

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 17th day of March, 2005.

In the Matter of an Investigation into  
Various Issues Related to the Missouri  
Universal Service Fund

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**Case No. TO-98-329**

**ORDER GRANTING STAFF MOTION**

On February 16, 2005, the Staff of the Commission filed a motion asking that the Commission direct the Missouri Universal Service Fund Administrator to begin assessing carriers on June 22, 2005. Staff stated that, pursuant to previous Commission orders, funding for the Low-Income/Disabled portion of the Missouri Universal Service Fund is to be accomplished through assessments on telecommunications carriers. Staff noted that the necessary rule changes have been made, and the Fund Administrator has been selected. In addition to directing the Fund Administrator to begin assessments, Staff asks that notice be provided to all affected carriers that they may begin recovering their assessments through a surcharge beginning on May 1, 2005.

Staff asks that the Commission authorize the Missouri Universal Service Fund administrator to begin assessing telecommunications companies at the assessment percentage recommended and approved by the Missouri Universal Service Fund Board (1.8 percent).

Staff also asks that the Commission waive the requirements of 4 CSR 240-31.050(3)(D) for customers that already receive federal Lifeline support. This rule requires customers to certify, on a form designated for that purpose, that they qualify for support. Requiring customers that have already qualified for federal support to submit this form is unnecessary, since by receiving federal support, they have met a criteria for receiving Missouri Universal Service Fund Support. The Commission agrees, and will waive this rule for Missouri customers receiving federal Lifeline support.

The Commission's rules allow ten days for a party to respond to a pleading. Although no party timely responded, on February 28, 2005, Southwestern Bell Telephone, L.P. d/b/a SBC Missouri filed a pleading opposing Staff's motion. SBC Missouri states that Staff's motion is "incomplete in that it does not discuss either the timing of discounts available to eligible low-income and disabled customers nor the timing of reimbursements to carriers that afford their customers such discounts." SBC Missouri asks the Commission to deny Staff's motion until these items are addressed.

On March 3, 2005, the Small Telephone Company Group<sup>1</sup> filed a pleading concurring with SBC Missouri.

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<sup>1</sup> BPS Telephone Company, Cass County Telephone Company, Citizens Telephone Company of Higginsville, Missouri, Inc., Craw Kan Telephone Cooperative, Inc., Ellington Telephone Company, Farber Telephone Company, Fidelity Telephone Company, Goodman Telephone Company, Inc., Granby Telephone Company, Grand River Mutual Telephone Corporation, Green Hills Telephone Corporation, Holway Telephone Company, Iamo Telephone Company, KLM Telephone Company, Kingdom Telephone Company, Lathrop Telephone Company, Le Ru Telephone Company, Mark Twain Rural Telephone Company, McDonald County Telephone Company, Miller Telephone Company, New Florence Telephone Company, Oregon Farmers Mutual Telephone Company, Ozark Telephone Company, Peace Valley Telephone Company, Rock Port Telephone Company, Seneca Telephone Company, Spectra Communications Group, Inc., and Steelville Telephone Exchange, Inc.

On March 4, 2005, Staff filed a response to SBC Missouri. Staff opines that the items noted by SBC Missouri should be established by the fund administrator rather than by the Commission. Staff states:

the Fund Administrator has agreed to furnish the Staff with a schedule of dates for discounts and reimbursements, and a recommended procedure for reimbursements, as requested by SBC. In recent discussions the Fund Administrator indicated that such information could be provided to the MoUSF Board and the Staff no later than noon on Wednesday, March 9, 2005. The Staff will submit these explanations by filing them in this case as soon as they are available to the Staff.

On March 16, 2005, Staff filed the information provided by the fund administrator. The fund administrator proposes that carriers should begin to provide discounts effective June 1, 2005, and that carriers could seek reimbursements from the fund administrator by July 15, 2005, and that the fund administrator would make disbursements no later than the last business day of July.

On March 16, 2005, SBC Missouri filed a response to the Staff filing of the information from the fund administrator earlier that day. SBC Missouri concurs with the proposed procedures of the fund administrator, and points out that the fund administrator only addressed the first month of disbursements. SBC Missouri suggests that requests for disbursements should be made by the 15<sup>th</sup> day of each month, and disbursements be dispatched by the last day of each month. The Commission agrees that this is reasonable.

Staff's request is a necessary step in implementing with the Low-Income/Disabled portion of the Missouri Universal Service Fund. The additional responses filings by SBC Missouri and the fund administrator provide additional dates not addressed in Staff's motion. The Commission will grant Staff's motion, as qualified

by its March 16, 2005 filing and the March 16, 2005 response of SBC Missouri. The Commission will direct Staff to file a copy of the notice it proposes be sent to Missouri telecommunications companies.

**IT IS THEREFORE ORDERED:**

1. That the Missouri Universal Service Fund administrator shall begin assessing carriers, with the first assessment due on June 22, 2005; the assessment shall be 1.8 percent times the previous month's net jurisdictional revenue.

2. That all applicable carriers as defined by 4 CSR 240-31.010(1) shall pay their assessments to the Missouri Universal Service Fund administrator on the 22<sup>nd</sup> day of each month.

3. That requests for reimbursement shall be made no later than the 15<sup>th</sup> day of each month, and reimbursements shall be dispatched no later than the last day of each month.

4. That the Staff of the Commission shall, no later than March 18, 2005, provide to the Data Center a copy of the notice to be sent to affected carriers.

5. That the Data Center of the Commission shall, no later than March 22, 2005, send notice to all certificated telecommunications companies, except payphone providers and shared tenant services providers, advising them that they may begin billing their customers the Missouri Universal Service Fund surcharge on May 1, 2005, if applicable.

6. That the provisions of 4 CSR 240-31.050(3)(D) are waived for Missouri customers who receive federal Lifeline support.

7. That this order shall become effective on March 27, 2005.

**BY THE COMMISSION**

**Dale Hardy Roberts**  
**Secretary/Chief Regulatory Law Judge**

(S E A L)

Davis, Ch., Murray, Clayton and Appling, CC., concur  
Gaw, C., dissents

Mills, Deputy Chief Regulatory Law Judge