

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

UNDOCKETED

NOTICE OF STAFF WORKSHOP

TO

ALL INTERESTED PERSONS

RE: ELIGIBLE TELECOMMUNICATIONS CARRIER DESIGNATION

ISSUED: July 28, 2009

NOTICE is hereby given that staff of the Florida Public Service Commission will conduct a workshop to discuss preliminary (draft) rule language concerning the eligibility requirements for a common carrier desiring designation as an eligible telecommunications carrier in Florida, to which all persons are invited, at the following time and place:

August 11, 2009 - 1:30 p.m.
Room 140, Betty Easley Conference Center
4075 Esplanade Way
Tallahassee, FL 32399-0862

If you wish to comment but cannot attend the workshop, please submit your comments to: Rosanne Gervasi, Office of General Counsel, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0852 (850) 413-6224. A copy of the agenda and preliminary draft rule language are attached to this notice.

Any person requiring some accommodation at this workshop because of a physical impairment should call the Office of Commission Clerk at (850) 413-6770 at least 48 hours prior to the workshop. Any person who is hearing or speech impaired should contact the Florida Public Service Commission by using the Florida Relay Service, which can be reached at: 1-800-955-8771.

By DIRECTION of the Florida Public Service Commission, this 28th day of July, 2009.



ANN COLE
Commission Clerk

(SEAL)

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AGENDA

UNDOCKETED: PRELIMINARY STAFF WORKSHOP

RE: ELIGIBLE TELECOMMUNICATIONS CARRIER DESIGNATION

1:30 p.m., Tuesday, August 11, 2009
Room 140, Betty Easley Conference Center
4075 Esplanade Way
Tallahassee, Florida

READING OF THE NOTICE

OPENING COMMENTS

DISCUSSION OF PRELIMINARY (DRAFT) RULE LANGUAGE

SCHEDULE FOR ANY POST-WORKSHOP WRITTEN COMMENTS

CLOSING REMARKS

1 25-4.066X -- Eligible telecommunications carriers.

2 (1) A common carrier that desires designation as an eligible telecommunications
3 carrier shall file a petition for such designation with the Commission. The petition shall
4 include the following:

5 (a) The name, address, and telephone number of the applicant and its designated
6 contact person.

7 (b) The requested effective date of eligible telecommunications carrier status.

8 (c) Identification of the service area, including a detailed map and listing by wire
9 center for which the designation is sought.

10 (d) A statement supporting the petition which demonstrates that the requested
11 designation satisfies the requirements for eligible telecommunications carrier designation and
12 the receipt of federal universal service support.

13 (e) If additional time is needed to complete network upgrades, the applicant shall
14 provide a list of reasons why additional time is needed. The applicant shall describe the
15 specific upgrades to be made and indicate the estimated length of time to complete the
16 network upgrades.

17 (f) A statement demonstrating that the applicant's requested designation is in the
18 public interest. The Commission will determine whether such designation is in the public
19 interest by considering such factors as the impact of multiple designations on the universal
20 service fund, the unique advantages and disadvantages of the applicant's service offering,
21 commitments made regarding the quality of the telephone service, the benefits of increased
22 consumer choice, and the applicant's ability to provide the supported services throughout the
23 designated service area.

24 (g) A list of those states and docket numbers where the applicant has received

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1 eligible telecommunications carrier status and/or where that status has been denied, rescinded,
2 revoked or otherwise withdrawn.

3 (h) Evidence showing that the applicant will offer the services that are supported
4 by federal universal service support mechanisms either using its own facilities or a
5 combination of its own facilities and resale of another carrier's services (including the services
6 offered by another eligible telecommunications carrier).

7 (i) The amount of the average customer bill for a residential telephone customer.

8 (j) The required residential customer deposit.

9 (k) The required residential installation charges.

10 (l) A list of the present officers of the company and any association they have with
11 any other communications company.

12 (m) A statement certifying that the applicant will provide service throughout its
13 proposed designated service area to all customers making a request for service. Each applicant
14 shall certify that it will:

15 1. Provide service to requesting customers who reside within the applicant's
16 proposed designated service area and the applicant's network already passes the potential
17 customer's premises; and

18 2. Provide service to requesting customers within 30 days who reside within the
19 applicant's proposed designated service area, but outside its existing network, if that service
20 can be provided at a reasonable cost by:

21 (i) Modifying or replacing the requesting customer's equipment;

22 (ii) Extending facilities, such as constructing or extending an access line, deploying
23 a roof-mounted antenna, or installing other equipment;

24 (iii) Adjusting the nearest cell tower;

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- 1 (iv) Adjusting network or customer facilities;
- 2 (v) Reselling services from another carrier's facilities to provide service; or
- 3 (vi) Employing, leasing, or constructing additional network facilities such as an
4 access line, a cell site, cell extender, repeater, or other similar equipment.
- 5 3. Notify this Commission if a determination is made that it is unable to provide
6 service to requesting customers within 30 days using one or more of the methods listed in
7 (1)(m) 2. a. through f of this rule.
- 8 (n) A statement demonstrating the applicant's ability for its facilities to remain
9 functional in emergency situations, including a demonstration that it has back-up power to
10 ensure functionality without an external power source, is able to reroute traffic around
11 damaged transport facilities, and is capable of managing traffic spikes resulting from
12 emergency situations.
- 13 (o) A statement that the applicant will comply with all state and federal rules and
14 regulations, including all applicable consumer protection and service quality standards.
- 15 (p) A statement demonstrating that the applicant offers a local usage plan
16 comparable to the basic plan offered by the incumbent local exchange carrier in the service
17 areas for which the applicant seeks designation.
- 18 (q) A statement acknowledging that the Commission may require the applicant to
19 provide equal access to long distance carriers in the event that no other eligible
20 telecommunications carrier is providing equal access within the service area.
- 21 (r) For those applicants seeking designation below the study area level of a rural
22 telephone company, the applicant must provide the population density data by wire center.
23 The Commission shall conduct a creamskimming analysis that compares the population
24 density of each wire center in which the applicant seeks designation against that of the wire
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1 center in the study area in which the applicant does not seek designation. Creamskimming
2 occurs when eligible telecommunications carriers service a disproportionate share of the low-
3 cost, high revenue customers in a rural telephone company's study area.

4 (s) An applicant requesting designation as an eligible telecommunications carrier
5 and seeking federal high-cost support shall submit a two-year plan that describes with
6 specificity proposed improvements or upgrades to the applicant's network on a wire center by
7 wire center basis throughout its proposed designated service area. Each applicant shall
8 demonstrate the following on a wire center by wire center basis:

9 1. How service quality, signal quality, coverage, or capacity will improve due to
10 the receipt of high-cost support;

11 2. The projected start date and completion date for each improvement and the
12 estimated amount of investment for each project that is funded by high-cost support;

13 3. The specific geographic areas, including a detailed map of projected build-out
14 and descriptions of the specific improvements planned to be made; and

15 4. The estimated population and numbers of additional customers of the wire
16 center that will be served as a result of the improvements. If an applicant believes that service
17 improvements in a particular wire center are not needed, the applicant shall explain its basis
18 for this determination and demonstrate how funding will otherwise be used to further the
19 provision of supported services in that area.

20 (2) To qualify as an eligible telecommunications carrier, a common carrier shall
21 provide the following nine services:

22 (a) Voice grade access to the public switched network. Voice grade access is
23 defined as a functionality that enables a user of telecommunications services to transmit voice
24 communications, including signaling the network that the caller wishes to place a call, and to

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1 receive voice communications, including receiving a signal indicating there is an incoming
2 call;

3 (b) Local Usage. Local usage indicates the amount of minutes of use of exchange
4 service provided to end users;

5 (c) Dual tone multi-frequency signaling or its functional equivalent. Dual tone
6 multi-frequency is a method of signaling that facilitates the transportation of signaling through
7 the network, thus shortening call set-up time;

8 (d) Single party service or its functional equivalent. Single party service is
9 telecommunications service that permits users to have exclusive use of a wireline subscriber
10 loop or access line for each call placed, or in the case of wireless telecommunications carriers
11 that use spectrum shared among users to provide service, a dedicated message path for the
12 length of a user's particular transmission;

13 (e) Access to emergency services. Access to emergency services includes access to
14 services such as 911 and enhanced 911 that are provided by local governments or other public
15 safety organizations;

16 (f) Access to operator services. Access to operator services is defined as access to
17 any automatic or live assistance to a consumer to arrange for billing or completion of a
18 telephone call;

19 (g) Access to interexchange service. Access to interexchange service is defined as
20 the use of the loop, as well as that portion of the switch that is paid for by the end user, or the
21 functional equivalent of these network elements in the case of a wireless carrier, necessary to
22 access an interexchange carrier's network;

23 (h) Access to directory assistance. Access to directory assistance is defined as
24 access to a service that includes, but is not limited to, making available to customers, upon

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1 request, information contained in directory listings; and

2 (i) Toll limitation for qualifying low-income consumers. Toll limitation or
3 blocking restricts all direct dial toll access.

4 (3) An applicant seeking designation as an eligible telecommunications carrier and
5 planning to request high-cost funds shall provide a statement that all federal high-cost support
6 provided to the carrier will be used only for the provision, maintenance, and upgrading of
7 facilities and services for which the support is intended in Florida.

8 (a) An annual certification shall be filed with the Commission by June 15 prior to
9 the year for which federal high-cost support is sought. The annual certification shall include
10 the following:

11 1. A five-year service quality improvement plan, including maps detailing
12 progress towards meeting its plan targets; an explanation of how much universal service
13 support was received and how the support was used to improve signal quality, coverage, or
14 capacity; and an explanation regarding any network improvement targets that have not been
15 fulfilled. The information should be submitted at the wire center level;

16 2. Detailed information on any outage lasting at least 30 minutes, for any service
17 area in which an eligible telecommunications carrier is designated for any facilities it owns,
18 operates, leases, or otherwise utilizes that potentially affect at least ten percent of the end users
19 served in a designated service area, or that potentially affect a public-safety answering point,

20 including:

21 (i) the date and time of onset of the outage;

22 (ii) a brief description of the outage and its resolution;

23 (iii) the particular services affected;

24 (iv) the geographic areas affected by the outage;

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- 1 (v) steps taken to prevent a similar situation in the future; and
2 (vi) the number of customers affected;
3 3. The number of requests for service from potential customers within its service
4 areas that were unfulfilled for the past year. The eligible telecommunications carrier shall also
5 detail how it attempted to provide service to those potential customers;
6 4. The number of complaints per wire center in which eligible
7 telecommunications carrier status has been granted;
8 5. Certification that the eligible telecommunications carrier is complying with
9 applicable service quality standards and consumer protection rules;
10 6. Certification that the eligible telecommunications carrier's facilities are able to
11 function in emergency situations;
12 7. Certification that the eligible telecommunications carrier is offering a local
13 usage plan comparable to that offered by the incumbent local exchange carrier in the relevant
14 service areas;
15 8. Certification that the carrier acknowledges that it will be required to provide
16 equal access to long distance carriers if the Commission finds that no other eligible
17 telecommunications carrier is providing equal access within the service area; and
18 9. Number of customers in each wire center in which eligible telecommunications
19 carrier status has been granted. This amount should be based on the customer's billable
20 address within the wire center, and not the number of lines or handsets subscribed to by the
21 customer.

22 (b) To the extent a Florida eligible telecommunications carrier believes that it has
23 already submitted a report or information to the Commission that would comply, in whole or
24 in part, with any of the items listed above, it may certify in its annual letter, and identify with
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1 specificity in which proceeding, and to whom and on what date such report or information was
2 provided to the Commission, in lieu of resubmitting the required information.

3 (4) Any Florida eligible telecommunications carrier designated by the Commission
4 or the Federal Communications Commission shall annually verify the continued eligibility of
5 its Lifeline subscribers by conducting a statistically valid sample of its Lifeline customers to
6 ensure eligibility standards are being met. The statistically valid sample shall be conducted in
7 accordance with Appendix J of Federal Communications Commission Order FCC 04-87,
8 issued April 29, 2004.

9 (5) An eligible telecommunications carrier shall notify each of its new customers in
10 writing of the availability of the Federal Lifeline, Link-Up for wireline customers, activation
11 fee assistance for wireless customers, or any other assistance program being offered by the
12 Company, within 30 days after receiving telecommunications services. An eligible
13 telecommunications carrier shall advertise the availability of Lifeline and Link-Up services in
14 media of general distribution throughout its service areas.

15 (a) The outreach materials must target consumer groups that may be in need of
16 Lifeline, such as seniors, young adults, consumers who live in remote areas, wireless users,
17 non-English speaking populations, the disabled community, users of telecommunications relay
18 services, and the unemployed.

19 (b) Eligible telecommunications carriers must develop outreach materials and
20 methods designed to reach households that do not currently have telephone service. The
21 outreach materials must be placed in locations where low-income individuals are likely to
22 visit, such as shelters, soup kitchens, public assistance agencies, and on public transportation.

23 Multi-media outreach approaches such as newspaper advertisements, articles in consumer
24 newsletters, press releases, radio commercials, and radio and television public service

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1 announcements are also acceptable.

2 (6) Eligible telecommunications carriers that resell Lifeline and/or Link-Up
3 services to non-eligible telecommunications carriers are required to obtain a certification from
4 each reseller that it is complying with all of the Commission and Federal Communications
5 Commission Lifeline/Link-Up requirements. The eligible telecommunications carriers shall
6 file a copy of this certification with the Division of the Commission Clerk and Administrative
7 services by October 1 of each year.

8 (7) The Commission shall have access to the records and property of all eligible
9 telecommunications carriers to the extent necessary to verify information reported or required
10 to be reported pursuant to this rule. Each eligible telecommunications carrier shall retain its
11 eligibility documentation as a designated eligible telecommunications carrier, as well as for its
12 customers receiving Lifeline discounts, for a period of three years. Any eligible
13 telecommunications carrier that keeps its records outside of Florida shall reimburse the
14 Commission for the reasonable travel expenses incurred by each Commission representative
15 during any review of the out-of-state records of the eligible telecommunications carrier or its
16 affiliates. Reasonable travel expenses are those travel expenses that are equivalent to travel
17 expenses paid by the Commission in the ordinary course of its business. An eligible
18 telecommunications carrier which keeps its records out of state has 10 working days, unless
19 the Commission agrees to another time period, to make those records available at the
20 company's office located in Florida or another mutually agreed upon location in Florida.

21 (8) An eligible telecommunications carrier may relinquish its designation for an
22 area served by more than one eligible telecommunications carrier by providing a 12-month
23 advance notice to the Commission, in writing, of its intention. The relinquishing eligible
24 telecommunications carrier shall ensure that all customers served by it will continue to be

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1 served, and will provide sufficient notice to permit the purchase or construction of adequate
2 facilities by any remaining eligible telecommunications carrier. Any such purchase or
3 construction shall be completed within one year after the Commission approves such
4 relinquishment.

5 (a) If no other eligible telecommunications carrier is designated for that area, the
6 relinquishing carrier shall remain as the eligible telecommunications carrier for that area until
7 the Commission designates an alternative eligible telecommunications carrier. In such a case,
8 the Commission shall notify the relinquishing carrier and the administrator of the federal fund
9 that eligible telecommunications carrier status is still in effect.

10 (b) If an eligible telecommunications carrier seeks to discontinue any service, it
11 shall notify affected customers and the Commission 60 days prior to discontinuance of
12 service.

13 (9) If the Commission finds, after notice and opportunity for hearing, that a
14 company designated as an eligible telecommunications carrier no longer qualifies as an
15 eligible telecommunications carrier, the Commission shall impose penalties, revoke the
16 telecommunications company's eligible telecommunications carrier designation, or require that
17 appropriate remedial actions be taken to bring the company into compliance with this rule.

18 Specific Authority 350.127(2), 364.10(3)(j), F.S. Law Implemented 364.011, 364.016,
19 364.10(3)(j), 364.183, 364.285, F.S.