I. Meeting Packet

State of Florida

Public Service Commission

INTERNAL AFFAIRS AGENDA

Monday - October 19, 2015
Immediately Following Special Agenda Conference
Room 105 - Gerald L. Gunter Building

1. Pipeline and Hazardous Materials Safety Administration (PHMSA): 2015 Grant Program in Support of Natural Gas Pipeline Safety (Attachment 1)

2. Draft 2015 Lifeline Report (Attachment 2)

3. Briefing on US Environmental Protection Agency Actions to Regulate Carbon Dioxide Emissions From Power Plants (Attachment 3)

4. Executive Director's Report

5. Other Matters

BB/ks

OUTSIDE PERSONS WISHING TO ADDRESS THE COMMISSION ON
ANY OF THE AGENDAED ITEMS SHOULD CONTACT THE
OFFICE OF THE EXECUTIVE DIRECTOR AT (850) 413-6463.

Attachment 1

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: October 5, 2015

TO: Braulio L. Baez, Executive Director

FROM: Lisa S. Harvey, Deputy Executive Director, Technical
Apryl C. Lynn, Deputy Executive Director, Administrative
Mary Anne Helton, Deputy General Counsel

RE: Pipeline and Hazardous Materials Safety Administration (PHMSA): 2015 Base Grant Application in Support of the Natural Gas Pipeline Safety Program
Critical Information: Please place on the October 19, 2015 Internal Affairs. **Approval to proceed is sought.**

The Commission has an opportunity to pursue a federal grant from the United States Department of Transportation that would provide support to the Florida Public Service Commission Pipeline Safety Program. The grant supports up to 80 percent of the cost of personnel, equipment and activities required to carry out inspection and enforcement activities of intrastate pipeline facilities. The grant funding specifically reimburses the expenses associated with the inspection of natural gas pipeline facilities to ensure compliance and enforcement as necessary with applicable chapters of Title 49 of the Code of Federal Regulations (CFR).

Chapter 601, Title 49, of the CFR provides the federal statutory framework for the pipeline safety program. Under the direction of the United States Department of Transportation, the Pipeline and Hazardous Materials Safety Administration (PHMSA) has exclusive authority for the safety regulation of interstate pipeline facilities. Responsibility for intrastate pipeline facilities can be delegated to individual states under annual certification agreements. The Commission has entered into an annual certification agreement with PHMSA since 1971. The Commission also has statutory authority for gas safety regulation in The Gas Safety Law of 1967, in Chapter 368, Florida Statutes (F.S.). State statutory authority for gas safety began in 1967.

Any state interested in receiving federal financial support for its pipeline safety program must make an application each September providing PHMSA with projected gas safety expenses for the following calendar year. State pipeline safety programs are eligible for reimbursement funding of a maximum of 80 percent of actual program costs. This reimbursement comes approximately six months after the conclusion of the calendar year in which expenses were incurred.

The actual amount of federal reimbursement depends upon three factors: (1) federal appropriations for the gas safety program, (2) State Base Grant allocation formula and (3) Florida's program performance.

In 2014, $43.7 million was allocated to the PHMSA natural gas program by Congress. This money is awarded to the participating states[1] based on the degree to which a state has met performance requirements. On average in 2014, states received 75.86 percent of their approved year-end costs.

Numeric points are assigned for achieving specific levels of performance based on information submitted to PHMSA in an annual progress report and the results of an on-site Annual Program Evaluation. Florida's 2014 composite evaluation score was 93.65[2]. If the Commission had pursued the Base Grant funding for 2014, this score would be used to determine Florida's allocation.[3]

The performance requirements applied to obtain the maximum 80 percent funding will include some items that the Commission cannot comply with, due to statutory constraints. For example, the maximum civil penalty pursuant to Section 368.061, F.S., is $25,000 per day for each violation, but the federal penalty is $200,000 per day. Also, the Commission's jurisdiction over master meter systems contained in Section 368.05, F.S., is not as comprehensive as the federal program requirement. These constraints may result in Florida receiving a reimbursement of less than the 80 percent.

Currently, the Commission's seven gas engineers annually evaluate 99 gas systems for compliance with Florida Statutes, Commission rules and federal regulations. The engineers also inspect new construction throughout the year. Plans and specifications are reviewed during these evaluations to assure the correct design factors are used for pipeline components and that the pipeline materials meet the required standards and quality. The Commission's pipeline safety oversight includes 27,433 miles of main, 529 miles of transmission lines and 858,960 services. The budget for the gas safety program is estimated at $1.0 million.

With the exception of calendar year 1982, the Commission has not applied for reimbursement funding. In 1982, the Commission applied for and received only 25 percent ($58,626) of the then 50 percent maximum reimbursement expected. This shortfall was attributable to insufficient congressional funding of the grant program and the allocation formula applied to the dollars requested by the Commission. The federal requirements for participation in the grant program coupled with the uncertainty of associated reimbursements appear to be the reasons the Commission has not applied for participation in the grant program since 1982.

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[1] Forty-six states participate in the U. S. Department of Transportation Base Grant funding; the two non-participating states are Florida and South Carolina. (Hawaii and Alaska do not have state programs)

[2] We received point reductions in the jurisdiction category because we do not have statutory authority over Liquid Petroleum Gas operators and only limited authority over Master Meters. We also received point reductions in the state adoption of the maximum civil penalty requirements category.

[3] In 2014, Missouri received a score similar to Florida's and received 73.44 percent of its actual approved year-end costs.

A Pipeline Safety Grant Program Review will be conducted at intervals not to exceed three years by PHMSA to ensure that costs submitted for reimbursement are appropriate and conform to policies outlined in the *Guidelines for States Participating in the Pipeline Safety Program.* The pipeline safety program would also be included in the scope of an independent annual statewide audit of those agencies receiving federal funding.

Staff has reviewed the June 2015 *Guidelines for States Participating in the Pipeline Safety Program* and it appears that the Commission is already complying with all necessary legal requirements to qualify for the federal grant. The Commission will be required to report a budget and corresponding expenditures each year. These reporting requirements will require some minor administrative changes to ensure proper accounting procedures are followed. In addition the Commission must follow Section 216.103, F.S., to meet the state requirements for accepting federal funds.

In addition to a comprehensive review of the federal guidelines, staff also held teleconferences with several states which receive funding to get a realistic understanding of the requirements. Staff also held discussions with officials at PHMSA to discuss the grant application and review process. PHMSA has encouraged the Commission to pursue the grant. Based on its research and analysis staff believes that the Commission is capable of complying with state and federal regulations and should submit a 2015 Natural Gas Pipeline Safety Program Base Grant Application to the U.S. Department of Transportation.

cc: Charlie Beck
Steve Stolting
Tom Ballinger
Rick Moses

Attachment 2

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: October 8, 2015

TO: Braulio L. Baez, Executive Director

FROM: Robert J. Casey, Public Utilities Supervisor, Office of Telecommunications
Beth W. Salak, Director, Office of Telecommunications
Cynthia L. Muir, Director, Office of Consumer Assistance & Outreach
Keino Young, Attorney Supervisor, Office of the General Counsel
Leslie Ames, Attorney, Office of the General Counsel

RE: 2015 Annual Lifeline Report regarding the Number of Customers Subscribing to Lifeline Service and the Effectiveness of Any Procedures to Promote Participation.

Critical Information: ACTION IS NEEDED – October 19, 2015 Internal Affairs. **Commission Approval of the Lifeline draft report is sought.** The 2015 Lifeline Final Report is due to the Governor, President of the Senate, and Speaker of the House by December 31, 2015.

Staff is seeking approval of the draft 2015 Annual Lifeline Report regarding the number of customers subscribing to Lifeline Service and the effectiveness of any procedures to promote participation. Section 364.10(2)(h), Florida Statutes, requires the FPSC to provide this report to the Governor, President of the Senate, and Speaker of the House of Representatives by December 31 each year. The report details regulatory actions impacting the Lifeline Program and Lifeline Awareness promotions in Florida. **Commission Approval of the Lifeline draft report is sought.**

As of June 30, 2015, 833,612 eligible customers participated in the Florida Lifeline program. The attached draft report has been prepared to fulfill the Florida legislative requirement. Staff is seeks approval of the draft of the 2015 annual Lifeline Report.

Attachment

DRAFT

A report to the
Governor
President of the Senate
Speaker of the House of Representatives

FLORIDA

LIFELINE

ASSISTANCE

Number of Customers Subscribing to Lifeline Service and the Effectiveness of Procedures to Promote Participation

December 2015

FLORIDA

LIFELINE

ASSISTANCE

Number of Customers Subscribing to Lifeline Service and the Effectiveness of Procedures to Promote Participation

Office of Telecommunications
Office of Consumer Assistance & Outreach

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List of Acronyms

CFR	Code of Federal Regulations
DCF	Department of Children and Families
ETC	Eligible Telecommunications Carrier
FCC	Federal Communications Commission
FPSC	Florida Public Service Commission
NCPW	National Consumer Protection Week
NLAD	National Lifeline Accountability Database
OPC	Office of Public Counsel
SNAP	Supplemental Nutrition Assistance Program (formerly Food Stamps)
TCA	Temporary Cash Assistance
USAC	Universal Service Administrative Company
USF	Federal Universal Service Fund

I. Executive Summary

The Florida Lifeline program is part of the federal Universal Service Program designed to enable low-income households to obtain and maintain basic local telephone service in accordance with Section 364.10, Florida Statutes (F.S.) The Lifeline program offers qualifying households a minimum $9.25 discount on their monthly phone bills, or a free Lifeline cell phone and monthly minutes from certain wireless providers. This report presents Lifeline participation data for the July 2014 through June 2015 program year, and evaluates procedures put in place to strengthen and streamline the Lifeline program.

As of June 30, 2015, 833,612 eligible households participated in the Florida Lifeline program, which equates to approximately one of every ten Florida households.[1] Lifeline assistance participation includes the involvement of the Florida Public Service Commission (FPSC), the Florida Department of Children and Families (DCF), the Florida Office of Public Counsel (OPC), the Florida Department of Education (DOE) and other state agencies that provide benefits to persons eligible for Lifeline service.[2]

Over 41 percent of all Lifeline-eligible Florida households are receiving Lifeline assistance. The Supplemental Nutrition Assistance Program (SNAP) continues to be the largest qualifying program for Lifeline assistance in Florida. Based upon June 2015 SNAP participants, the Lifeline eligible households[3] increased by 4.2 percent compared to 2014 data.

"*Spread a Little Goodwill!"* was the slogan for Florida's 2015 Lifeline Awareness Week, September 14-20. In addition to increasing awareness among eligible citizens, this year's Lifeline Awareness Week continued educating residents on the FCC rule changes. FPSC Commissioner Ronald Brisé kicked off the week by hosting an event at Goodwill Industries' Prosperity Center in Tallahassee.

The Commission continues to focus on enrollment process issues as a means of increasing participation. Specific enrollment process initiatives include the following:

- FPSC Lifeline Coordinated Online Application Process
- FPSC/DCF Coordinated Lifeline Enrollment
- Annual Recertification Procedures
- DCF Certification/Verification Web Services Interface
- Lifeline Work Group Meetings
- National Lifeline Accountability Database

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[1] Based on the Florida Legislature Office of Economic and Demographic Research, there are approximately 7,768,092 households in Florida as of the July 2015 Florida Demographic Estimating Conference.

[2] Section 364.10(2)(g)1, F.S., requires each state agency that provides benefits to persons eligible for Lifeline service to undertake, in cooperation with the DCF, the Department of Education, the FPSC, the OPC, and ETCs providing Lifeline services, the development of procedures to promote Lifeline participation.

[3] According to the U.S. Department of Agriculture Report, "*Supplemental Nutrition Assistance Program: Number Of Households Participating, ending June 30, 2015*," over 2,011,166 Florida households participated in the Supplemental Nutrition Assistance Program. See Figure 2.

II. Background

Each year, the FPSC is required to report to the Governor, the President of the Senate, and the Speaker of the House of Representatives on the number of customers subscribing to Lifeline service and the effectiveness of procedures to promote participation in the program. This report is prepared pursuant to the requirements contained in Section 364.10, F.S.

In Florida, if an applicant uses the electronic Lifeline Coordinated Enrollment Process[4] to apply for Lifeline, the process will confirm if the applicant is currently participating in the Medicaid, SNAP or Temporary Cash Assistance (TCA)[5] programs. If a program other than Medicaid, SNAP, or TCA, is used for certification, the customer must provide documentation of participation from the administering agency, which could be the Florida Department of Education (free school lunch program), the Social Security Administration (Supplemental Security Income), a county-level agency (Low-Income Home Energy Assistance Plan or Section Eight Housing), or the Bureau of Indian Affairs for documentation. Current data shows that over ninety-eight percent of Florida applicants using the Lifeline Coordinated Enrollment Process participate in Medicaid, SNAP, or TCA for eligibility.

If a Lifeline applicant chooses to apply for Lifeline directly with an eligible telecommunications carrier (ETC), the ETC can access the DCF web services[6] in real-time to confirm program participation for Medicaid, SNAP, and TCA. In Florida, certification and verification can be accomplished using this process if the applicant or existing Lifeline customer participates in the Medicaid, SNAP, or TCA programs which are administered by the DCF.

The National Lifeline Accountability Database (NLAD), which is maintained by the Universal Service Administrative Company (USAC),[7] is designed to help carriers identify and resolve duplicate claims for Lifeline Program supported service and prevent future duplicates. This database provides a means for carriers and state commissions to check, on a real-time and nationwide basis, if the household is already receiving a Lifeline Program supported service. USAC activated the National Lifeline Accountability Database for Florida Lifeline participants on March 6, 2014.

The FCC Lifeline Reform Order also called for the creation of a national eligibility database for certification and program participation verification of Lifeline applicants.[8]

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[4] The electronic Lifeline coordinated enrollment process was developed by the FPSC and DCF to allow an applicant for Medicaid, SNAP, or TCA to request and receive Lifeline assistance after approved for the DCF program.

[5] Nationally known as Temporary Assistance for Needy Families (TANF).

[6] The Web services interface allows Florida ETCs a secure gateway into the DCF computer to verify that a Lifeline customer is participating in the Medicaid, SNAP, or TCA programs administered by DCF. The ETC enters the person's first and last name, date of birth, and last four digits of the person's social security number. The DCF computer responds as to whether the person currently participates in one of the DCF programs without identifying the program because of confidentiality. An ETC must pre-register with DCF to use the Web services interface to ensure security is maintained.

[7] The Universal Service Administrative Company (USAC) is an independent, not-for-profit corporation designated by the Federal Communications Commission as the administrator of the USF. USAC collects contributions from telecommunications carriers and administers support programs designed to help communities across the country secure access to affordable telecommunications services.

[8] A single nationwide database will be deployed and the physical infrastructure, connections, and all related components will be located in a single location (or several locations to establish sufficient redundancy).

III. Lifeline Participation

Currently, FCC rules allow a $9.25 maximum reimbursement per Lifeline-eligible customer per month from the USAC to a participating Lifeline carrier. The additional tier of support, available only to eligible subscribers living on tribal lands, provides a credit up to $25.00 per month.

Florida Transitional Lifeline Assistance requires that ETCs offer former Lifeline customers, who are no longer eligible, a 30 percent discount off the residential basic local service rate. The customers are eligible to receive the discount for one year from the date the customer ceases to be qualified for Lifeline.[9]

Program-Based

Eligibility for Lifeline in Florida can be determined by customer enrollment in any one of the following programs:[10]

- Food Assistance (SNAP)
- Medicaid
- Federal Public Housing Assistance (Section 8)
- Supplement Security Income
- Low-Income Home Energy Assistance Program
- Temporary Cash Assistance (TCA)
- National School Lunch Program - Free Lunch
- Bureau of Indian Affairs Programs: Tribal Temporary Assistance to Needy Families, Head Start Subsidy and National School Lunch Program

Income-Based

In addition to the program-based criteria, customers with annual incomes up to 150 percent of the Federal Poverty Guidelines may be eligible to participate in the Florida Lifeline program. Section 364.10(2)(a), F.S., provides that each local exchange telecommunications company that has more than one million access lines and is an ETC shall provide Lifeline service to citizens who meet an income eligibility test of up to 150 percent of the Federal Poverty Guidelines.[11] The U.S. Department of Health and Human Services updated the 2015 Federal Poverty Guidelines, as shown in Attachment A.[12] The OPC certifies customer eligibility under the income test for customers requesting to be enrolled in the Lifeline program for the three major companies designated as ETCs. The OPC also performs income certification for wireless ETCs who have filed a notice of election to do so with the FPSC.[13]

The number of subscribers enrolled in Lifeline was 833,612 as of June 30, 2015, a 13 percent decrease from the number of subscribers last year. Figure 1 shows the number of Lifeline

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9 Section 364.105, F.S.

10 Rule 25-4.0665(1) and (2), Florida Administrative Code.

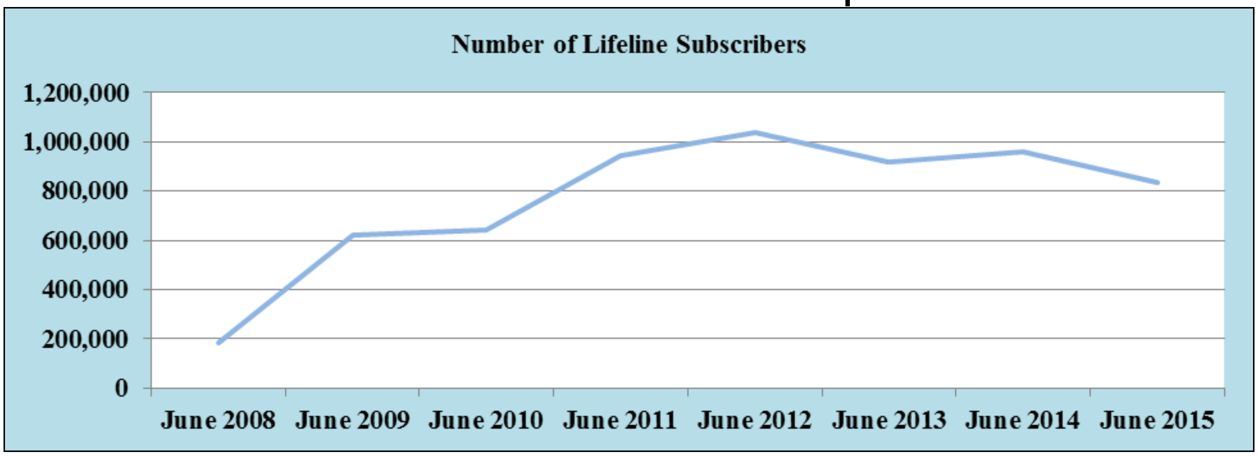
11 47 C.F.R. §54.409 (1) requires that a consumer's household income must be at or below 135% of the Federal Poverty Guidelines for a household.

12 Department of Health and Human Services, Annual Update of the Department of Health and Human Service Poverty Guidelines. See Federal Register Notice, January 22, 2015.

13 See Section 364.10(2)(a), F.S.

subscribers from June 2008 through 2015. In 2013, the decrease in subscribership was largely attributable to the new FCC rules which require annual recertification of every subscriber receiving Lifeline credits. Many customers failed to respond to the ETCs' recertification requests and were removed from the program. In 2015, the decrease in subscribership was again principally due to subscribers failing to recertify their eligibility, along with the implementation of the National Lifeline Accountability Database which prevents Lifeline subscribers from receiving more than one Lifeline credit, and oversight of the ETC agent sign-up process.

Figure 1
Florida Lifeline Subscribership



Source: Industry responses to FPSC data requests (2008-15)

For fiscal year ending June 2015, there was a decrease in subscribership of 124,180 households, or 13 percent. Wireless ETCs accounted for over 84 percent of the decrease. Lifeline eligible households increased by 81,060 or 4.2 percent compared to 2014. The participation rate decreased to 41.4 percent, a decrease of 8.2 percentage points from the previous year. The reason for the decrease can be attributed to subscribers failing to respond to recertification efforts, the success of fighting fraud, waste, and abuse in the program, and the initiation of the National Lifeline Accountability Database. Considering the number of households which are eligible to receive Lifeline in Florida and the current participation rate, these numbers demonstrate the continued need for the Lifeline program. Figure 2 shows participation rates in Florida households from June 2012 through June 2015.

Figure 2
Lifeline Participation Rate in Eligible Florida Households for 2012-2015

Year	Lifeline Enrollment	Eligible Households	% Participation Rate
June 2012	1,035,858	1,864,183	55.6%
June 2013	918,245	1,952,890	47.0%
June 2014	957,792	1,930,106	49.6%
June 2015	833,612	2,011,166	41.4%

Sources: U.S. Department of Agriculture data figures are as of June 2015

IV. Lifeline Providers

Section 54.201(b) of the Code of Federal Regulations (CFR) allows state commissions to designate a common carrier that meets certain requirements as an ETC[14] in a non-rural service area. The CFR also allows state commissions to designate one or more common carriers as an ETC in a rural service area.[15] The FPSC has determined that before designating a carrier as an ETC, it should make an affirmative determination that such designation is in the public interest, regardless of whether the applicant seeks designation in an area served by a rural or non-rural carrier.[16]

To qualify as an ETC, a common carrier must offer services that are supported by federal universal service support mechanisms, either using its own facilities or a combination of its own facilities and another carrier's resold service,[17] and the carrier must advertise the availability of such services and charges. Additionally, a company applying and qualifying for designation as an ETC must demonstrate good management and legitimate business practices to successfully administer the Lifeline program.[18]

In 2011, the FCC took a technology neutral approach and determined that ETCs can use any platform to provide voice service. Figure 3 shows the twenty-one companies which had ETC status and participated in the Lifeline Program in Florida as of June 30, 2015.[19]

[14] Florida House Bill 1231, the Florida 2011 Legislature, removed the FPSC authority to designate ETC wireless telecommunication providers. Effective July 1, 2012, wireless providers must directly apply for Florida ETC designation with the FCC.

[15] A state commission also has the authority to rescind the ETC status of any ETC designated by it that does not follow the requirements of the Lifeline Assistance program.

[16] See Docket No. 120165-TP, In RE: Application for designation as an Eligible Telecommunications Carrier (ETC) pursuant to Section 214(e)(2) of the Communications Act of 1934 for the limited purpose of receiving federal Universal Service Low Income support for providing Lifeline service to qualified households in its non-rural service territory, by Cox Florida Telecom, LP., Order No. PSC-12-0500-PAA-TP, issued September 28, 2012.

[17] Those services supported by Universal Service include the following: (1) voice grade access to the public switched network or its functional equivalent, (2) minutes of use for local service provided at no additional charge to end users, (3) toll limitation to qualifying low-income consumers, and (4) access to the emergency services 911 and enhanced 911 services to the extent the local government in an eligible carrier's service area has implemented 911 or enhanced 911 systems. However, the FCC started phasing down toll limitation service reimbursement in 2012 and completely eliminated it effective January 1, 2014.

[18] 47 C.F.R. §54.201(h).

[19] By Order No. PSC-15-0119-PAA-TX, issued March 6, 2015, the FPSC approved Nexus Communications, Inc. d/b/a Nexus Communications TSI, Inc.'s request for cancellation of its competitive local exchange certificate, and relinquishment of its ETC designation.

Figure 3
ETCs Participating in Florida Lifeline Program

Florida Companies Designated as ETCs	
AT&T Florida (AT&T)	Budget Phone
Cox Florida Telecom, LP	CenturyLink
FLATEL, Inc.	Frontier Communications
Global Connection Inc.	FairPoint Communications
Access Wireless	ITS Telecommunications
Knology of Florida, Inc.	Quincy Telephone Company
NEFCOM	Sun-Tel USA, Inc.
Smart City Telecom	Tele Circuit Corporation
T-Mobile Wireless	Verizon Florida, LLC
SafeLink Wireless	Windstream Florida, Inc.
Assurance Wireless	

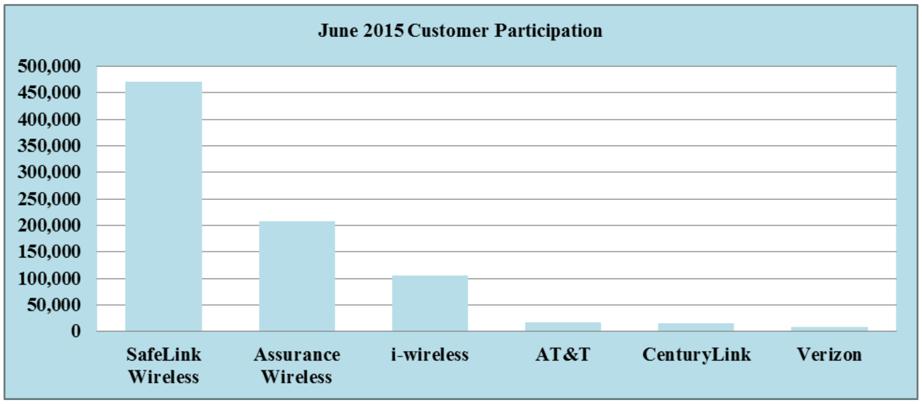
As of July 1, 2011, the FPSC no longer has authority to designate wireless ETCs in the State of Florida. Wireless ETC applications for Florida are now filed directly with the FCC. Figure 4 shows the 35 Florida ETC Wireless petitions pending at the FCC.

Figure 4
Companies with Pending ETC Designation Petitions at FCC as of June 2015

ETC Petitions Pending at FCC	
Airvoice Wireless	American Broadband
Amerimex	Assist Wireless
Blue Jay Wireless	Boomerang Wireless
Budget PrePay, Inc.	Cintex Wireless
Consumer Cellular	Excess Telecom
EZ Reach Mobile	FedLink Wireless
ZING PCS	Free Mobile
Global Connection	Kajeet
Linkup Telecom	LTS of Rocky Mount
Millennium 2000	Mobile Net POSA
Nexus Communications	Platinum Tel
Odin Wireless	Q Link Wireless
TAG Mobile	TNT Wireless
Tele Circuit Network	AmTel
Telrite	Tempo Telecom
TerraCom	Total Call Mobile
True Wireless	Vast Communications
You Talk Mobile	

Figure 5 shows the six Florida ETCs with the largest number of Lifeline customers in June 2015, which represents 99 percent of the total Lifeline customer participation.

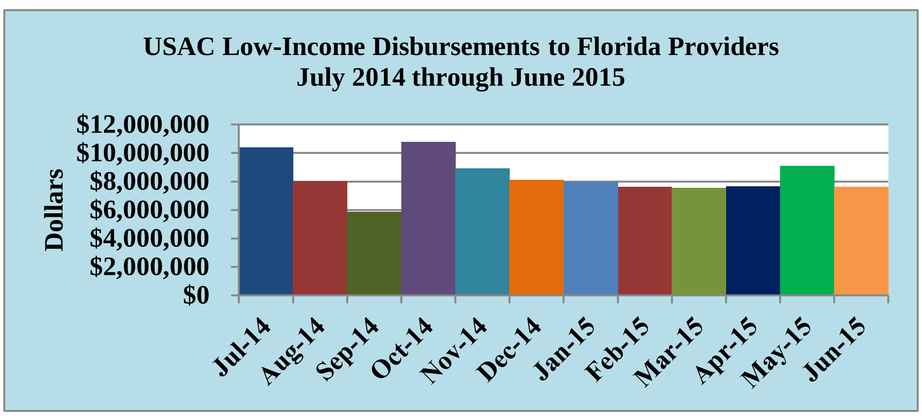
Figure 5
Six Florida ETCs with the Largest Number of Lifeline Customers in June 2015



Source: Industry responses to 2015 FPSC data requests

Figure 6 reflects the USAC Lifeline disbursements to Florida for the 12-month period ending June 2015, totaling $99,752,966, an average of $8,312,747 per month over the period. These dollars enabled Florida citizens qualifying for Lifeline benefits to receive discounted monthly bills with a current minimum credit of $9.25, or a free Lifeline wireless phone with up to 250 free monthly minutes from certain wireless providers.

Figure 6
USAC Low Income ETC Disbursements to Florida Providers



Source: USAC Disbursements Florida July 2014-June 2015[20]

As of June 30, 2015, the total Lifeline enrollment in Florida was 833,612 households. Florida had a 13 net percentage decrease in enrollment as of June 30, 2015, over the previous year. Attachment B represents the historic enrollment figures for the Lifeline program listed by each of the ETCs.

[20] The Figure 6 fluctuations in the months of September 2014 and October 2014 were caused by Assurance Wireless' filing dates for Lifeline credit reimbursement from the USF.

V. Lifeline Enrollment Process and Improvement Activities

A. Lifeline Electronic Coordinated Enrollment Process

Implementation of the electronic Lifeline Coordinated Enrollment Process has been a major success. The FPSC began formally tracking the number of Lifeline applications filed via the Lifeline Coordinated Enrollment Process in April 1, 2007. Cumulative Lifeline coordinated enrollment applications as of June 30, 2015, totaled 739,115 over the eight year period.

The coordinated enrollment process requires a DCF client to indicate an interest in receiving the Lifeline discount. The applicant then identifies a telephone service provider from a drop-down box on the application and answers applicable questions. Once a client is determined to be eligible for Medicaid, SNAP, or TCA, DCF will forward the necessary information for Lifeline enrollment to the FPSC. The FPSC places this information on a secure website for retrieval by the appropriate ETC.

All ETCs are required to enroll the subscriber in the Lifeline program as soon as possible, but no later than 60 days from the receipt of the FPSC's email notification. In addition, the ETC is required to credit the subscriber's bill for Lifeline service as of the date the ETC received the FPSC's email notification.[21]

ETCs are required to provide the FPSC the names, addresses, telephone numbers, and the date of the application for any misdirected applications; any applications for customers currently receiving Lifeline service; or any rejected applicants, including the reason(s) the applicants were rejected. FPSC staff then sends letters to the rejected applicants if the company they named on the application as providing their telephone service does not have them listed as a current customer, or if DCF could not confirm their current participation in one of their qualifying programs. FPSC staff includes a new application with the letter along with staff contact information if they need assistance with the application process.

B. Transitional Lifeline

In accordance with Section 364.105, F.S., current Lifeline customers who no longer meet eligibility criteria and are removed from Lifeline service are eligible to receive a 30 percent discount on the residential basic local service rate for a period of one year after ending Lifeline service. For example, a former Lifeline customer with a phone bill that includes a $25.00 basic rate would receive a $7.50 monthly discount for one year. Transitioning from Lifeline service means that the consumer's socio-economic status may have improved, and the customer may have advanced beyond the qualifying eligibility criteria.

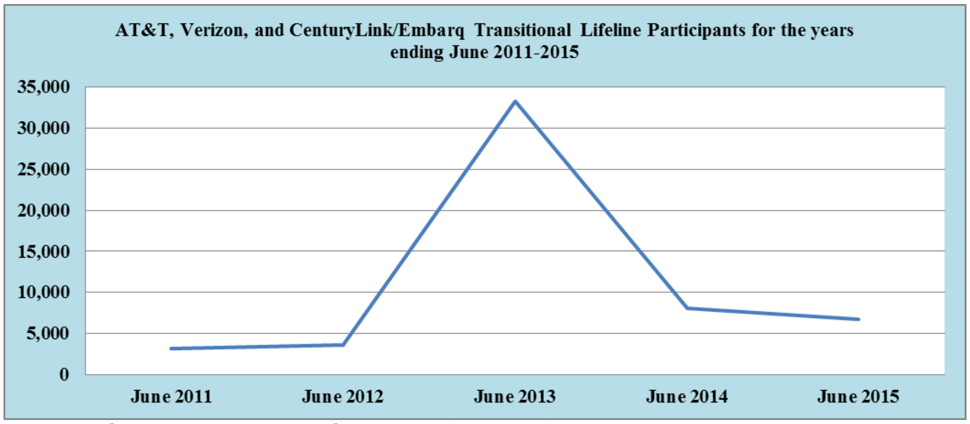
Figure 7 presents the number of Transitional Lifeline customers for AT&T, Verizon, and CenturyLink for June 2011 through June 2015. The large increase in the number of Transitional Lifeline participants in 2013[22] is attributable to customers being de-enrolled from the Florida Lifeline program due to the new FCC requirement to annually recertify Lifeline customers.

[21] See Rule 25-4.0665(10)(b), Florida Administrative Code.

[22] In 2013, AT&T reported 32,783; CenturyLink reported 488; and Verizon reported 23. In 2014, AT&T reported 4,921; CenturyLink reported 566; and Verizon reported 2,550. In 2015, AT&T reported 3,162; CenturyLink reported 1,429; and Verizon reported 2,155.

These former Lifeline participants may elect to receive Transitional Lifeline benefits for up to one year.

Figure 7
AT&T, Verizon, and CenturyLink Transitional Lifeline Participants 2011-2015



Source: Industry responses to FPSC data requests (2011-2015)

Several actions by the FPSC and FCC occurred during the July 1, 2014 through June 30, 2015 period. A discussion of these initiatives is presented below.

C. Florida Public Service Commission Activities

Lifeline Work Group Meeting January 2015

The Lifeline Work Group was created by Section 364.10(2)(g)3, F.S., and includes the FPSC, DCF, OPC, and each Florida ETC offering Lifeline service. Its purpose is to determine how the eligible Lifeline subscriber information will be shared, the obligations of each party with respect to the use of that information, and the procedures to be implemented to increase enrollment and verify eligibility in these programs.

FPSC staff conducted a meeting of the Lifeline Work Group on January 21, 2015. The purpose of this meeting was for the Lifeline Work Group to discuss the Florida DCF Web Services Interface which verifies participation in the Medicaid, Temporary Assistance for Needy Families, and Supplemental Nutrition Assistance Programs. The workgroup also discussed the National Lifeline Accountability Database, the transition of telecommunications networks from time-division multiplexing switches to digital switches, and Lifeline annual recertifications. In addition, FPSC staff sought ideas to streamline the Lifeline enrollment process for both the applicant and ETC. A transcript of the meeting along with post-workshop comments can be found at http://www.floridapsc.com/utilities/telecomm/.

Comments Filed by the FPSC in Response to the FCC Lifeline Second Further Notice of Proposed Rulemaking

On June 18, 2015, the FCC adopted a Second Further Notice of Proposed Rulemaking in which the FCC sought comment and reply comment on proposals to modernize the Lifeline program.

On August 31, 2015, the FPSC submitted comments in response to the FCC's Second Further Notice of Proposed Rulemaking and encouraged the FCC to consider the following:

- A budget or cap for Lifeline would help curb the excessive growth of the low-income program as broadband is introduced into it. If necessary, the budget could be tied to the growth or decrease in federal Supplemental Nutrition Assistance Program (SNAP) program participants.

- The Florida Public Service Commission (FPSC) would support limiting the number of qualifying Lifeline programs to SNAP, Medicaid, and Temporary Assistance for Needy Families (TANF).

- The FPSC believes that before any preemption of authority of states to designate ETCs takes place, the FCC should refer the matter to the Federal-State Universal Service Joint Board for consideration and input.

- The FPSC believes agents should not be paid on commission for each Lifeline application submitted. Until such time as the FCC decides whether a third party should conduct Lifeline eligibility, ETCs, rather than their agents or representatives, should review and approve consumer documentation of eligibility before the ETC activates Lifeline service or seeks reimbursement from the Federal Universal Service Fund (USF). In addition, any agents or third-parties acting on behalf of ETCs should receive training before taking part in the enrollment process and again every twelve months thereafter in order to ensure that every person involved in enrolling and verifying consumers for Lifeline has been adequately educated about the program and its requirements. To assist in the Federal-State partnership goal of eliminating fraud, waste, and abuse in the USF low-income program, the FPSC also suggests that the FCC include language in future ETC designation orders that if a state has a state Lifeline program, the ETC must follow it.

- If an agency administers Lifeline eligible programs such as SNAP and Medicaid and participates in Lifeline coordinated enrollment, there should also be a process whereby Lifeline participants who are determined to be no longer eligible for these programs are automatically de-enrolled.

- The FPSC believes that a "yes" or "no" response indicating whether the person is currently participating in SNAP, Medicaid, or TANF is appropriate for queries into state eligibility databases.

- The FPSC supports changing the 60-day non-usage requirement to 30 days in order to eliminate any unnecessary reimbursement from the USF.

- The FPSC believes that any new Lifeline broadband rules implemented as a result of the FCC's Further Notice of Proposed Rulemaking, should be reassessed after a period of one year to determine if the $9.25 reimbursement rate is sufficient. The FPSC also believes that an end-user charge would be a barrier to enrollment, and should not be imposed if broadband is added to Lifeline.

- Ideally, the FCC should refer all the Lifeline issues to the Universal Service Joint Board that jointly involve the FCC and states, before implementation. However, if it is determined that this procedure might delay the process beyond the timeframe of the FCC, then only the issues that require the FCC and state partnership should be referred to the Joint Board. The FCC should also refer those issues to the Universal Service Joint Board after new rules have been in effect for one year in order to assess the outcome of the new rules and enable some of them to be tweaked, if necessary.

FPSC Continued Actions to Prevent Waste, Fraud and Abuse of the Federal Universal Service Fund

In 2014-2015, Florida continued enforcing safeguards to prevent waste, fraud, and abuse of the USF. Florida's leadership in implementing and administering the National ETC State Coordinating Group to monitor prospective and existing ETCs across the country, has enabled information sharing with all states[23] on a national basis. Protecting against waste, fraud, and abuse in the Lifeline program is contingent upon developing adequate safeguards to ensure that funds are being disbursed and expended according to state and federal regulations and guidelines. Florida has put in place a streamlined, efficient, and verifiable Lifeline Electronic Coordinated Enrollment process. This advanced process involves a computer interface between the FPSC and the DCF, for Lifeline applicants who currently participate in the Medicaid, the SNAP, or the TCA program. The FCC used the Florida Lifeline Electronic Coordinated Enrollment process as an example of how states could implement a Lifeline coordinated enrollment process.[24] The FPSC monitors monthly USFs disbursed to ETCs operating in Florida to determine the number of Lifeline participants in Florida by month.

In January 2015, the FPSC began receiving complaints from consumers that TracFone Wireless, d/b/a SafeLink Wireless, was signing-up consumers using only a veteran's status as a qualifying Lifeline criteria, which it is not. Further complaints and inquiries by FPSC staff indicated SafeLink agents were using qualifying criteria such as being a law enforcement officer, a firefighter, a state employee, or just a resident of Florida as qualifying criteria for consumers to sign-up for Lifeline, which they are not. On August 4, 2015, a conference call was held with SafeLink management to discuss this matter. SafeLink management advised the FPSC that all agent sign-ups in Florida had been suspended that day pending further investigation. Since that time, SafeLink fired the agent company responsible for signing-up the ineligible consumers to Lifeline. As a consolation to those veteran's who have received a SafeLink phone but are ineligible, SafeLink is allowing them to keep the handset and is providing free minutes to them each month until the end of 2015. In addition, SafeLink self-reported the agent scheme to the FCC and Department of Justice in addition to reimbursing the federal USF over $11 million.

The FPSC strives to protect the integrity of the Lifeline program in the State of Florida and takes appropriate enforcement action when necessary. The FPSC has statutory authority to grant

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[23] The ETC State Coordinating group includes state commission members from all fifty states, the District of Columbia, and the Commonwealth of Puerto Rico.

[24] See Order FCC 15-71, Footnote 215.

landline ETC designations, and can also revoke ETC status when warranted. Unlawful and inappropriate USF disbursements are inconsistent with public trust and negatively impacts states like Florida, which contribute more into the USF than it receives. Florida continues to be commended by the FCC for its continued and formidable efforts to identify and eliminate fraud in the Lifeline Assistance program and USF.

D. Federal Communications Commission Activities

FCC Second Further Notice of Proposed Rulemaking, Order on Reconsideration, Second Report and Order, and Memorandum Opinion and Order

On June 22, 2015, the FCC released Order FCC 15-71 which seeks to rebuild the current framework of the Lifeline program and continue its efforts to modernize the Lifeline program to utilize advanced networks. Among other issues, the FCC is seeking comment on inclusion of broadband into the Lifeline program, whether to set a budget for the Lifeline program, whether to change the programs through which consumers qualify for Lifeline, whether to permit Lifeline providers to opt-out of providing Lifeline service, and whether the ETC designation process should be streamlined by having only the FCC designate companies as ETCs instead of states and the FCC. The FCC Order removed the requirement that local exchange carriers must resell retail Lifeline-discounted service to other telecommunications companies for use by end users.

2014 Recertification of Florida Lifeline Subscribers

The FCC adopted a set of uniform recertification procedures that all ETCs must perform annually to verify the ongoing eligibility of their Lifeline subscribers.[25] To comply with the annual requirement for 2014, all ETCs and state Lifeline administrators were required to recertify the eligibility of their Lifeline subscriber base by the end of 2014, and report the results to USAC by January 31, 2015. Subscribers failing to respond to recertification efforts had to be de-enrolled from Lifeline. As a result of the 2014 recertification process, 142,248 customers or 14.34 percent were de-enrolled from the Florida Lifeline program.[26] Results of the recertification by company are presented in Attachment C.

ETCs have the option of recertifying subscribers in one of three ways in 2015. The first is to verify program or income-based eligibility where an ETC can query the available database to confirm the subscriber's continued eligibility. The second means is, in the absence of a database, the ETC must recertify the continued eligibility of a subscriber by writing, phoning, text messaging, emailing, Interactive Voice Response, or otherwise through the Internet using an electronic signature.

The third method of recertifying Lifeline customers would be to have the ETC elect the USAC to perform Lifeline recertification for their subscribers. USAC recertifies subscribers by mailing each subscriber a letter that provides the subscriber the notice, informing the subscriber that the subscriber has 30 days to recertify the subscriber's continued eligibility to receive Lifeline service or the subscriber will be de-enrolled from the Lifeline program. The letter would also

[25] See Order FCC 12-11, 27 FCC Rcd at 6714-22, paras. 129-148; 47 C.F.R. § 54.410(f).
[26] The 2013 recertification process de-enrolled 350,817 customers or 34.05 percent of participants from the Florida Lifeline program.

explain the recertification process and how the subscriber may confirm his or her eligibility. Subscribers also would receive a call or text message during the 30-day period to prompt a response. Any subscriber response submitted after the 30-day deadline will not be processed, and the subscriber would be considered ineligible for the program and will be de-enrolled. If an ETC is unable to recertify a subscriber, the subscriber is offered transitional Lifeline benefits at a 30 percent discount of the local telecommunications service rate for one year.[27]

Duplicate Lifeline Support

Eligible consumers can only receive one Lifeline-supported service per household.[28] If there are two households residing at one address and each desires to participate in Lifeline, each applicant has to complete a one-per-household worksheet to demonstrate that each applicant is living in a separate economic unit and not sharing living expenses (bills, food, etc.) or income with another resident.[29]

By Order FCC 12-11, the FCC directed USAC to establish a database to both eliminate existing duplicative support and prevent duplicative support in the future. To prevent waste in the USF, the FCC created and mandated the use by ETCs of a National Lifeline Accountability Database (NLAD) to ensure that multiple ETCs do not seek and receive reimbursement for the same Lifeline subscriber. The NLAD conducts a nationwide real-time check to determine if the consumer or another person at the address of the consumer is already receiving a Lifeline Program-supported service. Florida ETCs were operational on the NLAD starting March 6, 2014. At Florida's request, the FCC has agreed to allow states to have read-only access to this database starting in September 2015, to help prevent waste, fraud, and abuse of the Lifeline program.

National Lifeline EligibilityVerifier

In Order FCC 15-71, the FCC suggests establishing a national Lifeline eligibility verifier (national verifier) to make eligibility determinations and perform other functions related to the Lifeline program. A national verifier would review consumer eligibility documentation to verify Lifeline eligibility, and where feasible, interface with state eligibility databases to verify Lifeline eligibility. The FCC proposal for a national verifier would, at a minimum, review consumers' proof of eligibility and certification forms, and be responsible for determining prospective subscribers' eligibility.

AT&T TDM-to-IP Transition

On November 7, 2012, AT&T filed a petition asking the FCC to allow incumbent local exchange carriers to retire their existing Time-Division Multiplexing (TDM) services in select exchanges and introduce all-IP services in their place. On January 31, 2014, the FCC invited interested providers to submit detailed proposals to test real-world applications of planned changes in technology likely to have tangible effects on consumers. AT&T submitted its proposal to the

[27] Section 364.105, F.S., Discounted rate for basic service for former Lifeline subscribers.
[28] See id., 27 FCC Rcd at 6689, para. 74. The one-per-household rule is codified at 47 C.F.R. § 54.409(c). See 47 C.F.R. § 54.409(c). This rule became effective June 1, 2012. See Lifeline Reform Order, 27 FCC Rcd at 6859-60, para. 515; 77 FR 12952 (March 2, 2012), corrected by 77 FR 19125 (Mar. 30, 2012).
[29] A household Lifeline eligibility pre-screening tool is available at www.lifelinesupport.org.

FCC on February 27, 2014, to conduct the trials in a rural wire center in Carbon Hill, AL, and in a suburban wire center in Palm Beach County, FL (Kings Point).

AT&T is conducting the trials in three phases: phase one will have customers opt for new services voluntarily, phase two will grandfather TDM-based services, and phase three will sunset all TDM-based services in these exchanges and require customers to migrate to IP-based products. Within AT&T's wireline and wireless footprints, it will offer consumers and businesses wireline and wireless products as substitutions for traditional TDM services. In areas within AT&T's wireless footprint but outside its wireline footprint, only wireless services plan will be offered. In its February 27, 2014 filing, AT&T states that there is no reason to require AT&T to remain an eligible telecommunications carrier in the trial rate center solely to provide Lifeline, so it will be requesting that its ETC status be relinquished in the trial rate center and, if approved, it will no longer provide Lifeline there.

Petitions to FCC to Allow Incumbent Wireline Lifeline Providers to Opt-Out of the Lifeline Program

On September 15, 2014, AT&T submitted comments to the FCC stating that there is no reason in law or policy for the FCC to continue its current overly-broad ETC regime or its mandatory Lifeline requirements for incumbent local exchange companies. It believes Lifeline participation should be made voluntary for ILECs. AT&T urged the FCC to update its ETC and Lifeline rules and requirements to better reflect the existing competitive landscape." [30]

On October 6, 2014, the United States Telecom Association (USTA) filed a petition with the FCC for forbearance from various outdated regulatory requirements applicable to incumbent local exchange carriers, including mandatory provision of Lifeline. The USTA stated that almost all Lifeline customers prefer wireless services, and given the substantial non-reimbursable costs to carriers involved in Lifeline participation and the multiple Lifeline providers in price cap carriers' service areas, there is no reason to continue compelling price cap carriers to offer Lifeline service to consumers that do not want it.[31]

In Order FCC 15-71, the FCC sought comment on proposals that the FCC permit ETCs to opt-out of providing Lifeline supported service in certain circumstances. Pursuant to FCC's rules, carriers designated as ETCs are required to offer Lifeline supported service. AT&T, among others, notes in comments in response to the *Further Notice* that competition in the Lifeline program has resulted in multiple areas where several ETCs provision Lifeline supported service to the same potential customer base. The FCC sought additional comment on whether the FCC should relieve ETCs of the obligation to provide Lifeline supported service, pursuant to their ETC designation, in specific areas where there is a sufficient number of Lifeline providers. In considering this approach, it sought comment on what constitutes a sufficient number of providers and any other appropriate conditions to protect the public interest. It also sought comment on how to define an appropriate geographic area. The FCC asked that any party supporting such an opt-out mechanism comment on the process, transition, and other issues

[30] WC Docket No. 10-90, Connect America Fund; WC Docket No. 11-42, Lifeline and Link Up Reform and Modernization.
[31] Petition of USTelecom for Forbearance Pursuant to 47 U.S.C. §160(c) from Obsolete ILEC Regulatory Obligations that Inhibit Deployment of Next-Generation Networks.

associated with permitting ETCs to opt-out of providing Lifeline supported service in areas served by a sufficient number of ETCs offering Lifeline support.

The FCC noted that these proposals are similar to those currently under consideration in two other FCC proceedings—the USTA forbearance proceeding, and the Connect America Fund proceeding. In both of those proceedings, AT&T and others have argued that the FCC should separate or "de-link" carriers' Lifeline obligations from their ETC status.

In a September 9, 2015 filing at the FCC, AT&T reiterated that there are multiple Lifeline providers offering Lifeline-discounted service in every single AT&T wire center, and that the data shows that few Lifeline customers actually want AT&T's Lifeline service. Instead, these consumers overwhelmingly prefer wireless Lifeline service. AT&T maintains that it is unnecessary to require any of AT&T's price cap carrier affiliates to continue participating in the Lifeline program. The FCC committed that it would resolve all of the issues raised in AT&T's petition by January 4, 2016.[32]

VI. Lifeline Promotion Activities

Promotional activities in 2015 featured National Lifeline Awareness Week, National Consumer Protection Week, Older Americans Month, and ongoing "grassroots" efforts to increase awareness and enrollment in the Lifeline program**.**

Lifeline Across America

In 2015, the Lifeline Across America Working Group (FCC, National Association of Regulatory Utility Commissioners, and National Association of State Utility Consumer Advocates representatives) concentrated on the seventh annual National Lifeline Awareness Week. The Group's national effort is to ensure that low income families and individuals are aware of the Lifeline program and understand the participation requirements, including annual recertification and only one Lifeline discount per household. The FCC has taken steps to modernize its Lifeline program, seeking comment on restructuring the program to better support 21st Century communications while building on existing reforms to further reduce program fraud and abuse.

According to the National Association of Regulatory Utility Commissioners, more than seventeen state public utility commissions issued press releases, received gubernatorial proclamations, released radio and television public service announcements, and published letters-to-the-editor to help promote Lifeline in 2015.

National Lifeline Awareness Week (September 14-20, 2015)

"*Spread a Little Goodwill!"* was the slogan for Florida's 2015 Lifeline Awareness Week, September 14-20. In addition to increasing awareness among eligible citizens, this year's Lifeline Awareness Week continued educating residents on the FCC rule changes. FPSC

[32] In the Matter of Connect America Fund, WC Docket No. 10-90; Petition of USTelecom from Forbearance Pursuant to 47 U.S.C.§160(c) from Obsolete ILEC Regulatory Obligations that Inhibit Deployment of Next-Generation Networks, WC Docket No. 14-192; Lifeline and Link Up Reform and Modernization, WC Docket No. 11-42; Telecommunications Carriers Eligible for Universal Service Support, WC Docket No. 09-197. Comments of AT&T.

Commissioner Ronald Brisé kicked off the week by hosting an event at Goodwill Industries' Prosperity Center in Tallahassee. Event participants included: Mary Ann Lindley, Chairman, Leon County Board of County Commissioners; Scott Maddox, Commissioner, City of Tallahassee; and Fred G. Shelfer, Jr., President and CEO, Goodwill Industries–Big Bend.

Lifeline Awareness Week events were held at Goodwill facilities in Daytona, Orlando, Ft. Myers, Naples, Lehigh Acres, Port Charlotte, and Tallahassee to help Florida's eligible residents connect with possible job prospects, emergency and community services, and family and friends. Each event offered individual assistance to consumers applying for the Lifeline program.

National Consumer Protection Week and Other Community Events

The FPSC seeks existing community events as well as new venues and opportunities where Lifeline educational materials can be distributed and discussed with citizens. National Consumer Protection Week (NCPW), March 1-7, 2015, was a good back drop for Lifeline outreach activities. An annual consumer education campaign, NCPW encourages consumers to take advantage of their consumer rights. This year, FPSC Chairman Art Graham teamed up with the Jacksonville Jaguars to remind consumers to "Suit Up and Stay Protected!" and to tackle fraud. The FPSC made presentations in North Lauderdale, Hallandale Beach, Miramar, LaBelle, Punta Gorda, and Arcadia on protection against scams aimed at utility customers, energy and water conservation, and the Lifeline program.

For the fourth year, the FPSC participated in a national project called Older Americans Month--celebrated each May to honor and recognize older Americans for their contributions to families, communities, and society. *Get into the Act* was this year's theme, and the FPSC hosted ten educational sessions and distributed Lifeline, conservation, and fraud prevention information at senior communities in the Fort Myers area.

Each month, the FPSC also names a valued partner agency or organization as a "Helping Hand," for helping raise public awareness about the Lifeline program, energy and water conservation, and utility impersonation scams. One ongoing FPSC partner is the Jacksonville Senior Expo, where more than 5,500 seniors attend and have access to Commission brochures and publications, as well as to FPSC staff. The FPSC also shares Commission Lifeline brochures and publications during many events throughout Florida.

Figure 8
Events and locations where Lifeline information was shared in Florida

Lifeline Events and Locations	
Active Living Expo	Earth Day at Cascades Park
Senior Day at the Capitol	Jim Fortuna Senior Center
Wildwood Presbyterian Church	Ft. Braden Community Center
Martin Anderson Senior Center	Career Source Brevard
Titusville Housing Authority	North Brevard Senior Center
Marks Street Senior Center	Hatton B. Rogers Apartments
Sandpiper Run Apartments	Bonair Towers Apartments
Lake Kennedy Senior Center	Renaissance Preserve
Sunshine Villas Apartments	Edgar Johnson Senior Center

Lifeline Events and Locations (continued)	
Hispanic Heritage Month Community Celebration	Auburndale Senior Center
Greater Palm Bay Senior Center	Wickham Park Senior Center
Lake Morton Senior Center	L. Claudia Allen Senior Center
Renaissance Senior Center	Suwanee River Economic Council
Eagle Lake Senior Center	Lake Maude Neighborhood Center
Liberty Senior Center	Cherry Tree Apartments
Barry Manor Apartments	St. Johns River Apartments
The Villas at Hampton Park	The Villas at Carver Park
Joseph Meyerhoff Senior Center	Austin Hepburn Senior Center
L.J. Nobles Senior Center	Rebecca Neal Owens Center
Miramar Senior Center	Friendship Centers of DeSoto County
Jake Gaither Senior Day	Green Cove Springs Center
Weigel Senior Center	Players Community Center
Reverend Dr. Martin Luther King, Jr., Empowering Senior Day	6th Annual Southside Community Health & Fitness Fair-Maranatha Seventh Day Adventist Church
Suwanee County Health and Wellness Fair at Advent Christian Village in Dowling Park	Jacksonville Senior Expo

Library Outreach Campaign

Each year the FPSC provides educational packets, including FPSC publications and Lifeline brochures and applications in English, Spanish, and Creole, to Florida public libraries across the state for consumer distribution. The FPSC's Library Outreach Campaign reached 583 state public libraries and branches in 2015. This year, the FPSC sent the materials via a CD that included a print-ready copy of FPSC brochures for easy reproduction. Following the Campaign, many libraries' requests for additional publications have been filled.

Community Services Block Grant Program

The Florida Department of Economic Opportunity (DEO) includes Lifeline services as an indicator in its work plan, allowing Community Action Agencies to report the number of clients they help to secure Lifeline services. During the October 1, 2013 through September 30, 2014 reporting period, an estimated 1,397 households signed up for Lifeline benefits through local Community Action Agencies, with $245,700 in estimated benefits to clients. For the reporting period, 16 of the 27 Community Action Agencies provided Lifeline enrollment services to clients.

Income-Based Lifeline Applicants

The Office of Public Counsel (OPC) provides assistance to consumers applying for Lifeline based upon income level. During the July 2014 through June 2015 reporting period, OPC received over 15,000 calls from potential applicants seeking assistance and processed approximately 24,000 applications. OPC verifies income eligibility for consumers of the following telecommunication carriers: Assurance Wireless, AT&T Landline, CenturyLink Landline, SafeLink Wireless, T-Mobile Wireless, and Verizon Landline.

Ongoing Lifeline Outreach

Ensuring easy access to Lifeline information through the agencies and organizations having regular interaction with eligible consumers is crucial to the Lifeline awareness effort. The FPSC partners with many agencies year-round to make sure eligible consumers know about Lifeline and know how to apply. The Lifeline Partners listed in Attachment D have continued to develop new partnerships, participate in local community events, offer training sessions, provide updates about program changes, and supply brochures and applications.

Lifeline Partners

Attachment D shows local, state, and federal agencies, organizations, businesses, and telecommunications companies which are involved in the collaborative effort to increase awareness and participation in the Lifeline program. Each month, the FPSC sends a cover letter and informational packet to two organizations to encourage continued Lifeline outreach to their eligible clientele. Additionally, the FPSC schedules and conducts two monthly community events to promote Lifeline.

VII. Conclusion

As of June 30, 2015, 833,612 eligible customers participated in the Florida Lifeline program. The success of the Florida Lifeline program can be attributed to the continued partnership between the FPSC, DCF, OPC, and other agencies around the state that assist Florida low-income families.

As a result of Florida Lifeline participation, USAC Low Income disbursements for Florida ETCs for the 12-month period ending June 2015, totaled approximately $100 million. These dollars enabled Florida citizens qualifying for Lifeline benefits to receive discounted monthly bills with a current credit of at least $9.25, or a free Lifeline wireless phone with 250 free monthly minutes. The ETC designation of successful prepaid wireless providers, such as SafeLink Wireless, Assurance Wireless, and i-wireless, which provide a free phone and free monthly minutes to the customer, has been a major growth factor in the Florida Lifeline program the last several years.

Efforts to increase Lifeline participation can be separated into two categories, consumer outreach and enrollment process. The FPSC, in cooperation with other state and federal agencies, the OPC, ETCs, and other organizations, remains engaged in extensive outreach efforts. Most of these efforts run concurrently; measuring the impact of any single activity on Lifeline participation is difficult. Nevertheless, outreach efforts overall are having a positive outcome and should be continued. Outreach efforts are also being expanded to include more competitive local exchange carrier and wireless ETCs.

The FPSC continues to focus on enrollment process issues as a means of increasing participation. As previously discussed in this report, specific enrollment process initiatives include the following:

- FPSC Lifeline Coordinated Online Application Process
- FPSC/DCF Coordinated Lifeline Enrollment
- Annual Recertification Procedures
- DCF Certification/Verification Web Services Interface
- Lifeline Work Group Meetings
- National Lifeline Accountability Database

The FPSC remains committed to enabling low-income households in Florida obtain and maintain basic local telephone service to help them find jobs, contact community services, call doctors and schools, and connect to family and friends. The FPSC will continue to identify and find solutions to barriers that may prevent Lifeline from achieving greater success for the benefit of Florida's low-income consumers. The FPSC will also continue its work on streamlining the Lifeline enrollment process and refining the FPSC/DCF Lifeline coordinated application procedure in Florida so that applying for the Lifeline program is easier and faster than in previous years.

Attachment A
2015 U.S. Poverty Guidelines

Household size (number persons)	2015 U.S. Poverty Guidelines Total Household Annual Income	150% of U.S. Poverty Guidelines Total Household Monthly Income	150% of U.S. Poverty Guidelines Total Household Annual Income*
1	$11,770	$1,471	$17,655
2	$15,930	$1,991	$23,895
3	$20,090	$2,511	$30,135
4	$24,250	$3,031	$36,375
5	$28,410	$3,551	$42,615
6	$32,570	$4,071	$48,855
7	$36,730	$4,591	$55,095
8	$40,890	$5,111	$61,335
*For families with more than 8 persons, add $6,240 for each additional person to the yearly amount.			

Source: Department of Health and Human Services, Annual Update of the Department of Health and Human Service Poverty Guidelines. See Federal Register Notice, January 22, 2015.

Attachment B
Lifeline Net Enrollment and Year-to-Year Net Growth Rate

ETCs	June 2011	June 2012	Net Growth Rate	June 2013	Net Growth Rate	June 2014	Net Growth Rate	June 2015	Net Growth Rate
SafeLink	447,379	430,048	-3.87%	490,828	14.13%	543,174	10.66%	470,695	-13.34%
Assurance	286,866	428,830	49.49%	323,014	-24.68%	249,664	-22.71%	208,902	-16.33%
i-wireless/ Access				12,450		97,044	679.47%	106,440	9.68%
AT&T	122,849	102,363	-16.68%	44,796	-56.24%	28,156	-37.15%	18,302	-35.00%
CenturyLink	39,524	35,154	-11.06%	22,179	-36.91%	18,756	-15.43%	16,163	-13.82%
Verizon	22,307	18,496	-17.08%	11,327	-38.76%	8,245	-27.21%	4,721	-42.74%
Windstream	6,249	6,775	8.42%	5,176	-23.60%	4,348	-16.00%	2,746	-36.84%
T-Mobile	70	232	231.43%	1,373	491.81%	3,091	125.13%	2,110	-31.74%
FairPoint	2,446	2,146	-12.26%	1,437	-33.04%	1,307	-9.05%	671	-48.66%
Cox Telecom				41		522	100.00%	659	26.25%
Non-ETC Reseller	4,941	2,828	-42.76%	979	-65.38%	658	-32.79%	495	-24.77%
NEFCOM	795	804	1.13%	712	-11.44%	545	-23.46%	458	-15.96%
Tele Circuit		1,497		637	100.00%	666	4.55%	337	-49.40%
TDS Telecom	811	728	-10.23%	582	-20.05%	406	-30.24%	264	-34.98%
Global Connection		594		789	32.83%	275	-65.15%	194	-29.45%
Budget Phone	2,912	1,399	-51.96%	776	-44.53%	407	-47.55%	161	-60.44%
Knology d/b/a WOW	761	751	-1.31%	516	-31.29%	294	-43.02%	138	-53.06%
ITS Telecom	178	190	6.74%	112	-41.05%	77	-31.25%	80	3.90%
Frontier	157	174	10.83%	114	-34.48%	84	-26.32%	46	-45.24%
FLATEL	2,845	1,469	-48.37%	304	-79.31%	10	-96.71%	23	130.00%
Smart City	23	33	43.48%	21	-36.36%	12	-42.86%	7	-41.67%
ETCs which Relinquished Designation	2,741	1,347	-50.86%	82	-93.91%	51	-37.80%	0	-100.00%
Total	943,854	1,035,858	9.75%	918,245	-11.35%	957,792	4.31%	833,612	-12.97%

Sources: FPSC data requests (2011-2015).

Attachment C
Recertification of Florida Lifeline Subscribers

Company	Number of Subscribers Claimed in February 2015	Number of Lifeline Customers Not Responding To Recertification	Number of Subscribers Responding That They Are No Longer Eligible	Number of Subscribers De-Enrolled	Percent of Lifeline Subscribers De-Enrolled
ILECs					
NEFCOM	598	254	4	258	43.14%
Smart City Telecommunications	12	4	1	5	41.67%
TDS/Quincy	522	97	1	98	18.77%
AT&T	32,808	14,638	N/A	14,638	44.62%
CenturyLink	21,326	1,945	0	1,945	9.12%
ITS Telecommunications	110	58	0	58	52.73%
Frontier	74	0	0	50	67.57%
Verizon	8,749	0	0	4,045	46.23%
Windstream	4,406	2,003	0	2,003	45.46%
GTC - Florala, St. Joe, Gulf	1,191	489	27	516	43.32%
CLECs					
Knology	389	0	0	280	71.98%
Global Connection Inc.	7	1	0	1	14.29%
Telecircuit	103	0	0	0	0.00%
Budget Prepay	538	179	0	179	33.27%
FLATEL	199	0	199	199	100.00%
Sun-Tel USA	0	0	0	0	0.00%
Nexus Communications	0	0	0	0	0.00%
Cox Florida Telecom, L.P.	234	0	0	63	26.92%
Wireless					
T-Mobile	3,283	1,350	0	1,350	41.12%
Assurance Wireless	255,355	76,463	4,428	80,891	31.68%
SafeLink Wireless	579,288	28,269	1	28,270	4.88%
i-wireless	82,654	7,370	29	7,399	8.95%
Total	991,846	133,120	4,690	142,248	14.34%

Source: Form 555 forms submitted to FCC and Universal Service Administrative Company by ETCs.

Attachment D
Agencies, Organizations, and Business Lifeline Partners

Florida Lifeline Partners	
AARP - Florida Chapter	Ability Housing of Northeast Florida
ACCESS Florida Community Network Partners	Agency for Health Care Administration (AHCA)
Agency for Persons with Disabilities	Aging Matters in Brevard County
Aging With Dignity	Florida Senior Medicare Patrol
Alliance for Aging, Inc.	Florida Senior Program
America's Second Harvest of the Big Bend, Inc.	Florida Telecommunications Relay, Inc. (FTRI)
Area Agencies on Aging	Florida Voters League
Big Bend 2-1-1 and other 2-1-1 Agencies	1000 Friends of Florida, Inc.
Boley Centers, Inc.	Habitat for Humanity – Florida
Braille and Talking Book Library	HANDS of Central Florida
Brain Injury Association of Florida, Inc.	Hemophilia Foundation of Greater Florida
Broward County Elderly and Veterans Services Division	Hispanic Office for Local Assistance
Bureau of Indian Affairs Programs	HOPE Connection
Capital Area Community Action Agency, Inc. (CACAA)	Leon County School Board
Catholic Charities of Central Florida	Linking Solutions, Inc.
Centers for Drug Free Living	Little Havana Activities and Nutrition Centers of Dade County, Inc.
Centers for Independent Living	Living Stones Native Circle
Central Florida Community Action Agency	Marion Senior Services
City and County Consumer Assistance Departments	Mid-Florida Housing Partnership, Inc.
City and County Housing Authorities	Miccosukee Tribe of Indians of Florida
Communities In Schools Foster Grandparent Program	Monroe County Social Services
Community Partnership Group	Feeding South Florida
Disability Rights Florida	NAACP (Florida Associations)
Faith Radio Station and other Florida radio stations	One-Stop Career Centers (DEO)
Federal Social Security Administration (SSA) - Tallahassee District	Seminole County Government Community Development
First Quality Home Care	Seniors First
Florida Alliance for Information and Referral Services (FLAIRS)	Senior Resource Alliance
Florida Assisted Living Association	South East American Council, Inc.
Florida Association for Community action (FACA)	Refuge House of the Big Bend

Florida Lifeline Partners (continued)	
Florida Association of Community Health Centers	Tallahassee Memorial Hospital (TMH) and other Florida Hospitals
Florida Association of Counties	Tallahassee Urban League
Florida Association of County Human Service Administrators	Tampa Vet Center
Florida Association of Food Banks (FAFB)	Three Rivers Legal Services, Inc.
Florida Association of Housing and Redevelopment Officials (FAHRO)	United Home Care Services
Florida Coalition for Children	United Way of Florida
Florida Coalition for the Homeless	Urban Leagues of Florida
Florida Council on Aging	U.S. Department of Housing and Urban Development (HUD)
Florida Deaf Services Centers Association	Washington County Council on Aging
Florida Department of Children and Families (DCF)	Wakulla County Senior Citizens Council
Florida Department of Community Affairs (DCA)	Nursing Homes Administrators
Florida Department of Economic Opportunity (DEO)	Florida Department of Education (DOE)
Florida Department of Elder Affairs (DEA)	Florida Department of Revenue (DOR)
Florida Department of Veterans' Affairs (DVA)	Florida Developmental Disabilities Council
Florida Elder Care Services	Florida Home Partnership
Florida Hospital Association	Florida Housing Coalition
Florida Housing Finance Corporation	Florida League of Cities, Inc.
Florida Low Income Housing Associates	Florida Nurses Association
Florida Office of Public Counsel (OPC)	Florida Public Libraries
Florida Public School Districts	Florida Rural Legal Services, Inc.

Attachment 3

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: October 8, 2015

TO: Braulio L. Baez, Executive Director

FROM: James E. Breman, Senior Analyst, Office of Industry Development and Market Analysis
Mark R. Laux, Senior Analyst, Office of Industry Development and Market Analysis
Cayce H. Hinton, Public Utilities Supervisor, Office of Industry Development and Market Analysis
Kathryn Gale Winter Cowdery, Senior Attorney, Office of the General Counsel

CH JED ML MT KC S.M.C.

RE: Briefing on the U.S. Environmental Protection Agency's Final and Proposed Rules Addressing Carbon Emissions from Electric Utility Generating Units.

CRITICAL INFORMATION: Please place on the October 19, 2015 Internal Affairs.

Briefing Only

On August 3, 2015, the U.S. Environmental Protection Agency (EPA) issued two final rules for publication in the *Federal Register*: (1) Standards of Performance for Greenhouse Gas Emissions from New, Modified, and Reconstructed Stationary Sources: Electric Generating Units; and (2) Carbon Pollution Emission Guidelines for Existing Stationary Sources: Electric Generating Units (Clean Power Plan). Along with these final rules, the EPA also issued for publication in the *Federal Register* draft Model Trading Rules and Framework Regulations associated with federal implementation of the Clean Power Plan. The attachment provides a summary of the final and proposed rules.

Attachment

cc: Charlie Beck, General Counsel
Lisa Harvey, Deputy Executive Director, Technical
Apryl Lynn, Deputy Executive Director, Administrative

Standards of Performance for Greenhouse Gas Emissions from New, Modified, and Reconstructed Stationary Sources: Electric Utility Generating Units

Background

On April 13, 2012, the EPA issued a proposed rule establishing Standards of Performance for Greenhouse Gas Emissions for New Stationary Sources: Electric Utility Generating Units. The EPA received more than 2.5 million comments on the proposed rule. After consideration of the information provided in the comments, the EPA determined that revisions in its proposed approach were warranted. On January 8, 2014, the EPA withdrew the 2012 proposed rule and published in the *Federal Register* a new proposed rule establishing Standards of Performance for New Stationary Sources. The Commission submitted comments to the EPA on the proposed rule in February 2014. On June 18, 2014, the EPA published in the *Federal Register* a proposed rule establishing Carbon Pollution Standards for Modified and Reconstructed Stationary Sources. On August 3, 2015, the EPA issued for publication in the *Federal Register* the final Standards of Performance for Greenhouse Gas Emissions from New, Modified, and Reconstructed Stationary Sources. As of October 6, 2015, the final rule has not been published in the Federal Register.

New, Modified, Reconstructed Sources

The EPA's final rule to limit carbon dioxide (CO_2) emissions from new, modified, and reconstructed power plants establishes separate standards for two types of fossil fuel-fired sources: stationary combustion turbines (generally natural gas) and steam generating units (generally coal). It applies to electric generating units that are larger than 25 MW and are capable of combusting more than 250 MMBtu/h heat input of fossil fuels.[1] A new source is a fossil fuel-fired power plant that commenced construction on or after January 8, 2014. A modification is any physical or operational change to an existing source, on or after June 18, 2014, that increases the source's maximum achievable hourly rate of air emissions. A reconstructed source is a generating unit that replaces components, on or after June 18, 2014, to such an extent that the capital cost of the new components exceeds 50 percent of the capital cost of an entirely new comparable facility.

Natural Gas

For new and reconstructed natural gas combustion turbine units, the final standards are based on a best system of emission reduction (BSER) of natural gas combined cycle technology. The final rule establishes separate standards for baseload, non-baseload, and "multi-fuel-fired" generating units.[2] The EPA has withdrawn the proposal to set a standard for modified natural gas units until additional information is gathered. The performance standards are shown in Table 1.

Coal

The BSER utilized in establishing standards for new coal generating units is supercritical pulverized coal technology with partial carbon capture and storage (CCS). The final performance standard for new coal power plants is less stringent than those proposed in 2014; however, the performance standard still requires the implementation of some level of CCS (estimated to be

[1] EPA is not issuing standards for biomass units or industrial combined heat and power.
[2] Units are designated baseload or non-baseload through a consideration of case-specific technology, nameplate capacity, and MWHs. The EPA defined "multi-fuel-fired" as a source that is physically connected to a natural gas pipeline but burns a fuel other than natural gas for more than 10 percent of its energy.

between 16% and 23% of CO_2 emissions). The EPA increased the emission limit in response to information and comments regarding the cost to implement CCS, but kept partial CCS to promote implementation and development of the technology.

For coal units with modifications that result in an increase in hourly CO_2 emissions greater than 10 percent, the EPA is setting the BSER based on each generating unit's best potential performance. A modified unit will be required to meet a standard consistent with its best historical annual performance during the years from 2002 to the time of the modification. The EPA determined that this standard can be met through a combination of best operating practices and equipment upgrades. The EPA is withdrawing its proposal to set performance standards for units that make smaller modifications resulting in less than 10 percent increase in hourly CO_2 emissions.

The BSER for reconstructed coal generating units is the performance of the most efficient generating technology for these types of units, supercritical technology for large units and subcritical for small. The performance standards for coal units are shown in Table 2.

Table 1
Final Standards for Affected Natural Gas-Fired Power Plants

Affected Source	2015 Final Standard
New or Reconstructed	Baseload: 1,000 lbs. CO_2/MWh-gross or 1,030 lb. CO_2/MWh-net Non-baseload: 120 lbs. CO_2/MMBtu [3] Multi-fuel-fired: 120 to 160 lbs. CO_2/MMBtu
Modified	Withdrawn at this time.

Table 2
Final Standards for Affected Coal-fired Power Plants

Affected Source	2015 Final Standard
New	1,400 lb. CO_2/MWh-gross
Reconstructed	Large (heat input >2,000 MMBtu/h): 1,800 lbs. CO_2/MWh Small: 2,000 lbs. CO_2/MWh
Modified	Unit specific best historical performance, not to exceed standard for reconstructed.

[3] For non-baseload and multi-fuel-fired units, emission rate is set based on fuel burned rather than energy generated.

Carbon Pollution Emission Guidelines for Existing Stationary Sources: Electric Utility Generating Units

Background

On June 18, 2014, the EPA published a draft rule that would limit carbon dioxide (CO_2) emissions from existing electric utility generating facilities (Clean Power Plan).[4] The EPA took comments on the draft Clean Power Plan through December 1, 2014. The Commission filed comments stressing concerns of potential adverse reliability impacts, reduced fuel diversity, and cost increases to Florida's electric consumers. On August 3, 2015, the EPA issued the final Clean Power Plan, along with draft rules addressing the associated Federal Implementation Plan and Model Trading Rules. As of October 6, 2015, the final rule has not been published in the *Federal Register*.

Clean Power Plan

The Clean Power Plan establishes the following:

- Separate CO_2 emission rate limits for existing fossil steam electric generating facilities (coal and oil-fired boiler technologies) and stationary combustion turbine electric generating facilities (includes natural gas-fired combined cycle technologies),
- State-specific CO_2 emission limits, and
- Guidelines for the development, submittal and implementation of required state plans.

The EPA cites to Section 111(d) of the Clean Air Act as its authority to establish the Clean Power Plan. Section 111(d) describes a process whereby the EPA develops guidelines and then states apply those guidelines to establish standards of performance in a State Implementation Plan. The EPA develops guidelines through its determination of the best system of emissions reduction (BSER).

For purposes of the Clean Power Plan, the EPA considered existing technologies and measures, as well as the remaining useful life of the affected facilities, and determined a BSER comprised of three building blocks:

- Building Block 1 – increasing the efficiency of existing coal-fired power plants
- Building Block 2 – shifting electric generation to lower emitting natural gas-fired power plants
- Building Block 3 – increased use of renewable energy resources such as wind and solar.

The EPA applied the BSER gradually from 2022 through 2030 (glide path). In doing so, it assessed the impacts to electric generating systems in three distinct geographic regions, Eastern, Western and Texas. For each region, the EPA estimated the annual CO_2 emissions and electric generation from fossil steam and stationary combustion turbine power plants.[5] In each year, the EPA selected the least stringent CO_2 emission rate (lbs. CO_2 /MWh) from the regional data sets for fossil steam to be the national standard for all existing fossil steam generating facilities. In a

[4] http://www.gpo.gov/fdsys/pkg/FR-2014-06-18/pdf/2014-13726.pdf
[5] Fossil steam refers to coal and oil-fired boiler technology. Stationary combustion turbine refers to natural gas-fired simple cycle and combined cycle power plants.

similar manner, the EPA set the national CO_2 emission rate standard for all existing stationary combustion turbine generating facilities. Thus, the Clean Power Plan sets unique CO_2 emission limits for these two electric generation technologies. The rule establishes standards applicable to an interim period (2022 - 2029) and a final standard effective thereafter. These standards are shown in Table 3.

State-specific emission rate performance is determined using the state's 2012 electric generation from the two technologies and the respective national standards. This results in an average or blended emission limitation for each year after 2021. The resultant annual state-specific emission rates are then averaged to create three interim periods (2022-2024, 2025-2027, and 2028-2029). This results in stepped emission reduction requirements through the interim period. Each state's CO_2 emission performance requirements are expressed in terms of a rate limit (lbs. CO_2 / MWh) and the equivalent mass limit (short tons of CO_2). Unlike a rate approach, the equivalent mass limit is cumulative over a given period. Additionally, the final mass limitation is a two-year total beginning with 2030-2031 and applied to running two-year periods thereafter. Florida's CO_2 emission rate and mass limits are shown in Tables 4 and 5, respectively.

Table 3
Annual National Standards (lbs. CO_2 /MWh)

	Interim Period Average 2022-2029	Final
Fossil Steam	1,534	1,305
Stationary Combustion Turbine	832	771

Table 4
Florida's CO_2 Emission Rate Limits for Existing Facilities (lbs. / MWh)

				Final
	2022 - 2024	2025 - 2027	2028 - 2029	2030
Annual Averages	1,097	1,006	949	919
Interim Average	1,026			

Table 5
Florida's CO_2 Emission Mass Limits for Existing Facilities (Million Tons)

				Final
	2022 - 2024	2025 - 2027	2028 - 2029	2030-2031
Interim Periods	358	332	213	210
Interim Total	904			

State Implementation Plan

The Clean Power Plan provides guidelines that allow each state to develop its individual compliance plan (State Implementation Plan). A State Implementation Plan can:

- Prescribe either a rate standard or a mass standard[6]
- Place all requirements directly on just the fossil steam and stationary combustion turbine power plants (i.e., emission standards that are federally enforceable)
- Establish a combination of federal and state standards
- Include application of state policy in designing CO_2 emission allocations and trading
- Be multi-state
- Establish a 90-day waiver for operational reliability emergencies (reliability safety valve)
- Qualify for early emission rate credits or allowances[7] through wind and solar generation and demand-side energy efficiency programs in low-income communities that result in sustained emission reductions in 2020 and 2021(Clean Energy Incentive Program).

States can also develop a comprehensive plan that addresses CO_2 emission limitations placed on both existing facilities and new or modified facilities. For states considering a comprehensive plan, the EPA slightly increased the mass limits but not the rate limits previously discussed. Regardless of how a state designs its plan, it must include a federally enforceable backstop. A state may even elect to default to a Federal Implementation Plan. In Florida, the agency responsible for development and enforcement of a State Implementation Plan is the Florida Department of Environmental Protection.

Compliance Timeline

All states are required to file a State Implementation Plan or request a two-year filing extension by September 6, 2016. An extension request must identify the tentative plan approach, explain why an extension is needed, and describe opportunities for public and stakeholder participation. An extension request is considered granted unless the EPA notifies the state of deficiencies within 90 days. States with extensions must file a progress report by September 6, 2017. The report must document progress in developing the State Implementation Plan and declare the state's compliance approach including any applicable legislation or rulemaking efforts. All states are required to file a State Implementation Plan by September 6, 2018.

EPA and Court Proceedings Since Release of the Final Rule

On August 5, 2015, the Attorneys General for West Virginia, Alabama, Arizona, Arkansas, Indiana, Kansas, Kentucky, Louisiana, Nebraska, Ohio, Oklahoma, South Carolina, South Dakota, Utah, Wisconsin, and Wyoming filed an application with the EPA for an administrative stay of the Clean Power Plan on behalf of their respective states. On August 20, 2015, the State of Texas Environmental Protection Division through its Attorney General filed a request for stay. These requests for stay did not include requests for reconsideration of the final rule. On September 2, 2015, the State of New Jersey Department of Environmental Protection filed a request for stay and reconsideration of the Clean Power Plan with the EPA. These requests are pending with the EPA. If the EPA convenes a proceeding for reconsideration, it may solicit

[6] State Implementation Plans that prescribe a mass standard must address the potential for generation shifting from existing generation plants to excluded/not-affected new facilities such that total emissions increase (leakage).

[7] An emission rate credit is a pound of CO_2 per megawatt hour. An allowance is a short ton of CO_2.

additional public comment. During a reconsideration proceeding, the effectiveness of the rule may be stayed by EPA or the court for a period not to exceed three months.

On August 11, 2015, Attorneys General for Florida, West Virginia, Alabama, Arkansas, Indiana, Kansas, Kentucky, Louisiana, Michigan, Nebraska, Ohio, Oklahoma, South Dakota, Wisconsin, and Wyoming, on behalf of their respective states, filed an emergency petition for extraordinary writ, asking the United States Court of Appeals for the District of Columbia Circuit Court to stay the effect of the Clean Power Plan until all litigation on the rule has ended. The EPA's response in opposition was, essentially, that the request for stay was premature and did not meet the requirements for issuance of an extraordinary writ because there is a statutory procedure for challenging the Clean Power Plan that must be followed after the final rule's publication in the Federal Register. On September 9, 2015, the Court denied the States' petition because it did not satisfy the stringent standards that apply to petitions for extraordinary writs that seek to stay agency action.

Federal Plan Requirements for Greenhouse Gas Emissions from Electric Utility Generating Units Constructed on or Before January 8, 2014; Model Trading Rules; Amendments to Framework Regulations

Background

On August 3, 2015, the EPA issued two draft model rules for purposes of the EPA's implementation and oversight of the Clean Power Plan. One rule is a mass-based compliance approach to the Clean Power Plan while the other is a rate-based compliance approach. Each draft rule includes a description of a model Federal Implementation Plan, CO_2 emissions trading, and the pertinent procedural matters (framework regulations). As of October 6, 2015, the draft rules have not been published in the *Federal Register*. The EPA will take comments for 90 days after the date of publication in the *Federal Register*. The EPA plans to finalize both or only one of the proposed rules in the summer of 2016.

Within 60 days of receipt of a State Implementation Plan, the EPA must notify the state whether the filing is complete. If a state fails to file a plan by the applicable due date, then the EPA must promulgate a Federal Implementation Plan for that state within one year. If the EPA receives a deficient request for filing extension, that is not remedied, then the EPA must promulgate a Federal Implementation Plan within one year of the deficiency notification. The rule provides for partial plan approval as well as conditional approval. If the EPA partially disapproves a State Implementation Plan, the EPA is required to issue a Federal Implementation Plan addressing the partial disapproval. In all cases, states retain the ability to file a subsequent State Implementation Plan to replace the Federal Implementation Plan.

The Clean Energy Incentive Program

The draft trading rules both contain provisions for the Clean Energy Incentive Program (CEIP). Under this program, the EPA establishes a CEIP reserve of tradable instruments using two sources. One source of tradable instruments is a portion of the performance requirements under the Clean Power Plan during the 2022-2024 compliance period and the other source is a matching bonus allocation. The CEIP reserve consists of two set-asides, one for new wind and solar projects, and another for new end-use energy demand projects implemented in low-income communities. Owner/operators may qualify for awards from the CEIP reserve for projects begun after August 2018 that result in carbon-free generation or reduced end-use energy demand during 2020 and/or 2021.

Draft Federal Plan Rules

A Federal Implementation Plan implements a federally, not state, enforced CO_2 emissions limit and provides for emissions trading. The draft model rules provide a generic outline to be used by the EPA to establish a Federal Implementation Plan for a state. As such, the proposed rules serve as a model for states to design State Implementation Plans. However, State Implementation Plans may also include options that are not found in the draft rules.

Draft Model Trading Rules

The mass-based and rate-based model trading rules share a general set of common terms. These include definitions and procedural requirements for establishing Clean Power Plan emission trading programs. Additionally, each trading rule addresses the unique characteristics for determining compliance with the Clean Power Plan when using the respective mass-based or rate-based trading program. The tradeable compliance instrument in a mass-based program is a CO_2 allowance. One CO_2 allowance is a limited authorization to emit one ton (2,000 pounds) of CO_2. Similarly, the tradeable compliance instrument in a rate-based program is an emission rate credit (ERC). An ERC is one-megawatt hour generated or saved with zero associated CO_2 emissions.

The mass-based trading rule is analogous to the existing acid rain SO_2 allowance-trading program (cap-and-trade). The EPA proposes that the total number of CO_2 allowances necessary to achieve compliance during a given period be allocated to the owners/operators of affected sources and zero-emitting resources. Owners/operators of emitting resources can emit up to their allotment or acquire additional allowances as may be needed for compliance. A State Implementation Plan may prioritize allowance allocations to specific resources as long as the state demonstrates compliance with the Clean Power Plan.

The rate-based trading rule is premised on owners/operators earning ERCs when emission rates are below the applicable standard, and conversely, purchasing ERCs when performing above the standard. Consequently, owners/operators of fossil steam technologies (coal) will either emit below the rate standard and generate ERC's or acquire sufficient ERCs to achieve compliance. Owners/operators of natural gas combined cycle technologies are similarly situated; however, Clean Power Plan requirements for re-dispatch result in an additional type of ERC (GS-ERC) that can only be used for trading. Owners/operators of qualifying zero-emitting resources that petition for ERC's will be awarded ERCs upon satisfying the EPA's procedural requirements.

II. Outside Persons Who Wish to Address the Commission at Internal Affairs

Note: The records reflect that no outside persons addressed the Commission at this Internal Affairs meeting.

III. Supplemental Materials for Internal Affairs

Note: The records reflect that there were no supplemental materials provided to the Commission during this Internal Affairs meeting.

IV. Transcript

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

PROCEEDINGS: INTERNAL AFFAIRS

COMMISSIONERS PARTICIPATING:
CHAIRMAN ART GRAHAM
COMMISSIONER LISA POLAK EDGAR
COMMISSIONER RONALD A. BRISÉ
COMMISSIONER JULIE I. BROWN
COMMISSIONER JIMMY PATRONIS

DATE: Monday, October 19, 2015

TIME: Commenced at 12:45 p.m.
Concluded at 1:09 p.m.

PLACE: Betty Easley Conference Center
Room 148
4075 Esplanade Way
Tallahassee, Florida

REPORTED BY: LINDA BOLES, CRR, RPR
Official FPSC Reporter
(850) 413-6734

P R O C E E D I N G S

CHAIRMAN GRAHAM: Okay. We will start the Internal Affairs meeting. Let the record show it is Monday, October the 19th still. And let's start with Item No. 1.

MR. BAEZ: Good morning, Mr. Chairman and Commissioners. The Commission has an opportunity to pursue a federal grant from the U.S. Department of Transportation that would provide support to the Florida Public Service Commission Pipeline Safety Program. The grant supports up to 80 percent of the cost of personnel, equipment, and activities required to carry out inspection and enforcement activities of intrastate pipeline facilities. The grant funding specifically reimburses the expenses associated with the inspection of natural gas pipeline facilities to ensure compliance and enforcement as necessary with the applicable chapters of Title 49 of the Code of Federal Regulations. We're seeking your approval, your consideration and your approval to proceed with the grant application. And I'll be happy to answer any questions.

CHAIRMAN GRAHAM: Commissioners, questions, concerns, comments for the Executive

Director or staff? Commissioner Edgar.

COMMISSIONER EDGAR: Thank you, Mr. Chairman.

Mr. Baez, quick question. I understand that many other states -- in fact, almost all participate in this program. Are there -- is there any expectation that for us to apply for the grant, to participate in the grant program that additional costs will be incurred from what we have done prior to seeking the grant?

MR. BAEZ: The short answer is no. So we don't anticipate any extension of -- or any increases in our costs. Remember also that as our costs increase as a natural function, I mean, the reimbursement rate follows along.

COMMISSIONER EDGAR: Okay.

MR. BAEZ: Whatever that might be in any given year.

COMMISSIONER EDGAR: All right. Thank you.

CHAIRMAN GRAHAM: Commissioner Patronis.

COMMISSIONER PATRONIS: Thank you, Mr. Chairman. As we participate in this, will it also kind of help for the stability and retention of the folks who already got in place also?

MR. BAEZ: We are -- as an overall matter, we're hoping that access to this grant money or this grant funding will allow us to address any matters that come up as part of our regulatory program.

COMMISSIONER PATRONIS: Got you.

MR. BAEZ: I'm not saying it's a magic bullet, but it'll come in handy to be able to address those kinds of issues, among others.

CHAIRMAN GRAHAM: Okay. So you just need for us -- approval to proceed forward?

MR. BAEZ: Yes, Chairman, if it's your will.

CHAIRMAN GRAHAM: Commissioner Edgar.

COMMISSIONER EDGAR: I would move approval and direct our staff to take all appropriate steps to apply for the grant in the reimbursement process.

CHAIRMAN GRAHAM: It's been moved and seconded, the Edgar amendment. All in favor, say aye.

(Vote taken.)

Any opposed? By your action, you've approved that amendment.

MR. BAEZ: Thank you, Commissioners.

CHAIRMAN GRAHAM: Okay. Item No. 2.

MR. CASEY: Good afternoon, Commissioners.

Bob Casey on behalf of staff.

Issue No. 2 is the draft 2015 Lifeline report. *Florida Statutes* require that the -- require the Commission to provide this report to the Governor, President of the Senate, and Speaker of the House of Representatives by December 31 each year. The report details the regulatory actions impacting the Lifeline program and Lifeline awareness promotions in Florida. Staff is seeking approval of this draft report and is available for any questions.

CHAIRMAN GRAHAM: Commissioners, any questions of staff on this report?

Commissioner Edgar, is that your light on? No.

Okay. Commissioner Brisé.

COMMISSIONER BRISÉ: Thank you. Thank you, Mr. Chairman. First of all, staff, thank you for this great report.

On page 14 you highlight the inverse relationship that exists between participation and eligible households, and if you all can talk a little bit about that relationship in terms of any analysis that you've gotten from the companies and so forth.

MR. CASEY: Okay. I'd be glad to. The number of households eligible for Lifeline increased approximately 81,000 this year. And on the other side of it, during the recertification process, we lost 142,000 Lifeline customers that decided not to recertify. We also lost over 101,000 Lifeline customers from the Commission's oversight to prevent fraud, waste, and abuse of the program, so I am proud of that.

So that's almost 250,000 customers that we lost because of those two things. And we are hoping to increase the amount of Lifeline, eligible Lifeline customers. I know DCF had a computer-to-computer interface with our ETCs, and most ETCs declined to use it even though the FCC said you must use it because of the cost involved. DCF has decided to go to a web interface, which will be much easier for the ETCs and at no cost where they can check consumer certification.

Now we also have 35 wireless ETC applications pending at the FCC which have been sitting there for a couple of years, and if the FCC decides to go ahead with those, that will probably increase our Lifeline customers here in Florida. And we also have a number of things that our Office of Public Information has done and is planning to do for Lifeline, and Cindy Muir can go over those for you.

COMMISSIONER BRISÉ: Thank you. Ms. Muir, I know that your department is very involved in getting out to the community and identifying partners and so forth, so if you could talk to us a little bit about some of the things that you're doing and sort of the reception at those events and how successful those have been or not successful, whichever one it is.

MS. MUIR: Well, we have -- there's four times each year we have a concerted push for Lifeline, and that, of course, is Lifeline Awareness Week, which you participated in this year, and National Consumer Protection Week, Older Americans Month, and Energy Awareness Month, which is this month, and we go all over the state during those four times a year. Then on top of that, every month we reach two new organizations that we feel has eligible clients, and we have at least two events each month. On top of that, we, every August, send all Lifeline materials in all three languages to the libraries. It reaches over 500 -- well, and their branches, libraries and their branches. And we try and target those organizations that have -- we feel has eligible clients. There's almost, gee, through the years 100 partners, not quite, but almost, that we've partnered with. And it's not that they're not supportive and we get the information out, but getting them to follow through on it isn't always as easy as it may seem. But we're trying, and we'll continue to try.

COMMISSIONER BRISÉ: Thank you. So I just want to express my appreciation to our team for getting out into the public and doing their best to ensure that people are aware of the program.

The other thing is, you know, the inverse relationship may also be a function of the sense that people have about the economy as well. You know, if people feel a little bit better about the economy, they may not apply, and so those may be some of the realities that exist associated to the program.

CHAIRMAN GRAHAM: Any other Commissioners? Commissioner Brown.

COMMISSIONER BROWN: Just a -- kind of an administrative question. Along with this report, I'm assuming, Mr. Casey, you all are going to submit a letter to the designated folks on there from the

Chairman's office.

MR. CASEY: Yes, we will prepare a letter under the Chairman's signature, as we usually do each year. Yeah.

COMMISSIONER BROWN: Okay. Great. Thank you. And I hope it's succinct with some quick facts for them to review because sometimes they don't get an opportunity to look at the report. So if you could do that, that would be great.

MR. CASEY: Of course.

COMMISSIONER BROWN: Thank you.

CHAIRMAN GRAHAM: Was that a motion?

COMMISSIONER BROWN: Thank you, Mr. Chairman. I would move approval of the report, along with the submission to -- of a letter to the Chairman's office with his signature.

CHAIRMAN GRAHAM: It's been moved and seconded. Any further discussion? Seeing none, all in favor, say aye. Any opposed? By your action, you've directed staff to move forward with this direct -- with the draft Lifeline report.

Bob, I know this is your last meeting. When is your last day?

MR. CASEY: I have about three hours and five minutes left, sir, not that I'm counting.

CHAIRMAN GRAHAM: Not only is this your last meeting, this is your last day.

MR. CASEY: Yes, sir.

CHAIRMAN GRAHAM: Well, it's been nice having you on staff the limited time that I've been here, but you've always been very, very helpful both to me and my office, and we do appreciate everything you've done. And I'm sure all my other fellow Commissioners feel likewise. I know Commissioner Brisé said something last week during IA -- I'm sorry, during agenda, and I got away before that happened. But I want to personally give you my good thoughts.

MR. CASEY: Thank you very much. I've really enjoyed working here.

CHAIRMAN GRAHAM: And enjoy vacation, but don't forget about us. You're always welcome back.

MR. CASEY: I hope so. Thank you, sir.

CHAIRMAN GRAHAM: All right. Okay. Item No. 3.

MR. HINTON: Commissioners, Item 3 is a briefing of recent actions by the U.S. Environmental Protection Agency to regulate carbon dioxide emissions from electric generating plants.

On August 3rd, 2015, the EPA issued final carbon regulations for new and existing power plants and, along with these final rules, the EPA issued proposed Model Training Rules associated with federal implementation of the Clean Power Plan.

As you recall, the Commission's participated in this process by filing comments on the proposed rules. In staff's opinion, the EPA has made several improvements in the final rules.

Regarding the rule addressing new, modified, and reconstructed generating units, the improvement of note is a reduced reliance on the use of carbon capture and sequestration in the BSER for new coal and oil-fired steam boiler units. The standards in the final rule will require partial CCS in the area of 20 percent, but that is an improvement over the 40 percent contained within the proposed rule.

In the rule addressing existing power plants also known as the Clean Power Plan, there are several areas where the EPA seems to have taken a more reasonable approach in the final rule. The most notable improvement is that the emission limits for Florida have increased. Also the EPA seems to have responded to calls for an implementation glide path by phasing in admission standards during the interim period beginning in 2022 rather than the 2020 cliff that was contained in the proposed rule.

Some other improvements include the EPA has dropped the Building Block 4 requirement for energy efficiency in the BSER. States can, however, voluntarily include energy efficiency in their state implementation plans.

The EPA changed its approach to renewable energy in the final rule, no longer applying requirements from a single state to all the other states. They also performed a more critical review of projects under construction, which benefited Florida by recognizing additional oil-to-natural-gas conversions.

The EPA applied its BSER to national and interconnection wide data rather than making assumptions about each individual state; and in the proposed rule, the EPA established state-specific standards; and in the final rule, the EPA established national standards for both fossil, steam, and natural gas technologies, and then established state standards based upon each state's mix of those technologies. So established the national standard and then applied it to the states based upon their portfolio.

Finally, the final rule allows a little more time to file a state implementation plan. One of the options for Clean Power Plan compliance is emissions trading. The EPA has proposed two model emissions trading rules: one a mass-based and the other a rate-based approach. Although these are proposed as draft federal implementation approaches, these models can be utilized by states in developing their state implementation plans.

As you are aware, the agency responsible for development and enforcement of a state implementation plan in Florida is the Department of Environmental Protection. Staff is available for any questions, if you have any.

CHAIRMAN GRAHAM: I've got a question for staff. I know DEP has reached out to the utilities. I guess their first reach out to figure -- just trying to figure out how they can come to compliance. What have we done so far as far as our interaction with DEP?

MR. FUTRELL: Mr. Chairman, I can answer that. Mark Futrell with staff. And, Mr. Chairman, the staff has had several staff-to-staff contacts with the DEP resources division, their management, and have had some face-to-face meetings and some phone calls to try to share information, to get a read-in, to commit to coordinate further together as the DEP takes whatever actions they're going to take going forward, and so we're certainly staying in regular contact with them to assist them as they need information.

CHAIRMAN GRAHAM: Do we know what direction and what they plan on doing moving forward? I mean, what's -- since they've met -- since they've already met with everybody, what's step two?

MR. FUTRELL: We do have some information that they have announced that they do intend to begin the process to seek an extension to file the state implementation plan. As Cayce mentioned, the way the EPA has laid this out is by September of 2016 the state either has to file its full state implementation plan or make a filing to seek an extension of two years, which would delay the filing until September 2018. It does appear that DEP is going to begin that process to seek that extension and prepare that extension filing, and so they appear to be beginning to think out that process, what steps do they need to take to meet EPA's requirements? Although staff of the EPA has made some public statements that the -- it'll be a fairly low hurdle, but there are some boxes the states will have to check to help justify that extension.

CHAIRMAN GRAHAM: Is there anything that we need to do to help facilitate that extension?

MR. FUTRELL: I think we certainly communicated with DEP staff that we're here to help to the extent, you know, it's within the Commission's jurisdiction and authority and to help answer their questions. I know they've had -- some of their staff have had questions to understanding the Commission's processes and, you know, its approvals for new resources and cost recovery policies, so we've tried to be of help to them in that -- understanding reliability impacts, for example. So we continue to stand ready to assist them as needed.

CHAIRMAN GRAHAM: Do we have any idea when the federal plan is supposed to be out?

MR. FUTRELL: Well, it's in a proposed state, the federal plan. There will be an opportunity, once it's published in the Federal Register, there will be, I believe, a 90-day comment period. And as of this morning, from -- we're on some alert email distribution lists -- we've not --

it's not been published. But once the publish date happens, it'll be 90 days from there that they'll take comment.

CHAIRMAN GRAHAM: Okay. Commissioner Edgar.

COMMISSIONER EDGAR: Thank you, Mr. Chairman. A couple of points and then, after further discussion, maybe some more questions.

First of all, Mark, thank you, as always, for your good work.

I -- just for a point of clarification, I think perhaps a misstatement. You mentioned that DEP has announced that they are going to begin the process for an extension and then you said that it appears. Those do not, to me, seem to be the same thing, so for clarification.

MR. FUTRELL: Right. I have spoken -- thank you. I have spoken to their senior staff and they have relayed that they are comfortable saying that they do -- they will begin the process to seek the extension.

COMMISSIONER EDGAR: Okay. Thank you. And I believe that they -- that some -- I'm not sure whom, but somebody on behalf of DEP is making a presentation on this issue to -- I think the House

Committee tomorrow.

MR. FUTRELL: That would be me, yes, ma'am.

COMMISSIONER EDGAR: That would be you.

MR. FUTRELL: It was actually -- the way the -- they haven't -- typically they have the, they list the speakers in the agenda, but it's just a -- it's one line item announcing the topic. And my understanding is that Ms. Paula Cobb, who's the Deputy Secretary over the air resources regulation part of DEP, will be making an overall presentation on the details of the Clean Power Plan and associated regulations and to comment on DEP's responsibilities. And they've asked for a PSC perspective just on our role with regard to jurisdiction over, you know, resource planning, resource selection, cost recovery, and so I'll be filling that request.

COMMISSIONER EDGAR: Great. Thank you. And I look forward to watching.

Okay. Switching slightly, I know many of us have heard for the last few weeks that in the next week or two the rule will be published in the Federal Register. As Mark pointed out, that has not yet occurred. A ridiculously easy advertisement coming, please note that Administrator McCarthy will be speaking at our NARUC annual meeting in mid-November, so opportunity for Commissioners to ask questions directly, if you are so inclined.

Mark, for the state implementation plan, recognizing that there is the opportunity for that to be issued sooner or for an extension to be requested, but are there provisions, if you know, in the process to put together and then submit a state implementation plan that would take into account potential issues or concern around reliability and affordability?

MR. FUTRELL: I believe that's something that I think the EPA has mentioned in some of theirs that consider reliability impacts. So I believe that'll be something we'll be wanting to, you know, express to DEP that that certainly be considered. I think everyone seems to be aware of that issue, but we'll make sure that DEP is aware of that. I think they're going to look to us to help them understand reliability impacts of -- as they begin to think about potential compliance pathways.

COMMISSIONER EDGAR: Commissioners, I would just say that I do believe that Florida is particularly well situated for not having to be as concerned as some states will need to be about potential impacts on reliability, but I do think it's something that we need to, of course, be very involved in and cognizant in, coordinate, of course, with DEP, and maybe even perhaps look at other points of entry as the process follows since that is generally not a consideration of their air program. And, similarly, I would like us to be involved in whatever ways we appropriately can, and I think that will continue to evolve as decisions and recommendations are made that ultimately may come before us for cost recovery under the environmental cost recovery clause. Thank you, Mark.

CHAIRMAN GRAHAM: Commissioner Brown.

COMMISSIONER BROWN: Thank you, Mr. Chairman.

And, Mark, thank you for your presentation a few weeks ago and for your future presentation that you're going to present to the Legislature. And, staff, thank you for tracking and your communication with DEP and coordination. Looking forward to that continuing to evolve over the next several months.

And, Mark, you all are tracking so much right now with regard to the federal, pending federal legislation. I'm actually curious about the court proceedings and the challenges that are being presented to EPA and the other administrative actions that are going. Can you give us a quick overview? I know you touched on that. Maybe, Kathryn, you can do that, please.

MS. COWDERY: I haven't seen anything new since we put together the IA memo. So where we are right now is that there is a request for reconsideration pending at EPA -- actually a couple, several. There's one that's a multi-party request for a stay, and then there's one reconsideration stay, and one for a stay, and to my knowledge, EPA has not ruled on those requests for reconsideration.

There was a petition for an extraordinary writ asking for a stay of the effect of the rule that was filed in the DC Circuit Court, and Florida was a party with 14 or 15 other states, and it was ruled to be basically premature, that you'd have to wait until the actual rule is published in the Federal Register. So at this point in time, that's where I think everybody is waiting for the Federal Register publication.

COMMISSIONER BROWN: Thank you. And I know it goes without saying, I know you all will keep us informed. But, please, any presentations that you prepare for the Legislature, if you could bring it to our attention as well, and any updates once that final rule is published in the federal register, please let us know as soon as possible, that would be excellent. Thank you again.

CHAIRMAN GRAHAM: Once again, staff, thank you very much for your work on this issue. This is -- I think is an issue that's very important to the State of Florida for sure.

I definitely wasn't a fan of this when it came out, still not a fan of it, but I don't hate it as much as I did initially.

I think, as Commissioner Brown has said and Commissioner Edgar has said, this is something that we need to make sure that we keep our fingers on so we understand and we can react as quickly as we need to when things start to change. And I do appreciate how diligently you -- how diligently -- whatever that word is, how well you guys have been following this.

With that all being said -- and I don't think there's any action we have to take on this; is that correct? No, it's just an update. But I do want to thank you very much for your time and all the effort you put into this.

Okay. General Counsel report. Anything?

MR. BAEZ: No report.

MR. BECK: Nothing, Mr. Chairman.

CHAIRMAN GRAHAM: Executive Director's report. Anything?

MR. BAEZ: No report.

CHAIRMAN GRAHAM: Other matters, Commissioners? Anything?

Okay. That being said, I believe we are adjourned. I hope you all travel safe, and I will see you later.

(Internal Affairs adjourned at 1:09 p.m.)

STATE OF FLORIDA)
: CERTIFICATE OF REPORTER
COUNTY OF LEON)

I, LINDA BOLES, CRR, RPR, Official Commission Reporter, 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 October, 2015.

Linda Boles

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