has a cyclical billing cycle, that depending on where you
22 fall in that cycle, you may or may not see that credit on your
23 first bill. When a customer calls to establish service, there
24 are lots of ways to get the Link-up credit on your account.
25 The first of which is to say I'm establishing service, I would

1 like payment arrangements to be made, which by tariff is three
2 months, or by -- I think it is Commission rule that they can
3 defer that payment for three months, and then we also defer it
4 for an additional three months. And then when the account is
5 established and the Lifeline credit is put on the account, at
6 that time we would apply the Link-up credit, which is 50
7 percent of the service establishment charges.

8 MR. CASEY: I had just a couple of questions for you.
9 Could you comment on Sprint's and OPC's idea of handling this
10 outside of rulemaking, whether it be a memo of understanding or
11 a stipulated agreement?

12 MR. CHRISTIAN: I believe we would enjoy the
13 opportunity to sit down and have further discussions.

14 MR. CASEY: Okay. And the other thing, could you
15 send copies of those newspaper ads with your comments?

16 MR. CHRISTIAN: Absolutely, sure.

17 MR. CASEY: Okay. Thank you.

18 MS. CIBULA: Let's take a ten-minute break and then
19 come back. Thanks.

20 (Recess.)

21 MS. CIBULA: I think we left off with Verizon, and I
22 believe Bob indicated he has one more question for you all.

23 MR. CASEY: I just have one more question, if you
24 could, Dave. On your recertification you said you do it
25 biennial?

1 MR. CHRISTIAN: Twice a year.

2 MR. CASEY: Twice a year. Is that the same for all
3 states, all Verizon states?

4 MR. CHRISTIAN: I can't speak to any other state.

5 MR. CASEY: Pardon me?

6 MR. CHRISTIAN: I can't speak to any other state. I
7 have no idea.

8 MR. CASEY: Okay. Could you find out for us?

9 MR. CHRISTIAN: Well, regardless, the FCC rule says
10 we have to go to an annual certification, so I think it is kind
11 of a moot point right now, but I will check it.

12 MR. CASEY: Okay. If you would; and put it in your
13 comments, if you would. Thank you.

14 MR. CHRISTIAN: Sure.

15 MS. CIBULA: Okay. Is there anyone else who has any
16 questions or wants to make comments on Items 1 and 2, and maybe
17 participating by telephone? Okay.

18 Next up I have been informed that there is someone in
19 the audience here, Ava Parker, I believe, who works with a
20 Lifeline outreach program, and she wants to give a couple of
21 comments before we go further onto the agenda.

22 MS. PARKER: Hi. I'm Ava Parker. I have a company
23 that is called Linking Solutions, and I have the pleasure of
24 actually working with Lifeline outreach throughout the State of
25 Florida. And basically it is designed as a very grassroots

1 outreach program that works with different organizations that
2 generally serve folks who qualify for Lifeline.

3 And the concept is to work with nonprofit
4 organizations and to get them to join us in what we call the
5 Connect Florida Campaign. And we go out and we speak to these
6 organizations and we share information with them. We actually
7 train their staff, as well as those folks who participate with
8 them who may qualify, so they understand what Lifeline is;
9 share applications with them and encourage them to reach out to
10 others in their community.

11 What I'm finding is that although Lifeline has been
12 around for a long time, people just don't know about it. I'm
13 always amazed when I work or when I meet service providers,
14 that is, those folks who work in assisted-living facilities, or
15 in community centers, or in Section VIII housing complexes, and
16 the staff folk who have never heard of Lifeline. And it is so
17 important to me that we share information with them, and train
18 them on what Lifeline is, and how to go through the application
19 process. So then they can, in fact, train the folks or sign up
20 the folks that they actually work with.

21 Additionally, we work on what we call kind of
22 outreach or community events that just increase awareness in
23 general. We try to come together with the events throughout
24 the State of Florida where we invite in-service providers as
25 well as those who may qualify for the program, have a very

1 public type event so that if they hear the name they will
2 understand what it is.

3 When I meet people and say, you know, this is
4 advertised in the front of your telephone book, again, they are
5 like totally amazed, and they are not aware of that. So
6 something about increasing just the amount of information that
7 is out in the community, and hearing the name over and over
8 again, it creates more -- I guess more of an appreciation, more
9 of a trust in the program.

10 Because there are so many different things called
11 Lifeline, often people just get it confused, and they are not
12 aware that this is a program that is, in fact, supported by the
13 public. They assume that it is, again, some other CLEC that is
14 another start up, or they assume it is just another private
15 company. They are not aware of this program that is available
16 to them to assist them in this manner.

17 And I think that the more that we get the word out in
18 these different communities, and I think that since our focus
19 really is through grassroots organizations, that is, to try to
20 speak with churches, and speak with nonprofit community groups,
21 because it seems that those are the folks that are willing to
22 do the leg work and reach out in their communities. I think it
23 really does make a difference in the participation and take
24 rates in the program.

25 I think that, you know, nothing is foolproof. I

1 mean, I think that it actually just takes -- you know, I have
2 several people working for me basically from Pensacola to Miami
3 who are out there almost every day meeting with organizations
4 and sharing information about the Lifeline program. And I'm
5 finding that it is through that type of outreach that we are
6 able to really increase participation in the program.

7 And, so, I know a lot of times what you just hear
8 about may be just a big public community event that maybe we
9 have sponsored. But probably right now somewhere in the State
10 of Florida someone that works with me is actually speaking with
11 a group and making sure they know about Lifeline. And I think
12 it is through those types of meetings, and having local people
13 who work within that community who share the message, that you
14 really get the word out about the program.

15 And I just wanted to -- you know, and I think it was
16 Charles who had mentioned that he had found that participation
17 rates had increased after working with this program. And it
18 was my real belief that people -- they trust the message when
19 they trust the messenger. And that is why I found that I try
20 to hire people who work with me who really work in the
21 community, who already do community work and ask them to add to
22 their plate sharing a Lifeline message. And when they have a
23 person that they know to come in and share the message with
24 them, they trust it more and they go ahead and file the
25 application to participate in the program.

1 So I just wanted to have an opportunity to say that,
2 you know, this is very grassroots, that we are reaching as many
3 people as we can possibly reach. **That we really do work with**
4 organizations and encourage those organizations to reach others
5 within their community and then make a commitment to work with
6 us, and that is why we call it the Connect Florida Campaign,
7 because we are looking at connecting people and organizations
8 to the Lifeline program.

9 That's it. Thank you very much.

10 MS. CIBULA: Thank you very much. We really
11 appreciate your input and your efforts.

12 I guess we will go on to Section III of the agenda.
13 I want to start with maybe Florida Legal Services, do you have
14 any comments on Section III?

15 MR. OCHSHORN: Yes. This is the part having to do
16 with goals, or possible establishment of subscription goals?

17 MS. CIBULA: Correct.

18 MR. REHWINKEL: Before Mr. Ochshorn gets started --
19 excuse me, Ben. Maybe I missed this at the beginning, but are
20 Items III, IV and V, are they part of the rulemaking petition,
21 or is this information -- I was just unclear about the purpose
22 of this with relation to this particular docket, these items.

23 MR. CASEY: Yes, we believe it is part of it. This
24 was kind of an outline that we put together of ideas.

25 MR. REHWINKEL: Okay. But I wasn't reading the

1 Public Counsel's petition that initiated this rulemaking that
2 these were, that these were part of the docket.

3 MR. CASEY: Right.

4 MS. CIBULA: I just think these might be additional
5 areas that we might want to get input on, and maybe explore and
6 just get a better idea of these areas, as well. And it wasn't
7 exactly a part of the OPC's petition, but --

8 MR. REHWINKEL: And I did want to say this, that my
9 comments about a negotiated rulemaking relate to Items 1 and 2.
10 Thank you.

11 I'm sorry, Ben.

12 MR. OCHSHORN: Oh, no, that's fine. Interrupt any
13 time.

14 We at Florida Legal Services think that it would be
15 helpful if there were statewide and company goals for Lifeline.
16 A suggestion we have to look into, and it's an area that we are
17 not expert in, but it may be that Lifeline subscription should
18 be considered a service standard of the company.

19 BellSouth's commitments towards Lifeline, both in its
20 original program in '94 and then the addition of the income
21 standard in 2002, both arose from agreements with the Public
22 Counsel to resolve issues relating to service, and certainly to
23 low income people, and telecommunications company service of
24 them. How they handle Lifeline from their perspective would be
25 a service standard. Our understanding of how service standards

1 work is that usually the Commission sets some numerical
2 trigger, and then if the company doesn't meet that standard,
3 then staff does some investigation and possibly opens a docket,
4 and then there are some other procedures relating to that. So,
5 we think that would be good.

6 One thing we have learned about large companies is
7 that their priorities are what is specifically designated by
8 the government as to what they should do, plus whatever within
9 their company is considered important enough to be indicated as
10 priorities. And then issues that aren't included in that are
11 secondary issues that don't get the attention that the first
12 level do.

13 And so by failing to put Lifeline subscription and
14 how companies treat Lifeline into a company's priorities, it's
15 going to get less and not as effective attention as if it were
16 within it. In terms of a possible numerical goals and what
17 they would be, our research of Lifeline programs in other
18 states indicate that in those states -- and these are the most
19 successful programs which are the ones most worthy of study --
20 that it's reasonable to expect that Lifeline programs will
21 increase their subscribership each year by about ten percent of
22 the eligible people who aren't on the program. So that within
23 a ten-year period, you have practically everyone who is
24 eligible for the program on the program. It would be a
25 standard that, if you look at the most recent, or first

1 Lifeline report, that the smaller companies probably wouldn't
2 have trouble meeting. Because generally what we have seen is
3 that when companies are interested in adding subscribers or
4 keeping the subscribers that they have, that Lifeline is viewed
5 as a useful way to do that for people on limited incomes.

6 We realize that if you did go down this route, that
7 you would have to look at Florida-specific circumstances, and
8 the numeric numbers that I suggested might be different. But
9 we do think it is possible to have Lifeline subscribers at
10 about the same level as the number of poor people in a state.
11 It's what a number of other states have done, and more beyond
12 those seem to be on their way towards achieving.

13 MR. CASEY: Okay. Thank you.

14 MS. CIBULA: We will move on to OPC. Do you have any
15 comments on Number 3?

16 MR. BECK: Samantha, we don't have any prepared
17 comments on 3, 4, or 5.

18 MS. CIBULA: Thank you.

19 MR. BECK: Okay.

20 MS. SIRIANNI: First, BellSouth would like to extend
21 to the staff an opportunity to follow up on Ms. Parker's
22 presentation. If you all would like to attend any of the
23 sessions that are going on in the State of Florida, you're are
24 more than welcome to come. There are some larger meetings
25 going on, or some smaller meetings. I know that there was one

1 scheduled in the Orlando area, but I'm not sure because of the
2 storm if it is still going to be scheduled. But there is also
3 one in Miami? She is going yes. Okay. I will let you know
4 the dates of those, and I think it may be beneficial just to
5 see what goes on in those meetings and the folks that attend,
6 so I will get you that information.

7 But on Number 3, the establishment of Lifeline
8 subscribership goals, I guess to kind of link to that I would
9 say it is not necessarily about just setting a number and
10 trying to make that number. You know, the outreach efforts
11 that we are doing and that you do is what is really important
12 here to get to those people. You can get to those people, they
13 don't necessarily, because they are eligible, want to sign up,
14 for whatever reason it may be.

15 I don't think -- it is hard enough just to find the
16 number that are eligible in the state, and I think you all know
17 that just from the report you did a few years ago trying to
18 come up with what is the number of eligible customers in the
19 state because of the duplication that they may be eligible
20 under more than one program and such. So we would not be in
21 favor of just, you know, setting a number and that is the
22 number and if you don't make it, then you will be penalized in
23 some manner. I think the more important issue here is to have
24 the outreach programs in place and get out to as many people as
25 you can, let them know what is there and make it available for

1 them to sign up for.

2 MR. McCABE: Tom McCabe with TDS Telecom. I agree
3 with the comments that MaryRose made. We would be opposed to
4 any service standards as were suggested and goal requirements.
5 We believe that our process is really simple for my company to
6 sign up for Lifeline. It is not my responsibility to make sure
7 that a customer comes to me to sign up. We provide the
8 information, you have the programs out there in terms of
9 grassroots efforts, we provide notifications, we comply with
10 the rules, and it is an easy process.

11 I don't know how much more we can do to make somebody
12 come in or call us. And to sit there and penalize us because a
13 customer decides not to take on his own responsibility I think
14 is wrong. And, you know, I hear a lot about what the companies
15 aren't doing. I don't see that to be the case. You talk about
16 some of the other state initiatives out there, and we hear
17 about California. Well, 131 percent is pretty good, I agree.
18 And I just struggle with some of the ideas that we are not
19 doing enough. And perhaps there may be customers that aren't
20 doing enough, as well. And the blame shouldn't simply fall
21 upon the local exchange companies.

22 Thank you.

23 MS. SALAK: In addressing that issue of establishment
24 of goals, I mean, we have it framed as subscribership goals,
25 but there are other goals that you can probably set, too. I

1 mean, we shouldn't be limited in our thought process just
2 because we are saying subscribership goals.

3 Do you think there are -- and I should have asked
4 this sooner, MaryRose -- any other kind of goals that we could
5 set? Effective outreach campaign, effective -- or something in
6 those sort of terms, where it is goals where at least make it
7 available, let the customer know about it. And, you know, if
8 there are reasons why a person just doesn't want Lifeline,
9 obviously there is nothing you can do about that. But there
10 are things to make sure that, I mean, you have Ava's program,
11 for example. There are other activities that you can partake
12 in to make it available.

13 How about those kind of goals, if you could comment
14 on that in addition to the subscribership goals?

15 MS. SIRIANNI: Well, we are open to suggestions, I
16 mean, if you have them. But I would say I guess it is -- and
17 to kind of follow up on what Charles and Dave, you had asked
18 them, I mean, we would be open to talking to OPC and trying to
19 work this whole rule proceeding out. And within that I'm sure
20 that we could have discussions about, you know, if anybody has
21 any ideas of what we could -- additional efforts that we could
22 do. We have talked to them in the past and, as you know, as
23 part of our stipulation agreement on the service there were
24 dollars set aside to do additional outreach programs. And, you
25 know, we are talking with them and working with them and we

1 will continue to. So, I mean, we are open to suggestions and
2 ideas.

3 I still would not agree that even if you set some,
4 you know, goals within that group, that they be penalized if
5 they weren't met. I mean, I think that everybody would agree
6 that maybe we could set some standards that we would like to
7 do, but then I still don't -- I still don't think that
8 penalizing, if you don't meet those, would be appropriate.

9 I mean, I think if everybody went into the talks or
10 discussions trying to, you know, knowing that our goal here is
11 to reach those end users, I don't really think there would be a
12 need for any penalizing at the end. So, like I said, we are
13 open to have those discussions and come with up some. Maybe we
14 can brainstorm and come up with something.

15 Thank you.

16 MR. McCABE: Tom McCabe for TDS. We are in
17 agreement. I mean, we would be more than happy to sit down and
18 discuss this. I serve on the board for the FTRI, and we do
19 an -- we spend an awful lot of money on outreach. Yet there is
20 still a significant number of people that don't subscribe to
21 the TRS program.

22 I don't know what the issues are from the standpoint
23 of people not making themselves available to services, but I
24 don't know that it is a lack of -- I wouldn't agree that it is
25 a lack of effort on the part of the companies, or on the part

1 of the Public Service Commission, or on the part of the Office
2 of Public Counsel. I think everybody does an awful lot in
3 terms of trying to bring these programs out there, and I don't
4 know. Because we see it with the FTRI program, as well. And
5 we spend a lot of money doing that.

6 MR. REHWINKEL: Charles Rehwinkel. I think probably
7 from my initial questions you probably could figure out that we
8 don't support the establishment of goals. What MaryRose said
9 is something that I also agree with, is that if we are in the
10 dialogue process, and people have a better mousetrap, we are
11 open to that. But I would also say that in the
12 telecommunications marketplace today, I feel stronger than ever
13 that the responsibility for awareness and achievement of any
14 goals, whether they be aspirational or mandatory, are more the
15 responsibility of government.

16 The Lifeline program is right now -- I don't know if
17 we have any ETCs that are certified and offering it that are
18 non-ILECs, but it's right now the obligation solely of the
19 incumbent local exchange companies who are not the entire
20 universe of service providers out there. And I think I said at
21 a recent agenda that I do believe that research would probably
22 show that Lifeline service for a younger generation of Lifeline
23 eligible subscribers is increasingly going to be provided by
24 wireless, including prepaid wireless. So to the extent those
25 people are in any denominator you devise, you're never going to

1 get them.

2 And the only analog I know of in history for really
3 going out and getting these people is what they used to do in
4 the 18th and 17th century, or maybe it is 19th and 18th century
5 England, where they had press gangs that went around and
6 knocked on doors, and took people out of bars, and forced them
7 onto ships.

8 Short of doing that, there are reasons why people are
9 not going to be subscribing to Lifeline services. And I'm not
10 sitting here saying that we have done a perfect job or that
11 everyone that could be aware of it is aware of it. What I'm
12 saying is that we have made strides, and we are continuing to
13 make strides and work to find better ways to advise people of
14 it. But increasingly our resources have to be prioritized to
15 optimize what our companies do. There is nothing wrong with
16 our companies being in the business to make money. So we have
17 resources dedicated to Lifeline service, and we will continue
18 to do that. But it is increasingly going to be the
19 responsibility, I believe, of government to discharge this
20 social responsibility.

21 So we're open to suggestions, but we don't believe
22 that goals are either warranted or really within the scope of
23 the Commission's authority. And I'm not aware of any other
24 state setting, and I don't know -- Mr. Christian mentioned to
25 me that he wasn't, either. So that's all I have to say on the

1 subject. I don't know if there are any questions.

2 MR. CASEY: I have one. You brought up the fact that
3 right now ILECs are the only ETCs in Florida, and we have a
4 petition for a CLEC, you know, in there, and, of course, there
5 are some with the FCC on wireless, which, of course, we made a
6 declaratory statement saying we don't have regulation over.
7 But do you believe they should all be treated the same? If
8 wireless does get permission as an ETC in Florida, do you think
9 they should follow the same rules or guidelines that everybody
10 else does?

11 MR. REHWINKEL: Well, I think there are requirements
12 that they provide Lifeline service. You know, where that -- so
13 I think they would have to follow any federal guidelines in
14 that regard. Do I think --

15 MR. CASEY: What about regarding a state program,
16 though? Do you believe that a CLEC or a wireless should follow
17 a state program, acknowledging that declaratory statement that
18 we had?

19 MR. REHWINKEL: I really am not sure where the state
20 program comes into play. If we have a state program, I don't
21 know -- if they get federal authorization, I don't know that
22 they are under the Florida program. And a lot of times I don't
23 know if their pricing structure even fits the model that we
24 have today. It's something that we would be glad to comment
25 on.

1 MR. CASEY: Just for informational purposes.

2 MR. CHRISTIAN: David Christian with Verizon. I also
3 agree with the comments of the other companies that we would be
4 opposed to establishing Lifeline subscribership goals.

5 MS. CIBULA: Is there anyone on the phone that would
6 like to comment? I guess we can move on to --

7 MS. SALAK: Could the other companies comment on Mr.
8 Casey's question about wireless, and the CLECs, and following
9 the state program, any guidelines that are set up?

10 MR. CHRISTIAN: This is Dave Christian with Verizon.
11 I think we would want to take a look at the statutes for
12 universal service and carrier of last resort obligations as
13 well as Lifeline rules from the federal commission and see how
14 that would match up. I just haven't done that analysis, yet,
15 though.

16 MR. OCHSHORN: Ben Ochshorn from Florida Legal
17 Services. We actually have a lot of information about that
18 subject. Particularly out west, wireless companies have done
19 astounding, really, work on getting people on Lifeline. In
20 Arizona, for example, Cellular One gets 75 percent of all the
21 Lifeline distributions in the state. They go out to the
22 reservations there with big trucks and loud speakers, and they
23 sign people up.

24 And also, like I said before, the small companies,
25 some of the CLECs, not the \$60-a-month folks, but others, the

1 smaller companies often show greater growth in Lifeline
2 payments, or whatever, than the larger companies in the states.
3 So the more that the state looks at companies in addition to
4 the ILECs to help with the Lifeline program, probably the
5 greater opportunity for success that we will have.

6 MS. SIRIANNI: This is MaryRose Sirianni with
7 BellSouth. I would just say that if a cellular or a CLEC
8 became an ETC provider, then we believe they should have to
9 follow the same guidelines that the ILECs do. I would say that
10 if they chose to only provide the 8.25, then they could do that
11 and not put in the 3.50 of their own. And then, of course,
12 they wouldn't receive the additional 1.75 from the FCC. But
13 other than that, we believe they should have to follow the same
14 guidelines that we do.

15 MR. McCABE: Tom McCabe for TDS. We agree with that.
16 I do think -- I mean, based on the Commission's decision on the
17 wireless ETC, I don't see how you would be able to -- if you
18 were to require outreach programs and things of that nature,
19 that you would be able to force those people to participate on
20 that. For a CLEC I think that would be completely different.

21 Now, one thing I would like to caution you on in
22 terms of using the Arizona example for Lifeline eligibility for
23 wireless, it has absolutely nothing to do with Lifeline
24 subscribership. What it has to do with is high cost support.

25 When you go out there, and you get those customers,

1 and you are getting 70 or \$80 per loop for a wireless carrier
2 through ETC funding, it has nothing to do with whether or not
3 it is the \$8.25 credit for Lifeline subscribers. So I just
4 want to caution you on that. It would not be the same
5 situation in Florida.

6 MS. SIRIANNI: I would like to add one thing, also.
7 A lot of the states that you talk about, when you talk about
8 the subscribership of Lifeline, you really need to look at are
9 those subscribership under the Lifeline program or under the
10 tribal lands. In Florida, we don't have any of the Indian
11 reservations that are eligible for the tribal lands, and a lot
12 of the states do, and so their numbers, of course, look higher.
13 In BellSouth's territory. I don't want to speak for all of the
14 ILECs, I'm sorry.

15 MR. McDONALD: Chris McDonald on behalf of AT&T. I'm
16 not familiar, Bob, with your question with respect to the
17 state. Obviously if you qualify as a certified ETC you would
18 have the same obligations in order to obtain universal service
19 funding under the federal rules, but we would be happy to
20 provide comments to you post-workshop.

21 MR. CASEY: If you would, we would appreciate it.

22 MS. CIBULA: Okay. Moving on to Item 4, reporting
23 requirements. Any comments on those?

24 MR. OCHSHORN: Ben Ochshorn from Florida Legal
25 Services. And this might be in the Lifeline report, it might

1 also be in terms of the issues that staff looks at, and that's
2 to look at the issue of disconnection of Lifeline customers.
3 The information that the Commission has received, which is
4 admittedly just from BellSouth, is that an awful lot of their
5 Lifeline customers are disconnected. And it may be to a large
6 extent for nonpayment of bills, that is what the information
7 suggests. And certainly just to get somebody in a program and
8 then to get them disconnected, especially for nonpayment of
9 bills, and then run up several hundred dollars that they would
10 have it repay in order to get back on Lifeline, or to get back
11 on regular phone service, it is questionable how much of a
12 service you are doing to somebody in that circumstance.

13 And so in addition to the outreach, which we also
14 think is important, the outreach to be effective, like Mr.
15 McCabe was saying about, you know, the effort that you put into
16 outreach, outreach by itself won't get your Lifeline
17 subscribership up and keep it up, because it has to be backed
18 up by a good program to let customers know about Lifeline and
19 let applicants know about Lifeline when they are applying. And
20 once they are customers, to have policies in place so that the
21 disconnection rate for Lifeline customers is at a reasonable
22 level.

23 MS. SIRIANNI: MaryRose Sirianni with BellSouth. The
24 Commission currently sends out an annual, I believe, data
25 request regarding Lifeline information. And we believe, you

1 know, sent out annually is sufficient. As far as the data
2 collected, if they believe that more detailed information is
3 required, as long as we keep the information in that form, you
4 know, we would be glad to provide it. As far as Mr. Ochshorn's
5 comments about the disconnects, like I said before, there are
6 numerous reasons why those disconnects are there, and it is not
7 always just because there is nonpay.

8 I will mention that the Commission's rule that was
9 put in place several years ago, we do have installment payments
10 that go for 12 months with a minimum of \$5 a month. So, you
11 know, we have made efforts to keep them on as long as we can.
12 Also, in lieu of a deposit, which to some people may be a
13 burdensome thing, we will put a toll block on their line.

14 So, you know, you can look at the disconnects, but
15 there is a lot of different reasons why people disconnect, and
16 we don't always know why. So when we provide that data to the
17 Commission, you guys, I believe, asked us to try to give
18 reasons why there is the disconnects. On an awful lot of them
19 there is no reason, and it is because they don't give us a
20 reason. They may just leave that address or just disconnect
21 their service on their own.

22 Thank you.

23 MR. CASEY: I have one question for MaryRose, if I
24 may.

25 MS. SIRIANNI: Sure.

1 MR. CASEY: As far as data for Lifeline, I know you
2 submit all the data, could that be broken down by county? How
3 far can you break down -- like, could you pick a certain county
4 and say how many Lifeline subscribers there are? What I'm
5 thinking of is for outreach purposes. You know, if we want to
6 target a certain county in a state.

7 MS. SIRIANNI: I don't know, I would have to check on
8 that. We could probably break it down by maybe an NPA or an
9 NXX if we pulled it by telephone number. I don't know even
10 that. I would have to check on it. We do have separate USOCs
11 for each program that you qualify under, so if you take the
12 USOC and maybe the NPA and NXX. I don't know for sure, I would
13 have to check with our folks. But I will check on that and let
14 you know.

15 MR. CASEY: Include it in the comments?

16 MS. SIRIANNI: Sure.

17 MR. CASEY: Thank you very much.

18 MR. McCABE: Tom McCabe with TDS. I know that the
19 Commission has a report to the legislature regarding Lifeline.
20 I think there has been some changes to that. I don't know
21 exactly what is going to be required of that report, I haven't
22 looked at it. But I think on an annual basis is sufficient
23 from the standpoint of data. We certainly would hope there
24 would be no more than twice a year if you were to make any
25 changes in terms of collecting additional data.

1 One of the items that I think what we are looking at
2 really is subscribership levels, and that is the important part
3 of it, I think, with the exception of the disconnection. We
4 can provide data on customers that were disconnected for
5 nonpayment if they are a Lifeline customer. It gets difficult
6 when you start talking about, you know, we don't really track
7 whether a customer has moved out of state, or whether somebody
8 is deceased, or they have married and they moved into a
9 different household. So we would ask that, you know, you try
10 not to burden us with that portion of it.

11 The other thing, a lot of the data requests in the
12 past, they have been on, you know, what services are customers
13 taking with that. You know, what ancillary services. In my
14 mind those issues are really not important. I believe that all
15 customers should be eligible for Lifeline service regardless of
16 what services that they are purchasing. That is the way we
17 provide it. So for us to have to identify the number of
18 customers that are subscribing to ancillary services, the
19 number of customers subscribing to toll blocking, et cetera,
20 requires an awful lot of work with an awful lot of special
21 reports that need to be run, and I don't think it really adds
22 to the equation of what is a Lifeline subscribership level.

23 Just with respect to the Public Counsel's role, I
24 don't think there is any reporting that is necessary,
25 especially if we can work this out in a negotiated process. I

1 don't think there would be any reporting. With respect to
2 Lifeline in general, again, I think reporting gets into another
3 docket, and we would just prefer to deal with that in that
4 other docket.

5 But I would make this general comment that, again,
6 Lifeline is part of the total mix of services that the company
7 is responsible for providing. And to the extent that reporting
8 requirements add administrative cost to the program, I think
9 they do divert resources away from the true mission, which is
10 to make people aware of Lifeline and to facilitate their
11 subscription. So we would urge that that be taken into account
12 with any consideration of reporting requirements.

13 MR. CHRISTIAN: Again, being at the end of the train
14 here, I agree with everything that has been said. But I would
15 also like to offer an additional comment. In the report that
16 is submitted to the Legislature, is to also be keenly aware of
17 the penetration levels in the state. And that information is
18 available at the FCC. We are looking at subscribership levels,
19 as Mr. Rehwinkel said. And that, I think, should be one of the
20 key drivers is how many people have phone service in the State
21 of Florida? And you can look at that information. It is
22 readily available. And we would suggest that the report says
23 that it is 91 percent of low income consumers have a telephone
24 in the State of Florida. I just wanted to throw that out there
25 for thought.

1 MS. CIBULA: Is there anyone on the telephone that
2 wants to make comments on Section IV?

3 Well, I think Section V we have covered some already,
4 unless anyone has anything they want to ask for Section V.

5 MR. McCABE: Oh, oh, oh.

6 MR. CASEY: Tom is foaming at the mouth there. He
7 has been waiting all day for this one.

8 MR. McCABE: I'm sorry. (Inaudible comments.
9 Microphone off.)

10 I'm sure everyone is here to support Item Number V.
11 I don't have anything to say. I mean, I think we are going to
12 get to the issues around Item Number V with the Commission
13 order that was just released, so I will leave it at that.

14 MS. SALAK: Let me just go back a minute to the
15 report before we tackle your issue. You know, we do have to
16 report subscribership, but we also have to talk about the
17 effectiveness of the procedures to promote participation. So
18 just a pure number, it's 30 percent, or X customers, to me
19 isn't sufficient for the report.

20 MR. CHRISTIAN: I didn't mean to suggest that you
21 limit it to that, but I think it is something that --

22 MS. SALAK: Well, that was kind of a common theme of
23 everybody's comments, that we just don't really need that much
24 information to meet our mandatory reporting requirements.

25 MR. CHRISTIAN: We would be willing to share as much

1 information as we have about our outreach programs on a yearly
2 basis.

3 MR. REHWINKEL: Well, again, my comments were
4 directed to notions that reporting should be even more granular
5 by program. I mean, you're talking about asking us to report
6 on things that we don't track. And that is what my concern is;
7 is it more important to know the specific reasons why people
8 are Lifeline eligible, or is it more important that people are
9 on the system? And we just don't keep track of whether they
10 came on as a LIHEAP, or a Section VIII, or TANF, or whatever.
11 So that was kind of where I was going.

12 MS. SALAK: And where are you getting the information
13 that that is how we are going to require it?

14 MR. REHWINKEL: I read in another order some language
15 along those lines.

16 MS. SALAK: So that was your objection, though. So
17 you don't want to do it by -- and the usefulness of that
18 information seems to be that -- well, from my perspective,
19 anyway, would be if you wanted to see how your customers were
20 getting on line. I mean, it is just what is working. You
21 know, how are people getting on, what is working, what should
22 we focus our attention on.

23 And I guess another common theme today is outreach
24 and consumer education is the way to go, then it seems like
25 since we all have limited resources that we need to be more

1 focused on who we are contacting and who our outreach is going
2 to. I mean, your resources are limited, so is the governments.

3 MR. REHWINKEL: My suggestion there is I know that
4 some of us have affiliations with PURC or Florida State
5 University. I think somebody needs to take a better, cleaner
6 look at Lifeline eligible constituency in this state. The
7 numbers that come out of the FCC, I look at them and I know
8 that there is double counting in there, and to me it is kind of
9 sloppy. And I'm not blaming them; they are looking at the
10 thing on a national basis.

11 I think it would be more worthwhile for us to know,
12 rather than the companies go and start looking at, you know,
13 how you slice that pie up, is to what is the eligible
14 constituency out there and who's on programs. And I think
15 maybe even a little bit of subjective research on why people
16 don't avail themselves of public assistance. I mean, there are
17 people out there that do not trust the government and they
18 won't sign up for it no matter how eligible they are.

19 Now, I'm not saying they are 1 percent or 20 percent
20 of the people. But to make assumptions that there is a
21 denominator out there, and we are going to go out there and
22 start attacking it, and build up the numerator, and then get a
23 percentage out there doesn't necessarily mean good public
24 policy is being discharged. So I think that needs to be done
25 before you start going and slicing up why the company's

1 customers -- how they came in the door because that doesn't
2 necessarily tell you anything about their proclivity to avail
3 themselves of public assistance, and then Lifeline.

4 So I don't know if I'm making sense to you, but I
5 think that we kind to need to get the universe known a little
6 better before we start going and trying to ascertain whether we
7 are effective with respect to TANF customers, or Section VIII,
8 or whatever. But we do know who the 125 people are, and we do
9 know who the others are, that is as much detail as we really
10 track.

11 MS. SALAK: And if we were to -- you have this -- is
12 there any way of knowing the magnitude of the issues associated
13 with double counting and the numbers being wrong? I mean, do
14 you have any feel for how off it may be?

15 MR. REHWINKEL: I think that the numbers have been
16 built upon numbers that somebody else got, and then somebody
17 else makes an estimate on top of that. I mean, I could sit
18 there and look at some of the numbers that people have
19 compiled, and I don't blame them for compiling them, but I
20 don't agree that they are a clean set of numbers. They have
21 just been kind of built in a historical way that doesn't lend
22 themselves to any sort of precision.

23 I think it has to be done by somebody going out and
24 doing some research. And I don't mean the companies or the
25 Commission even, but I think there are people out there that

1 could do that.

2 MR. OCHSHORN: Ben Ochshorn, Florida Legal Services.
3 We are one of those people. In fact, I agree with everything
4 that Mr. Rehwinkel said, and where Sprint may not agree with
5 anything else in our written comments, I have a feeling that he
6 and his company will generally agree with our assessment of the
7 numbers as far as keeping track of people.

8 And the reason that is important is that you are
9 trying to find what approaches work, and the way to identify
10 effective programs is to have reasonable numbers as far as the
11 people you are trying to serve. And one of the areas where we
12 have a comparative advantage as far as knowledge and expertise
13 is these public assistance programs, how they interrelate, and
14 also ways of keeping track of the poor people.

15 I think Mr. Rehwinkel and the rest of the people
16 would agree that the standard should be the poor people in
17 Florida, rather than agency assessments of their different
18 programs. I'm just as uncomfortable with that way of looking
19 at the effectiveness of Lifeline as he is. Because if a
20 particular program isn't -- I mean, the use of the programs is
21 a means towards the end of serving poor people. The purpose of
22 Lifeline isn't to provide phone service to people on a
23 particular program. So we'll address that, and it will be in
24 our comments.

25 MS. CIBULA: Okay. Item 6 is additional issues of

1 participants.

2 MR. OCHSHORN: I'll be very brief. I'll put the
3 additional issues we have in our written comments, so you will
4 see that. The one issue I want to bring up very briefly here
5 as we go to whatever the next step is, is just to remind people
6 of something that would be obvious, and that is that poor
7 people are poor. That means that they don't have that much
8 money. And it's real important in getting people on a Lifeline
9 program that they can get on the program without having to have
10 to pay several hundred dollars in a short period of time. And
11 what we have found is that the company Lifeline programs that
12 particularly pay attention to this do very well as far as
13 getting people on Lifeline. Thank you.

14 MS. CIBULA: Anything else? Well, our next items on
15 the agenda are the post-workshop comments due date and the next
16 step in the process. And they are a little bit interrelated.
17 The next step in the process is going to be a Commissioner
18 workshop on the Lifeline rule, and that is scheduled for
19 September 20th. And with that in mind, we would like to get
20 your post-hearing comments by September 2nd, which is two weeks
21 from today.

22 MS. BULECZA-BANKS: When we are discussing the
23 post-workshop comments, we would like to get that detail of the
24 enrollment processes and the steps that you take. And
25 particularly in Number I, II -- Numbers I and II. Also, I wish

1 you would include your comments on what you think of a
2 possibility of using just the last four digits of the Social
3 Security Number. If that's a possibility, if you would include
4 that also in there.

5 MR. REHWINKEL: I have a question about these next
6 steps relative to the September 20th Commissioner workshop. If
7 the parties are able to come up with some sort of an
8 understanding that satisfies the Public Counsel's petition, be
9 it by a memorandum of understanding, or a negotiated rule, or
10 stipulation, or something, and recognizing also, if you agree
11 with me, that some of the issues we have talked about here are
12 beyond the scope of what the Public Counsel petitioned for,
13 would it be your desire to still have that workshop? Or if we
14 worked things out, would it be your thinking that that workshop
15 wouldn't be necessary? I'm just trying to figure out if we
16 have some incentive to avoid further work and proceedings, if
17 we negotiate with the Public Counsel?

18 MS. SALAK: It all depends. I mean, how progress is
19 being made, how quickly it will be. It depends. I mean --

20 MR. REHWINKEL: I guess I should have also added
21 this. Let's say if we address the concerns that were raised in
22 the Public Counsel's petition to his satisfaction, and
23 ultimately to the Commission's satisfaction, would the other
24 things that we talked about here, do you still want the
25 post-hearing comments on September 2nd if we -- and I'm just

1 trying to figure out is there more that we discussed here today
2 that you would still want to go forward with.

3 MS. SALAK: I think that we have probably --

4 MR. REHWINKEL: And I know it depends on what we
5 bring back to you, if we are able to do that.

6 MS. SALAK: Some of this information, of course, we
7 will be able to roll into the annual report. So depending on
8 what you stipulate, or what is worked on, and Staff will gladly
9 participate if you would like us to. Ms. Banks has something
10 to say.

11 MS. BULECZA-BANKS: We're going to be sending out
12 that data request, the annual data request out very shortly.
13 So that would pose a question, if you didn't choose to answer
14 these in this form, we would then need to make sure we included
15 those same exact questions. In other words, you are going to
16 have to answer them either by September 2nd or when the due
17 date is for the data request on those processes.

18 MR. REHWINKEL: So if we work something out with the
19 Public Counsel, we could then just defer our efforts into
20 writing and preparing things to the data request?

21 MS. SALAK: I think that's -- for some of the
22 questions that staff is asking. I think that to address
23 whether or not the Commission workshop would move forward, I
24 would probably --

25 MR. REHWINKEL: I understand that is not your call.

1 MS. SALAK: Right. So, I can't answer that today.
2 But some of the information if it satisfies OPC's original
3 rulemaking, and depending on -- we will have some internal
4 discussions in-house, we would probably be able to deploy staff
5 resources in a more efficient and effective manner.

6 MR. REHWINKEL: I understand. And we are also
7 looking for the same efficiency, so we are just trying to
8 figure out if we have incentives to work things out. I don't
9 know if I have complicated Mr. Beck's life or not.

10 MS. SALAK: And I'm assuming all of this would be on
11 a quick turnaround, if we were going to hold up workshops, and
12 data requests, and everything else.

13 MR. CASEY: Is there an agreement between the parties
14 now to get together? Is OPC going to take the lead or --

15 MR. BECK: I think we will probably meet with
16 everybody.

17 MR. McCABE: You can take us to lunch.

18 MR. BECK: And we could pay, huh?

19 MR. REHWINKEL: I think there is a consensus that we
20 will do that, but we are going to probably talk about it on an
21 industry call that we are going to try to have on the
22 short-term.

23 MS. SALAK: And if you are not going to invite us to
24 the meetings, could we at least be kept informed? But we will
25 gladly come to the meetings, if you would like us to.

1 MS. CIBULA: Well, unless there is anything else, I
2 guess we can be adjourned. Thank you.

3 MR. CASEY: Thank you all for coming.

4 MS. CIBULA: And if you haven't signed up on the
5 sign-in sheet, if you could do that.

6 (The workshop concluded at 12:15 p.m.)

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

STATE OF FLORIDA)

CERTIFICATE OF REPORTER

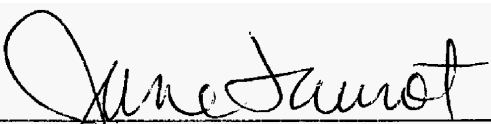
COUNTY OF LEON)

I, JANE FAUROT, RPR, Chief, Office of Hearing Reporter Services, FPSC Division of Commission Clerk and Administrative Services, do hereby certify that the foregoing proceeding was heard at the time and place herein stated.

IT IS FURTHER CERTIFIED that I stenographically reported the said proceedings; that the same has been transcribed under my direct supervision; and that this transcript constitutes a true transcription of my notes of said proceedings.

I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties, nor am I a relative or employee of any of the parties' attorney or counsel connected with the action, nor am I financially interested in the action.

DATED THIS 26th day of August, 2004.



JANE FAUROT, RPR
Chief, Office of Hearing Reporter Services
FPSC Division of Commission Clerk and
Administrative Services
(850) 413-6732